

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

ANNUAL FINANCIAL REPORT

2005

VERMILLION COUNTY, INDIANA



**FILED**  
09/12/2006



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SCHEDULE OF OFFICIALS

| <u>Office</u>                                     | <u>Official</u>    | <u>Term</u>          |
|---|--------------------|----------------------|
| Auditor   | Sherrie A. Koma    | 01-01-05 to 12-31-08 |
| Treasurer   | Phyllis Orman      | 01-01-05 to 12-31-08 |
| Clerk   | Martha Padish      | 01-01-05 to 12-31-08 |
| Sheriff   | Kim H. Hawkins     | 01-01-03 to 12-31-06 |
| Recorder  | Marjorie A. Hennis | 01-01-03 to 12-31-06 |
| President of the Board of<br>County Commissioners | Tim J. Wilson      | 01-01-05 to 12-31-06 |
| President of the<br>County Council                | Michael Costello   | 01-01-05 to 12-31-06 |



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vermillion County (County), as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note I, the financial statements referred to above do not include a number of component units of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2005, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 27, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the County taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such 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.

The Schedules of Funding Progress, as listed in the table of contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The County has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the table of contents, are presented for additional analysis and are not a required part of the basic financial statements. The Combining Schedules, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

STATE BOARD OF ACCOUNTS

July 27, 2006



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Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

We have audited the financial statements of Vermillion County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated July 27, 2006. The opinion on the financial statements was qualified due to the omission of component units which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

We noted other matters involving the internal control over financial reporting that we have discussed with the management of the County on July 27, 2006. These immaterial instances of noncompliance were subsequently communicated to management in a separate letter.

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 27, 2006

VERMILLION COUNTY  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2005

| <u>Functions/Programs</u>            | Program Receipts                |   |   |  | Net                |
|--------------------------------------|---------------------------------|---|---|--|--------------------|
| <u>Disbursements</u>                 | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> | <u>Disbursement<br/>and Change in<br/>Net Assets</u> |                    |
| Governmental activities:             |                                 |   |   |  |                    |
| General government                   | \$ 4,523,273                    | \$ 150,248  | \$ 220,592                                      | \$ 45,000  | \$ (4,107,433)     |
| Public safety                        | 4,117,163                       | 548,234   | 2,303,752                                       | -  | (1,265,177)        |
| Highways and streets                 | 1,858,760                       | -   | 1,412,660                                       | -  | (446,100)          |
| Health and welfare                   | 534,474                         | 41,637  | 200,842   | -  | (291,995)          |
| Culture and recreation               | 193,881                         | -   | -   | -  | (193,881)          |
| Interest on long-term debt           | 69,860                          | -   | -   | -  | (69,860)           |
| <b>Total governmental activities</b> | <b>\$ 11,297,411</b>            | <b>\$ 740,119</b>                                 | <b>\$ 4,137,846</b>                             | <b>\$ 45,000</b>                                     | <b>(6,374,446)</b> |
| General receipts:                    |                                 |   |   |  |                    |
| Property taxes                       |                                 |   |   |  | 5,920,628          |
| Other local sources                  |                                 |   |   |  | 1,027,158          |
| Other general receipts               |                                 |   |   |  | 808,926            |
| Unrestricted investment earnings     |                                 |   |   |  | 99,975             |
| Total general receipts               |                                 |   |   |  | 7,856,687          |
| Change in net assets                 |                                 |   |   |  | 1,482,241          |
| Net assets - beginning               |                                 |   |   |  | 8,101,641          |
| Net assets - ending                  |                                 |   |   |  | \$ 9,583,882       |
| <u>Assets</u>                        |                                 |   |   |  |                    |
| Cash and investments                 |                                 |   |   |  | \$ 1,640,439       |
| Restricted assets:                   |                                 |   |   |  |                    |
| Cash and investments                 |                                 |   |   |  | 7,943,443          |
| Total assets                         |                                 |   |   |  | \$ 9,583,882       |
| <u>Net Assets</u>                    |                                 |   |   |  |                    |
| Restricted for:                      |                                 |   |   |  |                    |
| Highways and streets                 |                                 |   |   |  | \$ 1,412,990       |
| Public safety                        |                                 |   |   |  | 1,264,835          |
| Culture and recreation               |                                 |   |   |  | 91,378             |
| Health and welfare                   |                                 |   |   |  | 992,481            |
| Debt service                         |                                 |   |   |  | 727,248            |
| Other purposes                       |                                 |   |   |  | 3,454,511          |
| Unrestricted                         |                                 |   |   |  | 1,640,439          |
| Total net assets                     |                                 |   |   |  | \$ 9,583,882       |

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

VERMILLION COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2005

|   | General             | County Highway   | Cumulative Reassessment 1997 | Cumulative Reassessment 2003 | Chemical Stockpile Emergency Preparedness Program | Cumulative Bridge   | Other Governmental Funds | Totals              |
|---|---------------------|------------------|------------------------------|------------------------------|---|---------------------|--------------------------|---------------------|
| <b>Receipts:</b>  |                     |                  |                              |                              |   |                     |                          |                     |
| Taxes   | \$ 5,517,264        | \$ 150,245       | \$ -                         | \$ 220,427                   | \$ -  | \$ 402,227          | \$ 909,501               | \$ 7,199,664        |
| Licenses and permits  | -                   | -                | -                            | -                            | -   | -                   | 1,430                    | 1,430               |
| Intergovernmental   | 494,462             | 1,214,640        | -                            | -                            | 1,795,558   | 35,239              | 646,446                  | 4,186,345           |
| Charges for services  | 105,417             | -                | -                            | -                            | -   | -                   | 433,767                  | 539,184             |
| Fines and forfeits  | -                   | -                | -                            | -                            | -   | -                   | 196,007                  | 196,007             |
| Other   | 422,083             | 37,773           | 79,419                       | -                            | 67,283  | 5,878               | 44,586                   | 657,022             |
| <b>Total receipts</b>   | <b>6,539,226</b>    | <b>1,402,658</b> | <b>79,419</b>                | <b>220,427</b>               | <b>1,862,841</b>                                  | <b>443,344</b>      | <b>2,231,737</b>         | <b>12,779,652</b>   |
| <b>Disbursements:</b>   |                     |                  |                              |                              |   |                     |                          |                     |
| General government  | 3,805,856           | -                | 36,733                       | 720                          | -   | -                   | 679,967                  | 4,523,276           |
| Public safety   | 1,624,910           | -                | -                            | -                            | 1,725,576   | -                   | 581,999                  | 3,932,485           |
| Highways and streets  | -                   | 1,532,321        | -                            | -                            | -   | -                   | 151,027                  | 1,683,348           |
| Health and welfare  | 49,630              | -                | -                            | -                            | -   | -                   | 484,842                  | 534,472             |
| Culture and recreation  | 118,230             | -                | -                            | -                            | -   | -                   | -                        | 118,230             |
| Debt service:   |                     |                  |                              |                              |   |                     |                          |                     |
| Principal   | -                   | -                | -                            | -                            | -   | -                   | 184,677                  | 184,677             |
| Interest  | -                   | -                | -                            | -                            | -   | -                   | 69,860                   | 69,860              |
| Capital outlay:   |                     |                  |                              |                              |   |                     |                          |                     |
| Highways and streets  | -                   | -                | -                            | -                            | -   | 175,412             | -                        | 175,412             |
| Culture and recreation  | -                   | -                | -                            | -                            | -   | -                   | 75,651                   | 75,651              |
| <b>Total disbursements</b>  | <b>5,598,626</b>    | <b>1,532,321</b> | <b>36,733</b>                | <b>720</b>                   | <b>1,725,576</b>                                  | <b>175,412</b>      | <b>2,228,023</b>         | <b>11,297,411</b>   |
| Excess (deficiency) of receipts over (under) disbursements  | 940,600             | (129,663)        | 42,686                       | 219,707                      | 137,265   | 267,932             | 3,714                    | 1,482,241           |
| <b>Other financing sources (uses)</b>   |                     |                  |                              |                              |   |                     |                          |                     |
| Interfund loans   | (600,000)           | -                | -                            | 300,000                      | -   | 100,000             | 200,000                  | -                   |
| Transfers in  | 7,300               | -                | -                            | -                            | -   | -                   | 119,106                  | 126,406             |
| Transfers out   | (49,377)            | -                | -                            | -                            | -   | -                   | (77,029)                 | (126,406)           |
| <b>Total other financing sources (uses)</b>   | <b>(642,077)</b>    | <b>-</b>         | <b>-</b>                     | <b>300,000</b>               | <b>-</b>  | <b>100,000</b>      | <b>242,077</b>           | <b>-</b>            |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | 298,523             | (129,663)        | 42,686                       | 519,707                      | 137,265   | 367,932             | 245,791                  | 1,482,241           |
| Cash and investment fund balance - beginning  | 1,306,730           | 224,753          | 909,787                      | 502,508                      | 76,971  | 901,188             | 4,179,704                | 8,101,641           |
| Cash and investment fund balance - ending   | \$ 1,605,253        | \$ 95,090        | \$ 952,473                   | \$ 1,022,215                 | \$ 214,236  | \$ 1,269,120        | \$ 4,425,495             | \$ 9,583,882        |
| <b>Cash and Investment Assets - December 31</b>   |                     |                  |                              |                              |   |                     |                          |                     |
| Cash and investments  | \$ 1,605,253        | \$ -             | \$ -                         | \$ -                         | \$ -  | \$ -                | \$ 35,186                | \$ 1,640,439        |
| Restricted assets:  |                     |                  |                              |                              |   |                     |                          |                     |
| Cash and investments  | -                   | 95,090           | 952,473                      | 1,022,215                    | 214,236   | 1,269,120           | 4,390,309                | 7,943,443           |
| <b>Total cash and investment assets - December 31</b>   | <b>\$ 1,605,253</b> | <b>\$ 95,090</b> | <b>\$ 952,473</b>            | <b>\$ 1,022,215</b>          | <b>\$ 214,236</b>                                 | <b>\$ 1,269,120</b> | <b>\$ 4,425,495</b>      | <b>\$ 9,583,882</b> |
| <b>Cash and Investment Fund Balance - December 31</b>   |                     |                  |                              |                              |   |                     |                          |                     |
| Restricted for:   |                     |                  |                              |                              |   |                     |                          |                     |
| Highways and streets  | \$ -                | \$ 95,090        | \$ -                         | \$ -                         | \$ -  | \$ 1,269,120        | \$ 48,780                | \$ 1,412,990        |
| Public safety   | -                   | -                | -                            | -                            | 214,236   | -                   | 1,050,599                | 1,264,835           |
| Culture and recreation  | -                   | -                | -                            | -                            | -   | -                   | 91,378                   | 91,378              |
| Health and welfare  | -                   | -                | -                            | -                            | -   | -                   | 992,481                  | 992,481             |
| Debt service  | -                   | -                | -                            | -                            | -   | -                   | 727,248                  | 727,248             |
| Other purposes  | -                   | -                | 952,473                      | 1,022,215                    | -   | -                   | 1,479,823                | 3,454,511           |
| Unrestricted  | 1,605,253           | -                | -                            | -                            | -   | -                   | 35,186                   | 1,640,439           |
| <b>Total cash and investment fund balance - December 31</b>   | <b>\$ 1,605,253</b> | <b>\$ 95,090</b> | <b>\$ 952,473</b>            | <b>\$ 1,022,215</b>          | <b>\$ 214,236</b>                                 | <b>\$ 1,269,120</b> | <b>\$ 4,425,495</b>      | <b>\$ 9,583,882</b> |

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

VERMILLION COUNTY  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2005

|   | <u>Pension<br/>Trust Funds</u> | <u>Private-Purpose<br/>Trust Funds</u> | <u>Agency<br/>Funds</u> |
|---|--------------------------------|--|-------------------------|
| Additions:  |                                |  |                         |
| Contributions:  |                                |  |                         |
| Employer  | \$ 95,000                      | \$ -                                   | \$ -                    |
| Plan members  | <u>9,231</u>                   | <u>-</u>                               | <u>-</u>                |
| Total contributions   | <u>104,231</u>                 | <u>-</u>                               | <u>-</u>                |
| Investment earnings:  |                                |  |                         |
| Net increase in fair value of investments                               | 10,736                         | -                                      | -                       |
| Interest  | <u>12,323</u>                  | <u>-</u>                               | <u>-</u>                |
| Total investment earnings   | 23,059                         | -                                      | -                       |
| Agency fund additions   | <u>-</u>                       | <u>-</u>                               | <u>52,475,153</u>       |
| Total additions   | <u>127,290</u>                 | <u>-</u>                               | <u>52,475,153</u>       |
| Deductions:   |                                |  |                         |
| Benefits  | 21,789                         | -                                      | -                       |
| Administrative and general  | 9,654                          | -                                      | -                       |
| Agency fund deductions  | <u>-</u>                       | <u>-</u>                               | <u>53,738,799</u>       |
| Total deductions  | <u>31,443</u>                  | <u>-</u>                               | <u>53,738,799</u>       |
| Excess (deficiency) of total additions<br>over (under) total deductions | 95,847                         | -                                      | (1,263,646)             |
| Cash and investment fund balance - beginning                            | <u>388,387</u>                 | <u>35,102</u>                          | <u>5,063,942</u>        |
| Cash and investment fund balance - ending                               | <u>\$ 484,234</u>              | <u>\$ 35,102</u>                       | <u>\$ 3,800,296</u>     |

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

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The County's financial reporting entity is composed of the following:

|                                      |                                 |
|--------------------------------------|---------------------------------|
| Primary Government:                  | Vermillion County               |
| Discretely Presented Component Unit: | West Central Community Hospital |

In determining the financial reporting entity, the County complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

The West Central Community Hospital, a discretely presented component unit has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the West Central Indiana Economic Development Council, Newport – Vermillion County Library, Wabash River Heritage Corridor Commission, Alcoholic Beverage Commission, Clinton – Clinton Township Public Library, Sycamore Trails RC&D Executive Council, and Clinton Economic Development Committee.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Cash Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. However, at this time, there are no business type activities to report.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The County reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The county highway fund is used to account for local and state distributions that will be used for the construction, reconstruction and maintenance of the county's highways, including the purchase, rental and repair of equipment, acquisition of rights of way, and purchase of supplies necessary to carry out the construction, reconstruction and maintenance of the highways.

The cumulative bridge fund accounts for local, state and federal distributions that will be used for the construction, repair and maintenance of county bridges, approaches, and grade separations.

The cumulative reassessment 1997 fund is used to account for local tax distributions and disbursements made for the purpose of the reassessment of real estate located in the county.

The cumulative reassessment 2003 fund is used to account for local tax distributions and disbursements made for the purpose of the reassessment of real estate located in the county.

The chemical stockpile emergency preparedness program fund is used to account for federal grant money received for the operation of the chemical stockpile emergency preparedness program. The primary purpose of the program is to improve the County's emergency preparedness and response plans in the event of an incident during the destruction of chemicals maintained at the nearby Army chemical depot.

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the county police retirement plan and the county police benefit plan, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the school corporations in Vermillion County.

Agency funds account for assets held by the County as an agent for various taxing authorities, state and federal governmental departments, and employee benefit providers, and serve as control of accounts for certain cash transactions during the time they are a liability to the County.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The County does not have any enterprise funds or internal service funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

4. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the County's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The County does not have any enterprise funds or internal service funds.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Cash Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Cash Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. However, at this time, there are no business type activities to report.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

On or before August 31, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

B. Disbursements in Excess of Appropriations

For the year ended December 31, 2005, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

| Fund                      | 2005       |
|---------------------------|------------|
| General                   | \$ 634,151 |
| County Highway            | 20,183     |
| Local Road and Street     | 24,935     |
| County Misdemeanant       | 28,367     |
| Crime Victims Assistance  | 10,000     |
| Public Health Coordinator | 1,602      |
| Total                     | \$ 719,238 |

These disbursements were funded by greater than anticipated receipts and/or by available fund balances.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2005, the County had the following investments:

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

| Investment<br>Type | Sheriff's<br>Retirement and<br>Benefit Pension<br>Plans |
|--------------------|---|
| Mutual Funds       | \$ <u>432,016</u>                                       |

Investment Policies

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the County may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

The Sheriff's Pension Plan is not subject to the same investment laws as the County. The Sheriff's Merit Board has not adopted an investment policy for interest rate and credit risk.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2005, the Sheriff's Retirement and Benefit Pension Plans held investments in mutual funds in the amount of \$432,016.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years.

The Sheriff's Merit Board has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses.

Sheriff's Retirement and Benefit Pension Plans:

| Investment<br>Type | Investment Maturities (in Years) |      |                |
|--------------------|----------------------------------|------|----------------|
|                    | Less<br>Than 1                   | 1-2  | More<br>Than 2 |
| Mutual Bond Funds* | \$ 208,913                       | \$ - | \$ -           |

\*The two mutual bond funds have weighted average maturities of 6.9 and 4.3 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Sheriff's Retirement and Benefit Pension Plans:

| Standard<br>and Poor's<br>Rating | Mutual<br>Funds |
|----------------------------------|-----------------|
| Unrated                          | \$ 432,016      |

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk. More than 5% of the Sheriff's Retirement and Benefit investments are in Federated Total Return Bond Fund IS, Fidelity Intermediate Government Income Fund, Allianz CCM Capital Appreciation Fund, Allianz CCM Mid Cap Fund, MFS Value Fund Class I Fund, and Old Mutual Strategic Small Companies Fund. These investments represent 24%, 24%, 16%, 10%, 10%, and 9%, respectively, of the total invested.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Foreign Currency Risk

The County does not have a formal policy in regards to foreign currency risk.

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2005, were as follows:

| Transfer From      | Transfer To                  | 2005              |
|--------------------|------------------------------|-------------------|
| General Fund       | Cumulative Reassessment 2003 | \$ 300,000        |
|                    | Cumulative Bridge            | 100,000           |
|                    | Other governmental           | 249,377           |
| Other governmental | General Fund                 | 7,300             |
|                    | Other governmental           | 69,729            |
|                    | Total                        | <u>\$ 726,406</u> |

The County typically uses transfers to fund ongoing operating subsidies or to close out dormant funds.

C. Restatements and Reclassifications

For the year ended December 31, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by opinion unit. Prior period adjustments represent corrections of errors.

| Opinion Unit  | Balance<br>as Reported<br>December 31,<br>2004 | Fund<br>Reclassification | Prior<br>Period<br>Adjustments | Balance<br>as Restated<br>January 1,<br>2005 |
|---|--|--------------------------|--------------------------------|--|
| Major Fund - Cumulative Reassessment 1997               | \$ (2,463)                                     | \$ -                     | \$ 912,250                     | \$ 909,787                                   |
| Major Fund - Cumulative Reassessment 2003               | 1,378,420                                      | -                        | (875,912)                      | 502,508                                      |
| Aggregate remaining funds -<br>other governmental funds | 56,294   | (16,854)                 | (36,427)                       | 3,013  |
| Aggregate remaining funds - fiduciary funds             | 2,115  | 16,854                   | (4,524)                        | 14,445                                       |

IV. Other Information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

During 2002, the County joined with other governmental entities in the Indiana Public Employers' Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 930 member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of claims arising from job related illnesses or injuries to employees. The County pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Holding Corporation

The County has entered into a capital lease with the Vermillion County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$147,250.

C. Conduit Debt Obligation

From time to time, the County has issued Indiana Economic Development Waterworks Revenue Bonds to provide financial assistance to the Clinton Township water system for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the governmental entity served by the bond issuance. Neither the County nor the State is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2005, there were three series of Indiana Economic Development Waterworks Revenue Bonds outstanding with an aggregate principal amount payable of \$2,545,000.

D. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for Indigent Program, Medical Assistance to Wards and Children with Special Health Care Needs through local property tax levies. The County remits those taxes to the State, which pays the cost.

E. Hospital Debt Obligation

The County Hospital issued bonds in 1992 in the amount of \$6,500,000. The County has agreed to lease the hospital to Union Hospital, Inc., the annual lease payment of which is equal to the yearly principal and interest amount due on the bonds. This debt is an obligation of the Hospital and is not a direct liability of the County itself. Accordingly, no liability account is presented in the County's financial statements.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

F. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The County contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

b. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

c. County Police Benefit Plan

Plan Description

The County contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

Actuarial Information for the Above Plans

|  | PERF         | County Police<br>Retirement<br>Plan | County Police<br>Benefit<br>Plan |
|--|--------------|-------------------------------------|----------------------------------|
| Annual required contribution               | \$ 114,137   | \$ 38,259                           | \$ 27,037                        |
| Interest on net pension obligation         | (13,563)     | (3,186)                             | -                                |
| Adjustment to annual required contribution | 15,456       | 4,282                               | -                                |
| Annual pension cost                        | 116,030      | 39,355                              | 27,037                           |
| Contributions made                         | 144,522      | 57,963                              | 27,037                           |
| Decrease in net pension obligation         | (28,492)     | (18,608)                            | -                                |
| Net pension obligation, beginning of year  | (187,080)    | (45,520)                            | -                                |
| Net pension obligation, end of year        | \$ (215,572) | \$ (64,128)                         | \$ -                             |

|                                 | PERF  | County Police<br>Retirement<br>Plan                 | County Police<br>Benefit<br>Plan                    |
|---------------------------------|---|---|---|
| Contribution rates:             |   |   |   |
| County                          | 5.5%  | 12%   | 9%  |
| Plan members                    | 3%  | 6%  | 6%  |
| Actuarial valuation date        | 07-01-05  | 01-01-05  | 01-01-05  |
| Actuarial cost method           | Entry age   | Entry age   | Entry age   |
| Amortization method             | Level percentage<br>of projected<br>payroll, closed | Level percentage<br>of projected<br>payroll, closed | Level percentage<br>of projected<br>payroll, closed |
| Amortization period             | 40 years  | 40 years  | 40 years  |
| Amortization period (from date) | 07-01-97  | 12-31-97  | 12-31-97  |
| Asset valuation method          | 4 year<br>smoothed market                           | 4 year<br>smoothed market                           | 4 year<br>smoothed market                           |

VERMILLION COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

| Actuarial Assumptions              | PERF  | County Police Retirement Plan | County Police Benefit Plan |
|------------------------------------|-------|-------------------------------|----------------------------|
| Investment rate of return          | 7.25% | 6%                            | 6%                         |
| Projected future salary increases: |       |                               |                            |
| Total                              | 5%    | 4%                            | 4%                         |
| Attributed to inflation            | 4%    | 4%                            | 4%                         |
| Attributed to merit/seniority      | 1%    | 0%                            | 0%                         |
| Cost-of-living adjustments         | 2%    | 2.75/4%*                      | 2.75/4%*                   |

\*2.75% converted members; 4% nonconverted members

Three Year Trend Information

|                               | Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-------------------------------|-------------|---------------------------|-------------------------------|------------------------|
| PERF                          | 06-30-03    | \$ 128,987                | 121%                          | \$ (134,362)           |
|                               | 06-30-04    | 101,611                   | 152%                          | (187,080)              |
|                               | 06-30-05    | 116,030                   | 142%                          | (215,572)              |
| County Police Retirement Plan | 12-31-02    | 26,217                    | 162%                          | (32,367)               |
|                               | 12-31-03    | 38,205                    | 137%                          | (45,320)               |
|                               | 12-31-04    | 39,355                    | 147%                          | (64,128)               |
| County Police Benefit Plan    | 12-31-02    | 24,129                    | 100%                          | -                      |
|                               | 12-31-03    | 26,642                    | 100%                          | -                      |
|                               | 12-31-04    | 27,037                    | 100%                          | -                      |

VERMILLION COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Excess of Assets Over (Unfunded) AAL (a-b) | Funded Ratio (a/b) | Covered Payroll (c) | Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c) |
|--------------------------|-------------------------------|---------------------------------------|--|--------------------|---------------------|--|
| 07-01-03                 | \$ 2,194,040                  | \$ 2,133,297                          | \$ 60,743                                  | 103%               | \$ 2,302,731        | 3%   |
| 07-01-04                 | 2,261,204                     | 2,364,878                             | (103,674)                                  | 96%                | 2,235,459           | (5%)   |
| 07-01-05                 | 2,375,483                     | 2,329,777                             | 45,706                                     | 102%               | 2,305,525           | 2%   |

County Police Retirement Plan

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (a-b) | Funded Ratio (a/b) | Covered Payroll (c) | Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c) |
|--------------------------|-------------------------------|---------------------------------------|--------------------|--------------------|---------------------|---|
| 01-01-00                 | \$ 71,616                     | \$ 292,147                            | \$ (220,531)       | 25%                | \$ 222,050          | (99%)   |
| 01-01-01                 | 107,527                       | 328,130                               | (220,603)          | 33%                | 228,050             | (97%)   |
| 01-01-02                 | 153,013                       | 361,164                               | (208,151)          | 42%                | 233,650             | (89%)   |
| 01-01-03                 | 197,461                       | 385,460                               | (187,999)          | 51%                | 273,900             | (69%)   |
| 01-01-04                 | 261,797                       | 431,580                               | (169,783)          | 61%                | 283,219             | (60%)   |
| 01-01-05                 | 340,002                       | 485,325                               | (145,323)          | 70%                | 310,550             | (47%)   |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005

|   | CPRTS            | County Family<br>and Children | Welfare<br>Reform<br>Local Plan | Drainage<br>Maintenance<br>District | Hospital<br>Lease Rental | County Health     |
|---|------------------|-------------------------------|---------------------------------|-------------------------------------|--------------------------|-------------------|
| <b>Receipts:</b>  |                  |                               |                                 |                                     |                          |                   |
| Taxes   | \$ 64,612        | \$ 32,649                     | \$ -                            | \$ -                                | \$ -                     | \$ 118,139        |
| Licenses and permits  | -                | -                             | -                               | -                                   | -                        | -                 |
| Intergovernmental   | -                | 81,196                        | -                               | -                                   | -                        | -                 |
| Charges for services  | -                | 37,254                        | -                               | 4,976                               | -                        | 4,383             |
| Fines and forfeits  | -                | -                             | -                               | -                                   | -                        | -                 |
| Other   | -                | 6,182                         | -                               | 1,489                               | 3,308                    | 1,992             |
| <b>Total receipts</b>   | <b>64,612</b>    | <b>157,281</b>                | <b>-</b>                        | <b>6,465</b>                        | <b>3,308</b>             | <b>124,514</b>    |
| <b>Disbursements:</b>   |                  |                               |                                 |                                     |                          |                   |
| General government  | -                | -                             | -                               | -                                   | -                        | -                 |
| Public safety   | -                | -                             | -                               | -                                   | -                        | -                 |
| Highways and streets  | -                | -                             | -                               | -                                   | -                        | -                 |
| Health and welfare  | 45,546           | 210,038                       | -                               | -                                   | -                        | 99,611            |
| Debt service:   |                  |                               |                                 |                                     |                          |                   |
| Principal   | -                | -                             | -                               | -                                   | -                        | -                 |
| Interest  | -                | -                             | -                               | -                                   | -                        | -                 |
| Capital outlay:   |                  |                               |                                 |                                     |                          |                   |
| Culture and recreation  | -                | -                             | -                               | -                                   | -                        | -                 |
| <b>Total disbursements</b>  | <b>45,546</b>    | <b>210,038</b>                | <b>-</b>                        | <b>-</b>                            | <b>-</b>                 | <b>99,611</b>     |
| Excess (deficiency) of receipts<br>over (under) disbursements   | 19,066           | (52,757)                      | -                               | 6,465                               | 3,308                    | 24,903            |
| <b>Other financing sources (uses)</b>   |                  |                               |                                 |                                     |                          |                   |
| Interfund loans   | -                | -                             | -                               | -                                   | -                        | -                 |
| Transfers in  | -                | -                             | -                               | -                                   | -                        | -                 |
| Transfers out   | -                | -                             | -                               | -                                   | -                        | -                 |
| <b>Total other financing sources (uses)</b>   | <b>-</b>         | <b>-</b>                      | <b>-</b>                        | <b>-</b>                            | <b>-</b>                 | <b>-</b>          |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | 19,066           | (52,757)                      | -                               | 6,465                               | 3,308                    | 24,903            |
| Cash and investment fund balance - beginning  | 56,915           | 724,004                       | 2,786                           | 94,911                              | 278,035                  | 97,457            |
| Cash and investment fund balance - ending   | <u>\$ 75,981</u> | <u>\$ 671,247</u>             | <u>\$ 2,786</u>                 | <u>\$ 101,376</u>                   | <u>\$ 281,343</u>        | <u>\$ 122,360</u> |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                  |                               |                                 |                                     |                          |                   |
| Cash and investments  | \$ -             | \$ -                          | \$ -                            | \$ -                                | \$ -                     | \$ -              |
| Restricted assets:  |                  |                               |                                 |                                     |                          |                   |
| Cash and investments  | 75,981           | 671,247                       | 2,786                           | 101,376                             | 281,343                  | 122,360           |
| <b>Total cash and investment assets - December 31</b>   | <u>\$ 75,981</u> | <u>\$ 671,247</u>             | <u>\$ 2,786</u>                 | <u>\$ 101,376</u>                   | <u>\$ 281,343</u>        | <u>\$ 122,360</u> |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                  |                               |                                 |                                     |                          |                   |
| <b>Restricted for:</b>  |                  |                               |                                 |                                     |                          |                   |
| Highways and streets  | \$ -             | \$ -                          | \$ -                            | \$ -                                | \$ -                     | \$ -              |
| Public safety   | -                | -                             | -                               | -                                   | -                        | -                 |
| Culture and recreation  | -                | -                             | -                               | -                                   | -                        | -                 |
| Health and welfare  | 75,981           | 671,247                       | 2,786                           | -                                   | -                        | 122,360           |
| Debt service  | -                | -                             | -                               | -                                   | 281,343                  | -                 |
| Other purposes  | -                | -                             | -                               | 101,376                             | -                        | -                 |
| Unrestricted  | -                | -                             | -                               | -                                   | -                        | -                 |
| <b>Total cash and investment fund balance - December 31</b>   | <u>\$ 75,981</u> | <u>\$ 671,247</u>             | <u>\$ 2,786</u>                 | <u>\$ 101,376</u>                   | <u>\$ 281,343</u>        | <u>\$ 122,360</u> |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Local Health<br>Maintenance | Local Road<br>and Street | Cumulative<br>Reassessment<br>Special | Court<br>Appointed<br>Special<br>Advocate | County<br>Extradition | Probation<br>Administration |
|---|-----------------------------|--------------------------|---------------------------------------|---|-----------------------|-----------------------------|
| Receipts:   |                             |                          |                                       |   |                       |                             |
| Taxes   | \$ -                        | \$ -                     | \$ -                                  | \$ -                                      | \$ -                  | \$ -                        |
| Licenses and permits  | -                           | -                        | -                                     | -   | -                     | -                           |
| Intergovernmental   | 27,781                      | 159,031                  | -                                     | -   | -                     | -                           |
| Charges for services  | -                           | -                        | -                                     | -   | -                     | -                           |
| Fines and forfeits  | -                           | -                        | -                                     | -   | 2,340                 | 1,455                       |
| Other   | 285                         | -                        | 343                                   | -   | -                     | -                           |
| <b>Total receipts</b>   | <b>28,066</b>               | <b>159,031</b>           | <b>343</b>                            | <b>-</b>                                  | <b>2,340</b>          | <b>1,455</b>                |
| Disbursements:  |                             |                          |                                       |   |                       |                             |
| General government  | -                           | -                        | 343                                   | -   | -                     | -                           |
| Public safety   | -                           | -                        | -                                     | -   | -                     | -                           |
| Highways and streets  | -                           | 151,027                  | -                                     | -   | -                     | -                           |
| Health and welfare  | 42,453                      | -                        | -                                     | -   | -                     | -                           |
| Debt service:   |                             |                          |                                       |   |                       |                             |
| Principal   | -                           | -                        | -                                     | -   | -                     | -                           |
| Interest  | -                           | -                        | -                                     | -   | -                     | -                           |
| Capital outlay:   |                             |                          |                                       |   |                       |                             |
| Culture and recreation  | -                           | -                        | -                                     | -   | -                     | -                           |
| <b>Total disbursements</b>  | <b>42,453</b>               | <b>151,027</b>           | <b>343</b>                            | <b>-</b>                                  | <b>-</b>              | <b>-</b>                    |
| Excess (deficiency) of receipts<br>over (under) disbursements   | (14,387)                    | 8,004                    | -                                     | -   | 2,340                 | 1,455                       |
| Other financing sources (uses)  |                             |                          |                                       |   |                       |                             |
| Interfund loans   | -                           | -                        | -                                     | -   | -                     | -                           |
| Transfers in  | -                           | -                        | -                                     | -   | -                     | -                           |
| Transfers out   | -                           | -                        | -                                     | -   | -                     | -                           |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                    | <b>-</b>                 | <b>-</b>                              | <b>-</b>                                  | <b>-</b>              | <b>-</b>                    |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | (14,387)                    | 8,004                    | -                                     | -   | 2,340                 | 1,455                       |
| Cash and investment fund balance - beginning  | 72,592                      | 22,714                   | -                                     | 5,225                                     | 4,097                 | 3,517                       |
| Cash and investment fund balance - ending   | <u>\$ 58,205</u>            | <u>\$ 30,718</u>         | <u>\$ -</u>                           | <u>\$ 5,225</u>                           | <u>\$ 6,437</u>       | <u>\$ 4,972</u>             |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                             |                          |                                       |   |                       |                             |
| Cash and investments  | \$ -                        | \$ -                     | \$ -                                  | \$ -                                      | \$ -                  | \$ -                        |
| Restricted assets:  |                             |                          |                                       |   |                       |                             |
| Cash and investments  | 58,205                      | 30,718                   | -                                     | 5,225                                     | 6,437                 | 4,972                       |
| <b>Total cash and investment assets - December 31</b>   | <u>\$ 58,205</u>            | <u>\$ 30,718</u>         | <u>\$ -</u>                           | <u>\$ 5,225</u>                           | <u>\$ 6,437</u>       | <u>\$ 4,972</u>             |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                             |                          |                                       |   |                       |                             |
| Restricted for:   |                             |                          |                                       |   |                       |                             |
| Highways and streets  | \$ -                        | \$ 30,718                | \$ -                                  | \$ -                                      | \$ -                  | \$ -                        |
| Public safety   | -                           | -                        | -                                     | -   | 6,437                 | 4,972                       |
| Culture and recreation  | -                           | -                        | -                                     | -   | -                     | -                           |
| Health and welfare  | 58,205                      | -                        | -                                     | 5,225                                     | -                     | -                           |
| Debt service  | -                           | -                        | -                                     | -   | -                     | -                           |
| Other purposes  | -                           | -                        | -                                     | -   | -                     | -                           |
| Unrestricted  | -                           | -                        | -                                     | -   | -                     | -                           |
| <b>Total cash and investment fund balance - December 31</b>   | <u>\$ 58,205</u>            | <u>\$ 30,718</u>         | <u>\$ -</u>                           | <u>\$ 5,225</u>                           | <u>\$ 6,437</u>       | <u>\$ 4,972</u>             |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Surveyor's<br>Corner<br>Perpetuation | Pretrial<br>Diversion | Recorder's<br>Record<br>Perpetuation | Firearms<br>Training | Supplemental<br>Adult<br>Probation<br>Services | Supplemental<br>Juvenile<br>Probation<br>Services |
|---|--------------------------------------|-----------------------|--------------------------------------|----------------------|--|---|
| Receipts:   |                                      |                       |                                      |                      |  |   |
| Taxes   | \$ -                                 | \$ -                  | \$ -                                 | \$ -                 | \$ -   | \$ -  |
| Licenses and permits  | -                                    | -                     | -                                    | 1,430                | -  | -   |
| Intergovernmental   | -                                    | -                     | -                                    | -                    | -  | -   |
| Charges for services  | 4,560                                | -                     | 23,430                               | -                    | 54,663   | 9,986   |
| Fines and forfeits  | -                                    | 127,870               | -                                    | -                    | -  | -   |
| Other   | -                                    | 14,347                | 1,388                                | -                    | -  | -   |
|   | <u>4,560</u>                         | <u>142,217</u>        | <u>24,818</u>                        | <u>1,430</u>         | <u>54,663</u>                                  | <u>9,986</u>                                      |
| Total receipts  | 4,560                                | 142,217               | 24,818                               | 1,430                | 54,663   | 9,986   |
| Disbursements:  |                                      |                       |                                      |                      |  |   |
| General government  | -                                    | -                     | 8,320                                | -                    | -  | -   |
| Public safety   | -                                    | 80,887                | -                                    | 682                  | 57,916   | 2,470   |
| Highways and streets  | -                                    | -                     | -                                    | -                    | -  | -   |
| Health and welfare  | -                                    | -                     | -                                    | -                    | -  | -   |
| Debt service:   |                                      |                       |                                      |                      |  |   |
| Principal   | -                                    | -                     | -                                    | -                    | -  | -   |
| Interest  | -                                    | -                     | -                                    | -                    | -  | -   |
| Capital outlay:   |                                      |                       |                                      |                      |  |   |
| Culture and recreation  | -                                    | -                     | -                                    | -                    | -  | -   |
|   | <u>-</u>                             | <u>-</u>              | <u>-</u>                             | <u>-</u>             | <u>-</u>                                       | <u>-</u>  |
| Total disbursements   | -                                    | 80,887                | 8,320                                | 682                  | 57,916   | 2,470   |
| Excess (deficiency) of receipts<br>over (under) disbursements   | <u>4,560</u>                         | <u>61,330</u>         | <u>16,498</u>                        | <u>748</u>           | <u>(3,253)</u>                                 | <u>7,516</u>                                      |
| Other financing sources (uses)  |                                      |                       |                                      |                      |  |   |
| Interfund loans   | -                                    | -                     | -                                    | -                    | -  | -   |
| Transfers in  | -                                    | -                     | -                                    | -                    | -  | -   |
| Transfers out   | -                                    | (4,473)               | -                                    | -                    | -  | -   |
|   | <u>-</u>                             | <u>(4,473)</u>        | <u>-</u>                             | <u>-</u>             | <u>-</u>                                       | <u>-</u>  |
| Total other financing sources (uses)  | -                                    | (4,473)               | -                                    | -                    | -  | -   |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | 4,560                                | 56,857                | 16,498                               | 748                  | (3,253)  | 7,516   |
| Cash and investment fund balance - beginning  | <u>32,488</u>                        | <u>173,505</u>        | <u>86,175</u>                        | <u>1,544</u>         | <u>120,723</u>                                 | <u>36,057</u>                                     |
| Cash and investment fund balance - ending   | <u>\$ 37,048</u>                     | <u>\$ 230,362</u>     | <u>\$ 102,673</u>                    | <u>\$ 2,292</u>      | <u>\$ 117,470</u>                              | <u>\$ 43,573</u>                                  |
| <u>Cash and Investment Assets - December 31</u>   |                                      |                       |                                      |                      |  |   |
| Cash and investments  | \$ -                                 | \$ -                  | \$ -                                 | \$ -                 | \$ -   | \$ -  |
| Restricted assets:  |                                      |                       |                                      |                      |  |   |
| Cash and investments  | <u>37,048</u>                        | <u>230,362</u>        | <u>102,673</u>                       | <u>2,292</u>         | <u>117,470</u>                                 | <u>43,573</u>                                     |
| Total cash and investment assets - December 31  | <u>\$ 37,048</u>                     | <u>\$ 230,362</u>     | <u>\$ 102,673</u>                    | <u>\$ 2,292</u>      | <u>\$ 117,470</u>                              | <u>\$ 43,573</u>                                  |
| <u>Cash and Investment Fund Balance - December 31</u>   |                                      |                       |                                      |                      |  |   |
| Restricted for:   |                                      |                       |                                      |                      |  |   |
| Highways and streets  | \$ -                                 | \$ -                  | \$ -                                 | \$ -                 | \$ -   | \$ -  |
| Public safety   | -                                    | 230,362               | -                                    | 2,292                | 117,470  | 43,573  |
| Culture and recreation  | -                                    | -                     | -                                    | -                    | -  | -   |
| Health and welfare  | -                                    | -                     | -                                    | -                    | -  | -   |
| Debt service  | -                                    | -                     | -                                    | -                    | -  | -   |
| Other purposes  | 37,048                               | -                     | 102,673                              | -                    | -  | -   |
| Unrestricted  | <u>-</u>                             | <u>-</u>              | <u>-</u>                             | <u>-</u>             | <u>-</u>                                       | <u>-</u>  |
| Total cash and investment fund balance - December 31  | <u>\$ 37,048</u>                     | <u>\$ 230,362</u>     | <u>\$ 102,673</u>                    | <u>\$ 2,292</u>      | <u>\$ 117,470</u>                              | <u>\$ 43,573</u>                                  |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | County<br>User Fee | County Law<br>Enforcement<br>Continuing<br>Education | Accident<br>Report | County Drug<br>Free<br>Community | Area Planning   | Cost of<br>Tax Sale |
|---|--------------------|--|--------------------|----------------------------------|-----------------|---------------------|
| <b>Receipts:</b>  |                    |  |                    |                                  |                 |                     |
| Taxes   | \$ -               | \$ -   | \$ -               | \$ -                             | \$ -            | \$ -                |
| Licenses and permits  | -                  | -  | -                  | -                                | -               | -                   |
| Intergovernmental   | -                  | -  | -                  | -                                | -               | -                   |
| Charges for services  | 7,422              | -  | 501                | 17,838                           | 15,909          | 744                 |
| Fines and forfeits  | -                  | -  | -                  | -                                | -               | -                   |
| Other   | -                  | -  | -                  | -                                | -               | -                   |
| <b>Total receipts</b>   | <u>7,422</u>       | <u>-</u>   | <u>501</u>         | <u>17,838</u>                    | <u>15,909</u>   | <u>744</u>          |
| <b>Disbursements:</b>   |                    |  |                    |                                  |                 |                     |
| General government  | -                  | -  | -                  | -                                | 13,923          | 2,784               |
| Public safety   | 5,980              | 12   | 336                | 24,500                           | -               | -                   |
| Highways and streets  | -                  | -  | -                  | -                                | -               | -                   |
| Health and welfare  | -                  | -  | -                  | -                                | -               | -                   |
| Debt service:   |                    |  |                    |                                  |                 |                     |
| Principal   | -                  | -  | -                  | -                                | -               | -                   |
| Interest  | -                  | -  | -                  | -                                | -               | -                   |
| Capital outlay:   |                    |  |                    |                                  |                 |                     |
| Culture and recreation  | -                  | -  | -                  | -                                | -               | -                   |
| <b>Total disbursements</b>  | <u>5,980</u>       | <u>12</u>  | <u>336</u>         | <u>24,500</u>                    | <u>13,923</u>   | <u>2,784</u>        |
| Excess (deficiency) of receipts<br>over (under) disbursements   | <u>1,442</u>       | <u>(12)</u>  | <u>165</u>         | <u>(6,662)</u>                   | <u>1,986</u>    | <u>(2,040)</u>      |
| <b>Other financing sources (uses)</b>   |                    |  |                    |                                  |                 |                     |
| Interfund loans   | -                  | -  | -                  | -                                | -               | -                   |
| Transfers in  | -                  | -  | -                  | -                                | -               | -                   |
| Transfers out   | -                  | -  | -                  | -                                | -               | -                   |
| <b>Total other financing sources (uses)</b>   | <u>-</u>           | <u>-</u>   | <u>-</u>           | <u>-</u>                         | <u>-</u>        | <u>-</u>            |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | <u>1,442</u>       | <u>(12)</u>  | <u>165</u>         | <u>(6,662)</u>                   | <u>1,986</u>    | <u>(2,040)</u>      |
| Cash and investment fund balance - beginning  | <u>178,112</u>     | <u>2,798</u>   | <u>466</u>         | <u>12,059</u>                    | <u>4,362</u>    | <u>37,972</u>       |
| Cash and investment fund balance - ending   | <u>\$ 179,554</u>  | <u>\$ 2,786</u>                                      | <u>\$ 631</u>      | <u>\$ 5,397</u>                  | <u>\$ 6,348</u> | <u>\$ 35,932</u>    |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                    |  |                    |                                  |                 |                     |
| Cash and investments  | \$ -               | \$ -   | \$ -               | \$ -                             | \$ -            | \$ -                |
| Restricted assets:  |                    |  |                    |                                  |                 |                     |
| Cash and investments  | <u>179,554</u>     | <u>2,786</u>   | <u>631</u>         | <u>5,397</u>                     | <u>6,348</u>    | <u>35,932</u>       |
| <b>Total cash and investment assets - December 31</b>   | <u>\$ 179,554</u>  | <u>\$ 2,786</u>                                      | <u>\$ 631</u>      | <u>\$ 5,397</u>                  | <u>\$ 6,348</u> | <u>\$ 35,932</u>    |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                    |  |                    |                                  |                 |                     |
| <b>Restricted for:</b>  |                    |  |                    |                                  |                 |                     |
| Highways and streets  | \$ -               | \$ -   | \$ -               | \$ -                             | \$ -            | \$ -                |
| Public safety   | 179,554            | 2,786  | 631                | 5,397                            | -               | -                   |
| Culture and recreation  | -                  | -  | -                  | -                                | -               | -                   |
| Health and welfare  | -                  | -  | -                  | -                                | -               | -                   |
| Debt service  | -                  | -  | -                  | -                                | -               | -                   |
| Other purposes  | -                  | -  | -                  | -                                | 6,348           | 35,932              |
| Unrestricted  | -                  | -  | -                  | -                                | -               | -                   |
| <b>Total cash and investment fund balance - December 31</b>   | <u>\$ 179,554</u>  | <u>\$ 2,786</u>                                      | <u>\$ 631</u>      | <u>\$ 5,397</u>                  | <u>\$ 6,348</u> | <u>\$ 35,932</u>    |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Emergency<br>Response<br>Services | Convention,<br>Recreation<br>and Visitors | Campaign<br>Finance<br>Enforcement | Common<br>School | County<br>Misdemeanant | Clerk's Records<br>Perpetuation |
|---|-----------------------------------|---|------------------------------------|------------------|------------------------|---------------------------------|
| <b>Receipts:</b>  |                                   |   |                                    |                  |                        |                                 |
| Taxes   | \$ -                              | \$ 7,636                                  | \$ -                               | \$ -             | \$ -                   | \$ -                            |
| Licenses and permits  | -                                 | -   | -                                  | -                | -                      | -                               |
| Intergovernmental   | -                                 | -   | -                                  | -                | 14,000                 | -                               |
| Charges for services  | -                                 | -   | -                                  | -                | 8,337                  | 3,563                           |
| Fines and forfeits  | -                                 | -   | -                                  | -                | -                      | -                               |
| Other   | 3,856                             | -   | -                                  | -                | -                      | -                               |
| <b>Total receipts</b>   | <b>3,856</b>                      | <b>7,636</b>                              | <b>-</b>                           | <b>-</b>         | <b>22,337</b>          | <b>3,563</b>                    |
| <b>Disbursements:</b>   |                                   |   |                                    |                  |                        |                                 |
| General government  | -                                 | 14,600                                    | -                                  | -                | -                      | -                               |
| Public safety   | 41,738                            | -   | -                                  | -                | 78,774                 | -                               |
| Highways and streets  | -                                 | -   | -                                  | -                | -                      | -                               |
| Health and welfare  | -                                 | -   | -                                  | -                | -                      | -                               |
| Debt service:   |                                   |   |                                    |                  |                        |                                 |
| Principal   | -                                 | -   | -                                  | -                | -                      | -                               |
| Interest  | -                                 | -   | -                                  | -                | -                      | -                               |
| Capital outlay:   |                                   |   |                                    |                  |                        |                                 |
| Culture and recreation  | -                                 | -   | -                                  | -                | -                      | -                               |
| <b>Total disbursements</b>  | <b>41,738</b>                     | <b>14,600</b>                             | <b>-</b>                           | <b>-</b>         | <b>78,774</b>          | <b>-</b>                        |
| Excess (deficiency) of receipts<br>over (under) disbursements   | (37,882)                          | (6,964)                                   | -                                  | -                | (56,437)               | 3,563                           |
| <b>Other financing sources (uses)</b>   |                                   |   |                                    |                  |                        |                                 |
| Interfund loans   | -                                 | -   | -                                  | -                | -                      | -                               |
| Transfers in  | 46,756                            | -   | -                                  | -                | 25,377                 | -                               |
| Transfers out   | -                                 | -   | -                                  | -                | -                      | -                               |
| <b>Total other financing sources (uses)</b>   | <b>46,756</b>                     | <b>-</b>                                  | <b>-</b>                           | <b>-</b>         | <b>25,377</b>          | <b>-</b>                        |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | 8,874                             | (6,964)                                   | -                                  | -                | (31,060)               | 3,563                           |
| Cash and investment fund balance - beginning  | 140,736                           | 8,790                                     | 210                                | 2,030            | 32,724                 | 8,641                           |
| Cash and investment fund balance - ending   | <u>\$ 149,610</u>                 | <u>\$ 1,826</u>                           | <u>\$ 210</u>                      | <u>\$ 2,030</u>  | <u>\$ 1,664</u>        | <u>\$ 12,204</u>                |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                                   |   |                                    |                  |                        |                                 |
| Cash and investments  | \$ -                              | \$ -                                      | \$ -                               | \$ -             | \$ -                   | \$ -                            |
| Restricted assets:  |                                   |   |                                    |                  |                        |                                 |
| Cash and investments  | 149,610                           | 1,826                                     | 210                                | 2,030            | 1,664                  | 12,204                          |
| <b>Total cash and investment assets - December 31</b>   | <u>\$ 149,610</u>                 | <u>\$ 1,826</u>                           | <u>\$ 210</u>                      | <u>\$ 2,030</u>  | <u>\$ 1,664</u>        | <u>\$ 12,204</u>                |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                                   |   |                                    |                  |                        |                                 |
| Restricted for:   |                                   |   |                                    |                  |                        |                                 |
| Highways and streets  | \$ -                              | \$ -                                      | \$ -                               | \$ -             | \$ -                   | \$ -                            |
| Public safety   | 149,610                           | -   | -                                  | -                | 1,664                  | -                               |
| Culture and recreation  | -                                 | -   | -                                  | -                | -                      | -                               |
| Health and welfare  | -                                 | -   | -                                  | -                | -                      | -                               |
| Debt service  | -                                 | -   | -                                  | -                | -                      | -                               |
| Other purposes  | -                                 | 1,826                                     | 210                                | 2,030            | -                      | 12,204                          |
| Unrestricted  | -                                 | -   | -                                  | -                | -                      | -                               |
| <b>Total cash and investment fund balance - December 31</b>   | <u>\$ 149,610</u>                 | <u>\$ 1,826</u>                           | <u>\$ 210</u>                      | <u>\$ 2,030</u>  | <u>\$ 1,664</u>        | <u>\$ 12,204</u>                |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Prosecutor<br>Child Support<br>Incentive | Clerk Child<br>Support<br>Incentive | Child Restraint<br>System Fines | Covered<br>Bridge | Emergency<br>Planning and<br>Right to Know | Vermillion<br>County<br>Victims<br>Assistance |
|---|--|-------------------------------------|---------------------------------|-------------------|--|---|
| Receipts:   |  |                                     |                                 |                   |  |   |
| Taxes   | \$ -                                     | \$ -                                | \$ -                            | \$ -              | \$ -                                       | \$ -  |
| Licenses and permits  | -  | -                                   | -                               | -                 | -  | -   |
| Intergovernmental   | 16,453                                   | 16,455                              | -                               | 3,750             | -  | 28,248  |
| Charges for services  | -  | -                                   | -                               | -                 | -  | -   |
| Fines and forfeits  | -  | -                                   | 75                              | -                 | -  | -   |
| Other   | -  | -                                   | -                               | -                 | -  | -   |
| <b>Total receipts</b>   | <b>16,453</b>                            | <b>16,455</b>                       | <b>75</b>                       | <b>3,750</b>      | <b>-</b>                                   | <b>28,248</b>                                 |
| Disbursements:  |  |                                     |                                 |                   |  |   |
| General government  | -  | -                                   | -                               | -                 | -  | -   |
| Public safety   | -  | -                                   | -                               | -                 | 1,068                                      | 31,401  |
| Highways and streets  | -  | -                                   | -                               | -                 | -  | -   |
| Health and welfare  | 8,680                                    | 4,332                               | -                               | -                 | -  | -   |
| Debt service:   |  |                                     |                                 |                   |  |   |
| Principal   | -  | -                                   | -                               | -                 | -  | -   |
| Interest  | -  | -                                   | -                               | -                 | -  | -   |
| Capital outlay:   |  |                                     |                                 |                   |  |   |
| Culture and recreation  | -  | -                                   | -                               | -                 | -  | -   |
| <b>Total disbursements</b>  | <b>8,680</b>                             | <b>4,332</b>                        | <b>-</b>                        | <b>-</b>          | <b>1,068</b>                               | <b>31,401</b>                                 |
| Excess (deficiency) of receipts<br>over (under) disbursements   | <u>7,773</u>                             | <u>12,123</u>                       | <u>75</u>                       | <u>3,750</u>      | <u>(1,068)</u>                             | <u>(3,153)</u>                                |
| Other financing sources (uses)  |  |                                     |                                 |                   |  |   |
| Interfund loans   | -  | -                                   | -                               | -                 | -  | -   |
| Transfers in  | -  | -                                   | -                               | -                 | -  | -   |
| Transfers out   | -  | -                                   | -                               | -                 | -  | -   |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                                 | <b>-</b>                            | <b>-</b>                        | <b>-</b>          | <b>-</b>                                   | <b>-</b>                                      |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | <u>7,773</u>                             | <u>12,123</u>                       | <u>75</u>                       | <u>3,750</u>      | <u>(1,068)</u>                             | <u>(3,153)</u>                                |
| Cash and investment fund balance - beginning  | <u>1,470</u>                             | <u>-</u>                            | <u>-</u>                        | <u>14,312</u>     | <u>22,985</u>                              | <u>5,273</u>                                  |
| Cash and investment fund balance - ending   | <u>\$ 9,243</u>                          | <u>\$ 12,123</u>                    | <u>\$ 75</u>                    | <u>\$ 18,062</u>  | <u>\$ 21,917</u>                           | <u>\$ 2,120</u>                               |
| <b><u>Cash and Investment Assets - December 31</u></b>  |  |                                     |                                 |                   |  |   |
| Cash and investments  | \$ -                                     | \$ -                                | \$ -                            | \$ -              | \$ -                                       | \$ -  |
| Restricted assets:  |  |                                     |                                 |                   |  |   |
| Cash and investments  | <u>9,243</u>                             | <u>12,123</u>                       | <u>75</u>                       | <u>18,062</u>     | <u>21,917</u>                              | <u>2,120</u>                                  |
| <b>Total cash and investment assets - December 31</b>   | <b>\$ 9,243</b>                          | <b>\$ 12,123</b>                    | <b>\$ 75</b>                    | <b>\$ 18,062</b>  | <b>\$ 21,917</b>                           | <b>\$ 2,120</b>                               |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |  |                                     |                                 |                   |  |   |
| Restricted for:   |  |                                     |                                 |                   |  |   |
| Highways and streets  | \$ -                                     | \$ -                                | \$ -                            | \$ 18,062         | \$ -                                       | \$ -  |
| Public safety   | -  | -                                   | -                               | -                 | 21,917                                     | 2,120   |
| Culture and recreation  | -  | -                                   | -                               | -                 | -  | -   |
| Health and welfare  | 9,243                                    | 12,123                              | -                               | -                 | -  | -   |
| Debt service  | -  | -                                   | -                               | -                 | -  | -   |
| Other purposes  | -  | -                                   | -                               | -                 | -  | -   |
| Unrestricted  | -  | -                                   | -                               | -                 | -  | -   |
| <b>Total cash and investment fund balance - December 31</b>   | <b>\$ 9,243</b>                          | <b>\$ 12,123</b>                    | <b>\$ 75</b>                    | <b>\$ 18,062</b>  | <b>\$ 21,917</b>                           | <b>\$ 2,120</b>                               |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Economic<br>Development | Bail Agency<br>Pre-Trial Source | Reimburse<br>Court Appointed<br>Attorney | Seized<br>Assets Fund | Emergency<br>Planning Grant | Drug Abuse<br>Interdiction |
|---|-------------------------|---------------------------------|--|-----------------------|-----------------------------|----------------------------|
| <b>Receipts:</b>  |                         |                                 |  |                       |                             |                            |
| Taxes   | \$ 223,580              | \$ -                            | \$ -                                     | \$ -                  | \$ -                        | \$ -                       |
| Licenses and permits  | -                       | -                               | -  | -                     | -                           | -                          |
| Intergovernmental   | 45,000                  | -                               | -  | 750                   | -                           | -                          |
| Charges for services  | -                       | -                               | -  | -                     | -                           | -                          |
| Fines and forfeits  | -                       | 17,120                          | 11,875                                   | 22,598                | -                           | 12,674                     |
| Other   | 1,500                   | -                               | -  | -                     | -                           | -                          |
| <b>Total receipts</b>   | <b>270,080</b>          | <b>17,120</b>                   | <b>11,875</b>                            | <b>23,348</b>         | <b>-</b>                    | <b>12,674</b>              |
| <b>Disbursements:</b>   |                         |                                 |  |                       |                             |                            |
| General government  | 490,207                 | -                               | -  | -                     | -                           | -                          |
| Public safety   | -                       | -                               | 4,660                                    | -                     | 15,571                      | 15,000                     |
| Highways and streets  | -                       | -                               | -  | -                     | -                           | -                          |
| Health and welfare  | -                       | -                               | -  | -                     | -                           | -                          |
| Debt service:   |                         |                                 |  |                       |                             |                            |
| Principal   | -                       | -                               | -  | -                     | -                           | -                          |
| Interest  | -                       | -                               | -  | -                     | -                           | -                          |
| Capital outlay:   |                         |                                 |  |                       |                             |                            |
| Culture and recreation  | -                       | -                               | -  | -                     | -                           | -                          |
| <b>Total disbursements</b>  | <b>490,207</b>          | <b>-</b>                        | <b>4,660</b>                             | <b>-</b>              | <b>15,571</b>               | <b>15,000</b>              |
| Excess (deficiency) of receipts<br>over (under) disbursements   | (220,127)               | 17,120                          | 7,215                                    | 23,348                | (15,571)                    | (2,326)                    |
| <b>Other financing sources (uses)</b>   |                         |                                 |  |                       |                             |                            |
| Interfund loans   | -                       | -                               | -  | -                     | -                           | -                          |
| Transfers in  | -                       | -                               | -  | -                     | -                           | -                          |
| Transfers out   | -                       | -                               | -  | (18,500)              | -                           | -                          |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                | <b>-</b>                        | <b>-</b>                                 | <b>(18,500)</b>       | <b>-</b>                    | <b>-</b>                   |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | (220,127)               | 17,120                          | 7,215                                    | 4,848                 | (15,571)                    | (2,326)                    |
| Cash and investment fund balance - beginning  | 615,654                 | 37,495                          | 15,851                                   | 6,367                 | 15,571                      | 6,009                      |
| Cash and investment fund balance - ending   | <u>\$ 395,527</u>       | <u>\$ 54,615</u>                | <u>\$ 23,066</u>                         | <u>\$ 11,215</u>      | <u>\$ -</u>                 | <u>\$ 3,683</u>            |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                         |                                 |  |                       |                             |                            |
| Cash and investments  | \$ -                    | \$ -                            | \$ -                                     | \$ -                  | \$ -                        | \$ -                       |
| Restricted assets:  |                         |                                 |  |                       |                             |                            |
| Cash and investments  | 395,527                 | 54,615                          | 23,066                                   | 11,215                | -                           | 3,683                      |
| <b>Total cash and investment assets - December 31</b>   | <b>\$ 395,527</b>       | <b>\$ 54,615</b>                | <b>\$ 23,066</b>                         | <b>\$ 11,215</b>      | <b>\$ -</b>                 | <b>\$ 3,683</b>            |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                         |                                 |  |                       |                             |                            |
| <b>Restricted for:</b>  |                         |                                 |  |                       |                             |                            |
| Highways and streets  | \$ -                    | \$ -                            | \$ -                                     | \$ -                  | \$ -                        | \$ -                       |
| Public safety   | -                       | 54,615                          | 23,066                                   | 11,215                | -                           | 3,683                      |
| Culture and recreation  | -                       | -                               | -  | -                     | -                           | -                          |
| Health and welfare  | -                       | -                               | -  | -                     | -                           | -                          |
| Debt service  | -                       | -                               | -  | -                     | -                           | -                          |
| Other purposes  | 395,527                 | -                               | -  | -                     | -                           | -                          |
| Unrestricted  | -                       | -                               | -  | -                     | -                           | -                          |
| <b>Total cash and investment fund balance - December 31</b>   | <b>\$ 395,527</b>       | <b>\$ 54,615</b>                | <b>\$ 23,066</b>                         | <b>\$ 11,215</b>      | <b>\$ -</b>                 | <b>\$ 3,683</b>            |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | JAIBG         | Anti-Terrorism<br>2003 | First<br>Responder<br>Equipment<br>Grant | Drug Task<br>Force Grant | Bullying<br>Prevention<br>Program | Anti-Terrorism<br>2004 |
|---|---------------|------------------------|--|--------------------------|-----------------------------------|------------------------|
| <b>Receipts:</b>  |               |                        |  |                          |                                   |                        |
| Taxes   | \$ -          | \$ -                   | \$ -                                     | \$ -                     | \$ -                              | \$ -                   |
| Licenses and permits  | -             | -                      | -  | -                        | -                                 | -                      |
| Intergovernmental   | 15,000        | 1,275                  | -  | 25,669                   | 3,500                             | -                      |
| Charges for services  | -             | -                      | -  | -                        | -                                 | -                      |
| Fines and forfeits  | -             | -                      | -  | -                        | -                                 | -                      |
| Other   | -             | -                      | -  | -                        | -                                 | -                      |
| <b>Total receipts</b>   | <b>15,000</b> | <b>1,275</b>           | <b>-</b>                                 | <b>25,669</b>            | <b>3,500</b>                      | <b>-</b>               |
| <b>Disbursements:</b>   |               |                        |  |                          |                                   |                        |
| General government  | -             | -                      | -  | -                        | -                                 | -                      |
| Public safety   | 16,667        | 5,900                  | 20,933                                   | 19,258                   | 4,722                             | 46,169                 |
| Highways and streets  | -             | -                      | -  | -                        | -                                 | -                      |
| Health and welfare  | -             | -                      | -  | -                        | -                                 | -                      |
| Debt service:   |               |                        |  |                          |                                   |                        |
| Principal   | -             | -                      | -  | -                        | -                                 | -                      |
| Interest  | -             | -                      | -  | -                        | -                                 | -                      |
| Capital outlay:   |               |                        |  |                          |                                   |                        |
| Culture and recreation  | -             | -                      | -  | -                        | -                                 | -                      |
| <b>Total disbursements</b>  | <b>16,667</b> | <b>5,900</b>           | <b>20,933</b>                            | <b>19,258</b>            | <b>4,722</b>                      | <b>46,169</b>          |
| Excess (deficiency) of receipts<br>over (under) disbursements   | (1,667)       | (4,625)                | (20,933)                                 | 6,411                    | (1,222)                           | (46,169)               |
| <b>Other financing sources (uses)</b>   |               |                        |  |                          |                                   |                        |
| Interfund loans   | -             | -                      | -  | -                        | -                                 | -                      |
| Transfers in  | 1,667         | -                      | -  | 2,806                    | -                                 | -                      |
| Transfers out   | -             | -                      | -  | -                        | -                                 | -                      |
| <b>Total other financing sources (uses)</b>   | <b>1,667</b>  | <b>-</b>               | <b>-</b>                                 | <b>2,806</b>             | <b>-</b>                          | <b>-</b>               |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | -             | (4,625)                | (20,933)                                 | 9,217                    | (1,222)                           | (46,169)               |
| Cash and investment fund balance - beginning  | -             | 4,625                  | 21,000                                   | (2,945)                  | 1,222                             | 46,169                 |
| Cash and investment fund balance - ending   | \$ -          | \$ -                   | \$ 67                                    | \$ 6,272                 | \$ -                              | \$ -                   |
| <b><u>Cash and Investment Assets - December 31</u></b>  |               |                        |  |                          |                                   |                        |
| Cash and investments  | \$ -          | \$ -                   | \$ -                                     | \$ -                     | \$ -                              | \$ -                   |
| Restricted assets:  |               |                        |  |                          |                                   |                        |
| Cash and investments  | -             | -                      | 67                                       | 6,272                    | -                                 | -                      |
| <b>Total cash and investment assets - December 31</b>   | <b>\$ -</b>   | <b>\$ -</b>            | <b>\$ 67</b>                             | <b>\$ 6,272</b>          | <b>\$ -</b>                       | <b>\$ -</b>            |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |               |                        |  |                          |                                   |                        |
| <b>Restricted for:</b>  |               |                        |  |                          |                                   |                        |
| Highways and streets  | \$ -          | \$ -                   | \$ -                                     | \$ -                     | \$ -                              | \$ -                   |
| Public safety   | -             | -                      | 67                                       | 6,272                    | -                                 | -                      |
| Culture and recreation  | -             | -                      | -  | -                        | -                                 | -                      |
| Health and welfare  | -             | -                      | -  | -                        | -                                 | -                      |
| Debt service  | -             | -                      | -  | -                        | -                                 | -                      |
| Other purposes  | -             | -                      | -  | -                        | -                                 | -                      |
| Unrestricted  | -             | -                      | -  | -                        | -                                 | -                      |
| <b>Total cash and investment fund balance - December 31</b>   | <b>\$ -</b>   | <b>\$ -</b>            | <b>\$ 67</b>                             | <b>\$ 6,272</b>          | <b>\$ -</b>                       | <b>\$ -</b>            |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Tobacco<br>Master<br>Settlement | Riverboat<br>Wagering Tax | Bioterrorism<br>Grant | Public Health<br>Coordinator | Federal<br>Revenue<br>Sharing Trust | Rainy Day<br>Fund |
|---|---------------------------------|---------------------------|-----------------------|------------------------------|-------------------------------------|-------------------|
| <b>Receipts:</b>  |                                 |                           |                       |                              |                                     |                   |
| Taxes   | \$ -                            | \$ -                      | \$ -                  | \$ -                         | \$ -                                | \$ -              |
| Licenses and permits  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Intergovernmental   | 15,151                          | 105,861                   | -                     | 43,806                       | -                                   | -                 |
| Charges for services  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Fines and forfeits  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Other   | 143                             | -                         | 1,100                 | -                            | -                                   | -                 |
| <b>Total receipts</b>   | <b>15,294</b>                   | <b>105,861</b>            | <b>1,100</b>          | <b>43,806</b>                | <b>-</b>                            | <b>-</b>          |
| <b>Disbursements:</b>   |                                 |                           |                       |                              |                                     |                   |
| General government  | -                               | 145,981                   | -                     | -                            | 1,656                               | -                 |
| Public safety   | -                               | -                         | 7,987                 | -                            | -                                   | -                 |
| Highways and streets  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Health and welfare  | 17,603                          | -                         | -                     | 56,579                       | -                                   | -                 |
| Debt service:   |                                 |                           |                       |                              |                                     |                   |
| Principal   | -                               | -                         | -                     | -                            | -                                   | -                 |
| Interest  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Capital outlay:   |                                 |                           |                       |                              |                                     |                   |
| Culture and recreation  | -                               | -                         | -                     | -                            | -                                   | -                 |
| <b>Total disbursements</b>  | <b>17,603</b>                   | <b>145,981</b>            | <b>7,987</b>          | <b>56,579</b>                | <b>1,656</b>                        | <b>-</b>          |
| Excess (deficiency) of receipts<br>over (under) disbursements   | (2,309)                         | (40,120)                  | (6,887)               | (12,773)                     | (1,656)                             | -                 |
| <b>Other financing sources (uses)</b>   |                                 |                           |                       |                              |                                     |                   |
| Interfund loans   | -                               | -                         | -                     | -                            | -                                   | -                 |
| Transfers in  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Transfers out   | -                               | -                         | -                     | -                            | (7,300)                             | -                 |
| <b>Total other financing sources (uses)</b>   | <b>-</b>                        | <b>-</b>                  | <b>-</b>              | <b>-</b>                     | <b>(7,300)</b>                      | <b>-</b>          |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | (2,309)                         | (40,120)                  | (6,887)               | (12,773)                     | (8,956)                             | -                 |
| Cash and investment fund balance - beginning  | 37,620                          | 82,090                    | 13,224                | 5,989                        | 8,956                               | 190,860           |
| Cash and investment fund balance - ending   | <u>\$ 35,311</u>                | <u>\$ 41,970</u>          | <u>\$ 6,337</u>       | <u>\$ (6,784)</u>            | <u>\$ -</u>                         | <u>\$ 190,860</u> |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                                 |                           |                       |                              |                                     |                   |
| Cash and investments  | \$ -                            | \$ 41,970                 | \$ -                  | \$ (6,784)                   | \$ -                                | \$ -              |
| Restricted assets:  |                                 |                           |                       |                              |                                     |                   |
| Cash and investments  | 35,311                          | -                         | 6,337                 | -                            | -                                   | 190,860           |
| <b>Total cash and investment assets - December 31</b>   | <u>\$ 35,311</u>                | <u>\$ 41,970</u>          | <u>\$ 6,337</u>       | <u>\$ (6,784)</u>            | <u>\$ -</u>                         | <u>\$ 190,860</u> |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                                 |                           |                       |                              |                                     |                   |
| <b>Restricted for:</b>  |                                 |                           |                       |                              |                                     |                   |
| Highways and streets  | \$ -                            | \$ -                      | \$ -                  | \$ -                         | \$ -                                | \$ -              |
| Public safety   | -                               | -                         | 6,337                 | -                            | -                                   | -                 |
| Culture and recreation  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Health and welfare  | 35,311                          | -                         | -                     | -                            | -                                   | -                 |
| Debt service  | -                               | -                         | -                     | -                            | -                                   | -                 |
| Other purposes  | -                               | -                         | -                     | -                            | -                                   | 190,860           |
| Unrestricted  | -                               | 41,970                    | -                     | (6,784)                      | -                                   | -                 |
| <b>Total cash and investment fund balance - December 31</b>   | <u>\$ 35,311</u>                | <u>\$ 41,970</u>          | <u>\$ 6,337</u>       | <u>\$ (6,784)</u>            | <u>\$ -</u>                         | <u>\$ 190,860</u> |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Mortgage Fee         | Hoosier<br>Safety Grant | Cumulative Jail          | Vermillion<br>County Jail<br>Building | Cumulative<br>Capital<br>Development | Nonreverting<br>Park    |
|---|----------------------|-------------------------|--------------------------|---------------------------------------|--------------------------------------|-------------------------|
| <b>Receipts:</b>  |                      |                         |                          |                                       |                                      |                         |
| Taxes   | \$ -                 | \$ -                    | \$ -                     | \$ -                                  | \$ 143,347                           | \$ -                    |
| Licenses and permits  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Intergovernmental   | -                    | 1,700                   | -                        | -                                     | -                                    | -                       |
| Charges for services  | 2,465                | -                       | -                        | -                                     | -                                    | -                       |
| Fines and forfeits  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Other   | -                    | -                       | 3,524                    | -                                     | 967                                  | 392                     |
| <b>Total receipts</b>   | <b>2,465</b>         | <b>1,700</b>            | <b>3,524</b>             | <b>-</b>                              | <b>144,314</b>                       | <b>392</b>              |
| <b>Disbursements:</b>   |                      |                         |                          |                                       |                                      |                         |
| General government  | 2,136                | -                       | -                        | -                                     | -                                    | -                       |
| Public safety   | -                    | 1,700                   | -                        | -                                     | -                                    | -                       |
| Highways and streets  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Health and welfare  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Debt service:   |                      |                         |                          |                                       |                                      |                         |
| Principal   | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Interest  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Capital outlay:   |                      |                         |                          |                                       |                                      |                         |
| Culture and recreation  | -                    | -                       | -                        | -                                     | -                                    | 75,651                  |
| <b>Total disbursements</b>  | <b>2,136</b>         | <b>1,700</b>            | <b>-</b>                 | <b>-</b>                              | <b>-</b>                             | <b>75,651</b>           |
| Excess (deficiency) of receipts<br>over (under) disbursements   | 329                  | -                       | 3,524                    | -                                     | 144,314                              | (75,259)                |
| <b>Other financing sources (uses)</b>   |                      |                         |                          |                                       |                                      |                         |
| Interfund loans   | -                    | -                       | -                        | -                                     | 200,000                              | -                       |
| Transfers in  | -                    | -                       | -                        | -                                     | -                                    | 24,000                  |
| Transfers out   | -                    | -                       | -                        | -                                     | -                                    | -                       |
| <b>Total other financing sources (uses)</b>   | <b>-</b>             | <b>-</b>                | <b>-</b>                 | <b>-</b>                              | <b>200,000</b>                       | <b>24,000</b>           |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | 329                  | -                       | 3,524                    | -                                     | 344,314                              | (51,259)                |
| Cash and investment fund balance - beginning  | -                    | -                       | 149,659                  | 2,500                                 | 249,146                              | 142,637                 |
| Cash and investment fund balance - ending   | <u>\$ 329</u>        | <u>\$ -</u>             | <u>\$ 153,183</u>        | <u>\$ 2,500</u>                       | <u>\$ 593,460</u>                    | <u>\$ 91,378</u>        |
| <b><u>Cash and Investment Assets - December 31</u></b>  |                      |                         |                          |                                       |                                      |                         |
| Cash and investments  | \$ -                 | \$ -                    | \$ -                     | \$ -                                  | \$ -                                 | \$ -                    |
| Restricted assets:  |                      |                         |                          |                                       |                                      |                         |
| Cash and investments  | 329                  | -                       | 153,183                  | 2,500                                 | 593,460                              | 91,378                  |
| <b>Total cash and investment assets - December 31</b>   | <b><u>\$ 329</u></b> | <b><u>\$ -</u></b>      | <b><u>\$ 153,183</u></b> | <b><u>\$ 2,500</u></b>                | <b><u>\$ 593,460</u></b>             | <b><u>\$ 91,378</u></b> |
| <b><u>Cash and Investment Fund Balance - December 31</u></b>  |                      |                         |                          |                                       |                                      |                         |
| <b>Restricted for:</b>  |                      |                         |                          |                                       |                                      |                         |
| Highways and streets  | \$ -                 | \$ -                    | \$ -                     | \$ -                                  | \$ -                                 | \$ -                    |
| Public safety   | -                    | -                       | 153,183                  | 2,500                                 | -                                    | -                       |
| Culture and recreation  | -                    | -                       | -                        | -                                     | -                                    | 91,378                  |
| Health and welfare  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Debt service  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| Other purposes  | 329                  | -                       | -                        | -                                     | 593,460                              | -                       |
| Unrestricted  | -                    | -                       | -                        | -                                     | -                                    | -                       |
| <b>Total cash and investment fund balance - December 31</b>   | <b><u>\$ 329</u></b> | <b><u>\$ -</u></b>      | <b><u>\$ 153,183</u></b> | <b><u>\$ 2,500</u></b>                | <b><u>\$ 593,460</u></b>             | <b><u>\$ 91,378</u></b> |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Jail Lease<br>Rental | E911 Sinking      | Sheriff<br>Commissary | Sheriff<br>Evidence Fund | Prosecutor<br>Asset<br>Forfeiture | Totals              |
|---|----------------------|-------------------|-----------------------|--------------------------|-----------------------------------|---------------------|
| Receipts:   |                      |                   |                       |                          |                                   |                     |
| Taxes   | \$ 319,538           | \$ -              | \$ -                  | \$ -                     | \$ -                              | \$ 909,501          |
| Licenses and permits  | -                    | -                 | -                     | -                        | -                                 | 1,430               |
| Intergovernmental   | -                    | 41,820            | -                     | -                        | -                                 | 646,446             |
| Charges for services  | -                    | 152,947           | 84,789                | -                        | -                                 | 433,767             |
| Fines and forfeits  | -                    | -                 | -                     | -                        | -                                 | 196,007             |
| Other   | -                    | -                 | -                     | 3,770                    | -                                 | 44,586              |
| Total receipts  | <u>319,538</u>       | <u>194,767</u>    | <u>84,789</u>         | <u>3,770</u>             | <u>-</u>                          | <u>2,231,737</u>    |
| Disbursements:  |                      |                   |                       |                          |                                   |                     |
| General government  | -                    | 17                | -                     | -                        | -                                 | 679,967             |
| Public safety   | -                    | -                 | 78,275                | 1,873                    | 17,520                            | 581,999             |
| Highways and streets  | -                    | -                 | -                     | -                        | -                                 | 151,027             |
| Health and welfare  | -                    | -                 | -                     | -                        | -                                 | 484,842             |
| Debt service:   |                      |                   |                       |                          |                                   |                     |
| Principal   | 88,095               | 96,582            | -                     | -                        | -                                 | 184,677             |
| Interest  | 59,155               | 10,705            | -                     | -                        | -                                 | 69,860              |
| Capital outlay:   |                      |                   |                       |                          |                                   |                     |
| Culture and recreation  | -                    | -                 | -                     | -                        | -                                 | 75,651              |
| Total disbursements   | <u>147,250</u>       | <u>107,304</u>    | <u>78,275</u>         | <u>1,873</u>             | <u>17,520</u>                     | <u>2,228,023</u>    |
| Excess (deficiency) of receipts<br>over (under) disbursements   | <u>172,288</u>       | <u>87,463</u>     | <u>6,514</u>          | <u>1,897</u>             | <u>(17,520)</u>                   | <u>3,714</u>        |
| Other financing sources (uses)  |                      |                   |                       |                          |                                   |                     |
| Interfund loans   | -                    | -                 | -                     | -                        | -                                 | 200,000             |
| Transfers in  | -                    | -                 | -                     | -                        | 18,500                            | 119,106             |
| Transfers out   | -                    | (46,756)          | -                     | -                        | -                                 | (77,029)            |
| Total other financing sources (uses)  | <u>-</u>             | <u>(46,756)</u>   | <u>-</u>              | <u>-</u>                 | <u>18,500</u>                     | <u>242,077</u>      |
| Excess (deficiency) of receipts and other<br>financing sources over (under) disbursements<br>and other financing uses | <u>172,288</u>       | <u>40,707</u>     | <u>6,514</u>          | <u>1,897</u>             | <u>980</u>                        | <u>245,791</u>      |
| Cash and investment fund balance - beginning  | <u>55,311</u>        | <u>177,599</u>    | <u>3,012</u>          | <u>6,542</u>             | <u>1,856</u>                      | <u>4,179,704</u>    |
| Cash and investment fund balance - ending   | <u>\$ 227,599</u>    | <u>\$ 218,306</u> | <u>\$ 9,526</u>       | <u>\$ 8,439</u>          | <u>\$ 2,836</u>                   | <u>\$ 4,425,495</u> |
| <u>Cash and Investment Assets - December 31</u>   |                      |                   |                       |                          |                                   |                     |
| Cash and investments  | \$ -                 | \$ -              | \$ -                  | \$ -                     | \$ -                              | \$ 35,186           |
| Restricted assets:  |                      |                   |                       |                          |                                   |                     |
| Cash and investments  | <u>227,599</u>       | <u>218,306</u>    | <u>9,526</u>          | <u>8,439</u>             | <u>2,836</u>                      | <u>4,390,309</u>    |
| Total cash and investment assets - December 31  | <u>\$ 227,599</u>    | <u>\$ 218,306</u> | <u>\$ 9,526</u>       | <u>\$ 8,439</u>          | <u>\$ 2,836</u>                   | <u>\$ 4,425,495</u> |
| <u>Cash and Investment Fund Balance - December 31</u>   |                      |                   |                       |                          |                                   |                     |
| Restricted for:   |                      |                   |                       |                          |                                   |                     |
| Highways and streets  | \$ -                 | \$ -              | \$ -                  | \$ -                     | \$ -                              | \$ 48,780           |
| Public safety   | -                    | -                 | 9,526                 | 8,439                    | 2,836                             | 1,050,599           |
| Culture and recreation  | -                    | -                 | -                     | -                        | -                                 | 91,378              |
| Health and welfare  | -                    | -                 | -                     | -                        | -                                 | 992,481             |
| Debt service  | 227,599              | 218,306           | -                     | -                        | -                                 | 727,248             |
| Other purposes  | -                    | -                 | -                     | -                        | -                                 | 1,479,823           |
| Unrestricted  | -                    | -                 | -                     | -                        | -                                 | 35,186              |
| Total cash and investment fund balance - December 31  | <u>\$ 227,599</u>    | <u>\$ 218,306</u> | <u>\$ 9,526</u>       | <u>\$ 8,439</u>          | <u>\$ 2,836</u>                   | <u>\$ 4,425,495</u> |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For The Year Ended December 31, 2005

|  | Ryerson Will<br>Trust | Congressional<br>Principal | Total     |
|--|-----------------------|----------------------------|-----------|
| Cash and investment fund balance - beginning | \$ 200                | \$ 34,902                  | \$ 35,102 |
| Cash and investment fund balance - ending    | \$ 200                | \$ 34,902                  | \$ 35,102 |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2005

|   | <u>Welfare Trust</u> | <u>Poor Relief</u> | <u>County Payroll</u> | <u>Congressional<br/>Interest</u> | <u>Surplus Tax</u> | <u>Tax Sale<br/>Surplus</u> |
|---|----------------------|--------------------|-----------------------|-----------------------------------|--------------------|-----------------------------|
| Additions:  |                      |                    |                       |                                   |                    |                             |
| Agency fund additions   | \$ 14,377            | \$ 115,871         | \$ 2,355,356          | \$ 487                            | \$ 87,134          | \$ 732,839                  |
| Deductions:   |                      |                    |                       |                                   |                    |                             |
| Agency fund deductions  | 13,988               | 115,871            | 2,359,696             | -                                 | 108,084            | 319,149                     |
| Excess (deficiency) of total additions<br>over (under) total deductions | 389                  | -                  | (4,340)               | 487                               | (20,950)           | 413,690                     |
| Cash and investment fund balance - beginning                            | 7,499                | -                  | -                     | 18,092                            | 70,311             | 329,840                     |
| Cash and investment fund balance - ending                               | <u>\$ 7,888</u>      | <u>\$ -</u>        | <u>\$ (4,340)</u>     | <u>\$ 18,579</u>                  | <u>\$ 49,361</u>   | <u>\$ 743,530</u>           |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Tax Sale<br>Redemption | Surplus<br>Dog Tax | City/Town<br>Court Costs | Education<br>Plate Fee | Inheritance<br>Tax | Audit Fund<br>Account |
|---|------------------------|--------------------|--------------------------|------------------------|--------------------|-----------------------|
| Additions:  |                        |                    |                          |                        |                    |                       |
| Agency fund additions   | \$ 102,996             | \$ 3,130           | \$ 3,296                 | \$ 1,313               | \$ 368,261         | \$ 12,900             |
| Deductions:   |                        |                    |                          |                        |                    |                       |
| Agency fund deductions  | 98,179                 | 2,933              | -                        | 1,106                  | 1,273,139          | 12,900                |
| Excess (deficiency) of total additions<br>over (under) total deductions | 4,817                  | 197                | 3,296                    | 207                    | (904,878)          | -                     |
| Cash and investment fund balance - beginning                            | (1,086)                | 1,266              | 36,245                   | -                      | 934,559            | -                     |
| Cash and investment fund balance - ending                               | <u>\$ 3,731</u>        | <u>\$ 1,463</u>    | <u>\$ 39,541</u>         | <u>\$ 207</u>          | <u>\$ 29,681</u>   | <u>\$ -</u>           |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | <u>State Fees</u> | <u>Tax<br/>Distribution</u> | <u>Payroll<br/>Withholding</u> | <u>CEDIT</u>     | <u>County<br/>Treasurer</u> | <u>County<br/>Clerk</u> |
|---|-------------------|-----------------------------|--------------------------------|------------------|-----------------------------|-------------------------|
| Additions:  |                   |                             |                                |                  |                             |                         |
| Agency fund additions   | \$ 29,151         | \$ 17,554,571               | \$ 58,467                      | \$ 262,806       | \$ 27,609,024               | \$ 2,143,270            |
| Deductions:   |                   |                             |                                |                  |                             |                         |
| Agency fund deductions  | 15,490            | 17,502,682                  | 62,860                         | 256,473          | 28,431,548                  | 2,148,029               |
| Excess (deficiency) of total additions<br>over (under) total deductions | 13,661            | 51,889                      | (4,393)                        | 6,333            | (822,524)                   | (4,759)                 |
| Cash and investment fund balance - beginning                            | 4,701             | 51,208                      | 16,388                         | 16,778           | 3,337,849                   | 242,490                 |
| Cash and investment fund balance - ending                               | <u>\$ 18,362</u>  | <u>\$ 103,097</u>           | <u>\$ 11,995</u>               | <u>\$ 23,111</u> | <u>\$ 2,515,325</u>         | <u>\$ 237,731</u>       |

VERMILLION COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2005  
 (Continued)

|   | Health<br>Department | County<br>Sheriff | County<br>Recorder | Prosecuting<br>Attorney<br>Buy Money | Total               |
|---|----------------------|-------------------|--------------------|--------------------------------------|---------------------|
| Additions:  |                      |                   |                    |                                      |                     |
| Agency fund additions   | \$ 6,489             | \$ 932,448        | \$ 80,017          | \$ 950                               | \$ 52,475,153       |
| Deductions:   |                      |                   |                    |                                      |                     |
| Agency fund deductions  | 6,158                | 930,037           | 80,017             | 460                                  | 53,738,799          |
| Excess (deficiency) of total additions<br>over (under) total deductions | 331                  | 2,411             | -                  | 490                                  | (1,263,646)         |
| Cash and investment fund balance - beginning                            | 85                   | (2,409)           | 50                 | 76                                   | 5,063,942           |
| Cash and investment fund balance - ending                               | <u>\$ 416</u>        | <u>\$ 2</u>       | <u>\$ 50</u>       | <u>\$ 566</u>                        | <u>\$ 3,800,296</u> |

VERMILLION COUNTY  
OTHER REPORTS

The annual report presented herein was prepared in addition to other official reports prepared for the individual County offices listed below:

County Auditor  
County Treasurer  
Board of County Commissioners

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

Compliance

We have audited the compliance of the Vermillion County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2005. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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 the County'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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 27, 2006

VERMILLION COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2005

| Federal Grantor Agency/Pass-Through Entity<br>Program Title/Project Title  | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended     |
|--|---------------------------|--|---|
| <u>U.S. DEPARTMENT OF JUSTICE</u>  |                           |  |   |
| Pass-Through Indiana Criminal Justice Institute<br>Juvenile Accountability Incentive Block Grant   | 16.523                    | 03-JB-069  | \$ 14,346                               |
| Juvenile Justice and Delinquency Prevention - Allocation to States   | 16.540                    | 2003-JF-FX-0019  | 4,722                                   |
| Crime Victim Assistance  | 16.575                    | 04-VA-152<br>05-VA-130                                     | 14,131<br>10,000                        |
| Total for program  |                           |  | 24,131                                  |
| Byrne Formula Grant Program  | 16.579                    | 03DB046  | 12,574                                  |
| Total for federal grantor agency   |                           |  | 55,773                                  |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>  |                           |  |   |
| Pass-Through Indiana State Department of Health<br>Centers for Disease Control and Prevention - Investigations<br>and Technical Assistance               | 93.283                    | BPRS-182-1<br>BPRS-182-2                                   | 7,987<br>56,296                         |
| Total for program  |                           |  | 64,283                                  |
| Pass-Through Indiana Department of Child Services<br>Child Support Enforcement<br>Child Support Expenditures<br>Incentive Expenditures<br>Indirect Costs | 93.563                    |  | 53,117<br>26,893<br>10,495              |
| Total for program  |                           |  | 90,505                                  |
| Total for federal grantor agency   |                           |  | 154,788                                 |
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>  |                           |  |   |
| Pass-Through Indiana Department of Homeland Security<br>Homeland Security Grant Program<br>State Homeland Security Program                               | 97.004                    | FY2003<br>FY2004   | 5,900<br>38,635                         |
| Law Enforcement Terrorism Prevention Program   |                           | FY2004   | 7,534                                   |
| State Domestic Preparedness Equipment Support Program  |                           | FY2004   | 20,933                                  |
| Total for program  |                           |  | 73,002                                  |
| Public Assistance Grants<br>Disaster 1573  | 97.036                    |  | 50,435                                  |
| Chemical Stockpile Emergency Preparedness Program  | 97.040                    | FY2003<br>FY2004<br>FY2005<br>FY2006                       | 645,959<br>631,940<br>448,707<br>68,562 |
| Total for program  |                           |  | 1,795,168                               |
| Total for federal grantor agency   |                           |  | 1,918,605                               |
| Total federal awards expended  |                           |  | \$ 2,129,166                            |

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

VERMILLION COUNTY  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Vermillion County (County) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

VERMILLION COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

|   |               |
|---|---------------|
| Material weaknesses identified?   | no            |
| Reportable conditions identified that are not considered to be material weaknesses? | none reported |

|   |    |
|---|----|
| Noncompliance material to financial statements noted? | no |
|---|----|

Federal Awards:

Internal control over major programs:

|   |               |
|---|---------------|
| Material weaknesses identified?   | no            |
| Reportable conditions identified that are not considered to be material weaknesses? | none reported |

Type of auditor's report issued on compliance for major programs: Unqualified

|  |    |
|--|----|
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | no |
|--|----|

Identification of Major Programs:

| CFDA<br>Number | Name of Federal Program or Cluster                |
|----------------|---|
| 97.040         | Chemical Stockpile Emergency Preparedness Program |

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

|  |    |
|--|----|
| Auditee qualified as low-risk auditee? | no |
|--|----|

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.



**Sherrie A. Koma, Auditor  
Vermillion County**

P.O. Box 190  
Newport, IN 47966-0190  
(765) 492-3570 or 1-800-340-8155  
FAX (765) 492-5000

June 23, 2006

Summary Schedule of Prior Audit Findings

Finding Number 2004-1, Capital Asset Records

|                                  |                |
|----------------------------------|----------------|
| Original SBA Audit Report Number | B25323         |
| Auditee Contact Person           | Sherrie Koma   |
| Title of Contact Person          | County Auditor |
| Phone Number                     | (765) 492-3570 |

Status of Finding:

At the May 3<sup>rd</sup> 2005 meeting of the County Commissioners a Inventory Resolution was Adopted and passed.

The different forms that were used by the county offices (departments) made it very hard to follow and keep track of updates. Descriptions, ID #, the purchase price, are not consistent. The locations need to have an actual address not just a building name.

We have started working on a computer program, to enter the information from the different offices, that we can down load or copy and update as needed by our office.

I did not have the time to implement this in 2005, but the program has been started this year. And I will have the program before the end of 2006 and hope to be in compliance for 2007.

Sincerely,

Sherrie A. Koma  
Auditor

VERMILLION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2006, with Sherrie A. Koma, Auditor; and by telephone with Tim J. Wilson, President of the Board of County Commissioners.