

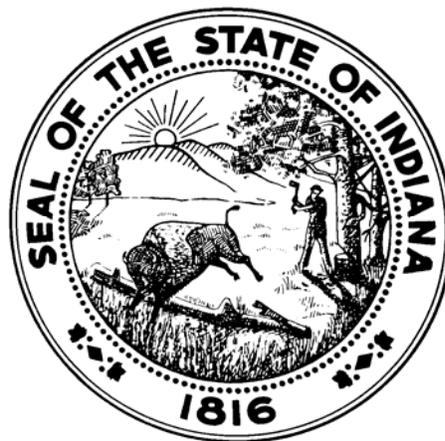
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**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

ANNUAL FINANCIAL REPORT

2005

PERRY COUNTY, INDIANA



**FILED**

01/24/2007



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials.....	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
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.....	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis .....	6
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds.....	7
Proprietary Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Funds.....	8
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds .....	9
Notes to Financial Statements .....	10-17
Required Supplementary Information:	
Schedule of Funding Progress .....	18
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	19-29
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds .....	30-34
Schedule of Capital Assets.....	35
Schedule of Long-Term Debt.....	36
Supplemental Audit of Federal Awards:	
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 .....	38-39
Schedule of Expenditures of Federal Awards.....	40-41
Notes to Schedule of Expenditures of Federal Awards .....	42
Schedule of Findings and Questioned Costs.....	43
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings.....	44
Exit Conference.....	45

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Debra A. Elder Connie Berger	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Treasurer	Martha Wooldridge	01-01-03 to 12-31-10
Clerk	Debra Weatherholt Debra A. Elder	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Sheriff	Leslie Robert Glen	01-01-03 to 12-31-10
Recorder	Cathy Hagedorn	01-01-04 to 12-31-08
President of the Board of County Commissioners	Terry Lock Louis Fortwendel	01-01-05 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Pete Franzman	01-01-05 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF PERRY COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Perry 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 December 21, 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 Schedule of Funding Progress as listed in the table of contents, is not a required part of the basic financial statements but is 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 have 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, Schedule of Capital Assets, and Schedule of Long-Term Debt 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. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

December 21, 2006



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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 PERRY COUNTY, INDIANA

We have audited the financial statements of Perry County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated December 21, 2006. 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.

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

December 21, 2006

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

Functions/Programs	Disbursements	Program Receipts			Net (Disbursement) Receipt and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government  Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 5,428,130	\$ 252,633	\$ 329,301	\$ 197,384	\$ (4,648,812)
Public safety	1,226,767	720,836	152,932	-	(352,999)
Highways and streets	2,282,077	-	1,960,316	-	(321,761)
Sanitation	500	-	-	-	(500)
Health and welfare	1,202,669	32,064	864,828	313,407	7,630
Economic development	1,060,843	-	22,421	-	(1,038,422)
Culture and recreation	71,738	-	-	-	(71,738)
Interest on long-term debt	1,416,526	-	-	-	(1,416,526)
<b>Total governmental activities</b>	<b>12,689,250</b>	<b>1,005,533</b>	<b>3,329,798</b>	<b>510,791</b>	<b>(7,843,128)</b>
General receipts:					
Property taxes					4,842,368
Other local sources					1,001,860
Grants and contributions not restricted to specific programs					1,016,568
Restricted investment earnings					137,415
Unrestricted investment earnings					89,443
<b>Total general receipts and transfers</b>					<b>7,087,654</b>
<b>Change in net assets</b>					<b>(755,474)</b>
<b>Net assets - beginning</b>					<b>9,503,454</b>
<b>Net assets - ending</b>					<b>\$ 8,747,980</b>
 <u>Assets</u>					
Cash and investments					\$ 310,873
Restricted assets:					
Cash and investments					8,437,107
<b>Total assets</b>					<b>\$ 8,747,980</b>
 <u>Net Assets</u>					
Restricted for:					
Highways and streets					\$ 1,519,838
Public safety					350,384
Health and welfare					910,539
Debt service					3,190,417
Other purposes					2,465,929
Unrestricted					310,873
<b>Total net assets</b>					<b>\$ 8,747,980</b>

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

PERRY 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	Family and Children	2001 Port Project Fund	Distressed Road Repayment	TIF No.2 Waupaca Bond	Cumulative Bridge	Other Governmental Funds	Totals
<b>Receipts:</b>									
Taxes	\$2,764,404	\$ -	\$ 448,480	\$ -	\$ 12,752	\$ 1,203,084	\$ 206,927	\$ 851,531	\$ 5,487,178
Licenses and permits	3,835	-	-	-	-	-	-	-	3,835
Intergovernmental	503,143	1,481,328	124,726	-	47,248	22,420	57,063	1,744,884	3,980,812
Charges for services	127,786	-	-	-	-	-	-	351,621	479,407
Fines and forfeits	45,464	-	-	-	-	-	-	476,692	522,156
Other	407,175	29,826	230,454	11,615	23,839	-	20,375	181,134	904,418
<b>Total receipts</b>	<b>3,851,807</b>	<b>1,511,154</b>	<b>803,660</b>	<b>11,615</b>	<b>83,839</b>	<b>1,225,504</b>	<b>284,365</b>	<b>3,605,862</b>	<b>11,377,806</b>
<b>Disbursements:</b>									
General government	2,798,636	-	-	-	-	-	-	855,041	3,653,677
Public safety	671,161	-	-	-	-	-	-	534,832	1,205,993
Highways and streets	-	1,574,927	-	-	-	-	-	676,806	2,251,733
Sanitation	500	-	-	-	-	-	-	-	500
Health and welfare	206,162	-	698,087	-	-	-	-	296,983	1,201,232
Culture and recreation	71,737	-	-	-	-	-	-	-	71,737
Economic development and housing	-	-	-	-	-	-	-	715,413	715,413
Debt service:									
Principal	-	31,526	-	-	-	95,000	-	908,135	1,034,661
Interest	-	1,709	-	46,805	-	1,244,690	-	123,324	1,416,528
Capital outlay	-	-	-	-	-	-	386,531	135,594	522,125
<b>Total disbursements</b>	<b>3,748,196</b>	<b>1,608,162</b>	<b>698,087</b>	<b>46,805</b>	<b>-</b>	<b>1,339,690</b>	<b>386,531</b>	<b>4,246,128</b>	<b>12,073,599</b>
Excess (deficiency) of revenue over disbursements	103,611	(97,008)	105,573	(35,190)	83,839	(114,186)	(102,166)	(640,266)	(695,793)
<b>Other financing sources (uses)</b>									
Transfers in	650,000	-	-	-	350,000	-	-	300,000	1,300,000
Transfers out	(650,000)	-	-	-	(350,000)	-	-	(300,000)	(1,300,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	103,611	(97,008)	105,573	(35,190)	83,839	(114,186)	(102,166)	(640,266)	(695,793)
Cash and investment fund balance - beginning	371,878	980,271	580,145	614,488	1,059,856	1,025,450	983,898	3,772,512	9,388,498
Cash and investment fund balance - ending	<u>\$ 475,489</u>	<u>\$ 883,263</u>	<u>\$ 685,718</u>	<u>\$ 579,298</u>	<u>\$ 1,143,695</u>	<u>\$ 911,264</u>	<u>\$ 881,732</u>	<u>\$ 3,132,246</u>	<u>\$ 8,692,705</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:									
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.									
									55,275
Net assets of governmental activities									<u>\$ 8,747,980</u>
<b>Cash and Investment Assets - December 31</b>									
Cash and investments	\$ 310,873	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,188)	\$ 303,685
Restricted assets:									
Cash and investments	164,616	883,263	685,718	579,298	1,143,695	911,264	881,732	3,139,434	8,389,020
<b>Total cash and investment assets - December 31</b>	<b>\$ 475,489</b>	<b>\$ 883,263</b>	<b>\$ 685,718</b>	<b>\$ 579,298</b>	<b>\$ 1,143,695</b>	<b>\$ 911,264</b>	<b>\$ 881,732</b>	<b>\$ 3,132,246</b>	<b>\$ 8,692,705</b>
<b>Cash and Investment Fund Balance - December 31</b>									
Restricted for:									
Highways and streets	\$ -	\$ 883,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 636,575	\$ 1,519,838
Public safety	-	-	-	-	-	-	-	353,160	353,160
Health and welfare	-	-	685,718	-	-	-	-	173,958	859,676
Debt service	-	-	-	579,298	1,143,695	911,264	-	556,160	3,190,417
Other purposes	164,616	-	-	-	-	-	881,732	1,419,581	2,465,929
Unrestricted	310,873	-	-	-	-	-	-	(7,188)	303,685
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 475,489</b>	<b>\$ 883,263</b>	<b>\$ 685,718</b>	<b>\$ 579,298</b>	<b>\$ 1,143,695</b>	<b>\$ 911,264</b>	<b>\$ 881,732</b>	<b>\$ 3,132,246</b>	<b>\$ 8,692,705</b>

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

PERRY COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUND  
As of and for the Year Ended December 31, 2005

	<u>Internal Service Fund</u>
Operating receipts:	
Other	\$ 555,967
Operating disbursements:	
Insurance disbursements	<u>615,651</u>
Deficiency of operating receipts under operating disbursements	<u>(59,684)</u>
Deficiency of receipts under disbursements	(59,684)
Cash and investment fund balance - beginning	<u>114,959</u>
Cash and investment fund balance - ending	<u>\$ 55,275</u>
 <u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ 55,275</u>
 <u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u>\$ 55,275</u>

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

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

	Private-Purpose Trust Fund	Agency Funds
Additions:		
Agency fund additions	\$ -	\$ 43,863,467
Deductions:		
Agency fund deductions	-	43,759,047
Excess of total additions over total deductions	-	104,420
Cash and investment fund balance - beginning	33,027	2,941,518
Cash and investment fund balance - ending	\$ 33,027	\$ 3,045,938

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

PERRY 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:	Perry County
Discretely Presented Component Units:	Perry County Solid Waste Management District Perry County Memorial Hospital
Blended Component Unit:	Perry County Redevelopment Authority

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

The Perry County Solid Waste Management District, a discretely presented component unit, the Perry County Memorial Hospital, a discretely presented component unit, and the Perry County Redevelopment Authority, a blended component unit, have 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.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays 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.

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.

The County reports the following major governmental funds:

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 receives all collections from state and federal government that are intended for the purpose of maintaining and constructing highways. The money received may be used to pay the cost of maintaining and constructing the County's highways.

The family and children fund receives all collections from taxes and intergovernmental revenues that are intended for the purpose of maintaining the child welfare services in the county.

The 2001 port project fund receives collections from property and other local taxes that are intended for the purpose of paying the lease payment on the TIF No. 2 Waupaca lease bonds.

The distressed road repayment fund receives all collections from the County's wheel tax that are intended for the purpose of repaying the County's distressed road loan.

The TIF No. 2 Waupaca bond fund receives all collections from property and other local taxes that are intended for the purpose of paying the lease payment on the TIF No. 2 Waupaca lease bonds.

The cumulative bridge fund receives all collections from taxes and intergovernmental revenues that are intended for the purpose of maintaining and constructing the County's bridges.

Additionally, the County reports the following fund types:

The internal service fund, employee benefit trust fund, is used to collect the percentage of the county employees' payroll that is held out for insurance, as well as the amount appropriated by the commissioners for insurance. The monies collected are used to pay administrative fees and insurance claims.

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

Agency funds account for assets held by the County as an agent for various other governmental units within the County and the State 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, proprietary 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.

PERRY 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, while the fund financial statements for proprietary fund types would use the 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.

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.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

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

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of 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

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. 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:

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of 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. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

PERRY COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

2. Primary government and component unit activity and balances – Resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions and are classified separately from internal balances and activities within the primary government.

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.

Prior to the first required publication, 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 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. Cash and Investment Balance Deficits

At December 31, 2005, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2005
COPS Grant	\$ (311)
Criminal Justice Grant 05-VA-103	(2,465)
Public Health Coordinator 05-06	(4,413)
Prosecuting Attorney	(752)
Planning and Zoning	(230)

Cash and investment deficits arose in the COPS Grant fund, the Criminal Justice Grant 05-VA-103 fund, and the Public Health Coordinator 05-06 fund due to the nature of a reimbursement type Federal grant where money must first be spent by the County, and then be reimbursed by the granting agency. Cash and investment deficits arose in the Prosecuting Attorney fund and the Planning and Zoning fund due to agency fund reclassifications at year end as required by GASB 34.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

III. Detailed Notes on All Funds

A. 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. At December 31, 2005, 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.

B. Interfund Transfers

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

Transfer From	Transfer To	2005
General fund	Other governmental	\$ 650,000
Other governmental	General fund	<u>650,000</u>
Total		<u><u>\$ 1,300,000</u></u>

The County typically uses transfers to fund ongoing operating subsidies and to transfer the portion of state-shared revenues from the general fund to the debt service fund for current-year debt service requirements.

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; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); 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.

Medical Benefits to Employees, Retirees, and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Employee Benefits Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$17,500 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund based primarily upon the percentage of each fund's current year payroll as it related to total payroll. Provisions are also made for unexpected and unusual claims.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Job Related Illnesses or Injuries to Employees

During 1991, the County joined with other governmental entities in the Indiana Public Employees Pool, a public entity risk pool currently operating as a common risk management and insurance program for 928 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. 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. 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.

C. Hospital Debt Obligation

The County signed a mortgage on the Ambulance Service Building in 1993 in the amount of \$173,000. The County has agreed to pay \$19,500 per year of this debt obligation of the Hospital from the Commissioners' budget within the General Fund. The County is obligated for the annual payment only. This debt is an obligation of the Hospital, and is not a direct liability of the County.

D. Pension Plan

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

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

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 147,557
Interest on net pension obligation	(3,942)
Adjustment to annual required contribution	4,492
Annual pension cost	148,107
Contributions made	169,874
Decrease in net pension obligation	(21,767)
Net pension obligation, beginning of year	(54,374)
Net pension obligation, end of year	\$ (76,141)
Contribution rates:	
County	6.75%
Plan members	3%
Actuarial valuation date	07-01-05
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 154,519	96%	\$ (35,440)
	06-30-04	139,272	114%	(54,374)
	06-30-05	148,107	122%	(76,141)

PERRY COUNTY  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

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)
07-01-03	\$ 2,074,921	\$ 2,534,325	\$ (459,404)	82%	\$ 2,219,779	(21%)
07-01-04	2,147,356	2,558,259	(410,903)	84%	2,422,933	(17%)
07-01-05	2,281,978	3,013,847	(731,869)	76%	2,453,137	(30%)

PERRY 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

	County Health	Local Roads and Streets	Property Reassessment	Property Reassessment 2006	Accident Report	Firearms Training	Surveyor's Corner Perpetuation	Supplemental Adult Probation
<b>Receipts:</b>								
Taxes	\$ 52,482	\$ -	\$ -	\$ 83,249	\$ -	\$ -	\$ -	\$ -
Intergovernmental	7,127	183,129	-	11,157	-	-	-	-
Charges for services	31,929	-	-	-	825	2,280	3,896	-
Fines and forfeits	-	-	-	-	-	-	-	181,011
Other	416	8,868	-	8,623	-	-	-	-
<b>Total receipts</b>	<b>91,954</b>	<b>191,997</b>	<b>-</b>	<b>103,029</b>	<b>825</b>	<b>2,280</b>	<b>3,896</b>	<b>181,011</b>
<b>Disbursements:</b>								
General government	-	-	1,080	113,377	-	-	1,662	-
Public safety	-	-	-	-	-	763	-	202,309
Highways and streets	-	284,592	-	-	-	-	-	-
Health and welfare	125,075	-	-	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	21,028	-	-	-	-	-	-
Interest	-	2,554	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>125,075</b>	<b>308,174</b>	<b>1,080</b>	<b>113,377</b>	<b>-</b>	<b>763</b>	<b>1,662</b>	<b>202,309</b>
Excess (deficiency) of revenue over disbursements	(33,121)	(116,177)	(1,080)	(10,348)	825	1,517	2,234	(21,298)
<b>Other financing sources (uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(33,121)	(116,177)	(1,080)	(10,348)	825	1,517	2,234	(21,298)
Cash and investment fund balance - beginning	48,431	421,488	1,080	383,955	568	6,217	15,138	158,019
Cash and investment fund balance - ending	<u>\$ 15,310</u>	<u>\$ 305,311</u>	<u>\$ -</u>	<u>\$ 373,607</u>	<u>\$ 1,393</u>	<u>\$ 7,734</u>	<u>\$ 17,372</u>	<u>\$ 136,721</u>
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	15,310	305,311	-	373,607	1,393	7,734	17,372	136,721
<b>Total cash and investment assets - December 31</b>	<u>\$ 15,310</u>	<u>\$ 305,311</u>	<u>\$ -</u>	<u>\$ 373,607</u>	<u>\$ 1,393</u>	<u>\$ 7,734</u>	<u>\$ 17,372</u>	<u>\$ 136,721</u>
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ 305,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	1,393	7,734	-	136,721
Health and welfare	15,310	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	-	-	373,607	-	-	17,372	-
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 15,310</u>	<u>\$ 305,311</u>	<u>\$ -</u>	<u>\$ 373,607</u>	<u>\$ 1,393</u>	<u>\$ 7,734</u>	<u>\$ 17,372</u>	<u>\$ 136,721</u>

PERRY 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)

	Recorder's Records Perpetuation	Clerk's Records Perpetuation	Covered Bridge	Emergency Telephone System	County Law Enforcement Continuing Education	County Drug Free Community	County User Fees	Pretrial Diversion
<b>Receipts:</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	625	-	-	-	-	-
Charges for services	28,736	9,050	-	210,444	-	-	-	-
Fines and forfeits	-	-	-	-	86	28,855	76,397	68,737
Other	-	-	-	2,563	-	-	-	-
<b>Total receipts</b>	<b>28,736</b>	<b>9,050</b>	<b>625</b>	<b>213,007</b>	<b>86</b>	<b>28,855</b>	<b>76,397</b>	<b>68,737</b>
<b>Disbursements:</b>								
General government	40,717	14,768	-	179,218	-	-	-	-
Public safety	-	-	-	-	192	26,631	76,023	88,158
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	66,677	-	-	-	-
Interest	-	-	-	21,872	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>40,717</b>	<b>14,768</b>	<b>-</b>	<b>267,767</b>	<b>192</b>	<b>26,631</b>	<b>76,023</b>	<b>88,158</b>
Excess (deficiency) of revenue over disbursements	(11,981)	(5,718)	625	(54,760)	(106)	2,224	374	(19,421)
<b>Other financing sources (uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,981)	(5,718)	625	(54,760)	(106)	2,224	374	(19,421)
Cash and investment fund balance - beginning	59,259	21,740	8,875	96,979	620	27,005	49,784	62,398
Cash and investment fund balance - ending	\$ 47,278	\$ 16,022	\$ 9,500	\$ 42,219	\$ 514	\$ 29,229	\$ 50,158	\$ 42,977
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	47,278	16,022	9,500	42,219	514	29,229	50,158	42,977
Total cash and investment assets - December 31	\$ 47,278	\$ 16,022	\$ 9,500	\$ 42,219	\$ 514	\$ 29,229	\$ 50,158	\$ 42,977
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	514	29,229	50,158	42,977
Health and welfare	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	47,278	16,022	9,500	42,219	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 47,278	\$ 16,022	\$ 9,500	\$ 42,219	\$ 514	\$ 29,229	\$ 50,158	\$ 42,977

PERRY 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 Maintenance	Sheriff's Commissary Fund	Health Donations	Plat Book Update	Insurance Recovery	Employee Insurance Co-Payment	Emergency Planning and Right to Know	Perry County E.D.I.T.
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	26,569	-	-	-	-	-	4,136	513,425
Charges for services	-	42,216	-	6,080	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	8,214	-	1,013	135	-	-
<b>Total receipts</b>	<b>26,569</b>	<b>42,216</b>	<b>8,214</b>	<b>6,080</b>	<b>1,013</b>	<b>135</b>	<b>4,136</b>	<b>513,425</b>
Disbursements:								
General government	-	-	-	5,135	1,013	-	3,500	-
Public safety	-	43,925	2,931	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	32,830	-	-	-	-	135	-	-
Economic development and housing	-	-	-	-	-	-	-	499,651
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>32,830</b>	<b>43,925</b>	<b>2,931</b>	<b>5,135</b>	<b>1,013</b>	<b>135</b>	<b>3,500</b>	<b>499,651</b>
Excess (deficiency) of revenue over disbursements	(6,261)	(1,709)	5,283	945	-	-	636	13,774
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,261)	(1,709)	5,283	945	-	-	636	13,774
Cash and investment fund balance - beginning	21,931	23,117	13,683	4,002	-	-	4,653	177,117
Cash and investment fund balance - ending	<u>\$ 15,670</u>	<u>\$ 21,408</u>	<u>\$ 18,966</u>	<u>\$ 4,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,289</u>	<u>\$ 190,891</u>
<u>Cash and Investment Assets - December 31</u>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	15,670	21,408	18,966	4,947	-	-	5,289	190,891
<b>Total cash and investment assets - December 31</b>	<b>\$ 15,670</b>	<b>\$ 21,408</b>	<b>\$ 18,966</b>	<b>\$ 4,947</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,289</b>	<b>\$ 190,891</b>
<u>Cash and Investment Fund Balance - December 31</u>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	21,408	-	-	-	-	-	-
Health and welfare	15,670	-	18,966	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	-	-	4,947	-	-	5,289	190,891
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 15,670</b>	<b>\$ 21,408</b>	<b>\$ 18,966</b>	<b>\$ 4,947</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,289</b>	<b>\$ 190,891</b>

PERRY 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)

	Community Economic Development	Guardian Ad Litem/CASA	County Misdemeanant Fund	Jury Pay	Check Collection Fee	Supplemental Public Defender	County Prisoner Reimbursement	Operation Pull Over Grant
<b>Receipts:</b>								
Taxes	\$ 339,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,541	14,000	-	-	-	-	5,100
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	199	-	4,391	16,691	72,654	3,785	-
Other	117,286	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>456,749</b>	<b>2,740</b>	<b>14,000</b>	<b>4,391</b>	<b>16,691</b>	<b>72,654</b>	<b>3,785</b>	<b>5,100</b>
<b>Disbursements:</b>								
General government	-	785	-	4,487	16,799	61,701	-	-
Public safety	-	-	12,442	-	-	-	-	5,040
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	455,430	-	-	-	-	-	-	-
Interest	3,250	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>458,680</b>	<b>785</b>	<b>12,442</b>	<b>4,487</b>	<b>16,799</b>	<b>61,701</b>	<b>-</b>	<b>5,040</b>
Excess (deficiency) of revenue over disbursements	(1,931)	1,955	1,558	(96)	(108)	10,953	3,785	60
<b>Other financing sources (uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,931)	1,955	1,558	(96)	(108)	10,953	3,785	60
Cash and investment fund balance - beginning	345,046	2,007	4,980	160	11,048	5,727	5,020	70
<b>Cash and investment fund balance - ending</b>	<b>\$ 343,115</b>	<b>\$ 3,962</b>	<b>\$ 6,538</b>	<b>\$ 64</b>	<b>\$ 10,940</b>	<b>\$ 16,680</b>	<b>\$ 8,805</b>	<b>\$ 130</b>
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	343,115	3,962	6,538	64	10,940	16,680	8,805	130
<b>Total cash and investment assets - December 31</b>	<b>\$ 343,115</b>	<b>\$ 3,962</b>	<b>\$ 6,538</b>	<b>\$ 64</b>	<b>\$ 10,940</b>	<b>\$ 16,680</b>	<b>\$ 8,805</b>	<b>\$ 130</b>
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	6,538	64	10,940	16,680	8,805	130
Health and welfare	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	343,115	3,962	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 343,115</b>	<b>\$ 3,962</b>	<b>\$ 6,538</b>	<b>\$ 64</b>	<b>\$ 10,940</b>	<b>\$ 16,680</b>	<b>\$ 8,805</b>	<b>\$ 130</b>

PERRY 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)

	Community Transition Program	March of Dimes Grant	Home Detention Circuit Court	IV-D Impact Program	Sheriff Restitution Court Order	Vehicle Inspection Fund	Tobacco Settlement Grant 2003	Tobacco Settlement Grant 2004
<b>Receipts:</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	365	-	-
Fines and forfeits	14,087	-	990	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>14,087</b>	<b>-</b>	<b>990</b>	<b>-</b>	<b>-</b>	<b>365</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	940	-	-	-	-	-
Highways and streets	22,211	-	-	-	-	-	-	-
Health and welfare	-	167	-	3,483	-	-	-	16,449
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>22,211</b>	<b>167</b>	<b>940</b>	<b>3,483</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,449</b>
Excess (deficiency) of revenue over disbursements	(8,124)	(167)	50	(3,483)	-	365	-	(16,449)
<b>Other financing sources (uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,124)	(167)	50	(3,483)	-	365	-	(16,449)
Cash and investment fund balance - beginning	17,604	167	1,780	4,822	967	720	3,261	16,449
Cash and investment fund balance - ending	\$ 9,480	\$ -	\$ 1,830	\$ 1,339	\$ 967	\$ 1,085	\$ 3,261	\$ -
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	9,480	-	1,830	1,339	967	1,085	3,261	-
<b>Total cash and investment assets - December 31</b>	<b>\$ 9,480</b>	<b>\$ -</b>	<b>\$ 1,830</b>	<b>\$ 1,339</b>	<b>\$ 967</b>	<b>\$ 1,085</b>	<b>\$ 3,261</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	9,480	-	1,830	-	967	-	-	-
Health and welfare	-	-	-	1,339	-	-	3,261	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	1,085	-	-
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 9,480</b>	<b>\$ -</b>	<b>\$ 1,830</b>	<b>\$ 1,339</b>	<b>\$ 967</b>	<b>\$ 1,085</b>	<b>\$ 3,261</b>	<b>\$ -</b>

PERRY 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 Settlement Grant 2005	Special Duty Pay Deputies	HOPE Grant Circuit Court	Terrorism Emergency Management Grant	Substance Abuse Grant	Sheriff Department Walmart Grant	Riverboat Wagering Tax Revenue	Surplus Surtax and Wheel Tax
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,798	-	15,000	-	-	-	119,172	185,312
Charges for services	-	-	-	-	15,800	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	5,115	-	-	-	500	-	6,245
<b>Total receipts</b>	<b>15,798</b>	<b>5,115</b>	<b>15,000</b>	<b>-</b>	<b>15,800</b>	<b>500</b>	<b>119,172</b>	<b>191,557</b>
Disbursements:								
General government	-	-	15,000	15,045	-	-	121,874	-
Public safety	-	5,115	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	103,148
Health and welfare	-	-	-	-	15,178	1,495	-	-
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>5,115</b>	<b>15,000</b>	<b>15,045</b>	<b>15,178</b>	<b>1,495</b>	<b>121,874</b>	<b>103,148</b>
Excess (deficiency) of revenue over disbursements	15,798	-	-	(15,045)	622	(995)	(2,702)	88,409
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,798	-	-	(15,045)	622	(995)	(2,702)	88,409
Cash and investment fund balance - beginning	-	-	-	15,045	8,025	1,626	3,123	187,157
<b>Cash and investment fund balance - ending</b>	<b>\$ 15,798</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,647</b>	<b>\$ 631</b>	<b>\$ 421</b>	<b>\$ 275,566</b>
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	15,798	-	-	-	8,647	631	421	275,566
<b>Total cash and investment assets - December 31</b>	<b>\$ 15,798</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,647</b>	<b>\$ 631</b>	<b>\$ 421</b>	<b>\$ 275,566</b>
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,566
Public safety	-	-	-	-	-	631	-	-
Health and welfare	15,798	-	-	-	8,647	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	421	-
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 15,798</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,647</b>	<b>\$ 631</b>	<b>\$ 421</b>	<b>\$ 275,566</b>

PERRY 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)

	Children's PTRC	EMA Rescue Donation	Criminal Justice Grant 04-VA-126	Election Nonreverting Section 102	Election Nonreverting Title III	Housing Grant HD-970-028	Homeland Security Grant EMA	Bio-Terrorism Preparedness Health
<b>Receipts:</b>								
Taxes	\$ 22,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,094	-	19,211	-	11,250	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	380	-	545	546	-	-	-
<b>Total receipts</b>	<b>25,889</b>	<b>380</b>	<b>19,211</b>	<b>545</b>	<b>11,796</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>								
General government	-	199	-	102,723	142,729	-	5,656	-
Public safety	-	-	16,796	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	27,371	-	-	-	-	-	-	444
Economic development and housing	-	-	-	-	-	10,762	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>27,371</b>	<b>199</b>	<b>16,796</b>	<b>102,723</b>	<b>142,729</b>	<b>10,762</b>	<b>5,656</b>	<b>444</b>
Excess (deficiency) of revenue over disbursements	(1,482)	181	2,415	(102,178)	(130,933)	(10,762)	(5,656)	(444)
<b>Other financing sources (uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,482)	181	2,415	(102,178)	(130,933)	(10,762)	(5,656)	(444)
Cash and investment fund balance - beginning	26,587	94	(2,415)	102,356	132,270	10,762	5,656	2,599
<b>Cash and investment fund balance - ending</b>	<b>\$ 25,105</b>	<b>\$ 275</b>	<b>\$ -</b>	<b>\$ 178</b>	<b>\$ 1,337</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,155</b>
<b>Cash and Investment Assets - December 31</b>								
<b>Cash and investments</b>								
Restricted assets:								
Cash and investments	25,105	275	-	178	1,337	-	-	2,155
<b>Total cash and investment assets - December 31</b>	<b>\$ 25,105</b>	<b>\$ 275</b>	<b>\$ -</b>	<b>\$ 178</b>	<b>\$ 1,337</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,155</b>
<b>Cash and Investment Fund Balance - December 31</b>								
<b>Restricted for:</b>								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-
Health and welfare	25,105	-	-	-	-	-	-	2,155
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	275	-	178	1,337	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 25,105</b>	<b>\$ 275</b>	<b>\$ -</b>	<b>\$ 178</b>	<b>\$ 1,337</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,155</b>

PERRY 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)

	COPS Grant Sheriff's Department	Mass Prophylaxis Plan Health	Circuit Court Interpreter Grant	Schergens Foundation Grant	Law Enforcement Block Grant	SNS Survey Health Department	Public Health Coordinator Grant	Community Foundation Grant EMA
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	51,167	-	-	-	2,384	-	47,286	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	73	-	-	-	-	-	-
<b>Total receipts</b>	<b>51,167</b>	<b>73</b>	<b>-</b>	<b>-</b>	<b>2,384</b>	<b>-</b>	<b>47,286</b>	<b>-</b>
Disbursements:								
General government	-	-	227	155	-	-	-	3,000
Public safety	34,622	-	-	-	2,734	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	2,189	-	-	-	7,205	36,275	-
Economic development and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>34,622</b>	<b>2,189</b>	<b>227</b>	<b>155</b>	<b>2,734</b>	<b>7,205</b>	<b>36,275</b>	<b>3,000</b>
Excess (deficiency) of revenue over disbursements	16,545	(2,116)	(227)	(155)	(350)	(7,205)	11,011	(3,000)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16,545	(2,116)	(227)	(155)	(350)	(7,205)	11,011	(3,000)
Cash and investment fund balance - beginning	(16,856)	7,656	1,283	37,709	350	10,600	(10,253)	3,000
Cash and investment fund balance - ending	<u>\$ (311)</u>	<u>\$ 5,540</u>	<u>\$ 1,056</u>	<u>\$ 37,554</u>	<u>\$ -</u>	<u>\$ 3,395</u>	<u>\$ 758</u>	<u>\$ -</u>
<b>Cash and Investment Assets - December 31</b>								
Cash and investments	\$ (311)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and investments	-	5,540	1,056	37,554	-	3,395	758	-
<b>Total cash and investment assets - December 31</b>	<b>\$ (311)</b>	<b>\$ 5,540</b>	<b>\$ 1,056</b>	<b>\$ 37,554</b>	<b>\$ -</b>	<b>\$ 3,395</b>	<b>\$ 758</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - December 31</b>								
Restricted for:								
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-
Health and welfare	-	5,540	-	-	-	3,395	758	-
Debt service	-	-	-	-	-	-	-	-
Other purposes	-	-	1,056	37,554	-	-	-	-
Unrestricted	(311)	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ (311)</b>	<b>\$ 5,540</b>	<b>\$ 1,056</b>	<b>\$ 37,554</b>	<b>\$ -</b>	<b>\$ 3,395</b>	<b>\$ 758</b>	<b>\$ -</b>

PERRY 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)

	Perry County Law Enforcement	Alternate Dispute Resolution	Drug Court Fee	Emergency Gas Award	Criminal Justice Grant 05-VA-103	IV-D Incentive Clerk
<b>Receipts:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	100	12,289	20,529
Charges for services	-	-	-	-	-	-
Fines and forfeits	489	1,420	6,900	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>489</b>	<b>1,420</b>	<b>6,900</b>	<b>100</b>	<b>12,289</b>	<b>20,529</b>
<b>Disbursements:</b>						
General government	-	-	1,891	100	-	-
Public safety	-	-	-	-	14,754	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	3,737
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>1,891</b>	<b>100</b>	<b>14,754</b>	<b>3,737</b>
Excess (deficiency) of revenue over disbursements	489	1,420	5,009	-	(2,465)	16,792
<b>Other financing sources (uses)</b>						
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 financing sources over disbursements and other financing uses	489	1,420	5,009	-	(2,465)	16,792
Cash and investment fund balance - beginning	-	-	-	-	-	-
<b>Cash and investment fund balance - ending</b>	<b>\$ 489</b>	<b>\$ 1,420</b>	<b>\$ 5,009</b>	<b>\$ -</b>	<b>\$ (2,465)</b>	<b>\$ 16,792</b>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (2,465)	\$ -
Restricted assets:						
Cash and investments	489	1,420	5,009	-	-	16,792
<b>Total cash and investment assets - December 31</b>	<b>\$ 489</b>	<b>\$ 1,420</b>	<b>\$ 5,009</b>	<b>\$ -</b>	<b>\$ (2,465)</b>	<b>\$ 16,792</b>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	489	1,420	5,009	-	-	-
Health and welfare	-	-	-	-	-	16,792
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	(2,465)	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 489</b>	<b>\$ 1,420</b>	<b>\$ 5,009</b>	<b>\$ -</b>	<b>\$ (2,465)</b>	<b>\$ 16,792</b>

PERRY 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)

	IV-D Incentive Prosecuting Attorney	IV-D Incentive County Share	EMA Computer Grant	Rural Safety Belt Initiative	Public Health Coordinator 05-06	Industrial Development Grant - Webb Wheel
<b>Receipts:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	22,108	22,464	1,700	1,500	17,188	205,000
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>22,108</b>	<b>22,464</b>	<b>1,700</b>	<b>1,500</b>	<b>17,188</b>	<b>205,000</b>
<b>Disbursements:</b>						
General government	-	-	1,700	-	-	-
Public safety	-	-	-	1,457	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	3,350	-	-	-	21,600	-
Economic development and housing	-	-	-	-	-	205,000
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,350</b>	<b>-</b>	<b>1,700</b>	<b>1,457</b>	<b>21,600</b>	<b>205,000</b>
Excess (deficiency) of revenue over disbursements	18,758	22,464	-	43	(4,412)	-
<b>Other financing sources (uses)</b>						
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 financing sources over disbursements and other financing uses	18,758	22,464	-	43	(4,412)	-
Cash and investment fund balance - beginning	-	-	-	-	-	-
<b>Cash and investment fund balance - ending</b>	<b>\$ 18,758</b>	<b>\$ 22,464</b>	<b>\$ -</b>	<b>\$ 43</b>	<b>\$ (4,412)</b>	<b>\$ -</b>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (4,412)	\$ -
Restricted assets:						
Cash and investments	18,758	22,464	-	43	-	-
<b>Total cash and investment assets - December 31</b>	<b>\$ 18,758</b>	<b>\$ 22,464</b>	<b>\$ -</b>	<b>\$ 43</b>	<b>\$ (4,412)</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	43	-	-
Health and welfare	18,758	22,464	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	(4,412)	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 18,758</b>	<b>\$ 22,464</b>	<b>\$ -</b>	<b>\$ 43</b>	<b>\$ (4,412)</b>	<b>\$ -</b>

PERRY 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)

	Juror Education Project Grant	Debt Service Courthouse Lease	Debt Service Multipurpose Building	Distressed Road	Cumulative Capital Development	Totals
Receipts:						
Taxes	\$ -	\$ 112,611	\$ 109,992	\$ -	\$ 130,939	\$ 851,531
Intergovernmental	500	168,249	15,116	-	20,660	1,744,886
Charges for services	-	-	-	-	-	351,621
Fines and forfeits	-	-	-	-	-	476,692
Other	-	6,516	897	7,237	5,960	181,132
<b>Total receipts</b>	<b>500</b>	<b>287,376</b>	<b>126,005</b>	<b>7,237</b>	<b>157,559</b>	<b>3,605,862</b>
Disbursements:						
General government	500	-	-	-	-	855,041
Public safety	-	-	-	-	-	534,832
Highways and streets	-	-	-	266,855	-	676,806
Health and welfare	-	-	-	-	-	296,983
Economic development and housing	-	-	-	-	-	715,413
Debt service:						
Principal	-	275,000	90,000	-	-	908,135
Interest	-	54,081	41,567	-	-	123,324
Capital outlay	-	-	-	-	135,594	135,594
<b>Total disbursements</b>	<b>500</b>	<b>329,081</b>	<b>131,567</b>	<b>266,855</b>	<b>135,594</b>	<b>4,246,128</b>
Excess (deficiency) of revenue over disbursements	-	(41,705)	(5,562)	(259,618)	21,965	(640,266)
Other financing sources (uses)						
Transfers in	-	300,000	-	-	-	300,000
Transfers out	-	(300,000)	-	-	-	(300,000)
<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 financing sources over disbursements and other financing uses	-	(41,705)	(5,562)	(259,618)	21,965	(640,266)
Cash and investment fund balance - beginning	-	488,717	114,710	315,316	301,508	3,772,512
Cash and investment fund balance - ending	\$ -	\$ 447,012	\$ 109,148	\$ 55,698	\$ 323,473	\$ 3,132,246
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,188)
Restricted assets:						
Cash and investments	-	447,012	109,148	55,698	323,473	3,139,434
<b>Total cash and investment assets - December 31</b>	<b>\$ -</b>	<b>\$ 447,012</b>	<b>\$ 109,148</b>	<b>\$ 55,698</b>	<b>\$ 323,473</b>	<b>\$ 3,132,246</b>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ 55,698	\$ -	\$ 636,575
Public safety	-	-	-	-	-	353,160
Health and welfare	-	-	-	-	-	173,958
Debt service	-	447,012	109,148	-	-	556,160
Other purposes	-	-	-	-	323,473	1,419,581
Unrestricted	-	-	-	-	-	(7,188)
<b>Total cash and investment fund balance - December 31</b>	<b>\$ -</b>	<b>\$ 447,012</b>	<b>\$ 109,148</b>	<b>\$ 55,698</b>	<b>\$ 323,473</b>	<b>\$ 3,132,246</b>

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

	<u>Tax Sale Redemption</u>	<u>Tax Sale Surplus</u>	<u>State Fees</u>	<u>Inheritance Tax</u>	<u>Surplus Tax</u>	<u>Congressional Interest</u>	<u>Prosecuting Attorney</u>
Agency fund additions	\$ 97,941	\$ 5,776	\$ 73,604	\$ 430,401	\$ 70,741	\$ 750	\$ 81,955
Deductions:							
Agency fund deductions	<u>99,485</u>	<u>121,394</u>	<u>73,910</u>	<u>418,680</u>	<u>78,069</u>	<u>1,317</u>	<u>82,708</u>
Excess (deficiency) of total additions over total deductions	(1,544)	(115,618)	(306)	11,721	(7,328)	(567)	(753)
Cash and investment fund balance - beginning	<u>1,544</u>	<u>198,245</u>	<u>8,849</u>	<u>47,268</u>	<u>52,761</u>	<u>6,715</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 82,627</u>	<u>\$ 8,543</u>	<u>\$ 58,989</u>	<u>\$ 45,433</u>	<u>\$ 6,148</u>	<u>\$ (753)</u>

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

	County Sheriff	Tax Distribution Funds	Payroll Withholdings	County Payroll	Clerk of the Circuit Court	Welfare Trust	Convention and Tourism
Agency fund additions	\$ 172,153	\$ 13,822,554	\$ 1,187,587	\$ 1,437,422	\$ 3,410,960	\$ 8,267	\$ 108,699
Deductions:							
Agency fund deductions	172,153	13,822,554	1,120,501	1,437,422	3,526,658	1,221	106,974
Excess (deficiency) of total additions over total deductions	-	-	67,086	-	(115,698)	7,046	1,725
Cash and investment fund balance - beginning	-	-	-	-	1,851,019	4,824	3,471
Cash and investment fund balance - ending	\$ -	\$ -	\$ 67,086	\$ -	\$ 1,735,321	\$ 11,870	\$ 5,196

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

	County Recorder	County Treasurer	Health Department	Surplus Dog Tax	Planning and Zoning	County Sales Disclosure Fees	Interstate Compact Fee
Agency fund additions	\$ 99,660	\$ 19,792,152	\$ 40,532	\$ 1,448	\$ 4,083	\$ 2,610	\$ 227
Deductions:							
Agency fund deductions	99,390	19,737,265	40,796	2,026	4,448	1,819	227
Excess (deficiency) of total additions over total deductions	270	54,887	(264)	(578)	(365)	791	-
Cash and investment fund balance - beginning	109	180,623	477	578	135	1,473	-
Cash and investment fund balance - ending	<u>\$ 379</u>	<u>\$ 235,510</u>	<u>\$ 213</u>	<u>\$ -</u>	<u>\$ (230)</u>	<u>\$ 2,264</u>	<u>\$ -</u>

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

	TIF Replacement Fund	Education Plate Fee	County Wheel Tax	Auto Excise Tax	County Option Income Tax	Economic Development Income Tax
Agency fund additions	\$ 208,061	\$ 1,294	\$ 41,072	\$ 250,868	\$ 1,193,734	\$ 1,160,209
Deductions:						
Agency fund deductions	-	1,050	45,462	250,868	1,193,734	1,160,209
Excess (deficiency) of total additions over total deductions	208,061	244	(4,390)	-	-	-
Cash and investment fund balance - beginning	579,037	-	4,390	-	-	-
Cash and investment fund balance - ending	<u>\$ 787,098</u>	<u>\$ 244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Perry County Museum Projects	City Weed Removal	Children with Special Health Care Needs	Health Care for the Indigent	County Medical Assistance to Wards	Total
Agency fund additions	\$ 7,141	\$ 196	\$ 28,638	\$ 115,719	\$ 7,013	\$ 43,863,467
Deductions:						
Agency fund deductions	7,141	196	28,638	115,719	7,013	43,759,047
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	104,420
Cash and investment fund balance - beginning	-	-	-	-	-	2,941,518
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,045,938

PERRY COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2005

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 90,100
Buildings	4,213,676
Machinery and equipment	<u>5,509,959</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 9,813,735</u>

PERRY COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2005

The County has entered into the following capital leases, bonds payable, and loans payable:

Description of Asset	Ending Balance	Due Within One Year
Governmental activities:		
Capital leases:		
Courthouse	\$ 938,500	\$ 275,000
Highway Tandem Trucks	189,252	57,247
Loans payable:		
Emergency Telephone System	589,034	69,047
Distressed Road Loan	900,000	-
Bonds payable:		
General obligation bonds:		
Multi-purpose building	665,000	95,000
Total governmental activities long-term debt	\$ 3,281,786	\$ 496,294

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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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 PERRY COUNTY, INDIANA

Compliance

We have audited the compliance of the Perry 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

December 21, 2006

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

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Public Safety Partnership and Community Policing Grants	16.710	2003 UMWX 0270	\$ <u>25,000</u>
Pass-through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grant - Allocation to States	16.523	03-JB-046	<u>15,000</u>
Title V - Delinquency Prevention Program	16.548	04-JP-003	<u>746</u>
Crime Victim Assistance Program	16.575	04-VA-126 05-VA-103	25,232 <u>14,746</u>
Total for program			<u>39,978</u>
Local Law Enforcement Block Grant	16.592	04-LB-048	<u>2,384</u>
Total for federal grantor agency			<u>83,108</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-through Indiana Department of Transportation			
Highway Planning and Construction	20.205	BR-NBIS(473)	<u>20,416</u>
Pass-through Indiana Criminal Justice Institute			
State and Community Highway Safety	20.600	OP-06-02-05-03 157PT 06-04-09-01	720 <u>2,000</u>
Total for program			<u>2,720</u>
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	154AL 05-03-03-22	<u>2,320</u>
Total for federal grantor agency			<u>25,456</u>
<u>U.S. GENERAL SERVICES ADMINISTRATION</u>			
Pass-through Indiana Secretary of State			
Election Reform Payments	39.011	HAVA Section 102	<u>97,587</u>
Total for federal grantor agency			<u>97,587</u>
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>			
Pass-through Indiana Secretary of State			
Help America Vote Act Requirements Payments	90.401	HAVA Title III	<u>135,592</u>
Total for federal grantor agency			<u>135,592</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

PERRY COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2005  
(Continued)

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-through Indiana State Department of Health Centers for Disease Control Investigations and Technical Assistance	93.283		
		BPRS 161-1	7,205
		BPRS 161-2(04/05)	36,378
		BPRS 161-2(05/06)	<u>21,600</u>
Total for program			<u>65,183</u>
Pass-through Indiana Department of Children's Services Child Support Enforcement	93.563		
Collection Incentives		2003	21,808
Collection Incentives		2004	26,902
Indirect Costs		FY 2005	12,272
Prosecutor Expense		FY 2005	85,870
Clerk Expense		FY 2005	18,218
IV-D Court Expense		FY 2005	<u>1,377</u>
Total for program			<u>166,447</u>
Total for federal grantor agency			<u>231,630</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-through Indiana Department of Homeland Security State Domestic Preparedness Equipment Support Program	97.004		
		FY 04 LETPP and SHSP	<u>5,656</u>
Public Assistance Grants	97.036		
		Disaster No. 1573	50,000
		Disaster No. 3197	<u>15,341</u>
Total for program			<u>65,341</u>
Total for federal grantor agency			<u>70,997</u>
Total federal awards expended			<u>\$ 644,370</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

PERRY COUNTY  
NOTES 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 Perry 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.

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2005:

Program Title	Federal CFDA Number	2005
Title V-Delinquency Prevention Program	16.548	\$ <u>746</u>

PERRY 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?	no

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?	no

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 Number	Name of Federal Program or Cluster
39.011	Election Reform Payments
90.401	Help America Vote Act Requirements Payments
93.563	Child Support Enforcement

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.

PERRY COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

PERRY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on December 21, 2006, with Debra A. Elder, Auditor. Our audit disclosed no material items that warrant comment at this time.