

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

ANNUAL FINANCIAL REPORT

2006

PERRY COUNTY, INDIANA



**FILED**

07/11/2007



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### 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 Glenn	01-01-03 to 12-31-10
Recorder	Jane James	01-01-05 to 12-31-08
President of the Board of County Commissioners	Terry Lock Louis Fortwendel	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Pete Franzman	01-01-06 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, 2006, 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, 2006, 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 May 29, 2007, 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 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, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules 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

May 29, 2007



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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, 2006, and have issued our report thereon dated May 29, 2007. 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

May 29, 2007

PERRY COUNTY  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2006

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 5,190,601	\$ 235,375	\$ 382,237	\$ 228,171	\$ (4,344,818)
Public safety	1,253,299	706,849	224,653	-	(321,797)
Highways and streets	2,000,760	-	2,243,080	-	242,320
Sanitation	5,000	-	-	-	(5,000)
Health and welfare	1,295,500	29,515	1,023,093	29,209	(213,683)
Economic development	2,456,491	-	4,161	-	(2,452,330)
Culture and recreation	77,859	-	-	-	(77,859)
Interest on long-term debt	87,524	-	-	-	(87,524)
Total primary government	<u>\$ 12,367,034</u>	<u>\$ 971,739</u>	<u>\$ 3,877,224</u>	<u>\$ 257,380</u>	<u>(7,260,691)</u>
General receipts:					
Property taxes					5,403,628
Other local sources					937,917
Grants and contributions not restricted to specific programs					1,013,172
Restricted investment earnings					370,219
Unrestricted investment earnings					182,215
Total general receipts					<u>7,907,151</u>
Change in net assets					646,460
Net assets - beginning					<u>8,747,980</u>
Net assets - ending					<u>\$ 9,394,440</u>
 <u>Assets</u>					
Cash and investments					\$ 390,676
Restricted assets:					
Cash and investments					<u>9,003,764</u>
Total assets					<u>\$ 9,394,440</u>
 <u>Net Assets</u>					
Restricted for:					
Highways and streets					\$ 1,771,359
Public safety					350,298
Health and welfare					1,234,296
Debt service					2,786,622
Other purposes					2,861,189
Unrestricted					<u>390,676</u>
Total net assets					<u>\$ 9,394,440</u>

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, 2006

	General	County Highway	Family and Children	Distressed Road Repayment	TIF No. 3 Waupaca Bond	Other Governmental Funds	Totals
<b>Receipts:</b>							
Taxes	\$ 2,572,571	\$ -	\$ 643,813	\$ 11,226	\$ 1,258,967	\$ 1,336,910	\$ 5,823,487
Licenses and permits	3,905	-	-	-	-	-	3,905
Intergovernmental	359,362	1,292,110	216,445	48,772	4,161	1,712,104	3,632,954
Charges for services	73,893	-	-	-	-	383,912	457,805
Fines and forfeits	113,396	-	-	-	-	379,899	493,295
Other	673,346	579,891	276,923	41,032	-	368,459	1,939,651
<b>Total receipts</b>	<b>3,796,473</b>	<b>1,872,001</b>	<b>1,137,181</b>	<b>101,030</b>	<b>1,263,128</b>	<b>4,181,284</b>	<b>12,351,097</b>
<b>Disbursements:</b>							
General government	2,848,501	-	-	-	-	659,183	3,507,684
Public safety	729,539	-	-	-	-	523,758	1,253,297
Highways and streets	-	1,602,177	-	-	-	309,057	1,911,234
Sanitation	5,000	-	-	-	-	-	5,000
Health and welfare	211,293	-	815,827	-	-	268,379	1,295,499
Culture and recreation	77,859	-	-	-	-	-	77,859
Economic development and housing	-	-	-	-	1,243,150	1,213,342	2,456,492
Debt service:							
Principal	-	32,278	-	-	-	496,294	528,572
Interest	-	722	-	-	-	86,801	87,523
Capital outlay	-	-	-	-	-	570,112	570,112
<b>Total disbursements</b>	<b>3,872,192</b>	<b>1,635,177</b>	<b>815,827</b>	<b>-</b>	<b>1,243,150</b>	<b>4,126,926</b>	<b>11,693,272</b>
Excess (deficiency) of receipts over disbursements	(75,719)	236,824	321,354	101,030	19,978	54,358	657,825
<b>Other financing sources (uses)</b>							
Transfers in	750,000	-	-	805,745	-	67,389	1,623,134
Transfers out	(750,000)	-	-	(797,500)	-	(75,634)	(1,623,134)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,245</b>	<b>-</b>	<b>(8,245)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(75,719)	236,824	321,354	109,275	19,978	46,113	657,825
Cash and investment fund balance - beginning	475,489	883,263	685,718	1,143,695	911,264	4,593,276	8,692,705
Cash and investment fund balance - ending	\$ 399,770	\$ 1,120,087	\$ 1,007,072	\$ 1,252,970	\$ 931,242	\$ 4,639,389	9,350,530
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.							
							43,910
Net assets of governmental activities							\$ 9,394,440
<b>Cash and Investment Assets - December 31</b>							
Cash and investments	\$ 399,770	\$ -	\$ -	\$ -	\$ -	\$ (9,094)	\$ 390,676
Restricted assets:							
Cash and investments	-	1,120,087	1,007,072	1,252,970	931,242	4,648,483	8,959,854
<b>Total cash and investment assets - December 31</b>	<b>\$ 399,770</b>	<b>\$ 1,120,087</b>	<b>\$ 1,007,072</b>	<b>\$ 1,252,970</b>	<b>\$ 931,242</b>	<b>\$ 4,639,389</b>	<b>\$ 9,350,530</b>
<b>Cash and Investment Fund Balance - December 31</b>							
Restricted for:							
Highways and streets	\$ -	\$ 1,120,087	\$ -	\$ -	\$ -	\$ 651,272	\$ 1,771,359
Public safety	-	-	-	-	-	350,298	350,298
Health and welfare	-	-	1,007,072	-	-	183,314	1,190,386
Debt service	-	-	-	1,252,970	931,242	602,410	2,786,622
Other purposes	-	-	-	-	-	2,861,189	2,861,189
Unrestricted	399,770	-	-	-	-	(9,094)	390,676
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 399,770</b>	<b>\$ 1,120,087</b>	<b>\$ 1,007,072</b>	<b>\$ 1,252,970</b>	<b>\$ 931,242</b>	<b>\$ 4,639,389</b>	<b>\$ 9,350,530</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 BALANCE - CASH AND INVESTMENT BASIS  
PROPRIETARY FUND  
As of and for the Year Ended December 31, 2006

	<u>Internal Service Fund</u>
Operating receipts:	
Other	\$ <u>662,393</u>
Operating disbursements:	
Insurance disbursements	<u>673,758</u>
Deficiency of operating receipts under operating disbursements	<u>(11,365)</u>
Deficiency of receipts under disbursements	(11,365)
Cash and investment fund balance - beginning	<u>55,275</u>
Cash and investment fund balance - ending	<u>\$ 43,910</u>
 <u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ 43,910</u>
 <u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u>\$ 43,910</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, 2006

	Private-Purpose Trust Fund	Agency Funds
Additions:		
Agency fund additions	\$ -	\$ 48,593,072
Deductions:		
Agency fund deductions	-	47,885,042
Excess of total additions over total deductions	-	708,030
Cash and investment fund balance - beginning	33,027	3,045,938
Cash and investment fund balance - ending	\$ 33,027	\$ 3,753,968

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

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

The Perry County Redevelopment Authority, a blended component unit, the Perry County Solid Waste Management District, a discretely presented component unit, and the Perry County Memorial Hospital, a discretely presented 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. However, at this time, the County does not have any business-type activities.

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.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The County reports the following major governmental funds:

The general fund is the primary operating fund and 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 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. 3 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. 3 Waupaca lease bonds.

Additionally, the County reports the following fund types:

The internal service fund, an 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.

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.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

Fund Financial Statements

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

PERRY 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

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.
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.

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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, 2006, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2006
Criminal Justice 06VA109	\$ 4,917
Public Health Coordinator 06/07	4,177
Planning and Zoning	933

Cash and investment deficits arose in the Criminal Justice 06VA109 fund and the Public Health Coordinator 06/07 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 Planning and Zoning fund due to agency fund reclassifications at year end as required by GASB 34.

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

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2006, 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, 2006, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2006</u>
General Fund	Distressed loan repayment	\$ 750,000
Distressed loan repayment	General Fund	750,000
	Other governmental	47,500
Other governmental	Distressed loan repayment	55,745
	Other governmental	<u>19,889</u>
 Total		 <u>\$ 1,623,134</u>

The County typically uses transfers for cash flow purposes as provided by various statutory provisions.

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. There were no significant reductions in insurance by major category of risk.

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 \$35,000 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 relates 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 Employers Pool, a public entity risk pool currently operating as a common risk management and insurance program for 934 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 the 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 itself.

D. Pension Plan

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.

Information to segregate the assets/liabilities and the actuarial study figures between the County and the Utilities is not available.

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%

PERRY COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
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, 2006

	County Health	Local Roads and Streets	Property Reassessment 2006	Accident Report	Firearms Training	Surveyor's Corner Perpetuation
Receipts:						
Taxes	\$ 82,880	\$ -	\$ 69,059	\$ -	\$ -	\$ -
Intergovernmental	11,642	181,240	9,804	-	-	-
Charges for services	29,345	-	-	815	5,410	3,948
Fines and forfeits	-	-	-	-	-	-
Other	2,598	14,666	13,652	-	-	-
<b>Total receipts</b>	<b>126,465</b>	<b>195,906</b>	<b>92,515</b>	<b>815</b>	<b>5,410</b>	<b>3,948</b>
Disbursements:						
General government	-	-	143,533	-	-	1,751
Public safety	-	-	-	-	1,810	-
Highways and streets	-	54,603	-	-	-	-
Health and welfare	126,757	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	57,247	-	-	-	-
Interest	-	5,837	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>126,757</b>	<b>117,687</b>	<b>143,533</b>	<b>-</b>	<b>1,810</b>	<b>1,751</b>
Excess (deficiency) of receipts over disbursements	(292)	78,219	(51,018)	815	3,600	2,197
Other financing sources (uses)						
Transfers in	47,500	-	-	-	-	-
Transfers out	(47,500)	-	-	-	-	-
<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	(292)	78,219	(51,018)	815	3,600	2,197
Cash and investment fund balance - beginning	15,310	305,311	373,607	1,393	7,734	17,372
Cash and investment fund balance - ending	<u>\$ 15,018</u>	<u>\$ 383,530</u>	<u>\$ 322,589</u>	<u>\$ 2,208</u>	<u>\$ 11,334</u>	<u>\$ 19,569</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	15,018	383,530	322,589	2,208	11,334	19,569
<b>Total cash and investment assets - December 31</b>	<u>\$ 15,018</u>	<u>\$ 383,530</u>	<u>\$ 322,589</u>	<u>\$ 2,208</u>	<u>\$ 11,334</u>	<u>\$ 19,569</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Highways and streets	\$ -	\$ 383,530	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	2,208	11,334	-
Health and welfare	15,018	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	322,589	-	-	19,569
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 15,018</u>	<u>\$ 383,530</u>	<u>\$ 322,589</u>	<u>\$ 2,208</u>	<u>\$ 11,334</u>	<u>\$ 19,569</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, 2006  
 (Continued)

	Supplemental Adult Probation	Recorder's Records Perpetuation	Clerk's Records Perpetuation	Covered Bridge	Emergency Telephone System	County Law Enforcement Continuing Education
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	625	-	-
Charges for services	-	34,240	8,893	-	222,790	-
Fines and forfeits	177,487	-	-	-	-	63
Other	-	-	-	-	1,645	-
<b>Total receipts</b>	<b>177,487</b>	<b>34,240</b>	<b>8,893</b>	<b>625</b>	<b>224,435</b>	<b>63</b>
Disbursements:						
General government	-	26,421	-	-	159,317	-
Public safety	217,985	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	69,047	-
Interest	-	-	-	-	19,502	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>217,985</b>	<b>26,421</b>	<b>-</b>	<b>-</b>	<b>247,866</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	<b>(40,498)</b>	<b>7,819</b>	<b>8,893</b>	<b>625</b>	<b>(23,431)</b>	<b>63</b>
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<b>(40,498)</b>	<b>7,819</b>	<b>8,893</b>	<b>625</b>	<b>(23,431)</b>	<b>63</b>
Cash and investment fund balance - beginning	136,721	47,278	16,022	9,500	42,219	514
Cash and investment fund balance - ending	<u>\$ 96,223</u>	<u>\$ 55,097</u>	<u>\$ 24,915</u>	<u>\$ 10,125</u>	<u>\$ 18,788</u>	<u>\$ 577</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	96,223	55,097	24,915	10,125	18,788	577
<b>Total cash and investment assets - December 31</b>	<b>\$ 96,223</b>	<b>\$ 55,097</b>	<b>\$ 24,915</b>	<b>\$ 10,125</b>	<b>\$ 18,788</b>	<b>\$ 577</b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	96,223	-	-	-	-	577
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	55,097	24,915	10,125	18,788	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 96,223</b>	<b>\$ 55,097</b>	<b>\$ 24,915</b>	<b>\$ 10,125</b>	<b>\$ 18,788</b>	<b>\$ 577</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, 2006  
 (Continued)

	County Drug Free Community	County User Fees	Pretrial Diversion	Local Health Maintenance	Sheriff's Commissary Fund	Health Donations
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	33,139	-	-
Charges for services	-	-	-	-	54,286	7,940
Fines and forfeits	26,039	67,770	50,458	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>26,039</b>	<b>67,770</b>	<b>50,458</b>	<b>33,139</b>	<b>54,286</b>	<b>7,940</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	27,178	44,211	46,999	-	41,570	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	37,425	-	3,881
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>27,178</b>	<b>44,211</b>	<b>46,999</b>	<b>37,425</b>	<b>41,570</b>	<b>3,881</b>
Excess (deficiency) of receipts over disbursements	(1,139)	23,559	3,459	(4,286)	12,716	4,059
Other financing sources (uses)						
Transfers in	-	-	14,128	-	-	-
Transfers out	-	(19,889)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(19,889)</b>	<b>14,128</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,139)	3,670	17,587	(4,286)	12,716	4,059
Cash and investment fund balance - beginning	29,229	50,158	42,977	15,670	21,408	18,966
Cash and investment fund balance - ending	<u>\$ 28,090</u>	<u>\$ 53,828</u>	<u>\$ 60,564</u>	<u>\$ 11,384</u>	<u>\$ 34,124</u>	<u>\$ 23,025</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	28,090	53,828	60,564	11,384	34,124	23,025
<b>Total cash and investment assets - December 31</b>	<b><u>\$ 28,090</u></b>	<b><u>\$ 53,828</u></b>	<b><u>\$ 60,564</u></b>	<b><u>\$ 11,384</u></b>	<b><u>\$ 34,124</u></b>	<b><u>\$ 23,025</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	28,090	53,828	60,564	-	34,124	-
Health and welfare	-	-	-	11,384	-	23,025
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 28,090</u></b>	<b><u>\$ 53,828</u></b>	<b><u>\$ 60,564</u></b>	<b><u>\$ 11,384</u></b>	<b><u>\$ 34,124</u></b>	<b><u>\$ 23,025</u></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, 2006  
 (Continued)

	Plat Book Update	Insurance Recovery	Employee Insurance Co-Payment	Emergency Planning and Right to Know	Perry County E.D.I.T.	Community Economic Development
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,592
Intergovernmental	-	-	-	3,481	605,256	-
Charges for services	6,155	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	25,262	169	-	-	166,091
<b>Total receipts</b>	<b>6,155</b>	<b>25,262</b>	<b>169</b>	<b>3,481</b>	<b>605,256</b>	<b>566,683</b>
Disbursements:						
General government	3,353	23,349	-	3,487	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	169	-	-	-
Economic development and housing	-	-	-	-	554,456	467,859
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,353</b>	<b>23,349</b>	<b>169</b>	<b>3,487</b>	<b>554,456</b>	<b>467,859</b>
Excess (deficiency) of receipts over disbursements	<u>2,802</u>	<u>1,913</u>	<u>-</u>	<u>(6)</u>	<u>50,800</u>	<u>98,824</u>
Other financing sources (uses)						
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 financing sources over disbursements and other financing uses	<u>2,802</u>	<u>1,913</u>	<u>-</u>	<u>(6)</u>	<u>50,800</u>	<u>98,824</u>
Cash and investment fund balance - beginning	<u>4,947</u>	<u>-</u>	<u>-</u>	<u>5,289</u>	<u>190,891</u>	<u>343,115</u>
Cash and investment fund balance - ending	<u>\$ 7,749</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 5,283</u>	<u>\$ 241,691</u>	<u>\$ 441,939</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>7,749</u>	<u>1,913</u>	<u>-</u>	<u>5,283</u>	<u>241,691</u>	<u>441,939</u>
Total cash and investment assets - December 31	<u>\$ 7,749</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 5,283</u>	<u>\$ 241,691</u>	<u>\$ 441,939</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	7,749	1,913	-	5,283	241,691	441,939
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 7,749</u>	<u>\$ 1,913</u>	<u>\$ -</u>	<u>\$ 5,283</u>	<u>\$ 241,691</u>	<u>\$ 441,939</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, 2006  
 (Continued)

	Guardian Ad Litem/CASA	County Misdemeanant Fund	Jury Pay	Check Collection Fee	Supplemental Public Defender	County Prisoner Reimbursement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	14,000	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	1,107	14,459	31,599	1,650
Other	4,303	-	-	-	-	-
<b>Total receipts</b>	<b>4,303</b>	<b>14,000</b>	<b>1,107</b>	<b>14,459</b>	<b>31,599</b>	<b>1,650</b>
Disbursements:						
General government	5,110	-	2,213	15,904	35,990	-
Public safety	-	16,459	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>5,110</b>	<b>16,459</b>	<b>2,213</b>	<b>15,904</b>	<b>35,990</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(807)	(2,459)	(1,106)	(1,445)	(4,391)	1,650
Other financing sources (uses)						
Transfers in	-	-	2,745	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>2,745</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(807)	(2,459)	1,639	(1,445)	(4,391)	1,650
Cash and investment fund balance - beginning	3,962	6,538	64	10,940	16,680	8,805
Cash and investment fund balance - ending	<u>\$ 3,155</u>	<u>\$ 4,079</u>	<u>\$ 1,703</u>	<u>\$ 9,495</u>	<u>\$ 12,289</u>	<u>\$ 10,455</u>
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	3,155	4,079	1,703	9,495	12,289	10,455
<b>Total cash and investment assets - December 31</b>	<u>\$ 3,155</u>	<u>\$ 4,079</u>	<u>\$ 1,703</u>	<u>\$ 9,495</u>	<u>\$ 12,289</u>	<u>\$ 10,455</u>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	4,079	1,703	9,495	12,289	10,455
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	3,155	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 3,155</u>	<u>\$ 4,079</u>	<u>\$ 1,703</u>	<u>\$ 9,495</u>	<u>\$ 12,289</u>	<u>\$ 10,455</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, 2006  
 (Continued)

	Operation Pull Over Grant	Community Transition Program	Home Detention Circuit Court	IV-D Impact Program	Sheriff Restitution Court Order	Vehicle Inspection Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,610	-	-	-	-	-
Charges for services	-	-	-	-	-	270
Fines and forfeits	-	4,740	2,050	-	-	-
Other	-	277	-	-	-	-
<b>Total receipts</b>	<b>4,610</b>	<b>5,017</b>	<b>2,050</b>	<b>-</b>	<b>-</b>	<b>270</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	4,400	12,869	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	1,339	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>4,400</b>	<b>12,869</b>	<b>-</b>	<b>1,339</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	<b>210</b>	<b>(7,852)</b>	<b>2,050</b>	<b>(1,339)</b>	<b>-</b>	<b>270</b>
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<b>210</b>	<b>(7,852)</b>	<b>2,050</b>	<b>(1,339)</b>	<b>-</b>	<b>270</b>
Cash and investment fund balance - beginning	<b>130</b>	<b>9,480</b>	<b>1,830</b>	<b>1,339</b>	<b>967</b>	<b>1,085</b>
Cash and investment fund balance - ending	<b>340</b>	<b>1,628</b>	<b>3,880</b>	<b>-</b>	<b>967</b>	<b>1,355</b>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<b>340</b>	<b>1,628</b>	<b>3,880</b>	<b>-</b>	<b>967</b>	<b>1,355</b>
<b>Total cash and investment assets - December 31</b>	<b>340</b>	<b>1,628</b>	<b>3,880</b>	<b>-</b>	<b>967</b>	<b>1,355</b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	<b>340</b>	<b>1,628</b>	<b>3,880</b>	<b>-</b>	<b>967</b>	<b>-</b>
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	<b>1,355</b>
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>340</b>	<b>1,628</b>	<b>3,880</b>	<b>-</b>	<b>967</b>	<b>1,355</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, 2006  
 (Continued)

	Tobacco Settlement Grant 2003	Tobacco Settlement Grant 2005	Tobacco Settlement Grant 2006	2001 Port Project Fund	Special Duty Pay Deputies	Substance Abuse Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	15,788	-	-	1,500
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	20,843	5,250	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>15,788</b>	<b>20,843</b>	<b>5,250</b>	<b>1,500</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	5,250	-
Highways and streets	-	-	-	-	-	-
Health and welfare	3,112	15,011	-	-	-	6,488
Economic development and housing	-	-	-	61,850	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,112</b>	<b>15,011</b>	<b>-</b>	<b>61,850</b>	<b>5,250</b>	<b>6,488</b>
Excess (deficiency) of receipts over disbursements	<u>(3,112)</u>	<u>(15,011)</u>	<u>15,788</u>	<u>(41,007)</u>	<u>-</u>	<u>(4,988)</u>
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(3,112)</u>	<u>(15,011)</u>	<u>15,788</u>	<u>(41,007)</u>	<u>-</u>	<u>(4,988)</u>
Cash and investment fund balance - beginning	<u>3,261</u>	<u>15,798</u>	<u>-</u>	<u>579,298</u>	<u>-</u>	<u>8,647</u>
Cash and investment fund balance - ending	<u>\$ 149</u>	<u>\$ 787</u>	<u>\$ 15,788</u>	<u>\$ 538,291</u>	<u>\$ -</u>	<u>\$ 3,659</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>149</u>	<u>787</u>	<u>15,788</u>	<u>538,291</u>	<u>-</u>	<u>3,659</u>
<b>Total cash and investment assets - December 31</b>	<u>\$ 149</u>	<u>\$ 787</u>	<u>\$ 15,788</u>	<u>\$ 538,291</u>	<u>\$ -</u>	<u>\$ 3,659</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Health and welfare	149	787	15,788	-	-	3,659
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	538,291	-	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 149</u>	<u>\$ 787</u>	<u>\$ 15,788</u>	<u>\$ 538,291</u>	<u>\$ -</u>	<u>\$ 3,659</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, 2006  
 (Continued)

	Sheriff Department Wal-Mart Grant	Riverboat Wagering Tax Revenue	Surplus Surtax and Wheel Tax	Children's PTRC	EMA Rescue Donation	Election Nonreverting Section 102
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 11,702	\$ -	\$ -
Intergovernmental	-	118,928	186,914	1,686	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	500	-	11,909	-	450	55
<b>Total receipts</b>	<b>500</b>	<b>118,928</b>	<b>198,823</b>	<b>13,388</b>	<b>450</b>	<b>55</b>
Disbursements:						
General government	-	119,348	-	-	161	-
Public safety	484	-	-	-	-	-
Highways and streets	-	-	206,647	-	-	-
Health and welfare	-	-	-	4,830	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>484</b>	<b>119,348</b>	<b>206,647</b>	<b>4,830</b>	<b>161</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	16	(420)	(7,824)	8,558	289	55
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16	(420)	(7,824)	8,558	289	55
Cash and investment fund balance - beginning	631	421	275,566	25,105	275	178
Cash and investment fund balance - ending	<u>647</u>	<u>1</u>	<u>267,742</u>	<u>33,663</u>	<u>564</u>	<u>233</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	647	1	267,742	33,663	564	233
<b>Total cash and investment assets - December 31</b>	<b><u>647</u></b>	<b><u>1</u></b>	<b><u>267,742</u></b>	<b><u>33,663</u></b>	<b><u>564</u></b>	<b><u>233</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ 267,742	\$ -	\$ -	\$ -
Public safety	647	-	-	-	-	-
Health and welfare	-	-	-	33,663	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	1	-	-	564	233
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>647</u></b>	<b><u>1</u></b>	<b><u>267,742</u></b>	<b><u>33,663</u></b>	<b><u>564</u></b>	<b><u>233</u></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, 2006  
 (Continued)

	Election Nonreverting Title III	Homeland Security Grant EMA	Bio-Terrorism Preparedness Health	COPS Grant Sheriff's Department	Mass Prophylaxis Plan Health	Circuit Court Interpreter Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	39,308	-	22,500	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	55	-	-	22,181	-	-
<b>Total receipts</b>	<b>55</b>	<b>39,308</b>	<b>-</b>	<b>44,681</b>	<b>-</b>	<b>-</b>
Disbursements:						
General government	-	39,308	-	-	-	314
Public safety	-	-	-	34,396	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	594	-	1,694	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>39,308</b>	<b>594</b>	<b>34,396</b>	<b>1,694</b>	<b>314</b>
Excess (deficiency) of receipts over disbursements	55	-	(594)	10,285	(1,694)	(314)
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	55	-	(594)	10,285	(1,694)	(314)
Cash and investment fund balance - beginning	1,337	-	2,155	(311)	5,540	1,056
Cash and investment fund balance - ending	<u>1,392</u>	<u>-</u>	<u>1,561</u>	<u>9,974</u>	<u>3,846</u>	<u>742</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	1,392	-	1,561	9,974	3,846	742
<b>Total cash and investment assets - December 31</b>	<b><u>1,392</u></b>	<b><u>-</u></b>	<b><u>1,561</u></b>	<b><u>9,974</u></b>	<b><u>3,846</u></b>	<b><u>742</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	9,974	-	-
Health and welfare	-	-	1,561	-	3,846	-
Debt service	-	-	-	-	-	-
Other purposes	1,392	-	-	-	-	742
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>1,392</u></b>	<b><u>-</u></b>	<b><u>1,561</u></b>	<b><u>9,974</u></b>	<b><u>3,846</u></b>	<b><u>742</u></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, 2006  
 (Continued)

	Schergens Foundation Grant	SNS Survey Health Department	Public Health Coordinator Grant	Community Foundation Grant EMA	Perry County Law Enforcement	Alternate Dispute Resolution
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	277	2,200
Other	-	-	180	8,150	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>8,150</b>	<b>277</b>	<b>2,200</b>
Disbursements:						
General government	-	-	-	8,026	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	3,385	891	-	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>3,385</b>	<b>891</b>	<b>8,026</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	(3,385)	(711)	124	277	2,200
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,385)	(711)	124	277	2,200
Cash and investment fund balance - beginning	37,554	3,395	758	-	489	1,420
Cash and investment fund balance - ending	<u>\$ 37,554</u>	<u>\$ 10</u>	<u>\$ 47</u>	<u>\$ 124</u>	<u>\$ 766</u>	<u>\$ 3,620</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	37,554	10	47	124	766	3,620
<b>Total cash and investment assets - December 31</b>	<b>\$ 37,554</b>	<b>\$ 10</b>	<b>\$ 47</b>	<b>\$ 124</b>	<b>\$ 766</b>	<b>\$ 3,620</b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	766	3,620
Health and welfare	-	10	47	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	37,554	-	-	124	-	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 37,554</b>	<b>\$ 10</b>	<b>\$ 47</b>	<b>\$ 124</b>	<b>\$ 766</b>	<b>\$ 3,620</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, 2006  
 (Continued)

	Drug Court Fee	Criminal Justice Grant 05-VA-103	IV-D Incentive Clerk	IV-D Incentive Prosecuting Attorney	IV-D Incentive County Share	Rural Safety Belt Initiative
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,000	19,698	6,406	11,111	6,406	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	7,000	-	-	-	-	-
<b>Total receipts</b>	<b>12,000</b>	<b>19,698</b>	<b>6,406</b>	<b>11,111</b>	<b>6,406</b>	<b>-</b>
Disbursements:						
General government	16,518	-	-	-	-	-
Public safety	-	17,233	-	-	-	43
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	3,202	2,311	3,434	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>16,518</b>	<b>17,233</b>	<b>3,202</b>	<b>2,311</b>	<b>3,434</b>	<b>43</b>
Excess (deficiency) of receipts over disbursements	(4,518)	2,465	3,204	8,800	2,972	(43)
Other financing sources (uses)						
Transfers in	3,016	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>3,016</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	(1,502)	2,465	3,204	8,800	2,972	(43)
Cash and investment fund balance - beginning	5,009	(2,465)	16,792	18,758	22,464	43
Cash and investment fund balance - ending	<u>3,507</u>	<u>-</u>	<u>19,996</u>	<u>27,558</u>	<u>25,436</u>	<u>-</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	3,507	-	19,996	27,558	25,436	-
<b>Total cash and investment assets - December 31</b>	<u>\$ 3,507</u>	<u>\$ -</u>	<u>\$ 19,996</u>	<u>\$ 27,558</u>	<u>\$ 25,436</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	3,507	-	-	-	-	-
Health and welfare	-	-	19,996	27,558	25,436	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 3,507</u>	<u>\$ -</u>	<u>\$ 19,996</u>	<u>\$ 27,558</u>	<u>\$ 25,436</u>	<u>\$ -</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, 2006  
 (Continued)

	Public Health Coordinator 05/06	Industrial Development Grant - Webb Wheel	County Identification Security Protection	Criminal Justice 06VA109	Traffic Safety Equipment Grant Sheriff	DNR Grant Fire Rescue EMA
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	40,866	29,209	-	9,942	6,192	1,206
Charges for services	-	-	9,820	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>40,866</b>	<b>29,209</b>	<b>9,820</b>	<b>9,942</b>	<b>6,192</b>	<b>1,206</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	14,859	6,192	1,206
Highways and streets	-	-	-	-	-	-
Health and welfare	36,454	-	-	-	-	-
Economic development and housing	-	29,209	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>36,454</b>	<b>29,209</b>	<b>-</b>	<b>14,859</b>	<b>6,192</b>	<b>1,206</b>
Excess (deficiency) of receipts over disbursements	<u>4,412</u>	<u>-</u>	<u>9,820</u>	<u>(4,917)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)						
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 financing sources over disbursements and other financing uses	<u>4,412</u>	<u>-</u>	<u>9,820</u>	<u>(4,917)</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>(4,412)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,820</u>	<u>\$ (4,917)</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ (4,917)	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	9,820	-	-	-
<b>Total cash and investment assets - December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,820</u>	<u>\$ (4,917)</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	9,820	-	-	-
Unrestricted	-	-	-	(4,917)	-	-
<b>Total cash and investment fund balance - December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,820</u>	<u>\$ (4,917)</u>	<u>\$ -</u>	<u>\$ -</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, 2006  
 (Continued)

	Public Health Coordinator 06/07	Early Risers Skills Grant	Pandemic Flu Grant	Clerk - BMV Equipment Grant	FEMA Fire Grant EMA	Debt Service Courthouse Lease
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,922
Intergovernmental	12,612	51,500	2,000	750	30,614	128,722
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	12,592
<b>Total receipts</b>	<b>12,612</b>	<b>51,500</b>	<b>2,000</b>	<b>750</b>	<b>30,614</b>	<b>209,236</b>
Disbursements:						
General government	-	51,500	-	-	-	2,580
Public safety	-	-	-	-	30,614	-
Highways and streets	-	-	-	-	-	-
Health and welfare	16,789	-	613	-	-	-
Economic development and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	275,000
Interest	-	-	-	-	-	31,000
Capital outlay	-	-	-	-	-	-
<b>Total disbursements</b>	<b>16,789</b>	<b>51,500</b>	<b>613</b>	<b>-</b>	<b>30,614</b>	<b>308,580</b>
Excess (deficiency) of receipts over disbursements	(4,177)	-	1,387	750	-	(99,344)
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,177)	-	1,387	750	-	(99,344)
Cash and investment fund balance - beginning	-	-	-	-	-	447,012
Cash and investment fund balance - ending	<u>\$ (4,177)</u>	<u>\$ -</u>	<u>\$ 1,387</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 347,668</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ (4,177)	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	1,387	750	-	347,668
<b>Total cash and investment assets - December 31</b>	<b><u>\$ (4,177)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,387</u></b>	<b><u>\$ 750</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 347,668</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Health and welfare	-	-	1,387	-	-	-
Debt service	-	-	-	-	-	347,668
Other purposes	-	-	-	750	-	-
Unrestricted	(4,177)	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ (4,177)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,387</u></b>	<b><u>\$ 750</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 347,668</u></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, 2006  
 (Continued)

	Debt Service Multipurpose Building	Distressed Road	TIF No. 4 Webb Wheel Bond	Cumulative Capital Development	Cumulative Bridge	Totals
<b>Receipts:</b>						
Taxes	\$ 116,350	\$ -	\$ 237,099	\$ 133,797	\$ 217,509	\$ 1,336,910
Intergovernmental	16,314	-	-	18,919	64,216	1,712,104
Charges for services	-	-	-	-	-	383,912
Fines and forfeits	-	-	-	-	-	379,899
Other	1,515	354	746	11,964	36,052	368,459
<b>Total receipts</b>	<b>134,179</b>	<b>354</b>	<b>237,845</b>	<b>164,680</b>	<b>317,777</b>	<b>4,181,284</b>
<b>Disbursements:</b>						
General government	1,000	-	-	-	-	659,183
Public safety	-	-	-	-	-	523,758
Highways and streets	-	47,807	-	-	-	309,057
Health and welfare	-	-	-	-	-	268,379
Economic development and housing	-	-	99,968	-	-	1,213,342
Debt service:						
Principal	95,000	-	-	-	-	496,294
Interest	30,462	-	-	-	-	86,801
Capital outlay	-	-	-	154,752	415,360	570,112
<b>Total disbursements</b>	<b>126,462</b>	<b>47,807</b>	<b>99,968</b>	<b>154,752</b>	<b>415,360</b>	<b>4,126,926</b>
Excess (deficiency) of receipts over disbursements	<u>7,717</u>	<u>(47,453)</u>	<u>137,877</u>	<u>9,928</u>	<u>(97,583)</u>	<u>54,358</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	-	67,389
Transfers out	-	(8,245)	-	-	-	(75,634)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(8,245)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,245)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,717	(55,698)	137,877	9,928	(97,583)	46,113
Cash and investment fund balance - beginning	109,148	55,698	-	323,473	881,732	4,593,276
Cash and investment fund balance - ending	<u>\$ 116,865</u>	<u>\$ -</u>	<u>\$ 137,877</u>	<u>\$ 333,401</u>	<u>\$ 784,149</u>	<u>\$ 4,639,389</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,094)
Restricted assets:						
Cash and investments	116,865	-	137,877	333,401	784,149	4,648,483
<b>Total cash and investment assets - December 31</b>	<b>\$ 116,865</b>	<b>\$ -</b>	<b>\$ 137,877</b>	<b>\$ 333,401</b>	<b>\$ 784,149</b>	<b>\$ 4,639,389</b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
<b>Restricted for:</b>						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 651,272
Public safety	-	-	-	-	-	350,298
Health and welfare	-	-	-	-	-	183,314
Debt service	116,865	-	137,877	-	-	602,410
Other purposes	-	-	-	333,401	784,149	2,861,189
Unrestricted	-	-	-	-	-	(9,094)
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 116,865</b>	<b>\$ -</b>	<b>\$ 137,877</b>	<b>\$ 333,401</b>	<b>\$ 784,149</b>	<b>\$ 4,639,389</b>

PERRY COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006

	<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>
Additions:						
Agency fund additions	\$ 18,096	\$ 95,725	\$ 67,541	\$ 646,971	\$ 19,480	\$ 1,344
Deductions:						
Agency fund deductions	10,974	36,301	70,527	177,054	38,521	1,317
Excess (deficiency) of total additions over total deductions	7,122	59,424	(2,986)	469,917	(19,041)	27
Cash and investment fund balance - beginning	-	82,627	8,543	58,989	45,433	6,148
Cash and investment fund balance - ending	<u>\$ 7,122</u>	<u>\$ 142,051</u>	<u>\$ 5,557</u>	<u>\$ 528,906</u>	<u>\$ 26,392</u>	<u>\$ 6,175</u>

PERRY COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Prosecuting Attorney	County Sheriff	Tax Distribution Funds	Payroll Withholdings	County Payroll	Clerk of the Circuit Court
Additions:						
Agency fund additions	\$ 71,416	\$ 157,622	\$ 14,271,710	\$ 1,238,322	\$ 2,776,051	\$ 3,126,131
Deductions:						
Agency fund deductions	70,664	128,622	14,271,710	1,305,408	2,776,051	3,089,898
Excess (deficiency) of total additions over total deductions	752	29,000	-	(67,086)	-	36,233
Cash and investment fund balance - beginning	(753)	-	-	67,086	-	1,735,321
Cash and investment fund balance - ending	<u>\$ (1)</u>	<u>\$ 29,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,771,554</u>

PERRY COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Welfare Trust	Convention and Tourism	County Recorder	County Treasurer	Health Department	Surplus Dog Tax
Additions:						
Agency fund additions	\$ 3,446	\$ 106,650	\$ 116,963	\$ 22,402,674	\$ 40,353	\$ 3,050
Deductions:						
Agency fund deductions	7,691	104,922	117,052	22,428,608	34,635	3,050
Excess (deficiency) of total additions over total deductions	(4,245)	1,728	(89)	(25,934)	5,718	-
Cash and investment fund balance - beginning	11,870	5,196	379	235,510	213	-
Cash and investment fund balance - ending	<u>\$ 7,625</u>	<u>\$ 6,924</u>	<u>\$ 290</u>	<u>\$ 209,576</u>	<u>\$ 5,931</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, 2006  
 (Continued)

	Planning and Zoning	County Sales Disclosure Fees	Interstate Compact Fee	TIF Replacement Fund	Education Plate Fee	County Wheel Tax
Additions:						
Agency fund additions	\$ 4,595	\$ 2,740	\$ 450	\$ 215,732	\$ 1,106	\$ 33,407
Deductions:						
Agency fund deductions	5,298	73	412	-	1,350	33,407
Excess (deficiency) of total additions over total deductions	(703)	2,667	38	215,732	(244)	-
Cash and investment fund balance - beginning	(230)	2,264	-	787,098	244	-
Cash and investment fund balance - ending	<u>\$ (933)</u>	<u>\$ 4,931</u>	<u>\$ 38</u>	<u>\$ 1,002,830</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, 2006  
 (Continued)

	Auto Excise Tax	County Option Income Tax	Economic Development Income Tax	Perry County Museum Projects	City Weed Removal
Additions:					
Agency fund additions	\$ 270,774	\$ 1,347,506	\$ 1,377,390	\$ 12,057	\$ 2,427
Deductions:					
Agency fund deductions	270,774	1,347,506	1,377,390	12,057	2,427
Excess (deficiency) of total additions over total deductions	-	-	-	-	-
Cash and investment fund balance - beginning	-	-	-	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -

PERRY COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Children with Special Health Care Needs	Health Care for the Indigent	County Medical Assistance to Wards	Military Fines	Total
Additions:					
Agency fund additions	\$ 30,299	\$ 123,622	\$ 7,272	\$ 150	\$ 48,593,072
Deductions:					
Agency fund deductions	30,299	123,622	7,272	150	47,885,042
Excess (deficiency) of total additions over total deductions	-	-	-	-	708,030
Cash and investment fund balance - beginning	-	-	-	-	3,045,938
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ 3,753,968

PERRY COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2006

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>5,409,640</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 9,713,416</u></u>

PERRY COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2006

The County has entered into the following Capital Leases, Loans Payable, and Bonds Payable:

Description of Asset	Ending Balance	Due Within One Year
Governmental activities:		
Capital leases:		
Courthouse	\$ 595,000	\$ 290,000
Highway tandem trucks	120,171	59,130
Highway grader	86,190	28,608
Loans payable:		
Emergency telephone system	519,986	71,502
Distressed road loan	900,000	-
Bonds payable:		
General obligation bonds:		
Multi-purpose building	<u>570,000</u>	<u>100,000</u>
Total governmental activities long-term debt	<u>\$ 2,791,347</u>	<u>\$ 549,240</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
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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, 2006. 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, 2006.

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

May 29, 2007

PERRY COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2006

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 COPS Grant	16.710	2003 UMWX 0270	\$ <u>16,250</u>
Pass-Through Indiana Criminal Justice Institute Title V - Delinquency Prevention Program Early Risers	16.548	04-JP-003	50,754
Early Risers		05-JP-003	<u>11,690</u>
Total for program			<u>62,444</u>
Crime Victim Assistance Victim's Assistance	16.575	05-VA-103	17,225
Victim's Assistance		06-VA-109	<u>6,141</u>
Total for program			<u>23,366</u>
Drug Court Discretionary Grant Program Drug Court Scholarship Program	16.585	2006-60	<u>1,458</u>
Total for federal grantor agency			<u>103,518</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600	OP-06-02-05-03 PT-10-10-07	2,420 <u>1,160</u>
Total for program			<u>3,580</u>
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	J8-2006-04-04-01 OP-07-01-01-04	4,644 <u>760</u>
Total for program			<u>5,404</u>
Total for cluster			<u>8,984</u>
Pass-Through Indiana Department of Transportation Highway Planning and Construction Bridge Inspection	20.205	BRO-9962(006)	<u>57,881</u>
Pass-Through Indiana Supreme Court - Division of State Court Administration National Motor Carrier Safety BMV Equipment Grant	20.218	06-0243	<u>750</u>
Total for federal grantor agency			<u>67,615</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, 2006  
(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 Department of Health and Human Services Public Health Emergency Preparedness	93.069	Pandemic Flu	<u>613</u>
Centers for Disease Control and Technical Assistance	93.283	BPRS 161-1 BPRS 161-2 (05/06) BPRS 161-2 (06/07)	3,385 36,454 <u>12,612</u>
Total for program			<u>52,451</u>
Pass-Through Indiana Department of Children's Services Child Support Enforcement	93.563		
Collection Incentives		FY 2005	22,451
Indirect Costs		FY 2006	16,388
Prosecutor Expense		FY 2006	100,650
Clerk Expense		FY 2006	13,053
IV-D Court Expense		FY 2006	<u>2,996</u>
Total for program			<u>155,538</u>
Total for federal grantor agency			<u>208,602</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct Grant			
Assistance to Firefighters Grant	97.044	EMW-2005-FG-10852	<u>30,614</u>
Pass-Through Indiana Department of Homeland Security Public Assistance Grants Buzzard Roost Road	97.036	Disaster #1573-DR	<u>69,792</u>
Emergency Management Performance Grants Salary Reimbursement	97.042	FY 2006	<u>26,592</u>
Homeland Security Grant Program SHSP	97.067	FY 05 SHSP	<u>24,653</u>
Law Enforcement Terrorism Prevention Program	97.074	FY 05 LETPP	<u>14,655</u>
Total for federal grantor agency			<u>166,306</u>
Total federal awards expended			<u>\$ 546,041</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 sub-recipients as follows for the year ended December 31, 2006:

Program Title	Federal CFDA Number	2006
Title V - Delinquency Prevention Program	16.548	\$ <u>62,444</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?	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 Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction
93.563	Child Support Enforcement
97.036	Public Assistance Grants

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 June 4, 2007, with Connie Berger, Auditor; and Debra A. Elder, former Auditor and current Clerk. Our audit disclosed no material items that warrant comment at this time.