

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

ANNUAL FINANCIAL REPORT

2008

VERMILLION COUNTY, INDIANA



FILED

10/30/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Sherrie A. Koma	01-01-05 to 12-31-08
	Phyllis Orman	01-01-09 to 12-31-12
Treasurer	Phyllis Orman	01-01-05 to 12-31-08
	Wendy Farley	01-01-09 to 12-31-12
Clerk	Florinda Pruitt	01-01-08 to 12-31-12
Sheriff	Robert Spence	01-01-07 to 12-31-10
Recorder	Lori Porter	01-01-07 to 12-31-10
President of the Board of County Commissioners	Tim J. Wilson	01-01-08 to 12-31-09
President of the County Council	John Yoho	01-01-07 to 06-06-08
	(Vacant)	06-07-08 to 07-13-08
	John A. Cheesewright	07-14-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vermillion County (County), as of and for the year ended December 31, 2008, 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.

In our opinion, 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, 2008, 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 September 30, 2009, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

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

STATE BOARD OF ACCOUNTS

September 30, 2009



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vermillion County (County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 30, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

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 grant agreements, 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 or other matters that are required to be reported under Government Auditing Standards.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management, the Board of County Commissioners, 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

September 30, 2009

VERMILLION COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2008

	General	Highway	Rainy Day	Cumulative Reassessment	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 3,276,585	\$ -	\$ -	\$ 107,891	\$ 854,757	\$ 4,239,233
Licenses and permits	3,933	-	-	-	16,968	20,901
Intergovernmental	575,607	1,231,587	-	15,216	1,164,848	2,987,258
Charges for services	417,206	-	-	-	239,452	656,658
Fines and forfeits	117,481	-	-	-	240,892	358,373
Other	547,688	213,898	468,845	62,706	466,446	1,759,583
Total receipts	4,938,500	1,445,485	468,845	185,813	2,983,363	10,022,006
Disbursements:						
General government	4,176,045	-	-	103,276	245,110	4,524,431
Public safety	1,500,047	-	-	-	655,772	2,155,819
Highways and streets	-	1,564,242	-	-	338,892	1,903,134
Health and welfare	60,659	-	-	-	1,198,954	1,259,613
Economic development	-	-	-	-	149,905	149,905
Culture and recreation	104,882	-	-	-	6,610	111,492
Debt service:						
Principal	-	-	-	-	316,578	316,578
Interest	-	-	-	-	4,810	4,810
Capital outlay:						
General government	42,890	-	-	-	-	42,890
Public safety	13,141	-	-	-	40,384	53,525
Highways and streets	-	9,850	-	-	214,878	224,728
Health and welfare	-	-	-	-	9,140	9,140
Economic development	-	-	-	-	25,102	25,102
Culture and recreation	35,042	-	-	-	-	35,042
Total disbursements	5,932,706	1,574,092	-	103,276	3,206,135	10,816,209
Excess (deficiency) of receipts over disbursements	(994,206)	(128,607)	468,845	82,537	(222,772)	(794,203)
Other financing sources (uses):						
Transfers in	-	-	-	150,963	-	150,963
Transfers out	-	-	-	-	(150,963)	(150,963)
Total other financing sources (uses)	-	-	-	150,963	(150,963)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(994,206)	(128,607)	468,845	233,500	(373,735)	(794,203)
Cash and investment fund balance - beginning	3,331,784	382,461	1,059,748	1,984,104	6,322,335	13,080,432
Cash and investment fund balance - ending	\$ 2,337,578	\$ 253,854	\$ 1,528,593	\$ 2,217,604	\$ 5,948,600	\$ 12,286,229
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,337,578	\$ -	\$ 1,528,593	\$ 2,217,604	\$ 2,423,814	\$ 8,507,589
Restricted assets:						
Cash and investments	-	253,854	-	-	3,524,786	3,778,640
Total cash and investment assets - ending	\$ 2,337,578	\$ 253,854	\$ 1,528,593	\$ 2,217,604	\$ 5,948,600	\$ 12,286,229
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 132,470	\$ 132,470
Public safety	-	-	-	-	325,179	325,179
Highways and streets	-	253,854	-	-	121,627	375,481
Health and welfare	-	-	-	-	475,044	475,044
Culture and recreation	-	-	-	-	99,256	99,256
Debt service	-	-	-	-	283,402	283,402
Capital outlay	-	-	-	-	2,087,808	2,087,808
Unrestricted	2,337,578	-	1,528,593	2,217,604	2,423,814	8,507,589
Total cash and investment fund balance - ending	\$ 2,337,578	\$ 253,854	\$ 1,528,593	\$ 2,217,604	\$ 5,948,600	\$ 12,286,229

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

VERMILLION COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2008

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 94,344	\$ -	
Plan members	15,597	-	
Total contributions	109,941	-	
Investment earnings:			
Dividends	35,093	-	
Total additions	145,034	-	
Deductions:			
Benefits	28,910	-	
Administrative and general	14,096	-	
Total deductions	43,006	-	
Excess of total additions over total deductions	102,028	-	
Cash and investment fund balance - beginning	695,228	40,843	
Cash and investment fund balance - ending	\$ 797,256	\$ 40,843	\$ 2,769,704

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

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government: Vermillion County

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

Related Organizations

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of 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 nonexchange 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, 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:

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.

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The rainy day fund accounts for funds intended to be used during times of economic downturn in order to stabilize a political subdivision's budget so that spending may be maintained without increasing taxes.

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

Additionally, the County reports the following fund types:

The pension trust fund accounts for the activities of the county sheriff's retirement plan and the county sheriff's benefit plan, which accumulate resources for pension benefit payments.

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

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

C. Measurement Focus and Basis of Accounting

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

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

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. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (Indiana Code 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were not distributed to the County on or prior to December 31 of the year collected.

3. Capital Assets

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

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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.

5. 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."

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

E. Receipts and Disbursements

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.

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

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

VERMILLION COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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. Disbursements in Excess of Appropriations

For the year ended December 31, 2008, disbursements exceeded budgeted appropriations in the following fund by the amount below:

Fund	2008
Cumulative Capital Development	\$ <u>25,172</u>

These disbursements were funded by the available fund balance.

C. Cash and Investment Balance Deficits

At December 31, 2008, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2008
Jail Lease Rent	\$ 38,657
Homestead Credit Rebate	16,564
Payroll Clearing	37,804

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2008, the County had deposit balances in the amount of \$18,645,909. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

As of December 31, 2008, the County and the Sheriff's Retirement and Benefit Plan had the following investments:

<u>Investment Type</u>	<u>Sheriff's Retirement and Benefit Pension Plans</u>
Mutual funds	<u>\$ 656,179</u>

Statutory Authorization for Investments

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

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

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

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Investment Custodial Credit Risk

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

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments.

The following investments held by the County and the Sheriff's Retirement and Benefit Pension Plans were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Sheriff's Retirement and Benefit Pension Plans:

<u>Investment Type</u>	<u>Not in the Government's Name</u>
Mutual funds	<u>\$ 656,179</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years. The County does not have a formal investment policy for interest rate risk for investments.

The Sheriff's Merit Board has not adopted a formal investment policy for interest rate risk.

Sheriff's Retirement and Benefit Pension Plans:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>		
	<u>Less Than 1</u>	<u>1-2</u>	<u>More Than 2</u>
Mutual bond funds*	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,049</u>

*The mutual bond funds had weighted average maturities of 6.1 and 4.7 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The County does not have a formal investment policy for credit risk for investments.

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Sheriff's Merit Board has not adopted a policy for credit risk.

Sheriff's Retirement and Benefit Pension Plans:

Moody's Rating	Mutual Funds
Unrated	\$ <u>656,179</u>

Concentration of Credit Risk

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

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk.

The County and the Sheriff's Retirement and Benefit Pension Plan held the following investments that were exposed to concentration of credit risk:

Sheriff's Retirement and Benefit Pension Plans:

Issuer	2008
Federated Investments	\$ 118,380
Fidelity Investments	152,701
Allianz	214,587
LKCM	97,322
MFS	<u>73,189</u>
Total	<u>\$ 656,179</u>

Foreign Currency Risk

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

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

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2008, were as follows:

Transfer From	Transfer To	2008
Other governmental funds	Cumulative Reassessment Fund	<u>\$ 150,963</u>

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

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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. Risk financing is not utilized for the other risks of loss.

Job Related Illnesses or Injuries to Employees

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

B. Holding Corporation

The County has entered into a capital lease with the Vermillion County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$294,500.

C. Conduit Debt Obligation

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

As of December 31, 2008, there were three series of Indiana Economic Development Waterworks Revenue Bonds outstanding with an aggregate principal amount payable of \$2,245,000.

D. 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.

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Pension Plans

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

1. 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 (Indiana Code 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 192,537	\$ 60,592	\$ 22,591
Interest on net pension obligation	(15,194)	(6,035)	-
Adjustment to annual required contribution	<u>17,314</u>	<u>10,107</u>	<u>-</u>
Annual pension cost	194,657	64,664	22,591
Contributions made	<u>139,032</u>	<u>60,819</u>	<u>22,591</u>
Increase in net pension obligation	55,625	3,845	-
Net pension obligation, beginning of year	<u>(209,569)</u>	<u>(97,148)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (153,944)</u>	<u>\$ (93,303)</u>	<u>\$ -</u>

VERMILLION COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6.25%	19%	7%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-08	01-01-08
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

<u>Actuarial Assumptions</u>	PERF	County Police Retirement Plan	County Police Benefit Plan
Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2.75/4%*	2.75/4%*

*2.75% converted members; 4% nonconverted members

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 112,932	130%	\$ (249,127)
	06-30-07	184,951	79%	(209,569)
	06-30-08	194,657	71%	(153,944)
County Police Retirement Plan	12-31-06	42,649	159%	(87,108)
	12-31-07	38,699	126%	(97,148)
	12-31-08	64,664	94%	(93,303)
County Police Benefit Plan	12-31-06	27,415	100%	-
	12-31-07	26,811	100%	-
	12-31-08	22,591	100%	-

VERMILLION COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 2,352,678	\$ 2,637,609	\$ (284,931)	89%	\$ 2,641,661	(11%)
07-01-07	2,693,205	2,991,440	(298,235)	90%	2,692,695	(11%)
07-01-08	2,722,122	3,100,138	(378,016)	88%	2,596,104	(15%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 153,013	\$ 361,164	\$ (208,151)	42%	\$ 233,650	(89%)
01-01-03	197,461	385,460	(187,999)	51%	273,900	(69%)
01-01-04	261,797	431,580	(169,783)	61%	283,219	(60%)
01-01-05	340,002	485,325	(145,323)	70%	310,550	(47%)
01-01-06	436,464	545,519	(109,055)	80%	317,550	(34%)
01-01-07	527,615	720,772	(193,157)	73%	278,900	(69%)
01-01-08	617,137	873,472	(256,335)	71%	316,900	(81%)

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008

	Local Road And Street	Accident Report	Firearms Training	Park Nonreverting Operating	Health	Plan Commission
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 81,192	\$ 4,386
Licenses and permits	-	-	-	-	-	14,944
Intergovernmental	141,064	-	-	-	6,171	703
Charges for services	-	16	5,870	-	1,097	-
Fines and forfeits	-	-	-	-	-	-
Other	-	341	-	7,575	55,368	2,850
Total receipts	141,064	357	5,870	7,575	143,828	22,883
Disbursements:						
General government	-	-	-	-	-	1,274
Public safety	-	147	2,885	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	88,289	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	111,148	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	111,148	147	2,885	-	88,289	1,274
Excess (deficiency) of receipts over disbursements	29,916	210	2,985	7,575	55,539	21,609
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,916	210	2,985	7,575	55,539	21,609
Cash and investment fund balance - beginning	58,799	1,512	6,306	91,681	20,389	1,817
Cash and investment fund balance - ending	\$ 88,715	\$ 1,722	\$ 9,291	\$ 99,256	\$ 75,928	\$ 23,426
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,426
Restricted assets:						
Cash and investments	88,715	1,722	9,291	99,256	75,928	-
Total cash and investment assets - ending	\$ 88,715	\$ 1,722	\$ 9,291	\$ 99,256	\$ 75,928	\$ 23,426
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	1,722	9,291	-	-	-
Highways and streets	88,715	-	-	-	-	-
Health and welfare	-	-	-	-	75,928	-
Culture and recreation	-	-	-	99,256	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	23,426
Total cash and investment fund balance - ending	\$ 88,715	\$ 1,722	\$ 9,291	\$ 99,256	\$ 75,928	\$ 23,426

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Clerk's Records Perpetuation	Unsafe Building	Riverboat	Drug Free Community	Drainage Maintenance	Emergency Planning/Right To Know
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	4,547
Charges for services	-	-	-	-	-	-
Fines and forfeits	818	-	-	24,871	-	-
Other	3,699	-	-	50	8,991	18
Total receipts	4,517	-	-	24,921	8,991	4,565
Disbursements:						
General government	4,928	-	21,356	-	598	-
Public safety	-	-	-	18,000	-	2,781
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	4,928	-	21,356	18,000	598	2,781
Excess (deficiency) of receipts over disbursements	(411)	-	(21,356)	6,921	8,393	1,784
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(411)	-	(21,356)	6,921	8,393	1,784
Cash and investment fund balance - beginning	18,003	2,363	46,761	38,293	113,842	18,925
Cash and investment fund balance - ending	\$ 17,592	\$ 2,363	\$ 25,405	\$ 45,214	\$ 122,235	\$ 20,709
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 2,363	\$ 25,405	\$ -	\$ 122,235	\$ 20,709
Restricted assets:						
Cash and investments	17,592	-	-	45,214	-	-
Total cash and investment assets - ending	\$ 17,592	\$ 2,363	\$ 25,405	\$ 45,214	\$ 122,235	\$ 20,709
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ 17,592	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	45,214	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	2,363	25,405	-	122,235	20,709
Total cash and investment fund balance - ending	\$ 17,592	\$ 2,363	\$ 25,405	\$ 45,214	\$ 122,235	\$ 20,709

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Convention And Tourism	Prosecutor Title IV-D	Extradition	Juvenile Probation Service	Adult Probation Services	Recorder's Records Perpetuation
Receipts:						
Taxes	\$ 866	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	23,934
Fines and forfeits	-	-	-	3,944	76,661	-
Other	6,018	10,683	4,963	1,732	-	114
Total receipts	6,884	10,683	4,963	5,676	76,661	24,048
Disbursements:						
General government	-	-	-	-	-	75,773
Public safety	-	-	-	1,045	79,905	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	10,377	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	6,610	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	6,610	10,377	-	1,045	79,905	75,773
Excess (deficiency) of receipts over disbursements	274	306	4,963	4,631	(3,244)	(51,725)
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	274	306	4,963	4,631	(3,244)	(51,725)
Cash and investment fund balance - beginning	8,875	26	9,892	57,480	117,749	112,660
Cash and investment fund balance - ending	\$ 9,149	\$ 332	\$ 14,855	\$ 62,111	\$ 114,505	\$ 60,935
Cash and Investment Assets - Ending						
Cash and investments	\$ 9,149	\$ 332	\$ 14,855	\$ 62,111	\$ 114,505	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	60,935
Total cash and investment assets - ending	\$ 9,149	\$ 332	\$ 14,855	\$ 62,111	\$ 114,505	\$ 60,935
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,935
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	9,149	332	14,855	62,111	114,505	-
Total cash and investment fund balance - ending	\$ 9,149	\$ 332	\$ 14,855	\$ 62,111	\$ 114,505	\$ 60,935

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	User Fee	Covered Bridge	Welfare Reform Local	Family And Children	Health Maintenance	Pretrial Diversion
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 417,607	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	5,550	-	226,600	24,854	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	6,421	-	-	-	-	108,123
Other	2,286	-	-	75,040	185	5,547
Total receipts	8,707	5,550	-	719,247	25,039	113,670
Disbursements:						
General government	6,579	-	-	-	-	-
Public safety	-	-	-	-	-	101,511
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	944,059	84,717	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	40,384
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	21	-
Economic development	-	-	-	-	-	-
Total disbursements	6,579	-	-	944,059	84,738	141,895
Excess (deficiency) of receipts over disbursements	2,128	5,550	-	(224,812)	(59,699)	(28,225)
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,128	5,550	-	(224,812)	(59,699)	(28,225)
Cash and investment fund balance - beginning	46,254	27,362	2,786	623,928	60,675	231,995
Cash and investment fund balance - ending	\$ 48,382	\$ 32,912	\$ 2,786	\$ 399,116	\$ 976	\$ 203,770
Cash and Investment Assets - Ending						
Cash and investments	\$ 48,382	\$ -	\$ 2,786	\$ -	\$ 976	\$ -
Restricted assets:						
Cash and investments	-	32,912	-	399,116	-	203,770
Total cash and investment assets - ending	\$ 48,382	\$ 32,912	\$ 2,786	\$ 399,116	\$ 976	\$ 203,770
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	203,770
Highways and streets	-	32,912	-	-	-	-
Health and welfare	-	-	-	399,116	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	48,382	-	2,786	-	976	-
Total cash and investment fund balance - ending	\$ 48,382	\$ 32,912	\$ 2,786	\$ 399,116	\$ 976	\$ 203,770

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Guardian Ad Litem/Court	Misdemeanant	Surveyor's Corner Perpetuation	Sheriff's Continuing Education	Reimburse Court Appointed Attorney	Tax Sale Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	14,050	-	-	-	-
Charges for services	-	-	515	-	-	-
Fines and forfeits	-	-	-	2,943	1,925	-
Other	-	-	3,145	-	9,963	42,645
Total receipts	-	14,050	3,660	2,943	11,888	42,645
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	1,000	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	1,000	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	13,050	3,660	2,943	11,888	42,645
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	13,050	3,660	2,943	11,888	42,645
Cash and investment fund balance - beginning	5,225	14,535	45,058	4,643	7,870	6,040
Cash and investment fund balance - ending	\$ 5,225	\$ 27,585	\$ 48,718	\$ 7,586	\$ 19,758	\$ 48,685
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 27,585	\$ -	\$ 7,586	\$ 19,758	\$ 48,685
Restricted assets:						
Cash and investments	5,225	-	48,718	-	-	-
Total cash and investment assets - ending	\$ 5,225	\$ 27,585	\$ 48,718	\$ 7,586	\$ 19,758	\$ 48,685
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ 5,225	\$ -	\$ 48,718	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	27,585	-	7,586	19,758	48,685
Total cash and investment fund balance - ending	\$ 5,225	\$ 27,585	\$ 48,718	\$ 7,586	\$ 19,758	\$ 48,685

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Sales Disclosure	Drug Abuse Interdiction	Tobacco Settlement	Health Department Immunization	Public Health Coordinator	Seized Assets
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	15	1,882	-	127	-	-
Intergovernmental	-	-	15,684	-	36,625	-
Charges for services	-	-	-	1,935	-	-
Fines and forfeits	-	1,176	-	-	-	317
Other	1,090	2,978	-	740	6,556	8,162
Total receipts	1,105	6,036	15,684	2,802	43,181	8,479
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	2,000	-	-	-	9,800
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	8,541	4,962	43,181	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	9,119	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	2,000	17,660	4,962	43,181	9,800
Excess (deficiency) of receipts over disbursements	1,105	4,036	(1,976)	(2,160)	-	(1,321)
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,105	4,036	(1,976)	(2,160)	-	(1,321)
Cash and investment fund balance - beginning	-	27,435	27,875	4,870	33	3,226
Cash and investment fund balance - ending	\$ 1,105	\$ 31,471	\$ 25,899	\$ 2,710	\$ 33	\$ 1,905
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,105	\$ 31,471	\$ 25,899	\$ 2,710	\$ 33	\$ 1,905
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 1,105	\$ 31,471	\$ 25,899	\$ 2,710	\$ 33	\$ 1,905
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	1,105	31,471	25,899	2,710	33	1,905
Total cash and investment fund balance - ending	\$ 1,105	\$ 31,471	\$ 25,899	\$ 2,710	\$ 33	\$ 1,905

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Common School Principal	Identification Security Protection	Children's Psych Res Treatment Services	Wireless Emergency Telephone System	Clerk Title IV-D	Drug Task Force
Receipts:						
Taxes	\$ -	\$ -	\$ 11,180	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	73,823	-	-
Charges for services	-	752	-	105,387	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	4,924	-	1,466	6,643	-
Total receipts	-	5,676	11,180	180,676	6,643	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	3,461	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	7,852	-	6,976	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	26,578	-	-
Interest	-	-	-	310	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	3,461	7,852	26,888	6,976	-
Excess (deficiency) of receipts over disbursements	-	2,215	3,328	153,788	(333)	-
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,215	3,328	153,788	(333)	-
Cash and investment fund balance - beginning	2,030	2,938	132,359	371,040	644	6,272
Cash and investment fund balance - ending	<u>\$ 2,030</u>	<u>\$ 5,153</u>	<u>\$ 135,687</u>	<u>\$ 524,828</u>	<u>\$ 311</u>	<u>\$ 6,272</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,030	\$ -	\$ 135,687	\$ 524,828	\$ 311	\$ 6,272
Restricted assets:						
Cash and investments	-	5,153	-	-	-	-
Total cash and investment assets - ending	<u>\$ 2,030</u>	<u>\$ 5,153</u>	<u>\$ 135,687</u>	<u>\$ 524,828</u>	<u>\$ 311</u>	<u>\$ 6,272</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	5,153	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	2,030	-	135,687	524,828	311	6,272
Total cash and investment fund balance - ending	<u>\$ 2,030</u>	<u>\$ 5,153</u>	<u>\$ 135,687</u>	<u>\$ 524,828</u>	<u>\$ 311</u>	<u>\$ 6,272</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Probation Administration	Economic Development Commission	Bail Agency Pretrial	Jail Booking	Cumulative Reassessment 2003	Verm Co E911 Project Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	251,554	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	295	-	3,490	60	-	-
Other	1,686	23,231	15,785	990	283	55,809
Total receipts	1,981	274,785	19,275	1,050	283	55,809
Disbursements:						
General government	-	-	-	-	282	44,851
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	149,905	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	25,102	-	-	-	-
Total disbursements	-	175,007	-	-	282	44,851
Excess (deficiency) of receipts over disbursements	1,981	99,778	19,275	1,050	1	10,958
Other financing uses:						
Transfers out	-	-	-	-	(150,963)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,981	99,778	19,275	1,050	(150,962)	10,958
Cash and investment fund balance - beginning	9,694	765,052	90,258	-	150,962	130,000
Cash and investment fund balance - ending	\$ 11,675	\$ 864,830	\$ 109,533	\$ 1,050	\$ -	\$ 140,958
Cash and Investment Assets - Ending						
Cash and investments	\$ 11,675	\$ 864,830	\$ 109,533	\$ 1,050	\$ -	\$ 140,958
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 11,675	\$ 864,830	\$ 109,533	\$ 1,050	\$ -	\$ 140,958
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	11,675	864,830	109,533	1,050	-	140,958
Total cash and investment fund balance - ending	\$ 11,675	\$ 864,830	\$ 109,533	\$ 1,050	\$ -	\$ 140,958

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Bioterrorism	Campaign Finance Reform	Vermillion County Victim's Assistance	Emerg. Planning Right To Know	C.S.E.P.P.
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	6,556	-	8,560	-	307,563
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	18,450
	<u>6,556</u>	<u>-</u>	<u>8,560</u>	<u>-</u>	<u>326,013</u>
Total receipts	<u>6,556</u>	<u>-</u>	<u>8,560</u>	<u>-</u>	<u>326,013</u>
Disbursements:					
General government	1,531	-	8,560	-	-
Public safety	-	-	-	-	316,565
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
	<u>1,531</u>	<u>-</u>	<u>8,560</u>	<u>-</u>	<u>316,565</u>
Total disbursements	<u>1,531</u>	<u>-</u>	<u>8,560</u>	<u>-</u>	<u>316,565</u>
Excess (deficiency) of receipts over disbursements	<u>5,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,448</u>
Other financing uses:					
Transfers out	-	-	-	-	-
	<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>5,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,448</u>
Cash and investment fund balance - beginning	<u>7,434</u>	<u>210</u>	<u>-</u>	<u>-</u>	<u>12,636</u>
Cash and investment fund balance - ending	<u><u>\$ 12,459</u></u>	<u><u>\$ 210</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,084</u></u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 12,459	\$ 210	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	22,084
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,084</u>
Total cash and investment assets - ending	<u><u>\$ 12,459</u></u>	<u><u>\$ 210</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,084</u></u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	22,084
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	<u>12,459</u>	<u>210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u><u>\$ 12,459</u></u>	<u><u>\$ 210</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,084</u></u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	County Hospital Lease	Jail Lease Rent	Vermillion County Jail Building	Cumulative Capital Development	Cumulative Bridge
Receipts:					
Taxes	\$ -	\$ 35,787	\$ -	\$ 85,684	\$ 218,055
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	11,771	29,173
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	25,549	-	-	3,367	32,784
Total receipts	25,549	35,787	-	100,822	280,012
Disbursements:					
General government	-	-	-	79,378	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	338,892
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	290,000	-	-	-
Interest	-	4,500	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	103,730
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Total disbursements	-	294,500	-	79,378	442,622
Excess (deficiency) of receipts over disbursements	25,549	(258,713)	-	21,444	(162,610)
Other financing uses:					
Transfers out	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,549	(258,713)	-	21,444	(162,610)
Cash and investment fund balance - beginning	294,010	220,056	2,500	778,994	1,280,975
Cash and investment fund balance - ending	\$ 319,559	\$ (38,657)	\$ 2,500	\$ 800,438	\$ 1,118,365
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	319,559	(38,657)	2,500	800,438	1,118,365
Total cash and investment assets - ending	\$ 319,559	\$ (38,657)	\$ 2,500	\$ 800,438	\$ 1,118,365
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service	319,559	(38,657)	2,500	-	-
Capital outlay	-	-	-	800,438	1,118,365
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 319,559	\$ (38,657)	\$ 2,500	\$ 800,438	\$ 1,118,365

VERMILLION COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Cumulative Jail	Sheriff Commissary	Sheriff Evidence Fund	Prosecuting Attorney Asset Forfeiture	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 854,757
Licenses and permits	-	-	-	-	16,968
Intergovernmental	-	-	-	-	1,164,848
Charges for services	-	99,946	-	-	239,452
Fines and forfeits	-	-	-	9,848	240,892
Other	4,622	-	10,118	-	466,446
Total receipts	4,622	99,946	10,118	9,848	2,983,363
Disbursements:					
General government	-	-	-	-	245,110
Public safety	-	92,899	13,802	9,971	655,772
Highways and streets	-	-	-	-	338,892
Health and welfare	-	-	-	-	1,198,954
Economic development	-	-	-	-	149,905
Culture and recreation	-	-	-	-	6,610
Debt service:					
Principal	-	-	-	-	316,578
Interest	-	-	-	-	4,810
Capital outlay:					
Public safety	-	-	-	-	40,384
Highways and streets	-	-	-	-	214,878
Health and welfare	-	-	-	-	9,140
Economic development	-	-	-	-	25,102
Total disbursements	-	92,899	13,802	9,971	3,206,135
Excess (deficiency) of receipts over disbursements	4,622	7,047	(3,684)	(123)	(222,772)
Other financing uses:					
Transfers out	-	-	-	-	(150,963)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,622	7,047	(3,684)	(123)	(373,735)
Cash and investment fund balance - beginning	164,383	21,392	12,730	583	6,322,335
Cash and investment fund balance - ending	\$ 169,005	\$ 28,439	\$ 9,046	\$ 460	\$ 5,948,600
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 2,423,814
Restricted assets:					
Cash and investments	169,005	28,439	9,046	460	3,524,786
Total cash and investment assets - ending	\$ 169,005	\$ 28,439	\$ 9,046	\$ 460	\$ 5,948,600
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 132,470
Public safety	-	28,439	9,046	460	325,179
Highways and streets	-	-	-	-	121,627
Health and welfare	-	-	-	-	475,044
Culture and recreation	-	-	-	-	99,256
Debt service	-	-	-	-	283,402
Capital outlay	169,005	-	-	-	2,087,808
Unrestricted	-	-	-	-	2,423,814
Total cash and investment fund balance - ending	\$ 169,005	\$ 28,439	\$ 9,046	\$ 460	\$ 5,948,600

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2008

	Congressional School Principal	Ryerson Trust	Totals
Cash and investment fund balance - beginning	\$ 40,643	\$ 200	\$ 40,843
Cash and investment fund balance - ending	<u>\$ 40,643</u>	<u>\$ 200</u>	<u>\$ 40,843</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008

	City And Town Court Costs	Congressional School Interest	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax	Surplus Dog Tax
Additions:						
Agency fund additions	\$ 3,752	\$ 1,297	\$ -	\$ 70,713	\$ 432,005	\$ -
Deductions:						
Agency fund deductions	-	-	412,963	81,079	210,578	974
Excess (deficiency) of total additions over total deductions	3,752	1,297	(412,963)	(10,366)	221,427	(974)
Cash and investment fund balance - beginning	46,532	16,907	481,365	11,646	(964)	1,588
Cash and investment fund balance - ending	<u>\$ 50,284</u>	<u>\$ 18,204</u>	<u>\$ 68,402</u>	<u>\$ 1,280</u>	<u>\$ 220,463</u>	<u>\$ 614</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	State Fines And Forfeitures	State Sales Disclosure Fee	Overweight Vehicle Fines	Infraction Judgements	Inheritance Tax	Treasurer
Additions:						
Agency fund additions	\$ 4,781	\$ 1,440	\$ 124	\$ 24,767	\$ 515,891	\$ 24,574,531
Deductions:						
Agency fund deductions	5,128	1,635	99	24,319	582,290	27,669,127
Excess (deficiency) of total additions over total deductions	(347)	(195)	25	448	(66,399)	(3,094,596)
Cash and investment fund balance - beginning	839	1,020	50	14,036	66,399	5,205,457
Cash and investment fund balance - ending	<u>\$ 492</u>	<u>\$ 825</u>	<u>\$ 75</u>	<u>\$ 14,484</u>	<u>\$ -</u>	<u>\$ 2,110,861</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	PERF	Insurance - Other	Insurance - Other #2	Special Death Benefit	Education Plate Fees Agency	CEDIT Agency
Additions:						
Agency fund additions	\$ 114,972	\$ 33,061	\$ 3	\$ 1,960	\$ 1,350	\$ 3,601
Deductions:						
Agency fund deductions	113,363	37,232	-	-	1,425	3,601
Excess (deficiency) of total additions over total deductions	1,609	(4,171)	3	1,960	(75)	-
Cash and investment fund balance - beginning	-	4,282	-	-	75	-
Cash and investment fund balance - ending	<u>\$ 1,609</u>	<u>\$ 111</u>	<u>\$ 3</u>	<u>\$ 1,960</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Mortgage Fees - State Share	Child Restraint Violations Fines	Poor Relief Loan Agency	Welfare Trust	Homestead Credit Rebate
Additions:					
Agency fund additions	\$ 1,681	\$ 1,300	\$ 197,970	\$ 8,230	\$ 6,009
Deductions:					
Agency fund deductions	1,933	1,100	197,745	28,251	439,491
Excess (deficiency) of total additions over total deductions	(252)	200	225	(20,021)	(433,482)
Cash and investment fund balance - beginning	1,198	725	-	20,025	416,918
Cash and investment fund balance - ending	<u>\$ 946</u>	<u>\$ 925</u>	<u>\$ 225</u>	<u>\$ 4</u>	<u>\$ (16,564)</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Tax Distribution	Hea 1001-2008 Homestead	St. Bernice Water Grant	Coroner's Education	Domestic Violence
Additions:					
Agency fund additions	\$ 17,162,148	\$ 920,467	\$ 21,120	\$ 1,990	\$ -
Deductions:					
Agency fund deductions	17,293,777	920,467	15,000	1,564	-
Excess (deficiency) of total additions over total deductions	(131,629)	-	6,120	426	-
Cash and investment fund balance - beginning	171,858	-	-	659	2,610
Cash and investment fund balance - ending	<u>\$ 40,229</u>	<u>\$ -</u>	<u>\$ 6,120</u>	<u>\$ 1,085</u>	<u>\$ 2,610</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	<u>CEDIT Spec Revenue</u>	<u>Riverboat Rev Sharing</u>	<u>Sheriff Pension Fees</u>	<u>Payroll Clearing</u>	<u>County Clerk</u>
Additions:					
Agency fund additions	\$ 291,148	\$ 105,312	\$ 12,332	\$ 1,983,403	\$ 1,698,333
Deductions:					
Agency fund deductions	<u>291,148</u>	<u>62,053</u>	<u>-</u>	<u>2,024,598</u>	<u>1,711,448</u>
Excess (deficiency) of total additions over total deductions	-	43,259	12,332	(41,195)	(13,115)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>12,045</u>	<u>3,391</u>	<u>182,509</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 43,259</u>	<u>\$ 24,377</u>	<u>\$ (37,804)</u>	<u>\$ 169,394</u>

VERMILLION COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	<u>County Sheriff</u>	<u>Health Department</u>	<u>Prosecuting Attorney Buy Money</u>	<u>County Recorder</u>	<u>Totals</u>
Additions:					
Agency fund additions	\$ 857,670	\$ 11,720	\$ -	\$ 66,083	\$ 49,131,164
Deductions:					
Agency fund deductions	<u>817,843</u>	<u>11,103</u>	<u>-</u>	<u>66,029</u>	<u>53,027,363</u>
Excess (deficiency) of total additions over total deductions	39,827	617	-	54	(3,896,199)
Cash and investment fund balance - beginning	<u>3,650</u>	<u>967</u>	<u>66</u>	<u>50</u>	<u>6,665,903</u>
Cash and investment fund balance - ending	<u>\$ 43,477</u>	<u>\$ 1,584</u>	<u>\$ 66</u>	<u>\$ 104</u>	<u>\$ 2,769,704</u>

VERMILLION COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer
County Sheriff
County Emergency Management Agency
Board of County Commissioners

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

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

TO: THE OFFICIALS OF VERMILLION COUNTY, INDIANA

Compliance

We have audited the compliance of Vermillion County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. 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 of America; 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, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2008-1.

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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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)

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

The County's response to the findings identified in our audit is described in the accompanying and Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management, the Board of County Commissioners, 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

September 30, 2009

VERMILLION COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2008

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grant/Small Cities Program	14.219		\$ 27,900
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	06VA145	8,560
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Public Health Emergency Preparedness	93.069	5U90TP517024-08	36,625
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
Child Support Expenditures			33,027
Incentive Expenditures			23,280
Indirect Costs			2,388
Total for program			58,695
Total for federal grantor agency			95,320
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Domestic Preparedness Equipment Support Program	97.004		16,650
Public Assistance Grants	97.036	Disaster #1766	227,297
Chemical Stockpile Emergency Preparedness Program	97.040	FY2007 FY2008	71,610 299,203
Total for program			370,813
Total for federal grantor agency			614,760
Total federal awards expended			\$ 746,540

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

VERMILLION COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note I. Basis of Presentation

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

Note 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, 2008:

Program Title	Federal CFDA Number	2008
Community Development Block Grant/ Small Cities Program	14.219	\$ <u>27,900</u>

VERMILLION COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies 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
Significant deficiencies 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?	yes
--	-----

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
97.040	Chemical Stockpile Emergency Preparedness Program

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

Auditee qualified as low-risk auditee?	yes
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VERMILLION COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

FINDING 2008-1, MISAPPROPRIATION OF FEDERAL PROGRAM FUNDS

Federal Agency: U.S. Department of Homeland Security
Federal Program: Chemical Stockpile Emergency Preparedness Program
CFDA number: 97.040

Resultant of an investigation by the Indiana Inspector General's Office and the Indiana State Police, the former Vermillion County Emergency Management Agency Director, Ramon J. Colombo, was charged September 17, 2009, in the United States District Court, Southern District of Indiana, Terre Haute Division (Court) with federal program theft in violation of Title 18, United States Code, Section 666. Mr. Colombo signed a Petition to Enter a Plea of Guilty on September 4, 2009. A Memorandum of Plea Agreement was submitted to the Court by Timothy M. Morrison, United States Attorney, and by James M. Warden, Assistant United States Attorney, on September 8, 2009.

The charges stated that on diverse occasions from about October 7, 2005, until on or about June 13, 2008, the former Vermillion County Emergency Management Agency Director, Ramon Colombo, knowingly misappropriated federal program funds by causing a contractor to unlawfully inflate certain contracts and invoices paid by the Vermillion County Chemical Stockpile Emergency Preparedness Fund so that personal property purchases could be hidden in said documents. The property acquired by the contractor was then obtained by Mr. Colombo and converted to his own use.

Items purchased by the contractor and subsequently obtained by Mr. Colombo included televisions, appliances, furniture, and a lawn tractor. The cost of these items totaled \$19,197. Total expenditures of the program during the four year period totaled \$3,738,113.

A date has not yet been set by the Court for the possible acceptance of the Plea Agreement and sentencing. We recommended that the County continue to follow through with whatever is ordered by the Court.

VERMILLION COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

PHYLLIS ORMAN~VERMILLION COUNTY AUDITOR

Finding 2008-1, Misappropriation of Federal Program Funds
Federal Agency: U.S Department of Homeland Security
Federal Program: Chemical Stockpile Emergency Preparedness Program
CFDA number: 83.040
Pass-Through Agency: Indiana Department of Homeland Security
Auditee Contact: Timothy J. Wilson, President of the Board of County Commissioners
Phone: 765-492-3570

We have, and will continue to co-operate with the Court and other applicable parties regarding the resolution of this finding. Any orders received from the Court requiring the County to take action will be completed as timely as possible.

VERMILLION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2009, with Phyllis Orman, Auditor; Tim J. Wilson, President of the Board of County Commissioners; and John A. Cheesewright, President of the County Council. The officials concurred with our audit findings.

The contents of this report were discussed by telephone on September 23, 2009, with Sherrie A. Koma, former Auditor. The official concurred with our audit findings.