

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

ANNUAL FINANCIAL REPORT

2009

SULLIVAN COUNTY, INDIANA



FILED

09/02/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jean Harris	01-01-07 to 12-31-10
Treasurer	June Ladson Beth Swalls	01-01-06 to 12-31-09 01-01-10 to 02-31-13
Clerk	Shelly Hiatt Parris	01-01-07 to 12-31-10
Sheriff	Bryan Kinnett	01-01-07 to 12-31-10
Recorder	Brenda Howard	01-01-07 to 12-31-10
President of the Board of County Commissioners	Jim Boes John R. McCammon, Sr.	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the County Council	Duane Wampler	01-01-09 to 12-31-10



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 FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

TO: THE OFFICIALS OF SULLIVAN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sullivan County (County), as of and for the year ended December 31, 2009, 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, 2009, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 29, 2010, 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 integral part of 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.

Included in the financial statements are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with IC 36-8-16-14 and IC 36-8-16.5-41 these fees have been subjected to an annual examination performed by State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, are presented for additional analysis and are not 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.

July 29, 2010



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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 SULLIVAN COUNTY, INDIANA

We have audited the financial statements of the each major fund, and the aggregate remaining fund information of Sullivan County (County), as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 29, 2010. 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.

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

July 29, 2010

SULLIVAN COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2009

<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 Government</u>
					<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 5,575,706	\$ 118,498	\$ -	\$ -	\$ (5,457,208)
Public safety	3,455,242	1,593,992	-	-	(1,861,250)
Highways and streets	3,387,097	-	1,997,639	172,116	(1,217,342)
Sanitation	55,376	63,278	-	-	7,902
Health and welfare	1,327,956	16,860	-	-	(1,311,096)
Economic development	477,273	-	-	-	(477,273)
Culture and recreation	1,206,307	865,374	-	38,235	(302,698)
Urban redevelopment and housing	122,992	-	-	-	(122,992)
Capital outlay	534,593	-	-	-	(534,593)
Health insurance disbursements	1,344,292	-	-	-	(1,344,292)
Total primary government	<u>\$ 17,486,834</u>	<u>\$ 2,658,002</u>	<u>\$ 1,997,639</u>	<u>\$ 210,351</u>	<u>(12,620,842)</u>
General receipts:					
Property taxes					6,653,211
Other local sources					4,971,788
Health insurance contributions					<u>1,682,429</u>
Total general receipts					<u>13,307,428</u>
Change in net assets					686,586
Net assets - beginning					<u>10,565,876</u>
Net assets - ending					<u>\$ 11,252,462</u>
<u>Assets</u>					
Cash and investments					\$ 6,225,524
Restricted assets:					
Cash and investments					<u>5,026,938</u>
Total assets					<u>\$ 11,252,462</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 212,141
Public safety					112,347
Highways and streets					906,979
Health and welfare					41,662
Culture and recreation					96,733
Capital outlay					508,305
Employee health care					3,148,771
Unrestricted					<u>6,225,524</u>
Total net assets					<u>\$ 11,252,462</u>

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

SULLIVAN 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, 2009

	General	Highway	Other Governmental Funds	Totals
Receipts:				
Taxes	\$ 4,604,067	\$ 301,034	\$ 1,409,698	\$ 6,314,799
Licenses and permits	743	-	16,860	17,603
Intergovernmental	494,229	1,997,639	605,811	3,097,679
Charges for services	174,894	-	1,881,341	2,056,235
Fines and forfeits	129,002	-	597,634	726,636
Other	<u>600,326</u>	<u>588,539</u>	<u>3,089,174</u>	<u>4,278,039</u>
Total receipts	<u>6,003,261</u>	<u>2,887,212</u>	<u>7,600,518</u>	<u>16,490,991</u>
Disbursements:				
General government	3,416,602	-	2,159,104	5,575,706
Public safety	2,124,619	-	1,330,623	3,455,242
Highways and streets	-	2,524,257	862,840	3,387,097
Sanitation	55,376	-	-	55,376
Health and welfare	-	-	1,327,956	1,327,956
Economic development	-	-	477,273	477,273
Culture and recreation	46,934	-	1,159,373	1,206,307
Urban redevelopment and housing	-	-	122,992	122,992
Capital outlay:				
General government	75,114	-	-	75,114
Public safety	105,692	-	33,937	139,629
Highways and streets	-	145,891	133,155	279,046
Economic development	-	-	39,604	39,604
Culture and recreation	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>1,200</u>
Total disbursements	<u>5,825,537</u>	<u>2,670,148</u>	<u>7,646,857</u>	<u>16,142,542</u>
Excess (deficiency) of receipts over disbursements	<u>177,724</u>	<u>217,064</u>	<u>(46,339)</u>	<u>348,449</u>
Cash and investment fund balance - beginning	<u>1,556,158</u>	<u>666,477</u>	<u>5,532,607</u>	<u>7,755,242</u>
Cash and investment fund balance - ending	<u>\$ 1,733,882</u>	<u>\$ 883,541</u>	<u>\$ 5,486,268</u>	<u>8,103,691</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:				
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.				
				<u>3,148,771</u>
Net assets of governmental activities				<u>\$ 11,252,462</u>
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	\$ 1,733,882	\$ -	\$ 4,491,642	\$ 6,225,524
Restricted assets:				
Cash and investments	<u>-</u>	<u>883,541</u>	<u>994,626</u>	<u>1,878,167</u>
Total cash and investment assets - ending	<u>\$ 1,733,882</u>	<u>\$ 883,541</u>	<u>\$ 5,486,268</u>	<u>\$ 8,103,691</u>
<u>Cash and Investment Fund Balance - Ending</u>				
Restricted for:				
General government	\$ -	\$ -	\$ 212,141	\$ 212,141
Public safety	-	-	112,347	112,347
Highways and streets	-	883,541	23,438	906,979
Health and welfare	-	-	41,662	41,662
Culture and recreation	-	-	96,733	96,733
Capital outlay	-	-	508,305	508,305
Unrestricted	<u>1,733,882</u>	<u>-</u>	<u>4,491,642</u>	<u>6,225,524</u>
Total cash and investment fund balance - ending	<u>\$ 1,733,882</u>	<u>\$ 883,541</u>	<u>\$ 5,486,268</u>	<u>\$ 8,103,691</u>

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

SULLIVAN COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
As Of And For The Year Ended December 31, 2009

	Internal Service Fund
Operating receipts:	
Miscellaneous	<u>\$ 1,682,429</u>
Operating disbursements:	
Insurance claims and expense	<u>1,344,292</u>
Excess of receipts over disbursements	<u>338,137</u>
Cash and investment fund balance - beginning	<u>2,810,634</u>
Cash and investment fund balance - ending	<u><u>\$ 3,148,771</u></u>
 <u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u><u>\$ 3,148,771</u></u>
 <u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Employee health care	<u><u>\$ 3,148,771</u></u>

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

SULLIVAN COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2009

	<u>Sheriff Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 179,881	\$ -	
Other	<u>24,356</u>	<u>5,000</u>	
Total contributions	<u>204,237</u>	<u>5,000</u>	
Investment earnings:			
Interest	26,506	10,799	
Dividends	<u>66,699</u>	<u>380</u>	
Total investment earnings	<u>93,205</u>	<u>11,179</u>	
Miscellaneous	<u>25,259</u>	<u>-</u>	
Total additions	<u>322,701</u>	<u>16,179</u>	
Deductions:			
Administrative and general	<u>180,956</u>	<u>3,852</u>	
Excess of total additions over total deductions	141,745	12,327	
Cash and investment fund balance - beginning	<u>742,877</u>	<u>380,279</u>	
Cash and investment fund balance - ending	<u>\$ 884,622</u>	<u>\$ 392,606</u>	<u>\$ 1,526,415</u>

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

SULLIVAN 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: Sullivan County

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

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.

The county highway fund receives funds from state motor vehicle highway distributions and general property taxes. This fund is used primarily for the construction and maintenance of county highways.

Additionally, the County reports the following fund types:

The internal service fund accounts for health benefits provided to other departments on a cost-reimbursement basis.

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The pension trust funds account for activities of the Sheriff's Pension Trust and Sheriff's Benefit pension funds, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports trust arrangements under which principal and income benefit the county schools and future landfill closure.

Agency funds account for assets held by the County as an agent for various taxing authorities, state, and federal government departments, and employee benefit providers and serve as control 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.

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.

When both restricted and unrestricted resources are available for use, the County's policy is to use restricted resources first, then unrestricted resources as they are needed.

D. Assets and Cash and Investment Balances

1. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (IC 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 may 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 distributed to the County on or prior to December 31 of the year collected.

4. 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.

5. Long-Term Debt

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

6. 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."

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds 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 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 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.
4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

Interfund activity, if any, is 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 except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund loans and services between funds, if any, are not 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

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

obtain taxpayer comments. Prior to November 1, 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, 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

Fund	2009
Victim Advocacy	\$ 11,890
Payroll Withholdings	5,732
BMV Education Plate	749
State Homestead Credit	507
Recorder's Trust	68

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. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2009, the County had deposit balances in the amount of \$18,718,412.

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.

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Investments

As of December 31, 2009, the County and the Sheriff's Retirement and Benefit Plan had the following investments:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 135,193
Corporate bonds	153,465
Mutual funds	530,705
Total	\$ 819,363

Statutory Authorization for Investments

IC 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.

SULLIVAN 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.

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Not in the Government's Name
U.S. treasuries and securities	\$ 135,193
Corporate bonds	153,465
Mutual funds	530,705
Total	\$ 819,363

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:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 13,519	\$ 27,039	\$ 94,635
Corporate bonds	-	-	153,465
Totals	\$ 13,519	\$ 27,039	\$ 248,100

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	Mutual Bond Funds	Corporate Bonds
AAA	Aaa	\$ -	\$ 15,565
AA	Aa	-	30,899
A	A	-	74,743
CCC	Caa	-	32,258
Unrated	Unrated	<u>530,705</u>	<u>-</u>
Totals		<u>\$ 530,705</u>	<u>\$ 153,465</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	2009
U.S. treasuries and securities	\$ 135,193
Corporate bonds	153,465
Mutual funds	<u>530,705</u>
Total	<u>\$ 819,363</u>

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Foreign Currency Risk

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

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

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 risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

The County has chosen to establish a risk financing fund for risks associated with medical benefits. The risk financing fund is accounted for in the Health Benefits 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 \$25,000 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 that accounts for payroll expenditures. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

B. Pension Plans

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

1. County Police Retirement Plan

Plan Description

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

SULLIVAN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute. The contributions made by the County during the period were \$82,000.

2. County Police Benefit Plan

Plan Description

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

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute. The contributions made by the County during the period were \$43,393.

SULLIVAN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
10-01-04	\$ 584,918	\$ 584,918	\$ -	100%	\$ 325,430	0%
10-01-05	650,355	650,355	-	100%	348,754	0%
10-01-06	706,238	706,238	-	100%	307,180	0%
01-01-08	814,922	814,922	-	100%	346,606	0%
01-01-09	787,823	787,823	-	100%	345,531	0%
01-01-10	892,938	1,056,685	(163,747)	85%	362,087	(45%)

County Police Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
10-01-04	\$ 97,926	\$ 97,926	\$ -	100%	\$ 325,430	0%
10-01-05	103,147	103,147	-	100%	348,754	0%
10-01-06	101,649	101,649	-	100%	307,180	0%
01-01-08	95,384	95,384	-	100%	346,606	0%
01-01-09	103,630	103,630	-	100%	345,531	0%
01-01-10	103,238	103,238	-	100%	362,087	0%

SULLIVAN 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, 2009

	Homeland Security Public Safety Integrated Grant	Housing Rehab Grant	Office of Rural and Community Affairs Grant	Aviation Construction	Health Bio Terrorism Grant	Bio Terrorism Prepare/Response Grant	H1-N1 Immunization Grant	#1 Prosecutor Title IV-D
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	125,215	122,992	81,391	218,394	-	19,143	27,869	9,842
Total receipts	125,215	122,992	81,391	218,394	-	19,143	27,869	9,842
Disbursements:								
General government	-	-	81,391	234,094	-	19,043	-	-
Public safety	125,215	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	25,756	-
Economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Urban redevelopment and housing	-	122,992	-	-	-	-	-	-
Capital outlay:								
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Total disbursements	125,215	122,992	81,391	234,094	-	19,043	25,756	-
Excess (deficiency) of receipts over disbursements	-	-	-	(15,700)	-	100	2,113	9,842
Cash and investment fund balance - beginning	-	-	-	49,756	25,824	-	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 34,056	\$ 25,824	\$ 100	\$ 2,113	\$ 9,842
<u>Cash and Investment Assets - Ending</u>								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,842
Restricted assets:								
Cash and investments	-	-	-	34,056	25,824	100	2,113	-
Cash and investments	\$ -	\$ -	\$ -	\$ 34,056	\$ 25,824	\$ 100	\$ 2,113	\$ 9,842
<u>Cash and Investment Fund Balance - Ending</u>								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	25,824	100	2,113	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	34,056	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	9,842
Total cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 34,056	\$ 25,824	\$ 100	\$ 2,113	\$ 9,842

SULLIVAN 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, 2009
 (Continued)

	#2 Prosecutor Title IV-D	Clerk Title IV-D	Aviation	Aviation Rotary	Aviation Youth Grant	Community Foundation	Pleasantville Community Improvement
Receipts:							
Taxes	\$ -	\$ -	\$ 41,374	\$ -	\$ -	\$ -	\$ 18
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	3,516	-	-	-	-
Charges for services	-	-	39,015	-	-	-	-
Fines and forfeits	-	-	-	72,025	-	-	-
Other	20,338	16,478	6,107	-	-	-	-
Total receipts	20,338	16,478	90,012	72,025	-	-	18
Disbursements:							
General government	-	-	101,958	80,537	-	18,224	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	2,154	9,021	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	2,154	9,021	101,958	80,537	-	18,224	-
Excess (deficiency) of receipts over disbursements	18,184	7,457	(11,946)	(8,512)	-	(18,224)	18
Cash and investment fund balance - beginning	33,901	8,457	26,036	57,788	1,500	18,589	-
Cash and investment fund balance - ending	\$ 52,085	\$ 15,914	\$ 14,090	\$ 49,276	\$ 1,500	\$ 365	\$ 18
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 52,085	\$ 15,914	\$ 14,090	\$ 49,276	\$ 1,500	\$ 365	\$ 18
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Cash and investments	\$ 52,085	\$ 15,914	\$ 14,090	\$ 49,276	\$ 1,500	\$ 365	\$ 18
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	52,085	15,914	14,090	49,276	1,500	365	18
Total cash and investment fund balance - ending	\$ 52,085	\$ 15,914	\$ 14,090	\$ 49,276	\$ 1,500	\$ 365	\$ 18

SULLIVAN 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, 2009
 (Continued)

	CASA	Reassessment	Park and Recreation	Rainy Day Fund	Highway 54 Project	Local Road and Street	Accident Report
Receipts:							
Taxes	\$ 1	\$ 187,713	\$ -	\$ 1,296	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	15,949	38,235	-	-	172,116	-
Charges for services	-	-	859,052	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	505
Other	-	525	23,625	1,214,716	79,215	4,183	-
Total receipts	1	204,187	920,912	1,216,012	79,215	176,299	505
Disbursements:							
General government	-	607,127	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	176,440	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	895,953	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	-	607,127	895,953	-	-	176,440	-
Excess (deficiency) of receipts over disbursements	1	(402,940)	24,959	1,216,012	79,215	(141)	505
Cash and investment fund balance - beginning	-	810,058	373,930	-	824,380	23,579	7,848
Cash and investment fund balance - ending	\$ 1	\$ 407,118	\$ 398,889	\$ 1,216,012	\$ 903,595	\$ 23,438	\$ 8,353
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 1	\$ 407,118	\$ 398,889	\$ 1,216,012	\$ 903,595	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	23,438	8,353
Cash and investments	\$ 1	\$ 407,118	\$ 398,889	\$ 1,216,012	\$ 903,595	\$ 23,438	\$ 8,353
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	8,353
Highways and streets	-	-	-	-	-	23,438	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	1	407,118	398,889	1,216,012	903,595	-	-
Total cash and investment fund balance - ending	\$ 1	\$ 407,118	\$ 398,889	\$ 1,216,012	\$ 903,595	\$ 23,438	\$ 8,353

SULLIVAN 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, 2009
 (Continued)

	Firearms Training	Park Nonreverting Operating	Health	Ambulance	Transportation	Community Emergency Management Plan Grant	Community Emergency Response Team Grant
Receipts:							
Taxes	\$ -	\$ -	\$ 62,826	\$ 16,090	\$ -	\$ -	\$ -
Licenses and permits	-	-	16,860	-	-	-	-
Intergovernmental	-	-	5,338	1,368	-	-	-
Charges for services	-	-	-	826,644	-	-	-
Fines and forfeits	14,130	72,625	-	-	-	-	-
Other	-	206,775	-	642	-	-	-
Total receipts	14,130	279,400	85,024	844,744	-	-	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	4,730	-	-	730,356	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	97,081	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	263,420	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	4,730	263,420	97,081	730,356	-	-	-
Excess (deficiency) of receipts over disbursements	9,400	15,980	(12,057)	114,388	-	-	-
Cash and investment fund balance - beginning	15,171	80,253	24,187	43,651	4,380	1,016	2,531
Cash and investment fund balance - ending	\$ 24,571	\$ 96,233	\$ 12,130	\$ 158,039	\$ 4,380	\$ 1,016	\$ 2,531
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ 158,039	\$ 4,380	\$ 1,016	\$ 2,531
Restricted assets:							
Cash and investments	24,571	96,233	12,130	-	-	-	-
Cash and investments	\$ 24,571	\$ 96,233	\$ 12,130	\$ 158,039	\$ 4,380	\$ 1,016	\$ 2,531
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	24,571	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	12,130	-	-	-	-
Culture and recreation	-	96,233	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	158,039	4,380	1,016	2,531
Total cash and investment fund balance - ending	\$ 24,571	\$ 96,233	\$ 12,130	\$ 158,039	\$ 4,380	\$ 1,016	\$ 2,531

SULLIVAN 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, 2009
 (Continued)

	Pandemic Assessment State Grant	Election Nonreverting Section 102 Grant	Operation Pull Over Grant	Court Improvement Grant	Citation Grant	Methamphetamine Grant	Tobacco Settlement
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	3,005	4,000	-	-	17,347
Total receipts	-	-	3,005	4,000	-	-	17,347
Disbursements:							
General government	-	-	-	7,794	5,000	-	-
Public safety	-	-	2,952	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	9,750
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	-	-	2,952	7,794	5,000	-	9,750
Excess (deficiency) of receipts over disbursements	-	-	53	(3,794)	(5,000)	-	7,597
Cash and investment fund balance - beginning	1,889	1,194	4	14,755	5,000	1,495	52,199
Cash and investment fund balance - ending	<u>\$ 1,889</u>	<u>\$ 1,194</u>	<u>\$ 57</u>	<u>\$ 10,961</u>	<u>\$ -</u>	<u>\$ 1,495</u>	<u>\$ 59,796</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 1,889	\$ 1,194	\$ -	\$ 10,961	\$ -	\$ -	\$ 59,796
Restricted assets:							
Cash and investments	-	-	57	-	-	1,495	-
Cash and investments	<u>\$ 1,889</u>	<u>\$ 1,194</u>	<u>\$ 57</u>	<u>\$ 10,961</u>	<u>\$ -</u>	<u>\$ 1,495</u>	<u>\$ 59,796</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	57	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,495	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	1,889	1,194	-	10,961	-	-	59,796
Total cash and investment fund balance - ending	<u>\$ 1,889</u>	<u>\$ 1,194</u>	<u>\$ 57</u>	<u>\$ 10,961</u>	<u>\$ -</u>	<u>\$ 1,495</u>	<u>\$ 59,796</u>

SULLIVAN 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, 2009
 (Continued)

	Law Enforcement Continuing Education	Vehicle Inspection	Clerk Perpetuation	Drug Free Community	Emergency Planning and Right to Know	Juvenile Probation	Adult Probation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	15	10,088	14,664	-	2,839	24,694
Other	-	320	1,114	-	3,898	-	-
Total receipts	-	335	11,202	14,664	3,898	2,839	24,694
Disbursements:							
General government	-	-	10,595	-	-	-	-
Public safety	-	-	-	6,630	4,327	-	18,232
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	8,312
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	-	-	10,595	6,630	4,327	-	26,544
Excess (deficiency) of receipts over disbursements	-	335	607	8,034	(429)	2,839	(1,850)
Cash and investment fund balance - beginning	2,207	7,921	13,874	16,145	18,030	15,596	60,641
Cash and investment fund balance - ending	\$ 2,207	\$ 8,256	\$ 14,481	\$ 24,179	\$ 17,601	\$ 18,435	\$ 58,791
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 17,601	\$ 18,435	\$ 58,791
Restricted assets:							
Cash and investments	2,207	8,256	14,481	24,179	-	-	-
Cash and investments	\$ 2,207	\$ 8,256	\$ 14,481	\$ 24,179	\$ 17,601	\$ 18,435	\$ 58,791
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ 14,481	\$ -	\$ -	\$ -	\$ -
Public safety	2,207	8,256	-	24,179	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	17,601	18,435	58,791
Total cash and investment fund balance - ending	\$ 2,207	\$ 8,256	\$ 14,481	\$ 24,179	\$ 17,601	\$ 18,435	\$ 58,791

SULLIVAN 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, 2009
 (Continued)

	Probation Transfer Fee	Recorder Perpetuation	County User Fee	Family and Children	Health Maintenance	Pretrial Diversion	State Homestead Credit
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	211,508
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	300	54,242	7,949	-	-	13,386	-
Other	-	-	-	8,263	33,139	-	-
Total receipts	300	54,242	7,949	8,263	33,139	13,386	211,508
Disbursements:							
General government	-	29,932	2,244	-	-	-	209,806
Public safety	300	-	-	-	-	13,995	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	1,095,496	22,778	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	300	29,932	2,244	1,095,496	22,778	13,995	209,806
Excess (deficiency) of receipts over disbursements	-	24,310	5,705	(1,087,233)	10,361	(609)	1,702
Cash and investment fund balance - beginning	-	111,825	42,059	1,087,233	44,659	9,947	(2,209)
Cash and investment fund balance - ending	\$ -	\$ 136,135	\$ 47,764	\$ -	\$ 55,020	\$ 9,338	\$ (507)
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ 47,764	\$ -	\$ 55,020	\$ -	\$ -
Restricted assets:							
Cash and investments	-	136,135	-	-	-	9,338	(507)
Cash and investments	\$ -	\$ 136,135	\$ 47,764	\$ -	\$ 55,020	\$ 9,338	\$ (507)
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ 136,135	\$ -	\$ -	\$ -	\$ -	\$ (507)
Public safety	-	-	-	-	-	9,338	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	47,764	-	55,020	-	-
Total cash and investment fund balance - ending	\$ -	\$ 136,135	\$ 47,764	\$ -	\$ 55,020	\$ 9,338	\$ (507)

SULLIVAN 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, 2009
 (Continued)

	Supplemental Public Defender	Township Assistance	Surveyor Perpetuation	Coroner Perpetuation	Jury Fees	Ambulance Donation	Drainage Maintenance Gill Twp. Levee
Receipts:							
Taxes	\$ -	\$ 129,522	\$ -	\$ -	\$ -	\$ -	\$ 147,485
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	13,145	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	6,153	2,272	7,678	-	-
Other	31,862	-	-	-	16	13,914	-
Total receipts	31,862	142,667	6,153	2,272	7,694	13,914	147,485
Disbursements:							
General government	-	142,667	38,792	-	-	250	147,485
Public safety	-	-	-	2,167	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	-	142,667	38,792	2,167	-	250	147,485
Excess (deficiency) of receipts over disbursements	31,862	-	(32,639)	105	7,694	13,664	-
Cash and investment fund balance - beginning	-	-	51,362	28	20,534	-	-
Cash and investment fund balance - ending	\$ 31,862	\$ -	\$ 18,723	\$ 133	\$ 28,228	\$ 13,664	\$ -
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 31,862	\$ -	\$ -	\$ 133	\$ -	\$ 13,664	\$ -
Restricted assets:							
Cash and investments	-	-	18,723	-	28,228	-	-
Cash and investments	\$ 31,862	\$ -	\$ 18,723	\$ 133	\$ 28,228	\$ 13,664	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ 18,723	\$ -	\$ 28,228	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	31,862	-	-	133	-	13,664	-
Total cash and investment fund balance - ending	\$ 31,862	\$ -	\$ 18,723	\$ 133	\$ 28,228	\$ 13,664	\$ -

SULLIVAN 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, 2009
 (Continued)

	Drainage Maintenance Island Levee	Drainage Maintenance JW Adams Levee	Drainage Maintenance EW House Levee	Drainage Maintenance Niblack Levee	Drainage Repair Niblack Levee	Law Enforcement	Infraction Deferral
Receipts:							
Taxes	\$ 75,912	\$ 144	\$ 2,049	\$ 6,432	\$ 19,150	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	129,687
Other	-	-	-	-	-	30,802	1,558
Total receipts	<u>75,912</u>	<u>144</u>	<u>2,049</u>	<u>6,432</u>	<u>19,150</u>	<u>30,802</u>	<u>131,245</u>
Disbursements:							
General government	75,912	144	2,049	6,432	19,150	-	-
Public safety	-	-	-	-	-	8,000	156,429
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	123
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Total disbursements	<u>75,912</u>	<u>144</u>	<u>2,049</u>	<u>6,432</u>	<u>19,150</u>	<u>8,000</u>	<u>156,552</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,802</u>	<u>(25,307)</u>
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,138</u>	<u>81,623</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,940</u>	<u>\$ 56,316</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,940	\$ 56,316
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Cash and investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,940</u>	<u>\$ 56,316</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	75,940	56,316
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,940</u>	<u>\$ 56,316</u>

SULLIVAN 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, 2009
 (Continued)

	State Welfare Excise Tax Allocation	Riverboat Revenue Sharing	County CEDIT	County Corrections	Victim Advocacy	Identification Security Protection	Children's Psychiatric Resource Treatment Service
Receipts:							
Taxes	\$ -	\$ -	\$ 361,446	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	24,714	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	8,406	-
Other	-	136,119	180,724	13,898	13,607	-	-
Total receipts	24,714	136,119	542,170	13,898	13,607	8,406	-
Disbursements:							
General government	-	136,119	-	-	-	-	-
Public safety	-	-	-	-	20,893	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	24,714	-	-	-	-	-	41,206
Economic development	-	-	463,897	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	13,285	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	39,604	-	-	-	-
Total disbursements	24,714	136,119	503,501	13,285	20,893	-	41,206
Excess (deficiency) of receipts over disbursements	-	-	38,669	613	(7,286)	8,406	(41,206)
Cash and investment fund balance - beginning	-	-	350,558	19,197	(4,604)	26,980	41,206
Cash and investment fund balance - ending	\$ -	\$ -	\$ 389,227	\$ 19,810	\$ (11,890)	\$ 35,386	\$ -
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ 389,227	\$ 19,810	\$ (11,890)	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	35,386	-
Cash and investments	\$ -	\$ -	\$ 389,227	\$ 19,810	\$ (11,890)	\$ 35,386	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	35,386	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	389,227	19,810	(11,890)	-	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 389,227	\$ 19,810	\$ (11,890)	\$ 35,386	\$ -

SULLIVAN 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, 2009
 (Continued)

	E-911	911 Wireless	Circuit Court Bail Bond	Superior Court Bail Bond	Probation Administration Fee	Redevelopment Commission	Allocation Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,408
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	90,232	-	-	-	-	-
Charges for services	-	3,474	-	-	-	-	-
Fines and forfeits	124,398	-	3,665	7,490	13,843	-	-
Other	6,348	2,546	-	-	-	2,000	-
	-	-	-	-	-	-	-
Total receipts	<u>130,746</u>	<u>96,252</u>	<u>3,665</u>	<u>7,490</u>	<u>13,843</u>	<u>2,000</u>	<u>21,408</u>
Disbursements:							
General government	-	-	-	816	-	-	-
Public safety	145,388	66,906	-	-	18,747	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	3,116	10,260
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	12,217	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total disbursements	<u>145,388</u>	<u>79,123</u>	<u>-</u>	<u>816</u>	<u>18,747</u>	<u>3,116</u>	<u>10,260</u>
Excess (deficiency) of receipts over disbursements	<u>(14,642)</u>	<u>17,129</u>	<u>3,665</u>	<u>6,674</u>	<u>(4,904)</u>	<u>(1,116)</u>	<u>11,148</u>
Cash and investment fund balance - beginning	<u>64,982</u>	<u>213,473</u>	<u>11,717</u>	<u>55,825</u>	<u>4,904</u>	<u>12,117</u>	<u>22,195</u>
Cash and investment fund balance - ending	<u>\$ 50,340</u>	<u>\$ 230,602</u>	<u>\$ 15,382</u>	<u>\$ 62,499</u>	<u>\$ -</u>	<u>\$ 11,001</u>	<u>\$ 33,343</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 50,340	\$ 230,602	\$ 15,382	\$ 62,499	\$ -	\$ 11,001	\$ 33,343
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Cash and investments	<u>\$ 50,340</u>	<u>\$ 230,602</u>	<u>\$ 15,382</u>	<u>\$ 62,499</u>	<u>\$ -</u>	<u>\$ 11,001</u>	<u>\$ 33,343</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	<u>50,340</u>	<u>230,602</u>	<u>15,382</u>	<u>62,499</u>	<u>-</u>	<u>11,001</u>	<u>33,343</u>
Total cash and investment fund balance - ending	<u>\$ 50,340</u>	<u>\$ 230,602</u>	<u>\$ 15,382</u>	<u>\$ 62,499</u>	<u>\$ -</u>	<u>\$ 11,001</u>	<u>\$ 33,343</u>

SULLIVAN 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, 2009
 (Continued)

	Sex and Violent Offender Registry	4-H Building Rent	Emergency Management Donation	Cumulative Capital Development	Cumulative Bridge	Sheriff Commissary	Totals
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 21,168	\$ 315,664	\$ -	\$ 1,409,698
Licenses and permits	-	-	-	-	-	-	16,860
Intergovernmental	-	-	-	2,870	26,820	-	605,811
Charges for services	-	5,602	-	-	-	147,554	1,881,341
Fines and forfeits	6,580	-	-	-	-	-	597,634
Other	105	-	5,000	-	402,139	-	3,089,174
Total receipts	6,685	5,602	5,000	24,038	744,623	147,554	7,600,518
Disbursements:							
General government	-	5,102	-	24,038	-	152,403	2,159,104
Public safety	356	-	5,000	-	-	-	1,330,623
Highways and streets	-	-	-	-	686,400	-	862,840
Health and welfare	-	-	-	-	-	-	1,327,956
Economic development	-	-	-	-	-	-	477,273
Culture and recreation	-	-	-	-	-	-	1,159,373
Urban redevelopment and housing	-	-	-	-	-	-	122,992
Capital outlay:							
Public safety	-	-	-	-	-	-	33,937
Highways and streets	-	-	-	-	133,155	-	133,155
Economic development	-	-	-	-	-	-	39,604
Total disbursements	356	5,102	5,000	24,038	819,555	152,403	7,646,857
Excess (deficiency) of receipts over disbursements	6,329	500	-	-	(74,932)	(4,849)	(46,339)
Cash and investment fund balance - beginning	962	-	-	-	549,181	19,930	5,532,607
Cash and investment fund balance - ending	\$ 7,291	\$ 500	\$ -	\$ -	\$ 474,249	\$ 15,081	\$ 5,486,268
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ 7,291	\$ 500	\$ -	\$ -	\$ -	\$ 15,081	\$ 4,507,223
Restricted assets:							
Cash and investments	-	-	-	-	474,249	-	979,045
Cash and investments	\$ 7,291	\$ 500	\$ -	\$ -	\$ 474,249	\$ 15,081	\$ 5,486,268
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,081	\$ 212,141
Public safety	-	-	-	-	-	-	112,347
Highways and streets	-	-	-	-	-	-	23,438
Health and welfare	-	-	-	-	-	-	41,662
Culture and recreation	-	500	-	-	-	-	96,733
Capital outlay	-	-	-	-	474,249	-	508,305
Unrestricted	7,291	-	-	-	-	-	4,491,642
Total cash and investment fund balance - ending	\$ 7,291	\$ 500	\$ -	\$ -	\$ 474,249	\$ 15,081	\$ 5,486,268

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2009

	Landfill Closure and Post-Closure	Congressional School Principal	Totals
Additions:			
Contributions:			
Other	\$ 5,000	\$ -	\$ 5,000
Investment earnings:			
Interest	10,556	243	10,799
Dividends	380	-	380
Total investment earnings	10,936	243	11,179
Total additions	15,936	243	16,179
Deductions:			
Administrative and general	3,852	-	3,852
Excess of total additions over total deductions	12,084	243	12,327
Cash and investment fund balance - beginning	364,817	15,462	380,279
Cash and investment fund balance - ending	\$ 376,901	\$ 15,705	\$ 392,606

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009

	City and Town Court Costs	Common School	Congressional School Interest	Clerk's Trust	Clerk's Support Trust	Shelburn Nuisance Liens and Fees	Tax Sale Surplus
Additions:							
Agency fund additions	\$ 12,147	\$ 8	\$ 232	\$ 1,998,774	\$ 585,019	\$ 8,185	\$ 285,539
Deductions:							
Agency fund deductions	10,916	-	618	1,995,429	585,019	8,185	157,409
Excess (deficiency) of total additions over total deductions	1,231	8	(386)	3,345	-	-	128,130
Cash and investment fund balance - beginning	10,916	3,000	11,769	372,683	2,529	-	95,287
Cash and investment fund balance - ending	<u>\$ 12,147</u>	<u>\$ 3,008</u>	<u>\$ 11,383</u>	<u>\$ 376,028</u>	<u>\$ 2,529</u>	<u>\$ -</u>	<u>\$ 223,417</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Surplus Tax	Tax Sale Redemption	Refund Due State	State Fines and Forfeitures	Sewer Liens	Overweight Vehicle Fines	Road Closure
Additions:							
Agency fund additions	\$ 25,764	\$ 90,680	\$ 572,176	\$ 10,585	\$ 1,413	\$ 1,613	\$ -
Deductions:							
Agency fund deductions	29,483	92,210	572,176	12,972	1,413	1,556	-
Excess (deficiency) of total additions over total deductions	(3,719)	(1,530)	-	(2,387)	-	57	-
Cash and investment fund balance - beginning	50,718	7,713	-	4,287	-	-	2,000
Cash and investment fund balance - ending	<u>\$ 46,999</u>	<u>\$ 6,183</u>	<u>\$ -</u>	<u>\$ 1,900</u>	<u>\$ -</u>	<u>\$ 57</u>	<u>\$ 2,000</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Infraction Judgments	Inheritance Tax	Sale of County Owned Property	Payroll Withholdings	Special Death Benefits	BMV Education Plate	CEDIT Distribution
Additions:							
Agency fund additions	\$ 37,232	\$ 993,638	\$ -	\$ 1,114,430	\$ 1,400	\$ 319	\$ 946,439
Deductions:							
Agency fund deductions	37,237	1,143,908	-	1,119,502	1,395	-	946,437
Excess (deficiency) of total additions over total deductions	(5)	(150,270)	-	(5,072)	5	319	2
Cash and investment fund balance - beginning	2,775	362,174	25,662	(660)	110	(1,068)	-
Cash and investment fund balance - ending	<u>\$ 2,770</u>	<u>\$ 211,904</u>	<u>\$ 25,662</u>	<u>\$ (5,732)</u>	<u>\$ 115</u>	<u>\$ (749)</u>	<u>\$ 2</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Tourism	Financial Institution Tax	Wheel Tax	Surtax	State Share Mortgage Fee	Child Restraint Violation	Commercial Vehicle Excise Tax
Additions:							
Agency fund additions	\$ 60,995	\$ 80,628	\$ 83,347	\$ 277,120	\$ 1,943	\$ 150	\$ 115,136
Deductions:							
Agency fund deductions	53,961	80,628	83,347	276,871	1,883	160	115,136
Excess (deficiency) of total additions over total deductions	7,034	-	-	249	60	(10)	-
Cash and investment fund balance - beginning	26,660	-	-	-	145	40	-
Cash and investment fund balance - ending	<u>\$ 33,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249</u>	<u>\$ 205</u>	<u>\$ 30</u>	<u>\$ -</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Welfare Trust	Homestead Credit Rebate	State Share of Delinquent Tax and Penalties	Tax Distribution	Shelburn Storm Water Leins	Airport	Sheriff Canine Unit
Additions:							
Agency fund additions	\$ -	\$ -	\$ 5,156	\$ 12,829,033	\$ 1,574	\$ 118,279	\$ 42
Deductions:							
Agency fund deductions	1,739	-	5,156	12,829,033	1,574	118,805	-
Excess (deficiency) of total additions over total deductions	(1,739)	-	-	-	-	(526)	42
Cash and investment fund balance - beginning	1,739	54	-	-	-	8,929	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,403</u>	<u>\$ 42</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Sheriff Employee Coke	Jail Inmate Trust	Sheriff's Trust	Recorder's Trust	Prosecutors Law Enforcement	Jefferson Township Fire Department
Additions:						
Agency fund additions	\$ 525	\$ 146,380	\$ 513,915	\$ 128,520	\$ 6,000	\$ -
Deductions:						
Agency fund deductions	399	147,719	512,709	128,588	2,200	18
Excess (deficiency) of total additions over total deductions	126	(1,339)	1,206	(68)	3,800	(18)
Cash and investment fund balance - beginning	-	10,568	2,301	-	1,689	18
Cash and investment fund balance - ending	<u>\$ 126</u>	<u>\$ 9,229</u>	<u>\$ 3,507</u>	<u>\$ (68)</u>	<u>\$ 5,489</u>	<u>\$ -</u>

SULLIVAN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Aviation Donation	Probation Trust	After Settlement Collections Treasurer Trust	Police Pension	Sales Disclosure	Totals
Additions:						
Agency fund additions	\$ 3,089	\$ 54,310	\$ 17,710,613	\$ 11,932	\$ 2,885	\$ 38,837,165
Deductions:						
Agency fund deductions	2,237	57,022	17,533,070	25,259	2,910	38,696,289
Excess (deficiency) of total additions over total deductions	852	(2,712)	177,543	(13,327)	(25)	140,876
Cash and investment fund balance - beginning	175	2,712	365,371	14,913	330	1,385,539
Cash and investment fund balance - ending	<u>\$ 1,027</u>	<u>\$ -</u>	<u>\$ 542,914</u>	<u>\$ 1,586</u>	<u>\$ 305</u>	<u>\$ 1,526,415</u>

SULLIVAN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Highway Dura Patcher	\$ 57,900	\$ 11,586
Highway Caterpillar Wheel Excavator	128,157	35,738
Highway Caterpillar Motor Graders	374,295	58,354
Highway Caterpillar Motor Grader	<u>187,547</u>	<u>29,040</u>
Total governmental activities debt	<u>\$ 747,899</u>	<u>\$ 134,718</u>

SULLIVAN COUNTY
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual County office listed below:

County Auditor

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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 SULLIVAN COUNTY, INDIANA

Compliance

We have audited the compliance of the Sullivan 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, 2009. 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, 2009.

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.

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

July 29, 2010

SULLIVAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2009

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Pass-Through Indiana Department of Homeland Security Public Safety Interoperable Communication Grant Program	11.555		\$ <u>125,215</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Office of Community and Rural Affairs Community Development Block Grants/States Program Community Development Block Grant (Disaster Recovery Grant)	14.228		<u>106,500</u> <u>81,391</u>
Total for federal grantor agency			<u>187,891</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Airport Improvement Program	20.106		<u>178,698</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Public Health Emergency Preparedness Public Health Preparedness and Response (H1N1 and Bioterrorism)	93.069		<u>44,800</u>
Child Support Enforcement Child Support Expenditures Indirect Costs	93.563		<u>26,849</u> <u>10,113</u>
Total for program			<u>36,962</u>
Total for federal grantor agency			<u>81,762</u>
Total federal awards expended			<u>\$ <u>573,566</u></u>

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

SULLIVAN COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Sullivan County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

SULLIVAN 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? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SULLIVAN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

SULLIVAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 29, 2010, with Tim Abrams, Vice President of the Board of County Commissioners; Duane Wampler, President of the County Council; and Jean Harris, Auditor. Our audit disclosed no material items that warrant comment at this time.