



VERMILION COUNTY, ILLINOIS

FINANCIAL STATEMENTS

November 30, 2007

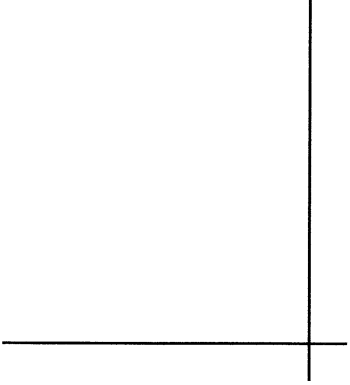


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Independent Auditor's Report

Vermilion County Board
Danville, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Vermilion County, Illinois, (County) as of and for the year ended November 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Vermilion 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.

Management has not recorded certain fixed assets and general infrastructure assets in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those assets be capitalized and depreciated, which would increase the assets, net assets, and also impact expenses of the governmental activities. The amount by which this departure would affect the assets, net assets, and expenses of the governmental activities is not reasonably determinable.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of Vermilion County, Illinois as of November 30, 2007, and the changes in financial position thereof for the year then ended.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of Vermilion County, Illinois as of November 30, 2007 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2008 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 read in conjunction with this report in assessing the results of our audit.

The Management's Discussion and Analysis, budgetary comparison information, schedules of funding progress for Illinois Municipal Retirement Fund and schedule of employer contributions are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The Illinois Department of Human Services grant report is not required supplementary information by accounting principles generally accepted in the United States of America, but is required information for that agency. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Vermilion County, Illinois' basic financial statements. The combining financial statements and statistical information, on pages 60 – 81, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 by us in the audit of the basic financial statements and, in our opinion, based on our audit, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clifton Gunderson LLP

Danville, Illinois
May 23, 2008

Management's Discussion and Analysis

As management of Vermilion County, we offer readers of Vermilion County's financial statements this narrative overview and analysis of the financial activities of Vermilion County for the fiscal year ended November 30, 2007.

Financial Highlights

- The assets of Vermilion County exceeded its liabilities at the close of the most recent fiscal year by \$30.5 million (*net assets*). Of this amount, \$17.5 million (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$4.8 million. Approximately 45% of this increase is attributable to the one time payment for the transfer of the Sidell-Allerton road from the State to Vermilion County; these dollars are restricted for road projects.
- As of the close of the current fiscal year, Vermilion County's governmental funds reported combined ending fund balances of \$33 million, an increase of \$4.9 million in comparison with the prior year. Approximately 65% of this total amount, \$21.4 million, is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$8.9 million, or 81% of total General Fund expenditures.
- Vermilion County's total debt decreased by \$68,397 (1.67%) during the current fiscal year. This debt is comprised of accumulated paid time off and obligations under capital leases by the Danville Public Building Commission to fund the building of the Juvenile Detention Center. No new debt instruments were issued in the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Vermilion County's basic financial statements. Vermilion County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Vermilion County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of Vermilion County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Vermilion County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 17 – 19 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Vermilion County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Vermilion County can be divided into three categories: governmental funds, proprietary funds and agency funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental *activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental *funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Vermilion County maintains three categories of governmental funds: General Fund; Major Special Revenue Funds; Non-major Governmental Funds. Information is presented separately in the *governmental fund balance sheet* and in the *governmental fund statement of revenues*,

expenditures, and changes in fund balances for these categories of Governmental Funds. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Vermilion County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 – 24 of this report.

Proprietary funds. Vermilion County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Vermilion County uses enterprise funds to account for its Solid Waste Management operation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Vermilion County's various functions. Vermilion County uses internal service funds to account for its health and general liability insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Vermilion County Nursing Home since it is considered to be a major fund of Vermilion County. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 25 – 28 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Vermilion County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 – 48 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Vermilion County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 50 - 58 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, proprietary funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining fund statements and schedules can be found on pages 60 – 79 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Vermilion County, assets exceeded liabilities by \$30.5 million at the close of the most recent fiscal year. By far, the largest portion of Vermilion County's net assets (60%) is comprised of unrestricted funds.

Vermilion County's Net Assets (Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$47,348	\$43,564	\$1,394	\$1,112	\$48,742	\$44,676
Capital assets	-	-	1,375	1,576	1,375	1,576
Total assets	47,348	43,564	2,769	2,688	50,117	46,252
Long-term liabilities outstanding	4,022	4,091	-	-	4,022	4,091
Other liabilities	14,189	14,838	1,385	1,586	15,574	16,424
Total liabilities	18,211	18,929	1,385	1,586	19,596	20,515

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Net assets:						
Invested in capital assets, net of related debt	-	-	1,375	1,576	1,375	1,576
Restricted	11,639	8,689	-	-	11,639	8,689
Unrestricted	17,498	15,946	9	(474)	17,507	15,472
Total net assets	\$29,137	\$24,635	\$1,384	\$1,102	\$30,521	\$25,737

An additional portion of Vermilion County's net assets (40%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$17.5 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Vermilion County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a decrease of \$201,000 in invested in capital assets, net of related debt reported in connection with Vermilion County's business-type activities. This is entirely a function of depreciation expense, totaling \$210,000, and additions, totaling \$9,000 for the current year.

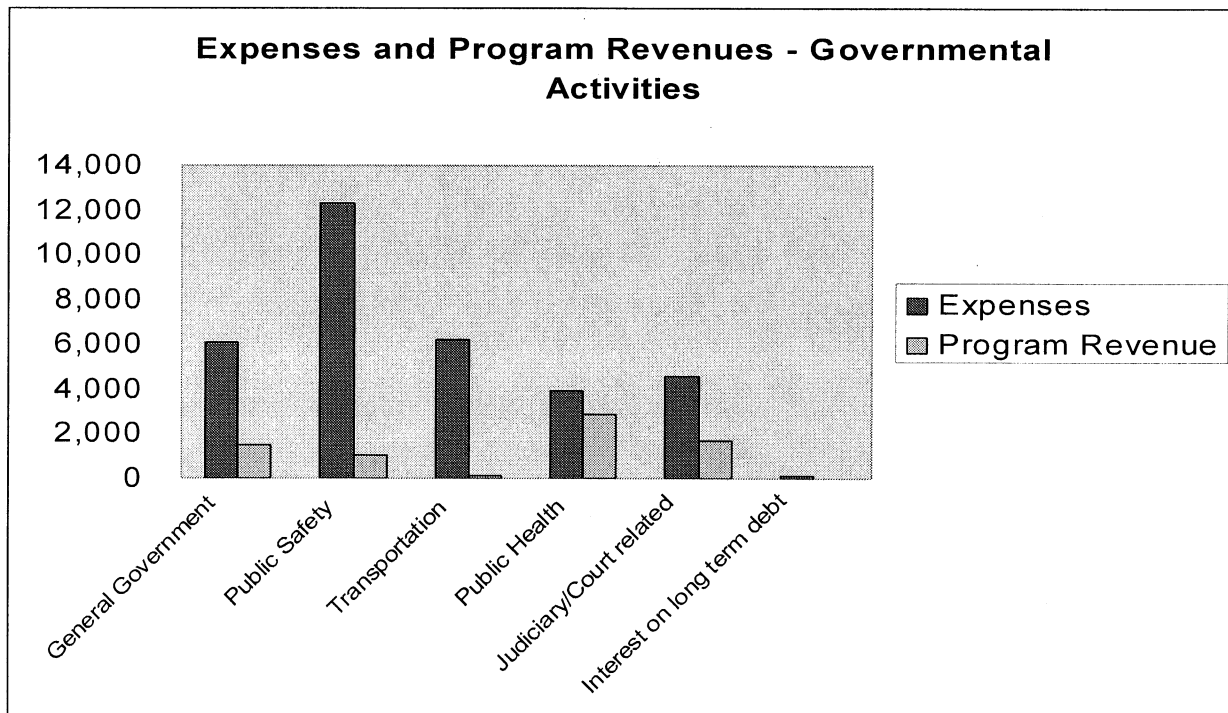
Vermilion County's net assets increased by \$4.8 million during the current fiscal year. About 40% of this increase represents the County's acquisition of the Sidell-Allerton road from the state of Illinois. The remainder of this growth was in unrestricted assets.

Vermilion County's Changes in Net Assets
(Expressed in Thousands)

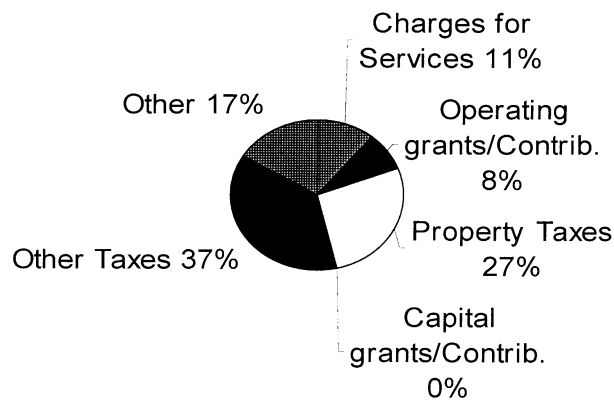
	Governmental		Business-Type		Total	
	Activities		Activities			
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$4,073	\$3,560	\$9,233	\$6,656	\$13,306	\$10,216
Operating grants and contributions	3,138	3,462	-	-	3,138	3,462
Capital grants and contributions	47	124	-	-	47	124
General revenues:						
Property taxes	10,294	9,479	659	656	10,953	10,135
Other taxes	14,055	10,296	-	-	14,055	10,296
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	5,430	6,925	271	38	5,701	6,963
Total revenues	37,037	33,846	10,163	7,350	47,200	41,196
Expenses:						
General government	5,751	6,104	-	-	5,751	6,104
Public safety	12,158	11,799	-	-	12,158	11,799
Transportation	6,228	7,563	-	-	6,228	7,563
Public Health	3,896	3,611	-	-	3,896	3,611
Judiciary/Court related	4,346	4,341	-	-	4,346	4,341
Interest on long-term debt	156	234	-	-	156	234
Nursing Home	-	-	9,430	7,855	9,430	7,855
Nursing Home Farm	-	-	51	35	51	35
Solid Waste Management	-	-	400	444	400	444
Total expenses	32,535	33,652	9,881	8,334	42,416	41,986
Increase in net assets	4,502	194	282	(984)	4,784	(790)
Net assets - 12/01/06	24,635	24,441	1,102	2,086	25,737	26,527
Net assets - 11/30/07	\$29,137	\$24,635	\$1,384	\$1,102	\$30,521	\$25,737

Governmental activities. Governmental activities increased Vermilion County's net assets by \$4.5 million, thereby accounting for 94% of the total growth in the net assets of Vermilion County. Key elements of this increase are as follows:

- Charges for services for governmental activities increased by approximately \$513,000. This is primarily comprised of increases in Judiciary and Court related and Public Health.
- Property taxes increased by approximately \$815,000 (8%) during the year. This increase is a function of the assessed valuation for property in Vermilion County increasing from \$753,663,553 in 05/06 to \$805,616,952 in 06/07. This is an increase in assessed valuation of \$51,953,399.
- Other taxes had an increase this fiscal year of \$3.7 million. This category includes taxes such as Corporate Replacement Taxes, up by \$.1 million, State Sales Tax, up \$.03 million, State Income Tax Allocation, increased \$.19 million, Local Motor Fuel Taxes, up \$3.4 million, and Inheritance Taxes which increased \$.05 million.
- Transportation expense is decreased by \$1.3 million this fiscal year due to the completion of the road work on the Catlin-Homer road.



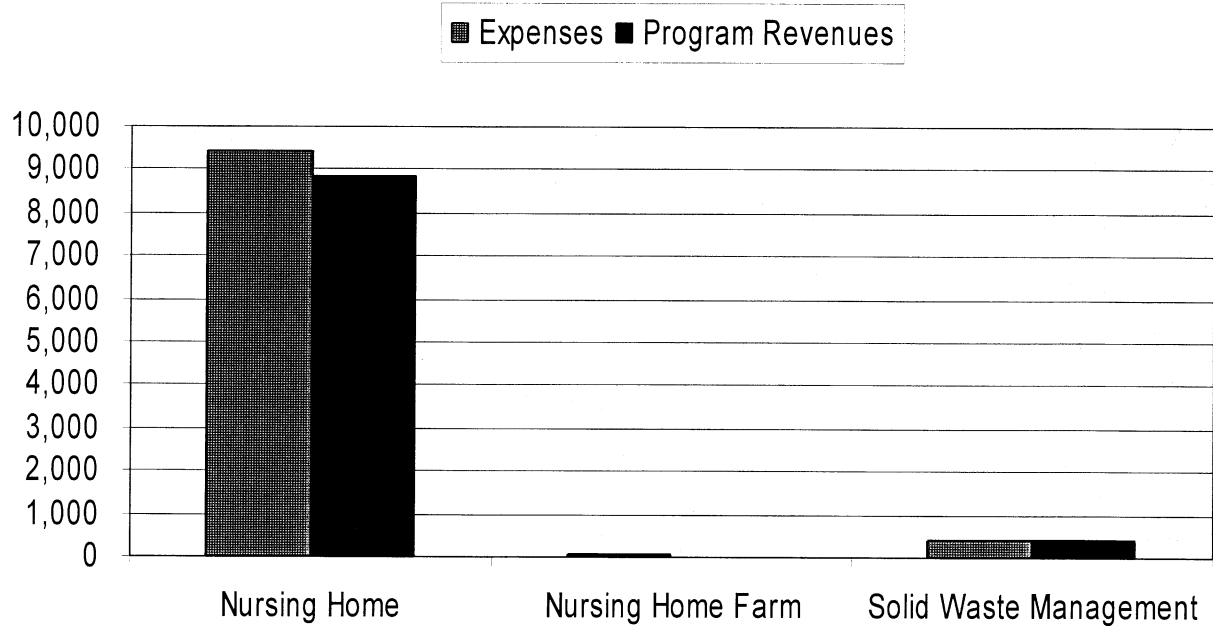
Revenues by Source - Governmental Activities



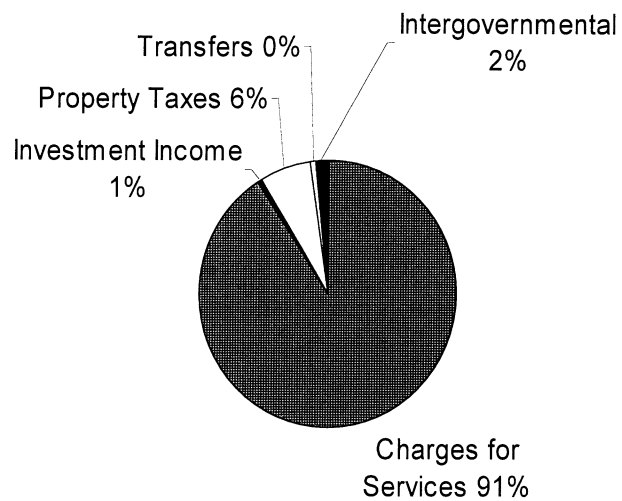
Business-type activities. Business-type activities increased Vermilion County's net assets by approximately \$282,000 accounting for 6% of the total growth in the government's net assets. Key elements of this increase are as follows:

- Charges for services for business-type activities were \$2.6 million higher (39% increase) for the current fiscal year. The Nursing Home reported \$2.5 million of this increase as a result of a change in Medicaid reporting requirements by the state of Illinois. There is a related increase in the Nursing Home expense line of \$1.6 million to offset this revenue, as required by the state, thus offsetting the large increase in revenue.
- Other revenues, which experienced an increase of approximately \$233,000 include: interest/investment income, up approximately \$35,000; intergovernmental revenues, increased by approximately \$117,000; and transfers, up by approximately \$81,000.
- Intergovernmental revenues were up from the prior year by approximately \$117,000; these revenues include Sales Taxes, Income Taxes, Federal/State Grants and Corporate Replacement Taxes.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, Vermilion County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Vermilion County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Vermilion County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Vermilion County's governmental funds reported combined ending fund balances of \$33 million, an increase of \$4.9 million in comparison with the prior year. Approximately 65% of this total (\$21 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) to capital projects (\$.8 million), 2) to road projects (\$5.6 million), 3) for public safety (\$4.0 million), 4) employee retirement fund (\$.8 million), and 5) for a variety of other restricted purposes (\$.4 million).

The General Fund is the chief operating fund of Vermilion County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8.9 million. Unreserved fund balance represents 81% of total General Fund expenditures.

The fund balance of Vermilion County's General Fund increased by approximately \$828,000 during the current fiscal year. This was a result of the County Board and Elected Official/Department Head's concerted effort to meet their fiduciary responsibilities to produce a fiscally sound and conservative budget. They have worked to reduce expenses and thus created this increase.

The Public Safety Building Rent fund has a total fund balance of \$6.0 million, which is reserved for expenses related to public safety. The net increase in fund balance during the current year in the Public Safety Building Rent fund was approximately \$719,000. This is primarily a result of a refund from the Danville Public Building Commission, received in March of 2007, to correct an overpayment.

Proprietary funds. Vermilion County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Vermilion County Nursing Home amounted to (\$392,000), and those for the Nursing Home Farm and Solid Waste Management, other enterprise funds, amounted to \$401,000. The total growth in net assets was \$128,750 and \$152,380, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Vermilion County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$620,000 increase in appropriations) and can be briefly summarized as follows:

- Approximately \$250,000 due to contract settlements/payroll changes subsequent to budget preparation
- \$20,000 increase in contractual/professional services due to additional in autopsies
- \$34,000 increase to replace Annex accounting system, repair computer systems, communication system
- \$125,000 Grants received by EMA required associated expenses
- \$20,000 increase due to calculation changes in farmland assessments
- \$20,000 additional funding to Vermilion County Extension
- \$24,000 funding for election related expenses
- \$10,000 increase due to rising fuel costs
- \$10,000 increase to update law library

Of this increase, \$620,000 was to be funded from available fund balance. During the year, however, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon existing fund balance.

Capital Asset and Debt Administration

Capital assets. Vermilion County's investment in capital assets for its business type activities as of November 30, 2007, amounts to \$1.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and equipment. The total decrease in Vermilion County's investment in capital assets for the current fiscal year was 13%; the driving factor in this reduction was the increase in accumulated depreciation of \$210,000.

Vermilion County's Capital Assets (Net of depreciation)

	Business-Type Activities	
	2007	2006
Land	\$1,000	\$1,000
Buildings	5,591,471	5,591,471
Transportation equipment	66,067	66,067
Recycling equipment	96,610	96,610
Other equipment	1,155,063	1,145,831
Total	\$6,910,211	\$6,900,979
Less: Accumulated Depreciation	5,535,010	5,324,712
Net Capital Assets	\$1,375,201	\$1,576,267

Additional information on Vermilion County's capital assets can be found in Note 10 on pages 45 – 46 of this report.

Long-term debt. At the end of the current fiscal year, Vermilion County had a total long term obligation of \$4,022,411; this is comprised of obligations under capital lease agreement associated with the Danville Public Building Commission's bond issue for the Juvenile Detention Center and accumulated paid time off. The bonds are not in Vermilion County's name.

Vermilion County's Outstanding Debt Non Current Liabilities

	Governmental Activities	
	2007	2006
Accumulated paid time off	\$152,711	\$115,808
Long term obligations	3,869,700	3,975,000
Total	\$4,022,411	\$4,090,808

Vermilion County's total long term debt decreased by \$68,397 (1.67%) during the current fiscal year. Although accumulated paid time off increased \$37,000, long-term obligations decreased \$105,000; thus, total long-term debt decreased 1.67% in this fiscal year.

Additional information on Vermilion County's long-term debt can be found in Note 5 on pages 38 – 39 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Vermilion County is currently 6.4%, which is an increase from a rate of 5.9% a year ago. This compares unfavorably to the state's average unemployment rate of 5.0% and the national average rate of 4.6%.
- The 2007 – 2008 Budget showed a decrease in the overall extended tax rate; the 2006 - 2007 rate was 1.7621% and the 2007 – 2008 rate dropped to 1.7047%. This was due to the diligence of the County Board and Elected Officials/Department Heads.
- The General Fund is expected to collect \$322,251 less in the 2007 – 2008 budget year than in the 2006 – 2007 budget year. It was decided that it would be more prudent to use existing fund balance rather than increase taxes.

All of these factors were considered in preparing Vermilion County's budget for the 2007 – 2008 fiscal year. Hence, the primary goal in preparing Vermilion County's budget for 2007 – 2008 fiscal year was to not increase the tax rate.

During the current fiscal year, unreserved fund balance in the General Fund increased to \$8.9 million. Vermilion County has appropriated \$240,000 of this amount for spending in the 2007 – 2008 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2007 – 2008 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Vermilion County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 6 N. Vermilion St., Vermilion County, Danville, IL 61832.

VERMILION COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
November 30, 2007

	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS			
Cash	\$ 7,368,769	\$ 770,578	\$ 8,139,347
Investments	18,147,868	264,084	18,411,952
Receivables, net	829,638	1,939,394	2,769,032
Taxes receivable	10,442,101	-	10,442,101
Accrued interest	-	384	384
Prepaid items	4,321,302	-	4,321,302
Receivable from external parties	1,715,721	-	1,715,721
Internal balances	1,581,065	(1,581,065)	-
Due from other governments	2,941,141	-	2,941,141
	<u>47,347,605</u>	<u>1,393,375</u>	<u>48,740,980</u>
Total current assets			
	<u>47,347,605</u>	<u>1,393,375</u>	<u>48,740,980</u>
NONCURRENT ASSETS			
Capital assets:			
Land	-	1,000	1,000
Buildings	-	5,591,471	5,591,471
Transportation equipment	-	66,067	66,067
Recycling equipment	-	96,610	96,610
Other equipment	-	1,155,063	1,155,063
Total, at cost	-	6,910,211	6,910,211
Less accumulated depreciation	-	5,535,010	5,535,010
	<u>-</u>	<u>1,375,201</u>	<u>1,375,201</u>
Total noncurrent assets			
	<u>-</u>	<u>1,375,201</u>	<u>1,375,201</u>
TOTAL ASSETS	<u>\$ 47,347,605</u>	<u>\$ 2,768,576</u>	<u>\$ 50,116,181</u>
CURRENT LIABILITIES			
Cash overdraft	\$ 1,345,695	\$ -	\$ 1,345,695
Accounts payable	2,056,402	578,003	2,634,405
Accrued payroll	213,881	114,360	328,241
Due to others	48,433	-	48,433
Deferred revenue	10,524,059	692,663	11,216,722
Current portion of long-term obligations	113,100	-	113,100
	<u>14,301,570</u>	<u>1,385,026</u>	<u>15,686,596</u>
Total current liabilities			
	<u>14,301,570</u>	<u>1,385,026</u>	<u>15,686,596</u>
NONCURRENT LIABILITIES			
Accumulated paid time off	152,711	-	152,711
Noncurrent portion of long-term obligations	3,756,600	-	3,756,600
	<u>3,909,311</u>	<u>-</u>	<u>3,909,311</u>
Total noncurrent liabilities			
	<u>3,909,311</u>	<u>-</u>	<u>3,909,311</u>
Total liabilities			
	<u>18,210,881</u>	<u>1,385,026</u>	<u>19,595,907</u>
NET ASSETS			
Invested in capital assets, net of obligations	-	1,375,201	1,375,201
Restricted for capital projects	816,618	-	816,618
Restricted for road projects	5,598,949	-	5,598,949
Restricted for Public Safety			
Building Rent	4,004,953	-	4,004,953
Reserved for retirement	824,106	-	824,106
Restricted for election	27,263	-	27,263
Restricted for working cash	291,301	-	291,301
Restricted for Regional			
Superintendent of Schools	75,561	-	75,561
Unrestricted	17,497,973	8,349	17,506,322
	<u>29,136,724</u>	<u>1,383,550</u>	<u>30,520,274</u>
Total net assets			
	<u>29,136,724</u>	<u>1,383,550</u>	<u>30,520,274</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 47,347,605</u>	<u>\$ 2,768,576</u>	<u>\$ 50,116,181</u>

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended November 30, 2007

	Program Revenues			Net (Expense) Revenue and		
	Expenses	Charges for Services	Operating Grants and Contributions	Changes in Net Assets		Total
				Governmental Activities	Business-Type Activities	
PROGRAMS						
Governmental activities:						
General government	\$ (5,751,127)	\$ 1,328,123	\$ 147,983	\$ (4,275,021)	\$ -	\$ (4,275,021)
Judiciary and court related	(4,346,005)	1,702,474	-	(2,643,531)	-	(2,643,531)
Public safety	(12,158,379)	705,820	351,688	(11,100,871)	-	(11,100,871)
Public health	(3,895,759)	336,913	2,511,204	(1,000,889)	-	(1,000,889)
Transportation	(6,227,616)	-	127,078	(6,100,538)	-	(6,100,538)
Interest on long-term debt	(156,509)	-	-	(156,509)	-	(156,509)
Total governmental activities	<u>(32,535,395)</u>	<u>4,073,330</u>	<u>3,137,953</u>	<u>(25,277,359)</u>	<u>-</u>	<u>(25,277,359)</u>
Business-Type activities:						
Nursing Home	(9,429,997)	8,844,561	-	-	(585,436)	(585,436)
Nursing Home Farm	(50,998)	-	-	-	(50,998)	(50,998)
Solid Waste Management	(400,438)	388,006	-	-	(12,432)	(12,432)
Total business-type activities	<u>(9,881,433)</u>	<u>9,232,567</u>	<u>-</u>	<u>-</u>	<u>(648,866)</u>	<u>(648,866)</u>
TOTAL	<u>\$ (42,416,828)</u>	<u>\$ 13,305,897</u>	<u>\$ 3,137,953</u>	<u>(25,277,359)</u>	<u>(648,866)</u>	<u>(25,926,225)</u>

GENERAL REVENUES

Property taxes	\$ 10,294,172	\$ 658,877	\$ 10,953,049
Corporate personal property replacement taxes	1,412,876	-	1,412,876
State sales taxes	3,270,112	-	3,270,112
State income tax allocation	2,425,630	-	2,425,630
Hotel, restaurant and amusement taxes	4,477	-	4,477
Local motor fuel taxes	6,870,392	-	6,870,392
Inheritance taxes	71,657	-	71,657
Interest/investment income	1,080,935	56,327	1,137,262
Intergovernmental revenues	3,792,210	173,245	3,965,455
Miscellaneous	598,054	-	598,054
Transfers	(41,547)	41,547	-

Total general revenues and transfers

	<u>29,778,968</u>	<u>929,996</u>	<u>30,708,964</u>
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Change in net assets

	4,501,609	281,130	4,782,739
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NET ASSETS, BEGINNING OF YEAR

	<u>24,635,115</u>	<u>1,102,420</u>	<u>25,737,535</u>
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NET ASSETS, END OF YEAR

	<u>\$ 29,136,724</u>	<u>\$ 1,383,550</u>	<u>\$ 30,520,274</u>
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The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2007

	Major Special Revenue Funds					Nonmajor	Total
	General Fund	Health Department	Public Safety Building Rent	Illinois Municipal Retirement	County Motor Fuel Tax	Governmental Funds	Governmental Funds
ASSETS							
Cash	\$ -	\$ 553,098	\$ 413,453	\$ 67,792	\$ 3,144,711	\$ 3,080,054	\$ 7,259,108
Investments	7,121,418	-	1,100,000	700,000	1,800,000	6,976,450	17,697,868
Receivables:							
Taxes, net of allowance for estimated uncollectibles	994,950	236,853	4,405,500	1,534,500	-	2,626,798	9,798,601
Other	70,140	-	4,141	3,332	4,153	87,513	169,279
Prepaid items	-	-	4,004,953	-	-	316,349	4,321,302
Due from other funds	2,102,296	76	50,000	356,306	-	1,016,771	3,525,449
Due from other governments	1,599,411	267,646	569,570	-	89,701	414,813	2,941,141
TOTAL ASSETS	\$ 11,888,215	\$ 1,057,673	\$ 10,547,617	\$ 2,661,930	\$ 5,038,565	\$ 14,518,748	\$ 45,712,748
LIABILITIES							
Cash overdraft	\$ 1,345,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,345,695
Accounts payable	592,301	86,000	37,673	303,324	27	138,797	1,158,122
Accrued payroll	11,578	92,981	55,336	-	1,841	52,145	213,881
Due to other funds	-	-	-	-	-	36,358	36,358
Due to other governments	-	-	-	-	-	48,433	48,433
Deferred revenue	994,950	318,811	4,405,500	1,534,500	-	2,626,798	9,880,559
Total liabilities	2,944,524	497,792	4,498,509	1,837,824	1,868	2,902,531	12,683,048
FUND BALANCE							
Reserved for capital projects	-	-	-	-	-	816,618	816,618
Reserved for road projects	-	-	-	-	5,036,697	562,252	5,598,949
Reserved for Public Safety Building Rent	-	-	4,004,953	-	-	-	4,004,953
Reserved for retirement	-	-	-	824,106	-	-	824,106
Reserved for election	-	-	-	-	-	27,263	27,263
Reserved for working cash	-	-	-	-	-	291,301	291,301
Reserved for Regional Superintendent of Schools	-	-	-	-	-	75,561	75,561
Unreserved, reported in General Fund	8,943,691	-	-	-	-	-	8,943,691
Special Revenue Funds	-	559,881	2,044,155	-	-	9,843,222	12,447,258
Total fund balance	8,943,691	559,881	6,049,108	824,106	5,036,697	11,616,217	33,029,700
TOTAL LIABILITIES AND FUND BALANCE	\$ 11,888,215	\$ 1,057,673	\$ 10,547,617	\$ 2,661,930	\$ 5,038,565	\$ 14,518,748	\$ 45,712,748

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE NET ASSETS OF GOVERNMENTAL ACTIVITIES
November 30, 2007

Amounts reported for governmental activities in the statement
of net assets are different because:

Fund balances-total governmental funds	\$ 33,029,700
Certain assets are not reported in the fund financial statement because they are not current financial resources, but they are reported in the statement of net assets.	659,139
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net assets.	(529,704)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(4,022,411)</u>
Net assets of governmental activities	<u>\$ 29,136,724</u>

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	General Fund	Major Special Revenue Funds					Nonmajor Governmental Funds	Total Governmental Funds
		Health Department	Public Safety Building Rent	Illinois Municipal Retirement	County Motor Fuel Tax			
REVENUES								
Taxes	\$ 1,369,647	\$ 226,623	\$ 4,287,896	\$ 1,597,674	\$ -	\$ -	\$ 2,812,332	\$ 10,294,172
Intergovernmental	7,093,116	2,557,957	2,873,040	110,000	4,466,806	-	4,380,744	21,481,663
Licenses and permits	20,375	-	-	-	-	-	154,607	174,982
Charges for services	2,301,838	335,541	-	-	-	-	949,729	3,587,108
Fines and forfeits	311,240	-	-	-	-	-	-	311,240
Miscellaneous	820,667	8,175	85,854	13,779	122,491	-	628,023	1,678,989
Total revenues	11,916,883	3,128,296	7,246,790	1,721,453	4,589,297	-	8,925,435	37,528,154
EXPENDITURES								
Current:								
General government	4,163,431	-	-	662,012	-	-	848,714	5,674,157
Judiciary and court related	3,120,163	-	-	458,316	-	-	767,526	4,346,005
Public safety	3,723,455	-	6,528,219	577,139	-	-	1,329,566	12,158,379
Public health	-	3,146,597	-	-	-	-	749,162	3,895,759
Transportation	-	-	-	-	2,622,222	-	3,605,394	6,227,616
Capital outlay	-	-	-	-	-	-	40,067	40,067
Debt service:								
Principal	-	-	-	-	-	-	105,300	105,300
Interest	-	-	-	-	-	-	156,509	156,509
Total expenditures	11,007,049	3,146,597	6,528,219	1,697,467	2,622,222	-	7,602,238	32,603,792
Excess (deficiency) of revenues over expenditures	909,834	(18,301)	718,571	23,986	1,967,075	-	1,323,197	4,924,362

	General Fund	Major Special Revenue Funds					Nonmajor Governmental Funds	Total Governmental Funds
		Health Department	Public Safety Building Rent	Illinois Municipal Retirement	County Motor Fuel Tax			
OTHER FINANCING SOURCES (USES)								
Operating transfers in	\$ 122,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224,705	\$ 347,268
Operating transfers out	(204,705)	(41,547)	-	-	-	(142,563)	(142,563)	(388,815)
Total other financing sources (uses)	(82,142)	(41,547)	-	-	-	-	82,142	(41,547)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	827,692	(59,848)	718,571	23,986	1,967,075	1,405,339	4,882,815	
FUND BALANCE, BEGINNING OF YEAR	8,115,999	619,729	5,330,537	800,120	3,069,622	10,210,878	28,146,885	
FUND BALANCE, END OF YEAR	\$ 8,943,691	\$ 559,881	\$ 6,049,108	\$ 824,106	\$ 5,036,697	\$ 11,616,217	\$ 33,029,700	

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended November 30, 2007

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 4,882,815
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Revenues that are not available to pay current obligations are not reported in the fund financial statements, but they are presented in the statement of activities.	89,087
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal repayments capital lease	\$ 105,300	
Increase in compensated absences	(36,903)	

Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	68,397
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Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. The net expenditure of internal service funds is reported with governmental activities	(538,690)
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Change in net assets of governmental activities	\$ <u>4,501,609</u>
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The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
November 30, 2007

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Vermilion Manor Nursing Home	Other Enterprise Funds	Total	
CURRENT ASSETS				
Cash	\$ 670,601	\$ 99,977	\$ 770,578	\$ 109,661
Investments	-	264,084	264,084	450,000
Receivables, net	1,878,204	61,190	1,939,394	643,500
Accrued interest	-	384	384	1,220
Due from other funds	-	-	-	157,695
Total current assets	<u>2,548,805</u>	<u>425,635</u>	<u>2,974,440</u>	<u>1,362,076</u>
NONCURRENT ASSETS				
Land	-	1,000	1,000	-
Buildings	5,572,471	19,000	5,591,471	-
Transportation equipment	66,067	-	66,067	-
Recycling equipment	-	96,610	96,610	-
Other equipment	<u>1,124,181</u>	<u>30,882</u>	<u>1,155,063</u>	-
Total, at cost	6,762,719	147,492	6,910,211	-
Less accumulated depreciation	<u>5,403,314</u>	<u>131,696</u>	<u>5,535,010</u>	-
Total noncurrent assets	<u>1,359,405</u>	<u>15,796</u>	<u>1,375,201</u>	-
TOTAL ASSETS	<u>\$ 3,908,210</u>	<u>\$ 441,431</u>	<u>\$ 4,349,641</u>	<u>\$ 1,362,076</u>
CURRENT LIABILITIES				
Accounts payable	\$ 558,957	\$ 19,046	\$ 578,003	\$ 898,280
Accrued payroll	108,606	5,754	114,360	-
Due to other funds	1,581,065	-	1,581,065	350,000
Deferred revenue	<u>692,663</u>	<u>-</u>	<u>692,663</u>	<u>643,500</u>
Total current liabilities	<u>2,941,291</u>	<u>24,800</u>	<u>2,966,091</u>	<u>1,891,780</u>
NET ASSETS				
Invested in capital assets	1,359,405	15,796	1,375,201	-
Unrestricted net assets	<u>(392,486)</u>	<u>400,835</u>	<u>8,349</u>	<u>(529,704)</u>
Total net assets	<u>966,919</u>	<u>416,631</u>	<u>1,383,550</u>	<u>(529,704)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,908,210</u>	<u>\$ 441,431</u>	<u>\$ 4,349,641</u>	<u>\$ 1,362,076</u>

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
Year Ended November 30, 2007

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Vermilion Manor Nursing Home	Other Enterprise Funds	Total	
OPERATING REVENUES				
Charges for services	\$ 8,844,561	\$ 387,381	\$ 9,231,942	\$ 1,260,213
Fines and forfeits	-	625	625	-
Miscellaneous	3,189	170,056	173,245	-
Total operating revenues	8,847,750	558,062	9,405,812	1,260,213
OPERATING EXPENSES				
Personnel services	5,556,177	176,075	5,732,252	2,464,962
Supplies and materials	458,250	8,387	466,637	-
Other services and charges	267,659	63,732	331,391	-
Contractual services	2,913,083	198,406	3,111,489	-
Capital outlay	8,450	-	8,450	-
Depreciation	205,462	4,836	210,298	-
Total operating expenses	9,409,081	451,436	9,860,517	2,464,962
Operating income (loss)	(561,331)	106,626	(454,705)	(1,204,749)
NON-OPERATING REVENUES (EXPENSES)				
Taxes	658,877	-	658,877	649,217
Interest income	52,120	4,207	56,327	16,842
Interest expense	(20,916)	-	(20,916)	-
Total non-operating revenues	690,081	4,207	694,288	666,059
Income (loss) before transfers	128,750	110,833	239,583	(538,690)
OPERATING TRANSFERS				
Operating transfers in	-	41,547	41,547	-
CHANGE IN NET ASSETS	128,750	152,380	281,130	(538,690)
NET ASSETS, BEGINNING OF YEAR	838,169	264,251	1,102,420	8,986
NET ASSETS, END OF YEAR	\$ 966,919	\$ 416,631	\$ 1,383,550	\$ (529,704)

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
Year Ended November 30, 2007

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Fund
	Vermilion Manor Nursing Home	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers including cash deposits	\$ 8,836,235	\$ 526,895	\$ 9,363,130	\$ 1,260,213
Cash paid to suppliers and for claims	(3,522,682)	(277,320)	(3,800,002)	(2,112,794)
Cash paid to employees	(5,893,127)	(197,478)	(6,090,605)	-
Cash paid to other funds	(213,422)	-	(213,422)	300,000
Net cash provided by (used in) operating activities	(792,996)	52,097	(740,899)	(552,581)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received for property taxes	658,877	-	658,877	649,217
Cash paid for interest	(20,916)	-	(20,916)	-
Cash transfers to other funds	-	41,547	41,547	-
Net cash provided by noncapital financing activities	637,961	41,547	679,508	649,217
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property and equipment	(9,232)	-	(9,232)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	-	(123,085)	(123,085)	(100,000)
Interest received	52,120	4,717	56,837	16,517
Proceeds from sale of investments	-	30,760	30,760	-
Net cash provided by (used in) investing activities	52,120	(87,608)	(35,488)	(83,483)
NET INCREASE (DECREASE) IN CASH	(112,147)	6,036	(106,111)	13,153
CASH, BEGINNING OF YEAR	782,748	93,941	876,689	96,508
CASH, END OF YEAR	\$ 670,601	\$ 99,977	\$ 770,578	\$ 109,661

	Business-Type Activities Enterprise Funds			Governmental Activities
	Vermilion Manor Nursing Home	Other Enterprise Funds	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (561,331)	\$ 106,626	\$ (454,705)	\$ (1,204,749)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	205,462	4,836	210,298	-
Effects of changes in operating assets and liabilities:				
Receivables	(50,778)	(31,167)	(81,945)	-
Accounts payable and accrued payroll	(212,190)	(28,198)	(240,388)	352,168
Due to other funds	(213,422)	-	(213,422)	350,000
Due from others	-	-	-	(50,000)
Deferred revenue	39,263	-	39,263	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (792,996)</u>	<u>\$ 52,097</u>	<u>\$ (740,899)</u>	<u>\$ (552,581)</u>

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
November 30, 2007

	Agency Funds
	<hr/>
Cash	\$ 8,205,127
Investments	1,047,000
Receivables:	
Taxes, net of allowance for estimated uncollectibles	1,147,592
Accrued interest	25,399
Due from other funds	50,220
Inventory	<hr/> 25,046
 TOTAL ASSETS	 <u><u>\$ 10,500,384</u></u>
Accounts payable	\$ 97,187
Due to other funds	1,765,941
Due to other governments	156,671
Due to others	3,325,089
Due to taxing bodies	<hr/> 5,155,496
 TOTAL LIABILITIES	 <u><u>\$ 10,500,384</u></u>

The accompanying notes are an integral part of the financial statements.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Vermilion County, Illinois (County) is a municipality located in Central Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to the County (examples would be property, sales, income, and motor fuel taxes), charges for services performed and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the County and nearby surrounding area and the appropriations of entitlements at the State and Federal Government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base.

The following is a summary of the more significant accounting policies of the County.

PRINCIPLES USED TO DETERMINE THE SCOPE OF THE REPORTING ENTITY

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The County's reporting entity includes the County's governing board and all related organizations for which the County is financially accountable.

The County is not aware of any entity which would be financially accountable to the County to the extent that they would be considered a component unit of the entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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 are reported as separate columns in the fund financial statements.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for budgetary purposes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, and fund balance/retained earnings, revenues, and expenditures/expenses.

Governmental Funds are those through which governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable resources and the related liabilities are accounted for through governmental funds. The County reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Health Department Fund – This fund is used to account for revenue sources dedicated for Public Health.

Public Safety Building Rent Fund – This fund is used to account for its share of the activities of the Public Safety Building.

County Motor Fuel Tax Fund – This fund is used to collect and disburse state funds for County road projects.

Illinois Municipal Retirement Fund – This fund is used to collect and disburse contributions to IMRF.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Proprietary funds are used to account for those County activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The County reports the following major proprietary fund:

Vermilion Manor Nursing Home – This fund accounts for the operation and maintenance of the County owned nursing home.

In addition to the general fund mentioned above, the County uses the following fund types:

Governmental Fund Types

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds – Debt Service Funds are used to account for the County's accumulation of resources for, and the payment of, general long-term debt, principal, interest and related costs.

Capital Projects Funds – The Capital Projects Funds are used to account for the County's purchase or construction of major capital facilities which are not financed by other funds.

Proprietary Fund Types

Enterprise Funds – The Enterprise Funds operations are financed similar to a private business enterprise; the intent is that the cost of the service is financed by user charges, and the activities be measured on a net income basis.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the government, on a cost-reimbursement basis.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

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

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Government fund types also distinguish between restricted and unrestricted resources. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

BUDGET AND APPROPRIATIONS

The County adopts an annual budget and appropriation ordinance in accordance with Chapter 35 of the Illinois Compiled Statutes. The budget covers the fiscal year ending November 30, and is available for public inspection at least fifteen days prior to final adoption. All appropriations cease with the close of the fiscal year. The budget document is prepared for all budgetary funds using the modified accrual basis for projecting expenditures and revenues.

Once the County budget has been adopted, no further appropriations shall be made during the year, except in the event of an immediate emergency at which time the County Board by a two-thirds vote makes appropriations in excess of those authorized in the budget.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

POOLED CASH

The County maintains pooled cash accounts for different fund groups which are used to account for all cash and investment transactions of that group. Monthly interest income of each pool is distributed to the individual funds based on their cash balance in the pool during that period.

INVESTMENTS

Investments consist of certificates of deposit with maturities of less than one year, which are stated at cost which approximates market value, and U.S. Government Mutual Funds and the County's deposit in the Governmental Insurance Exchange Pool, which are recorded at quoted market prices.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

The County has not maintained historical records required to record the costs of capital assets acquired over the years, other than in the proprietary funds. The costs to purchase these items have been expenditures of the various funds when incurred. This lack of historical information makes it impractical to accurately present the capital assets owned by the County. This represents a departure from generally accepted accounting principles.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS AND LONG-TERM LIABILITIES (CONTINUED)

Public domain (infrastructure), consisting of improvements to roads, sidewalks, and bridges has been recorded as current expenditures of various funds when incurred. Beginning with fiscal year 2003 infrastructure assets were to be capitalized on a prospective basis in accordance with Government Accounting Standards Board Statement No. 34. Since the County has recorded these as expenditures, this represents a departure from generally accepted accounting principles.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. In the fund financial statements, governmental funds reflect the face amount of debt issued as other financing sources. Principal payments on long-term obligations are recorded as expenditures in the current year.

The proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activities are included on the balance sheet of these funds.

Buildings and equipment are recorded at cost and the farm land of 137 acres is carried at \$1,000, the approximate cost at the date of acquisition. Depreciation of all exhaustible fixed assets used by the proprietary funds is charged as expense against their operations. Depreciation has been provided over the estimated useful lives ranging from 10 – 40 years for buildings and improvements and 5 – 20 years for equipment using the straight-line method.

FUND EQUITY/NET ASSETS

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on or before the last Monday in December and are intended to finance the County's new fiscal year beginning December 1. The combined tax rate of the County for the year ended November 30, 2007 was \$1.762 per \$100 of assessed valuation. For budgetary purposes, taxes are recognized as revenue in the period in which they are intended to finance.

Property in Vermilion County is assessed by the Vermilion County Assessor. The values are adjusted by various percentages depending upon the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Vermilion County Clerk computes the annual tax rate by dividing the levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Vermilion County Collector.

Property taxes are collected by the Vermilion County Collector who remits to the taxing units their respective shares of the collection. Taxes levied in one year become due and payable in two installments during the following year in July and September.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES (CONTINUED)

Based on collection histories, the County has provided at November 30, 2007 an allowance for uncollectible real property taxes equivalent to 1 percent of the current year's levy.

Real property tax revenues are recognized when earned in proprietary funds. Since property taxes are measurable but not available to finance current period obligations, the receivable is recorded and deferred in the governmental funds.

ACCUMULATED UNPAID VACATION AND PERSONAL DAYS

Accumulated unpaid vacation and personal days are not accrued in Governmental Funds. The liability of the County for accumulated unpaid Option II days (the former sick pay benefit) is recorded in the government-wide financial statements. No County employee is allowed to accumulate vacation days.

The County allows employees ten personal days per year in lieu of sick days.

NOTE 2 - CASH AND INVESTMENTS

The County has adopted formal investment policies and procedures as recommended by the County Treasurer. This investment policy applies to the investment activities of all funds of the County of Vermilion and all funds under the control of the County Treasurer as County Collector. The County Treasurer may invest in any type of security allowed under Illinois law and listed in the Illinois Revised Statutes. All investments shall be selected on the basis of competitive bids. Investments made outside the geographical boundaries of Vermilion County will always be made at a higher interest rate than could be received within those boundaries. All investments must be kept within the geographical boundaries of the State of Illinois. The carrying amount of the County's bank deposits, including certificates of deposits and money market funds was \$33,125,162 and the respective bank balances totaled \$38,613,189. Included in the carrying amount of the County's bank deposits and the respective bank balances are certificates of deposits totaling \$16,780,688 and \$16,780,688, respectively. Also included in the County's bank deposits are money market funds totaling \$113,495.

Interest Rate Risk – the risk that changes in interest rates will adversely affect the fair value of an investment. The County Treasurer realizes there is a time value to money; therefore, idle cash may be invested for a period of one day or in excess of a year, depending on when the money is needed. The main objective of the Vermilion County Treasurer's cash management procedure is to comply with Illinois Revised Statutes. When deposits of monies become collected funds and are not needed for immediate disbursement, they shall be invested within two working days at prevailing rates or better in accordance with state law.

The County Treasurer's investment portfolio shall remain sufficiently liquid to meet all operating requirements which may be reasonably anticipated. All securities held as of November 30, 2007, mature within one year.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Credit Risk – risk that an issuer or other counter party to an investment will not fulfill its obligation. The standard of prudence to be used by the County Treasurer of Vermilion County shall be the “prudent person” standard which states;

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the County’s overall portfolio.

Custodial Credit Risk – the risk that a government will not be able to cover deposits if the depository financial institution fails or will not be able to recover collateral securities that are in the possession of an outside party. It shall be the policy of the Vermilion County Treasurer to require collateral on all funds. When collateral is required, it must be pledged at 100%. It is the County’s policy to be fully collateralized.

Deposits in the Illinois Funds - The State Treasurer maintains the Illinois Treasurer’s Investment Pool (Pool) at cost and fair value through daily adjustment in the interest earnings. The State Treasurer also maintains the average duration of the pool at less than 25 days. The Pool is audited annually by an outside independent auditor and copies of the report are distributed to participants.

The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements.

The time deposits are collateralized 110% over FDIC and FSLIC \$100,000 insurance with U.S. Treasury obligations and marked to market on a weekly basis to maintain sufficiency. The repurchase agreements are collateralized at 102% with U.S. Treasury obligations and the collateral is checked daily to determine sufficiency. Deposits in the Illinois Funds totaled \$1,692,702 at November 30, 2007.

In addition to the above, the County had \$985,562 invested in certificates of deposits through financial services brokers.

NOTE 3 – ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

The County’s receivables are recorded net of an allowance for uncollectible accounts for the Nursing Home enterprise fund in the amount of \$115,000.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 4 - INTERFUND ACTIVITY

Individual fund interfund receivable and payable (due to/due from other funds) at November 30, 2007 were as follows:

Fund	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$2,102,296	\$ -
Special Revenue Funds:		
Health Department	76	-
Indemnity	43,440	-
County Clerk Vital Records	1,056	-
FICA	907,286	-
Illinois Municipal Retirement	356,306	-
Court Support	6,238	-
Court Document Storage	5,348	-
Courthouse Automation	4,954	-
Courthouse Security	-	27,231
Recorder's Special Fee	4,458	-
Law Library	1,644	2,701
Probation Service	14,201	-
Treasurer's Automation	21,720	-
Victim Witness Attorney General	50,000	6,426
Public Safety Building Rent	6,426	-
Total special revenue funds	<u>1,423,153</u>	<u>36,358</u>
Enterprise Funds:		
Nursing Home	<u>-</u>	<u>1,581,065</u>
Internal Service	<u>157,695</u>	<u>350,000</u>
Agency Funds:		
Restitution	11,600	10,324
County Collector	-	1,581,426
County Clerk	8,688	7,108
Circuit Clerk	-	144,708
Recorder	-	18,444
Work Release	-	3,931
Treasurer's Account	<u>29,932</u>	<u>-</u>
Total trust and agency funds	<u>50,220</u>	<u>1,765,941</u>
TOTAL	<u>\$ 3,733,364</u>	<u>\$ 3,733,364</u>

The amounts due to/from other funds are for routine and recurring interfund charges.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 4 – INTERFUND ACTIVITY (CONTINUED)

Interfund transfers for the year ended November 30, 2007 consisted of the following:

Transfers to General Fund from:	
Non-major governmental funds	<u>\$ 122,563</u>
Transfers to Non-major Governmental Funds from:	
General Fund	<u>\$ 204,705</u>
Transfers to Non-major Governmental Funds from:	
Non-major governmental funds	<u>\$ 20,000</u>
Transfers to Other Enterprise Funds from:	
Health Department Fund	<u>\$ 41,457</u>

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget reflects to expend them and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 - GENERAL LONG-TERM DEBT

During fiscal year ended November 30, 2007 the County's general long-term debt consisted of obligations under capital leases and accumulated paid time off. Changes in long-term debt for the year ended November 30, 2007 are as follows:

	Balance November 30, 2006	<u>Additions</u>	<u>Deductions</u>	Balance November 30, 2007
Accumulated paid time off	\$ 115,808	\$ 48,402	\$ 11,499	\$ 152,711
Juvenile Detention Center lease	<u>3,975,000</u>	<u>-</u>	<u>105,300</u>	<u>3,869,700</u>
TOTAL	<u>\$ 4,090,808</u>	<u>\$ 48,402</u>	<u>\$ 116,799</u>	<u>\$ 4,022,411</u>

Juvenile Detention Center lease

The County entered into a lease agreement with the Danville Public Building Commission, wherein the Commission constructed a juvenile detention center and is leasing it to Vermilion County for a period beginning on November 1, 2001 and ending on December 31, 2019.

At the end of the lease, the title to the site and all remaining assets will revert back to the County.

In accordance with the provisions of the Financial Accounting Standards Board Statement No. 13 (FASB 13) *Accounting for Leases*, the County capitalized the lease obligation at the fair market value of the property at the inception of the lease. However, since the County does not record fixed assets, the value of the property has not been reflected in the financial statements.

Sales tax is collected in the Law Enforcement Special Revenue Fund to provide for payments on the lease.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 5 – GENERAL LONG-TERM DEBT (CONTINUED)

\$5,000,000 Juvenile Detention Center lease with the Danville Public Building Commission, due in annual installments as shown below through November 1, 2026, including interest at varying rates from 3.8% to 4.1%.

The following is a schedule of the minimum lease payments required under the remaining capital lease:

<u>Fiscal Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 265,241	\$ 113,100	\$ 152,141
2009	264,539	117,000	147,539
2010	263,681	120,900	142,781
2011	262,667	124,800	137,867
2012	261,497	128,700	132,797
2013-2017	1,317,003	737,100	579,903
2018-2019	1,546,108	1,134,900	411,208
Thereafter	<u>1,509,655</u>	<u>1,393,200</u>	<u>116,455</u>
TOTAL	<u>\$5,690,391</u>	<u>\$3,869,700</u>	<u>\$ 1,820,691</u>

Interest cost incurred on general long-term debt by the County during the year ended November 30, 2007 totaled \$156,509.

NOTE 6 - LEASE AGREEMENTS

Public Safety Building lease

A lease agreement was entered into as of October 8, 1984 wherein the Danville Public Building Commission agreed to lease the Public Safety Building to the City of Danville and the County for their joint use. This agreement includes the operations of a Joint Communications Center whose costs are divided and apportioned equally between the County and City. The agreement provides also for the salaries and fringe benefits of "leased" employees whose costs are apportioned solely to the County.

An additional lease was entered into as of June 18, 2001 with the Danville Public Building Commission for the purpose of expanding and improving the Public Safety Building.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 6 – LEASE AGREEMENTS (CONTINUED)

Public Safety Building lease

If, in any year, the rental payments are in excess of funds required, the Danville Public Building Commission refunds the excess to the City and County. If, in any year, the rental payments are insufficient, the Commission shall provide only those services that it can with whatever funds are available.

The following is a schedule of the minimum lease payments required under the leases:

Fiscal Year

2008	\$ 4,449,130
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Lease expense for the year ended November 30, 2007 was \$4,243,989.

NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND

The most recent information available is for the year ended December 31, 2006.

Defined Benefit Pension Plan - Other Qualified Vermilion County Employees

Plan Description

The County's (Employer) defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs_homepage.htm or by writing to Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oakbrook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The County is required to contribute at an actuarially determined rate. The County's rate for calendar year 2006 was 8.89 percent of payroll. The County's contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 25 years.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Defined Benefit Pension Plan - Other Qualified Vermilion County Employees (Continued)

Plan Description (Continued)

For December 31, 2006, the County's annual pension cost of \$1,309,910 was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

TREND INFORMATION

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/06	\$ 1,309,910	100%	\$ -
12/31/05	448,709	100%	-
12/31/04	384,211	100%	-

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study. The principal changes were:

- The 1994 Group Annuity Mortality implemented
- For Regular members, fewer normal and early retirements are expected to occur

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Defined Benefit Pension Plan – Sheriff's Law Enforcement Personnel

Plan Description

The County's (Employer) defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs_homepage.htm or by writing to Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oakbrook, Illinois 60523.

Employees participating in IMRF are required to contribute 7.50 percent of their annual covered salary. The member rate is established by state statute. The County is required to contribute at an actuarially determined rate. The County's rate for calendar year 2006 was 14.55 percent of payroll. The County's contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 26 years.

For December 31, 2006, the County's annual pension cost of \$262,735 was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/06	\$ 262,735	100%	\$ -
12/31/05	206,914	100%	-
12/31/04	221,347	100%	-

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Defined Benefit Pension Plan – Sheriff's Law Enforcement Personnel (Continued)

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study. The principal changes were:

- The 1994 Group Annuity Mortality implemented
- For Regular members, fewer normal and early retirements are expected to occur
- SLEP member contribution rate changed from 6.5% to 7.5% effective June 1, 2006

Defined Benefit Pension Plan – Elected County Officials

Plan Description

The County's (Employer) defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs_homepage.htm or by writing to Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oakbrook, Illinois 60523.

Employees participating in IMRF are required to contribute 7.50 percent of their annual covered salary. The member rate is established by state statute. The County is required to contribute at an actuarially determined rate. The County's rate for calendar year 2006 was 47.31 percent of payroll. The County's contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2006 was 26 years.

For December 31, 2006, the County's annual pension cost of \$365,800 was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 7 – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Defined Benefit Pension Plan – Elected County Officials (Continued)

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/06	\$ 365,800	100%	\$ -
12/31/05	343,842	100%	-
12/31/04	200,173	100%	-

Digest of Changes

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study. The principal changes were:

- The 1994 Group Annuity Mortality implemented
- For Regular members, fewer normal and early retirements are expected to occur

NOTE 8 - STATE AND FEDERALLY ASSISTED PROGRAMS

The County participates in a number of state and federally assisted programs. Federal programs are audited in accordance with the Single Audit Act and have not resulted in any disallowed costs. However, grantor agencies may provide for further examinations. Based on prior experience, the County believes further examinations would not result in any material disallowed costs.

NOTE 9 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Expenditures Over Budget

The following individual funds incurred expenditures in excess of appropriations:

Nursing Home
Working Cash
County Bridge

Deficit Fund Balance

The following individual funds maintained deficit fund balances as of November 30, 2007:

Court Security	\$ 29,837
Law Library	10,147

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 10 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains three Enterprise Funds. The Nursing Home and County Farm provide nursing home care and land utilization services. The Solid Waste Management Fund provides management services for the County's solid waste issues. Segment information for the year ended November 30, 2007 is as follows:

	<u>Vermilion Manor Nursing Home</u>	<u>Vermilion County Farm</u>	<u>Solid Waste Management</u>	<u>Total</u>
Operating revenues	\$ 8,847,750	\$ 143,323	\$ 414,739	\$ 9,405,812
Depreciation	205,462	-	4,836	210,298
Operating income (loss)	(561,331)	92,325	14,301	(454,705)
Operating transfers in (out)	-	-	41,547	41,547
Property and equipment additions	9,232	-	-	9,232
Change in net assets	128,750	92,325	60,055	281,130
Net working capital	(392,486)	164,084	236,751	8,349
Total assets	3,908,210	165,084	276,347	4,349,641
Total equity	966,919	165,084	251,547	1,383,550

FIXED ASSETS

Nursing Home

	<u>Balance December 1, 2006</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance November 30, 2007</u>
Buildings	\$ 5,572,471	\$ -	\$ -	\$ 5,572,471
Transportation equipment	66,067	-	-	66,067
Other equipment	<u>1,114,949</u>	<u>9,232</u>	<u>-</u>	<u>1,124,181</u>
	6,753,487	9,232	-	6,762,719
Less accumulated depreciation	<u>(5,197,852)</u>	<u>(205,462)</u>	<u>-</u>	<u>(5,403,314)</u>
Total	<u>\$ 1,555,635</u>	<u>\$ (196,230)</u>	<u>\$ -</u>	<u>\$ 1,359,405</u>

County Farm

	<u>Balance December 1, 2006</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance November 30, 2007</u>
Land	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 10 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS (CONTINUED)

Solid Waste Management

	Balance December 1, 2006	<u>Additions</u>	<u>Disposals</u>	Balance November 30, 2007
Buildings	\$ 19,000	\$ -	\$ -	\$ 19,000
Recycling equipment	96,610	-	-	96,610
Other equipment	30,882	-	-	30,882
	146,492	-	-	146,492
Less accumulated depreciation	(126,860)	(4,836)	-	(131,696)
Total	<u>\$ 19,632</u>	<u>\$ (4,836)</u>	<u>\$ -</u>	<u>\$ 14,796</u>

The Nursing Home Fund and the Solid Waste Management Fund are budgeted as part of the County's normal budget process.

NOTE 11 - JOINT VENTURES

The following disclosures are required for Vermilion County's joint ventures.

Danville Public Building Commission

The Danville Public Building Commission was organized under the provisions of the "Public Building Commission Act of the State of Illinois" to enable the erecting, equipping and providing of modern public buildings to space and house the various branches, departments and agencies of government in the County Seat of Vermilion County, Illinois.

The officials of the Danville Public Building Commission are appointed by the City of Danville, Danville Sanitary District, Danville School District #118 and Vermilion County.

Through the appointment of one commission official, the County has indirect control over the Commission's budgeting and financing. However, all capital improvement projects financed by the Commission must be approved by the City of Danville, Vermilion County and the Public Safety Building Commission.

Vermilion County Emergency Telephone System Board

The Vermilion County Emergency Telephone System Board was established under an intergovernmental agreement between the County, the City of Danville, and the City of Hoopeston. This agreement was pursuant to the State of Illinois enacting the Emergency Telephone System Act, Chapter 134, Section 31 - 46 of the Illinois Revised Statutes. The Vermilion County Emergency Telephone System Board is a joint board established specifically for the purpose of providing and maintaining emergency telephone systems.

Vermilion County provides bookkeeping and investing services at no cost to the Emergency Telephone System Board.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 12 - SELF-FUNDED INSURANCE

The County is self-funded for workers' compensation insurance coverage which is accounted for in a separate internal service fund (Liability Insurance Fund). The coverage is administered by an independent company. The County's risk retention is \$400,000 per individual per claim up to \$2,000,000 in aggregate over a one-year period. Actual claims paid in fiscal year 2007 were \$260,729.

GASB Statement 10 requires that a liability for claims be reported if the liability is both probable and can be reasonably estimated. The liabilities for unpaid claims are determined by the independent plan administrator. The estimated claims payable for claims reported at November 30, 2007 was \$235,477. The liability for claims incurred but not reported was estimated to range between \$266,480 and \$280,289. Based on this range, the County reflected a total liability for unpaid claims in the accompanying financial statements of \$507,000.

Changes in the balances of claims liabilities during fiscal year 2007 were as follows:

<u>Estimated Liability December 1, 2006</u>	<u>Incurred and Estimated Claims</u>	<u>Claim Payments</u>	<u>Estimated Liability November 30, 2007</u>
\$ 507,000	\$ 260,729	\$ 260,729	\$ 507,000
<u>Estimated Liability December 1, 2005</u>	<u>Incurred and Estimated Claims</u>	<u>Claim Payments</u>	<u>Estimated Liability November 30, 2006</u>
\$ 870,000	\$ 188,953	\$ 551,953	\$ 507,000

During 2007, the County became partially self-insured for group health insurance. The coverage is administered by an independent company. The County's risk retention is \$50,000 per individual claim, with a maximum specific benefit of \$1,000,000 per person in excess of specific deductible. A liability for unpaid claims has been established in the Health Insurance Internal Service Fund. This liability is equal to claims submitted and not paid prior to year end and an estimate of claims incurred and not yet submitted based on payment data. The County carries insurance to limit their liability for excessive claims. Estimated recoveries on unsettled claims are deducted from the liability for unpaid claims. The County believes the estimated liability for unpaid losses and loss adjustment expense is sufficient to cover the ultimate net cost of incurred claims. However, such reserves are necessarily based on estimates and the ultimate liability may be greater or less than the amounts estimated. The methods used to calculate such estimates and establish the resulting liabilities are continually reviewed, and any adjustments are reflected in current earnings. The liability is included in accrued expenses on the Internal Service Funds.

VERMILION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2007

NOTE 12 - SELF-FUNDED INSURANCE (CONTINUED)

Reconciliation of Changes in Claims Liability

Claims liability, beginning balance	\$ -
Claims paid, incurred prior to December, 2007	(1,057,220)
Increase in claims liability for claims incurred prior to December, 2007	<u>1,437,220</u>
Claims liability, ending balance	<u>\$ 380,000</u>

The County uses the reimbursement method in processing unemployment claims.

The County had no claims exceeding their coverage limits on their other insurance coverage.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ 1,350,000	\$ 1,350,000	\$ 1,369,647	\$ 19,647
Intergovernmental	6,159,025	6,289,765	7,093,116	803,351
Licenses and permits	22,000	22,000	20,375	(1,625)
Charges for services	1,915,000	1,953,334	2,301,838	348,504
Fines and forfeits	330,000	330,000	311,240	(18,760)
Miscellaneous	712,140	712,140	820,667	108,527
Total revenues	<u>10,488,165</u>	<u>10,657,239</u>	<u>11,916,883</u>	<u>1,259,644</u>
EXPENDITURES				
Current:				
General Government				
County Board	292,947	309,897	299,744	10,153
County Auditor	81,554	88,179	87,369	810
Data Processing	229,763	235,829	235,828	1
County Treasurer	190,770	194,920	192,584	2,336
Non-Department Services	585,342	670,342	485,527	184,815
Capital Outlay	262,200	297,756	278,666	19,090
Merit Commission	12,884	14,784	14,771	13
Regional Superintendent of Schools	90,984	94,899	94,507	392
County Clerk	439,703	461,102	458,010	3,092
County Recorder	154,787	158,502	161,570	(3,068)
Other	758,000	761,069	682,716	78,353
Election Commission	233,863	255,760	225,212	30,548
Board of Review	52,750	57,430	56,015	1,415
Supervisor of Assessments	265,804	281,183	265,308	15,875
Buildings and Grounds	622,980	686,152	625,604	60,548
Total General Government	<u>4,274,331</u>	<u>4,567,804</u>	<u>4,163,431</u>	<u>404,373</u>
Judiciary and Court Related				
Circuit Clerk	459,005	470,255	468,628	1,627
States Attorney	910,265	922,945	908,572	14,373
Probation	919,522	950,956	950,956	-
Judiciary and Rules	398,255	401,992	357,126	44,866
Collection Program	32,027	33,552	33,552	-
Public Defender	381,330	402,930	401,329	1,601
Total Judiciary and Court Related	<u>3,100,404</u>	<u>3,182,630</u>	<u>3,120,163</u>	<u>62,467</u>
Public Safety				
Sheriff	2,067,715	2,130,725	2,012,988	117,737
Juvenile Detention Center	1,259,443	1,292,682	1,242,817	49,865
Emergency Services Disaster Agency	257,533	384,358	298,400	85,958
Coroner	144,760	166,360	169,250	(2,890)
Total Public Safety	<u>3,729,451</u>	<u>3,974,125</u>	<u>3,723,455</u>	<u>250,670</u>

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Total expenditures	\$ 11,104,186	\$ 11,724,559	\$ 11,007,049	\$ 717,510
Excess (deficiency) of revenues over expenditures	<u>(616,021)</u>	<u>(1,067,320)</u>	<u>909,834</u>	<u>1,977,154</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	340,000	340,000	122,563	(217,437)
Operating transfers out	<u>(100,397)</u>	<u>(100,397)</u>	<u>(204,705)</u>	<u>(104,308)</u>
Total other financing sources (uses)	<u>239,603</u>	<u>239,603</u>	<u>(82,142)</u>	<u>(321,745)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>\$ (376,418)</u>	<u>\$ (827,717)</u>	<u>827,692</u>	<u>\$ 1,655,409</u>
FUND BALANCE, BEGINNING OF YEAR			<u>8,115,999</u>	
FUND BALANCE, END OF YEAR			<u>\$ 8,943,691</u>	

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE - HEALTH DEPARTMENT
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ 238,070	\$ 238,070	\$ 226,623	\$ (11,447)
Intergovernmental	2,586,730	2,740,017	2,557,957	(182,060)
Charges for services	359,066	359,066	335,541	(23,525)
Miscellaneous	<u>-</u>	<u>-</u>	<u>8,175</u>	<u>8,175</u>
Total revenues	3,183,866	3,337,153	3,128,296	(208,857)
EXPENDITURES				
Current:				
Public health	<u>3,138,866</u>	<u>3,337,153</u>	<u>3,146,597</u>	<u>190,556</u>
Excess (deficiency) of revenues over expenditures	<u>45,000</u>	<u>-</u>	<u>(18,301)</u>	<u>(18,301)</u>
OTHER FINANCING USES				
Operating transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(41,547)</u>	<u>3,453</u>
Deficiency of revenues over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (45,000)</u>	<u>(59,848)</u>	<u>\$ (14,848)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>619,729</u>	
FUND BALANCE, END OF YEAR			<u>\$ 559,881</u>	

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - PUBLIC SAFETY BUILDING RENT
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ 4,300,000	\$ 4,300,000	\$ 4,287,896	\$ (12,104)
Intergovernmental	2,520,400	2,520,400	2,873,040	352,640
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>85,854</u>	<u>55,854</u>
Total revenues	6,850,400	6,850,400	7,246,790	396,390
EXPENDITURES				
Current:				
Public safety	<u>6,690,530</u>	<u>6,756,790</u>	<u>6,528,219</u>	<u>228,571</u>
Excess of revenues over expenditures	159,870	93,610	718,571	624,961
OTHER FINANCING SOURCES				
Operating transfers in	<u>165,000</u>	<u>165,000</u>	<u>-</u>	<u>(165,000)</u>
Excess of revenues over expenditures and other financing sources	<u>\$ 324,870</u>	<u>\$ 258,610</u>	718,571	<u>\$ 459,961</u>
FUND BALANCE, BEGINNING OF YEAR			<u>5,330,537</u>	
FUND BALANCE, END OF YEAR			<u>\$ 6,049,108</u>	

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ 1,600,000	\$ 1,600,000	\$ 1,597,674	\$ (2,326)
Intergovernmental	485,500	485,500	110,000	(375,500)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>13,779</u>	<u>8,779</u>
Total revenues	2,090,500	2,090,500	1,721,453	(369,047)
EXPENDITURES				
Current:				
Retirement contributions	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,697,467</u>	<u>402,533</u>
Excess (deficiency) of revenues over expenditures	(9,500)	(9,500)	23,986	33,486
OTHER FINANCING SOURCES				
Operating transfers in	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
Excess of revenues over expenditures and other financing sources	<u>\$ 65,500</u>	<u>\$ 65,500</u>	23,986	<u>\$ (41,514)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>800,120</u>	
FUND BALANCE, END OF YEAR			<u>\$ 824,106</u>	

VERMILION COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE - COUNTY MOTOR FUEL TAX
Year Ended November 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Intergovernmental	\$ 1,550,000	\$ 1,550,000	\$ 4,466,806	\$ 2,916,806
Miscellaneous	<u>150,390</u>	<u>150,390</u>	<u>122,491</u>	<u>(27,899)</u>
Total revenues	1,700,390	1,700,390	4,589,297	2,888,907
EXPENDITURES				
Current:				
Transportation	<u>5,206,411</u>	<u>5,206,411</u>	<u>2,622,222</u>	<u>2,584,189</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (3,506,021)</u>	<u>\$ (3,506,021)</u>	1,967,075	<u>\$ 5,473,096</u>
FUND BALANCE, BEGINNING OF YEAR			<u>3,069,622</u>	
FUND BALANCE, END OF YEAR			<u>\$ 5,036,697</u>	

**VERMILION COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS
Year Ended November 30, 2007**

(Unaudited)

**ILLINOIS MUNICIPAL RETIREMENT FUND
QUALIFIED VERMILION COUNTY EMPLOYEES**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAAL as a Percentage of Covered Payroll (((b-a)/c)</u>
12/31/06	\$ 30,053,603	\$ 29,462,321	\$ (591,282)	102.01%	\$ 14,734,642	0.00%
12/31/05	27,308,986	26,447,269	(861,717)	103.26%	14,956,951	0.00%
12/31/04	25,923,645	25,508,229	(415,416)	101.63%	15,368,459	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$32,518,558. On a market basis, the funded ratio would be 110.37%.

**ILLINOIS MUNICIPAL RETIREMENT FUND
SHERIFF'S LAW ENFORCEMENT PERSONNEL**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAAL as a Percentage of Covered Payroll (((b-a)/c)</u>
12/31/06	\$ 7,009,881	\$ 8,296,037	\$ 1,286,156	84.50%	\$ 1,804,450	71.28%
12/31/05	6,029,518	6,386,954	357,436	94.40%	1,488,576	24.01%
12/31/04	5,716,584	5,982,066	265,482	95.56%	1,567,612	16.94%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$7,547,681. On a market basis, the funded ratio would be 90.98%.

VERMILION COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS
Year Ended November 30, 2007

(Unaudited)

ILLINOIS MUNICIPAL RETIREMENT FUND
ELECTED COUNTY OFFICIALS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/06	\$ 1,399,455	\$ 4,847,891	\$ 3,448,436	28.87%	\$ 773,198	446.00%
12/31/05	936,440	4,288,416	3,351,976	21.84%	733,681	456.87%
12/31/04	636,841	4,311,769	3,674,928	14.77%	448,525	819.34%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$1,576,092. On a market basis, the funded ratio would be 32.51%.

VERMILION COUNTY, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
November 30, 2007

Basis of Accounting – The County's budget is prepared on the modified accrual basis for all budgeted funds as presented in the Required Supplemental Information.

OTHER SUPPLEMENTAL INFORMATION

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Mental Health Board</u>	<u>Animal Control</u>	<u>Trans- portation</u>	<u>Indemnity</u>	<u>County Clerk Vital Records</u>
Cash	\$ 277,958	\$ 77,754	\$ 198,834	\$ 4	\$ 43,643
Temporary investments	200,000	-	1,400,000	138,000	-
Receivables:					
Taxes, net of allowance for estimated uncollectibles	769,261	-	698,445	-	-
Other	768	-	14,519	1,325	-
Prepaid items	-	-	-	-	-
Due from other funds	-	-	-	43,440	1,056
Due from other governments	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,247,987</u>	<u>\$ 77,754</u>	<u>\$ 2,311,798</u>	<u>\$ 182,769</u>	<u>\$ 44,699</u>
LIABILITIES					
Accounts payable	\$ 1,651	\$ 6,468	\$ 9,920	-	\$ 301
Accrued payroll	1,093	5,379	24,051	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenue	769,261	-	698,445	-	-
Total liabilities	772,005	11,847	732,416	-	301
FUND BALANCE (DEFICIT)	<u>475,982</u>	<u>65,907</u>	<u>1,579,382</u>	<u>182,769</u>	<u>44,398</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,247,987</u>	<u>\$ 77,754</u>	<u>\$ 2,311,798</u>	<u>\$ 182,769</u>	<u>\$ 44,699</u>

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>FICA</u>	<u>County Clerk Tax Automation</u>	<u>North Fork Special Service Area 1</u>	<u>North Fork Special Service Area 2</u>	<u>North Fork Special Service Area 3</u>
Cash	\$ 335	\$ 428	\$ 51,729	\$ 29,118	\$ 8,096
Temporary investments	300,000	-	50,000	-	-
Receivables:					
Taxes, net of allowance for estimated uncollectibles	767,250	-	43,035	16,216	3,119
Other	768	-	192	-	-
Prepaid items	-	-	-	-	-
Due from other funds	907,286	-	-	-	-
Due from other governments	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,975,639</u>	<u>\$ 428</u>	<u>\$ 144,956</u>	<u>\$ 45,334</u>	<u>\$ 11,215</u>
LIABILITIES					
Accounts payable	\$ 45,884	-	\$ 2,931	\$ 1,104	\$ 212
Accrued payroll	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenue	767,250	-	43,035	16,216	3,119
Total liabilities	813,134	-	45,966	17,320	3,331
FUND BALANCE (DEFICIT)	<u>1,162,505</u>	<u>428</u>	<u>98,990</u>	<u>28,014</u>	<u>7,884</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,975,639</u>	<u>\$ 428</u>	<u>\$ 144,956</u>	<u>\$ 45,334</u>	<u>\$ 11,215</u>

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Court Support</u>	<u>County Bridge</u>	<u>Court Document Storage</u>	<u>Court Automation</u>	<u>Court Security</u>
Cash	\$ 224,291	\$ 105,960	\$ 120,006	\$ 183,590	\$ -
Temporary investments	-	1,400,000	-	-	-
Receivables:					
Taxes, net of allowance for estimated uncollectibles	-	329,472	-	-	-
Other	-	10,881	-	-	-
Prepaid items	-	-	-	-	-
Due from other funds	6,238	-	5,348	4,954	-
Due from other governments	-	-	-	-	-
TOTAL ASSETS	<u>\$ 230,529</u>	<u>\$ 1,846,313</u>	<u>\$ 125,354</u>	<u>\$ 188,544</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable	\$ 56	\$ 1,039	\$ 1,505	\$ 1,459	\$ -
Accrued payroll	-	-	439	1,113	2,606
Due to other funds	-	-	-	-	27,231
Due to other governments	-	-	-	-	-
Deferred revenue	-	329,472	-	-	-
Total liabilities	56	330,511	1,944	2,572	29,837
FUND BALANCE (DEFICIT)	<u>230,473</u>	<u>1,515,802</u>	<u>123,410</u>	<u>185,972</u>	<u>(29,837)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 230,529</u>	<u>\$ 1,846,313</u>	<u>\$ 125,354</u>	<u>\$ 188,544</u>	<u>\$ -</u>

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Recorder's Special Fee</u>	<u>Law Library</u>	<u>Township Motor Fuel Tax</u>	<u>Child Support</u>	<u>Probation Service</u>
Cash	\$ 148,851	\$ -	\$ 165,176	\$ 168,164	\$ 284,617
Temporary investments	-	-	-	-	-
Receivables:					
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-
Other	-	-	12,345	30,295	-
Prepaid items	-	-	-	-	-
Due from other funds	4,458	1,644	-	-	20,627
Due from other governments	-	-	137,622	-	-
TOTAL ASSETS	<u>\$ 153,309</u>	<u>\$ 1,644</u>	<u>\$ 315,143</u>	<u>\$ 198,459</u>	<u>\$ 305,244</u>

LIABILITIES					
Accounts payable	\$ 6,131	\$ 9,090	\$ 10,878	\$ 877	\$ 11,066
Accrued payroll	-	-	-	1,157	14,978
Due to other funds	-	2,701	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	6,131	11,791	10,878	2,034	26,044

FUND BALANCE (DEFICIT)	<u>147,178</u>	<u>(10,147)</u>	<u>304,265</u>	<u>196,425</u>	<u>279,200</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 153,309</u>	<u>\$ 1,644</u>	<u>\$ 315,143</u>	<u>\$ 198,459</u>	<u>\$ 305,244</u>
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VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Treasurer's Automation</u>	<u>Circuit Clerk Operation & Administration</u>	<u>Township Bridge</u>	<u>Off-Track Betting</u>	<u>VC Trustee Revolving Fund</u>	<u>Law Enforcement Fund</u>
Cash	\$ 50,293	\$ 4,932	\$ 261,514	\$ 17	\$ 26,230	\$ 284,164
Temporary investments	-	-	-	-	-	2,499,562
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-
Other	-	-	628	-	-	6,142
Prepaid items	-	-	-	-	-	316,349
Due from other funds	21,720	-	-	-	-	-
Due from other governments	-	-	-	-	-	217,258
TOTAL ASSETS	<u>\$ 72,013</u>	<u>\$ 4,932</u>	<u>\$ 262,142</u>	<u>\$ 17</u>	<u>\$ 26,230</u>	<u>\$ 3,323,475</u>
LIABILITIES						
Accounts payable	\$ 2,957	-	\$ 4,155	-	\$ -	-
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	2,957	-	4,155	-	-	-
FUND BALANCE (DEFICIT)	<u>69,056</u>	<u>4,932</u>	<u>257,987</u>	<u>17</u>	<u>26,230</u>	<u>3,323,475</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 72,013</u>	<u>\$ 4,932</u>	<u>\$ 262,142</u>	<u>\$ 17</u>	<u>\$ 26,230</u>	<u>\$ 3,323,475</u>

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Victim Witness Attorney General</u>	<u>Home Confinement and Probation</u>	<u>CRIS</u>	<u>Multi- Jurisdictional Narcotics</u>	<u>GIS Automation</u>
Cash	\$ -	\$ 101,579	\$ -	\$ 68	\$ 50,498
Temporary investments	-	-	-	-	-
Receivables:					
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-
Other	-	-	-	-	-
Prepaid items	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	11,500	-	48,433	-	-
TOTAL ASSETS	<u>\$ 11,500</u>	<u>\$ 101,579</u>	<u>\$ 48,433</u>	<u>\$ 68</u>	<u>\$ 50,498</u>
LIABILITIES					
Accounts payable	\$ -	\$ 1,204	\$ -	\$ -	\$ 19,909
Accrued payroll	532	-	-	-	797
Due to other funds	6,426	-	-	-	-
Due to other governments	-	-	48,433	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	6,958	1,204	48,433	-	20,706
FUND BALANCE (DEFICIT)	<u>4,542</u>	<u>100,375</u>	<u>-</u>	<u>68</u>	<u>29,792</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,500</u>	<u>\$ 101,579</u>	<u>\$ 48,433</u>	<u>\$ 68</u>	<u>\$ 50,498</u>

VERMILION COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2007

	<u>Capital Projects</u>	<u>Board of Elections</u>	<u>Working Cash</u>	<u>Reg. Supt. Direct Services</u>	<u>Total</u>
Cash	\$ 109,367	\$ 27,263	\$ 14	\$ 75,561	\$ 3,080,054
Temporary investments	700,000	-	288,888	-	6,976,450
Receivables:					
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	2,626,798
Other	7,251	-	2,399	-	87,513
Prepaid items	-	-	-	-	316,349
Due from other funds	-	-	-	-	1,016,771
Due from other governments	-	-	-	-	414,813
TOTAL ASSETS	<u>\$ 816,618</u>	<u>\$ 27,263</u>	<u>\$ 291,301</u>	<u>\$ 75,561</u>	<u>\$ 14,518,748</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 138,797
Accrued payroll	-	-	-	-	52,145
Due to other funds	-	-	-	-	36,358
Due to other governments	-	-	-	-	48,433
Deferred revenue	-	-	-	-	2,626,798
Total liabilities	-	-	-	-	2,902,531
FUND BALANCE (DEFICIT)	<u>816,618</u>	<u>27,263</u>	<u>291,301</u>	<u>75,561</u>	<u>11,616,217</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 816,618</u>	<u>\$ 27,263</u>	<u>\$ 291,301</u>	<u>\$ 75,561</u>	<u>\$ 14,518,748</u>

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	<u>Mental Health Board</u>	<u>Animal Control</u>	<u>Trans- portation</u>	<u>Indemnity</u>	<u>County Clerk Vital Records</u>	<u>FICA</u>
REVENUES						
Taxes	\$ 730,540	\$ -	\$ 666,235	\$ -	\$ -	\$ 772,770
Intergovernmental	-	-	-	-	-	289,999
Licenses and permits	-	154,607	-	-	-	-
Charges for services	-	72,421	-	22,400	17,440	-
Miscellaneous	6,116	4,554	61,833	8,581	1,780	7,988
Total revenues	736,656	231,582	728,068	30,981	19,220	1,070,757
EXPENDITURES						
General government	-	-	-	-	9,012	371,445
Judiciary and court related	-	-	-	-	-	257,154
Public safety	-	322,067	-	-	-	323,824
Public health	734,334	-	-	-	-	-
Transportation	-	-	546,579	-	-	-
Capital projects	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	734,334	322,067	546,579	-	9,012	952,423
Excess (deficiency) of revenues over expenditures	2,322	(90,485)	181,489	30,981	10,208	118,334
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	100,397	-	-	-	-
Operating transfers out	-	-	-	(7,346)	-	-
Total other financing sources (uses)	-	100,397	-	(7,346)	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	2,322	9,912	181,489	23,635	10,208	118,334
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	473,660	55,995	1,397,893	159,134	34,190	1,044,171
FUND BALANCE (DEFICIT), END OF YEAR	\$ 475,982	\$ 65,907	\$ 1,579,382	\$ 182,769	\$ 44,398	\$ 1,162,505

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	County Clerk Tax Automation	North Fork Special Service Area 1	North Fork Special Service Area 2	North Fork Special Service Area 3	Court Support	County Bridge
REVENUES						
Taxes	\$ -	\$ 34,992	\$ 12,976	\$ 2,548	\$ -	\$ 264,681
Intergovernmental	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Charges for services	140	-	-	-	87,631	-
Miscellaneous	13	3,982	986	297	8,158	67,981
Total revenues	153	38,974	13,962	2,845	95,789	332,662
EXPENDITURES						
General government	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	21,631	-
Public safety	-	-	-	-	-	-
Public health	-	10,232	3,855	741	-	-
Transportation	-	-	-	-	-	496,625
Capital projects	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	-	10,232	3,855	741	21,631	496,625
Excess (deficiency) of revenues over expenditures	153	28,742	10,107	2,104	74,158	(163,963)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	(81,201)	-
Total other financing sources (uses)	-	-	-	-	(81,201)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	153	28,742	10,107	2,104	(7,043)	(163,963)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	275	70,248	17,907	5,780	237,516	1,679,765
FUND BALANCE (DEFICIT), END OF YEAR	\$ 428	\$ 98,990	\$ 28,014	\$ 7,884	\$ 230,473	\$ 1,515,802

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	Court Document Storage	Court Automation	Court Security	Recorder's Special Fee	Law Library	Township Motor Fuel Tax
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	1,934,245
Licenses and permits	-	-	-	-	-	-
Charges for services	71,745	65,367	-	59,541	27,955	-
Miscellaneous	5,067	7,285	1,032	6,435	-	30,160
Total revenues	76,812	72,652	1,032	65,976	27,955	1,964,405
EXPENDITURES						
General government	-	-	-	52,953	33,286	-
Judiciary and court related	70,484	56,655	119,278	-	-	-
Public safety	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Transportation	-	-	-	-	-	2,160,984
Capital projects	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	70,484	56,655	119,278	52,953	33,286	2,160,984
Excess (deficiency) of revenues over expenditures	6,328	15,997	(118,246)	13,023	(5,331)	(196,579)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	104,308	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	104,308	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	6,328	15,997	(13,938)	13,023	(5,331)	(196,579)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	117,082	169,975	(15,899)	134,155	(4,816)	500,844
FUND BALANCE (DEFICIT), END OF YEAR	\$ 123,410	\$ 185,972	\$ (29,837)	\$ 147,178	\$ (10,147)	\$ 304,265

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	Child Support	Probation Service	Treasurer's Automation	Circuit Clerk Operations & Administration	Township Bridge	Off-Track Betting
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	469,341	17,623
Licenses and permits	-	-	-	-	-	-
Charges for services	50,400	209,633	11,200	4,881	-	-
Miscellaneous	2,925	23,347	2,264	51	4,025	722
Total revenues	53,325	232,980	13,464	4,932	473,366	18,345
EXPENDITURES						
General government	-	-	6,813	-	-	-
Judiciary and court related	45,462	196,862	-	-	-	-
Public safety	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Transportation	-	-	-	-	274,128	-
Capital projects	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	45,462	196,862	6,813	-	274,128	-
Excess (deficiency) of revenues over expenditures	7,863	36,118	6,651	4,932	199,238	18,345
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	(18,744)
Total other financing sources (uses)	-	-	-	-	-	(18,744)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	7,863	36,118	6,651	4,932	199,238	(399)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	188,562	243,082	62,405	-	58,749	416
FUND BALANCE (DEFICIT), END OF YEAR	\$ 196,425	\$ 279,200	\$ 69,056	\$ 4,932	\$ 257,987	\$ 17

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	VC Trustee Revolving Fund	Law Enforcement Fund	Law Enforcement Grant	Victim Witness Attorney General	CRIS	Multi- Jurisdictional Narcotics	Home Confinement and Probation
REVENUES							
Taxes	\$ -	\$ 327,590	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,321,647	10,100	22,500	127,078	168,581	-
Licenses and permits	-	-	-	-	-	-	-
Charges for services	3,095	-	-	-	-	-	-
Miscellaneous	1,159	107,110	68	4,531	-	-	60,696
Total revenues	4,254	1,756,347	10,168	27,031	127,078	168,581	60,696
EXPENDITURES							
General government	4,724	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public safety	-	409,881	10,168	27,428	-	188,581	47,617
Public health	-	-	-	-	-	-	-
Transportation	-	-	-	-	127,078	-	-
Capital projects	-	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-	-
Principal	-	105,300	-	-	-	-	-
Interest	-	156,509	-	-	-	-	-
Total expenditures	4,724	671,690	10,168	27,428	127,078	188,581	47,617
Excess (deficiency) of revenues over expenditures	(470)	1,084,657	-	(397)	-	(20,000)	13,079
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	20,000	-
Operating transfers out	-	(20,000)	-	-	-	-	-
Total other financing sources (uses)	-	(20,000)	-	-	-	20,000	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(470)	1,064,657	-	(397)	-	-	13,079
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	26,700	2,258,818	-	4,939	-	68	87,296
FUND BALANCE (DEFICIT), END OF YEAR	\$ 26,230	\$ 3,323,475	\$ -	\$ 4,542	\$ -	\$ 68	\$ 100,375

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2007

	GIS Automation	Capital Projects	Board of Elections	Working Cash	Reg. Supt. Direct Services	Total
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,812,332
Intergovernmental	-	-	19,630	-	-	4,380,744
Licenses and permits	-	-	-	-	-	154,607
Charges for services	245,880	-	-	-	-	949,729
Miscellaneous	1,578	55,475	-	15,014	126,810	628,023
Total revenues	247,458	55,475	19,630	15,014	126,810	8,925,435
EXPENDITURES						
General government	239,900	-	7,989	-	122,592	848,714
Judiciary and court related	-	-	-	-	-	767,526
Public safety	-	-	-	-	-	1,329,566
Public health	-	-	-	-	-	749,162
Transportation	-	-	-	-	-	3,605,394
Capital projects	-	40,067	-	-	-	40,067
Debt service:						
Principal	-	-	-	-	-	105,300
Interest	-	-	-	-	-	156,509
Total expenditures	239,900	40,067	7,989	-	122,592	7,602,238
Excess (deficiency) of revenues over expenditures	7,558	15,408	11,641	15,014	4,218	1,323,197
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	224,705
Operating transfers out	-	-	-	(15,272)	-	(142,563)
Total other financing sources (uses)	-	-	-	(15,272)	-	82,142
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	7,558	15,408	11,641	(258)	4,218	1,405,339
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	22,234	801,210	15,622	291,559	71,343	10,210,878
FUND BALANCE (DEFICIT), END OF YEAR	\$ 29,792	\$ 816,618	\$ 27,263	\$ 291,301	\$ 75,561	\$ 11,616,217

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF NET ASSETS
OTHER ENTERPRISE FUNDS
November 30, 2007

ASSETS

	<u>Vermilion County Farm</u>	<u>Solid Waste Management</u>	<u>Total</u>
CURRENT ASSETS			
Cash	\$ -	\$ 99,977	\$ 99,977
Investments	164,084	100,000	264,084
Receivables	-	61,190	61,190
Accrued interest	-	384	384
	<hr/>	<hr/>	<hr/>
Total current assets	164,084	261,551	425,635
	<hr/>	<hr/>	<hr/>
PROPERTY AND EQUIPMENT			
Land	1,000	-	1,000
Buildings	-	19,000	19,000
Recycling equipment	-	96,610	96,610
Other equipment	-	30,882	30,882
	<hr/>	<hr/>	<hr/>
Total, at cost	1,000	146,492	147,492
Less accumulated depreciation	-	131,696	131,696
	<hr/>	<hr/>	<hr/>
Total property and equipment	1,000	14,796	15,796
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 165,084</u>	<u>\$ 276,347</u>	<u>\$ 441,431</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Accounts payable	\$ -	\$ 19,046	\$ 19,046
Accrued payroll	-	5,754	5,754
	<hr/>	<hr/>	<hr/>
Total current liabilities	-	24,800	24,800
	<hr/>	<hr/>	<hr/>
NET ASSETS			
Invested in capital assets	1,000	14,796	15,796
Unrestricted	164,084	236,751	400,835
	<hr/>	<hr/>	<hr/>
Total net assets	165,084	251,547	416,631
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 165,084</u>	<u>\$ 276,347</u>	<u>\$ 441,431</u>

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
OTHER ENTERPRISE FUNDS
Year Ended November 30, 2007

	<u>Vermilion County Farm</u>	<u>Solid Waste Management</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ -	\$ 387,381	\$ 387,381
Fines and forfeits	-	625	625
Miscellaneous	<u>143,323</u>	<u>26,733</u>	<u>170,056</u>
Total operating revenues	<u>143,323</u>	<u>414,739</u>	<u>558,062</u>
OPERATING EXPENSES			
Personnel services	-	176,075	176,075
Supplies and materials	-	8,387	8,387
Other services and charges	50,998	12,734	63,732
Contractual services	-	198,406	198,406
Depreciation	<u>-</u>	<u>4,836</u>	<u>4,836</u>
Total operating expenses	<u>50,998</u>	<u>400,438</u>	<u>451,436</u>
Operating income	92,325	14,301	106,626
NON-OPERATING REVENUES			
Interest income	<u>-</u>	<u>4,207</u>	<u>4,207</u>
Income before operating transfers	92,325	18,508	110,833
OPERATING TRANSFERS			
Operating transfers in	<u>-</u>	<u>41,547</u>	<u>41,547</u>
CHANGES IN NET ASSETS	92,325	60,055	152,380
NET ASSETS, BEGINNING OF YEAR	<u>72,759</u>	<u>191,492</u>	<u>264,251</u>
NET ASSETS, END OF YEAR	<u>\$ 165,084</u>	<u>\$ 251,547</u>	<u>\$ 416,631</u>

VERMILION COUNTY, ILLINOIS
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 November 30, 2007

	<u>Health Insurance</u>	<u>General Liability Insurance</u>	<u>Total</u>
CURRENT ASSETS			
Cash	\$ 4,295	\$ 105,366	\$ 109,661
Investments	-	450,000	450,000
Receivables, net	-	643,500	643,500
Accrued interest	-	1,220	1,220
Due from other funds	-	157,695	157,695
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 4,295</u>	<u>\$ 1,357,781</u>	<u>\$ 1,362,076</u>
LIABILITIES			
Accounts payable	\$ 380,000	\$ 518,280	\$ 898,280
Due to other funds	350,000	-	350,000
Deferred revenue	-	643,500	643,500
	<u> </u>	<u> </u>	<u> </u>
Total current liabilities	730,000	1,161,780	1,891,780
NET ASSETS			
Unrestricted net assets	<u>(725,705)</u>	<u>196,001</u>	<u>(529,704)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,295</u>	<u>\$ 1,357,781</u>	<u>\$ 1,362,076</u>

VERMILION COUNTY, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET ASSETS
 INTERNAL SERVICE FUNDS
 Year Ended November 30, 2007

	<u>Health Insurance</u>	<u>General Liability Insurance</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 934,964	\$ 325,249	\$ 1,260,213
OPERATING EXPENSES			
Personnel services	<u>1,664,542</u>	<u>800,420</u>	<u>2,464,962</u>
Net loss from operating activities	<u>(729,578)</u>	<u>(475,171)</u>	<u>(1,204,749)</u>
NON-OPERATING REVENUES			
Taxes	-	649,217	649,217
Interest income	<u>3,873</u>	<u>12,969</u>	<u>16,842</u>
Total non-operating revenues	<u>3,873</u>	<u>662,186</u>	<u>666,059</u>
CHANGES IN NET ASSETS	(725,705)	187,015	(538,690)
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>-</u>	<u>8,986</u>	<u>8,986</u>
TOTAL NET ASSETS, END OF YEAR	<u><u>\$ (725,705)</u></u>	<u><u>\$ 196,001</u></u>	<u><u>\$ (529,704)</u></u>

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
November 30, 2007

ASSETS

	Restitution	County Collector	Treasurer's Account	Inheritance Tax	Deposit Fund	Unknown Heirs	Non-resident Heirs	Payroll Clearing
Cash	\$ 24,983	\$ 4,991,284	\$ 72,352	\$ 69,264	\$ 192,887	\$ 61,289	\$ 40,897	\$ 221,436
Investments	-	-	-	-	550,000	-	-	-
Receivables:								
Taxes, net of allowance for estimated uncollectibles	-	1,147,592	-	-	-	-	-	-
Accrued interest	-	11,675	-	7,405	5,167	-	-	-
Due from other funds	11,600	-	29,932	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 36,583	\$ 6,150,551	\$ 102,284	\$ 76,669	\$ 748,054	\$ 61,289	\$ 40,897	\$ 221,436

LIABILITIES

Accounts payable	\$ -	\$ 14,372	\$ 22,056	\$ -	\$ 23,933	\$ -	\$ -	\$ 30,378
Due to other funds	10,324	1,581,426	-	-	-	-	-	-
Due to other governments	-	-	-	76,669	-	-	-	-
Due to others	26,259	-	80,228	-	724,121	61,289	40,897	191,058
Due to taxing bodies	-	4,554,753	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 36,583	\$ 6,150,551	\$ 102,284	\$ 76,669	\$ 748,054	\$ 61,289	\$ 40,897	\$ 221,436

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
November 30, 2007

ASSETS

	Work Release	Prisoner's Commissary	Sheriff's Office	Probation Office	County Clerk	Circuit Clerk	Recorder
Cash	\$ 20,191	\$ 85,614	\$ 41,718	\$ 6,115	\$ 211,431	\$ 1,678,756	\$ 99,366
Investments	-	-	-	-	-	190,000	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	8,688	-	-
Inventory	-	16,996	-	-	-	-	8,050
TOTAL ASSETS	\$ 20,191	\$ 102,610	\$ 41,718	\$ 6,115	\$ 220,119	\$ 1,868,756	\$ 107,416

LIABILITIES

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	3,931	-	-	-	7,108	144,708	18,444
Due to other governments	-	-	-	-	-	80,002	-
Due to others	16,260	102,610	41,718	6,115	213,011	1,644,046	88,972
Due to taxing bodies	-	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 20,191	\$ 102,610	\$ 41,718	\$ 6,115	\$ 220,119	\$ 1,868,756	\$ 107,416

VERMILION COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
November 30, 2007

ASSETS

	Regional Superintendent					Total
	Trustees	Institute	Bus Drivers	G.E.D.	Drug Abuse Prevention	
Cash	\$ 3,281	\$ 53,002	\$ 2,975	\$ 16,428	\$ 5,819	\$ 8,205,127
Investments	7,000	-	-	-	-	1,047,000
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	1,147,592
Accrued interest	-	-	-	-	-	25,399
Due from other funds	-	-	-	-	-	50,220
Inventory	-	-	-	-	-	25,046
TOTAL ASSETS	\$ 10,281	\$ 53,002	\$ 2,975	\$ 16,428	\$ 5,819	\$ 10,500,384

LIABILITIES

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,187
Due to other funds	-	-	-	-	-	1,765,941
Due to other governments	-	-	-	-	-	156,671
Due to others	10,281	53,002	2,975	16,428	5,819	3,325,089
Due to taxing bodies	-	-	-	-	-	5,155,496
TOTAL LIABILITIES	\$ 10,281	\$ 53,002	\$ 2,975	\$ 16,428	\$ 5,819	\$ 10,500,384

STATISTICAL INFORMATION

VERMILION COUNTY, ILLINOIS
ASSESSED VALUATION AND TAX EXTENSIONS
Tax Levies 2006, 2005, and 2004
(Unaudited)

	<u>2006</u>	<u>2005</u>	<u>2004</u>
	<u>Extended in 2007</u>	<u>Extended in 2006</u>	<u>Extended in 2005</u>
EQUALIZED VALUATION	\$ 753,663,553	\$ 738,986,490	\$ 738,986,490
TAXES EXTENDED			
County (see below)	\$ 11,749,433	\$ 11,089,782	\$ 9,090,766
Townships and Road Districts	5,511,855	5,252,491	5,149,782
Cities and villages	8,207,236	7,912,967	7,650,822
District schools	38,751,570	34,824,883	34,109,488
High school and junior college	5,384,610	5,160,555	4,992,789
Sanitary districts	23,840	22,789	21,725
Vermilion County Airport Authority	570,349	561,679	567,491
Fire protection districts	1,351,897	1,271,129	1,238,903
Cemeteries	96,359	91,880	89,771
Vermilion County Conservation District	985,720	987,704	942,566
Libraries, parks, etc.	746,243	623,567	588,849
TOTALS	\$ 73,379,112	\$ 67,799,426	\$ 64,442,952
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**ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT**

ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT for the period July 1 through June 30, 2007
Page 1 of 2 -- Grant Allowable Cost Summary

AGENCY NAME: Vermilion County Health Dept. FEIN: 37-6002224

	Program Name/Number/Contract Number/Other Identification	DHS GRANT-FUNDED SERVICES					All other Programs	Mgmt & General	Total
		Program 1	Program 2	Program 3	Program 4	Program 5			
		WIC	AOK	HCC	HFI	HW			
	711G7520	900	570	420	400	390			
A	Direct Program expenses	335,899	54,724	29,585	174,374	33,826	502,582	218,827	1,349,817
B	Allocate Management and General Costs (Note 1)	62,083	19,987	9,672	17,526	6,041	103,518	-218,827	-0-
C	SUBTOTAL A + B	397,982	74,711	39,257	191,900	39,867	606,100	-0-	1,349,817
D	Subtract Unallowable costs per page 2	0	0	0	0	0			
E	Add other approved uses (attach documentation)	0	0	0	0	0			
F	TOTAL Allowable costs	397,982	74,711	39,257	191,900	39,867			
G	Special provisions (see instructions)	0	0	0	0	0			
H	Interest Earned (see instructions) *	0	0	0	0	0			

NOTE 1: Management and General costs are allocated based on: _____ direct salaries, ☒ total direct costs, ☐ other basis (attach explanation).

Direct costs are used for supplies, travel, patient care and equipment (when purchased). However, rent is allocated by square footage. Full Time Equivalency (FTE) is used for other expenses such as phones, postage, etc.

*Cost of accounting for interest is significant in terms of interest earned.

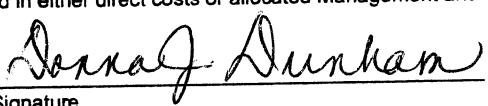
ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT for the period July 1 through June 30, 2007
Page 2 of 2 -- UNALLOWABLE COSTS REPORT

AGENCY NAME: Vermilion County Health Dept.

FEIN: 37-6002224

Program Name/Number/Contract Number:	DHS GRANT-FUNDED SERVICES				
	Program 1 WIC	Program 2 AOK	Program 3 HCC	Program 4 HFI	Program 5 HW
Unallowable Costs (see instructions) <u>711G7520</u>	900	570	420	400	390
compensation of governing body					
entertainment					
association dues					
meetings and conventions					
fundraising					
bad debt					
charity and grants					
unallowable interest					
inventories					
depreciation on DHS-funded assets					
cost of production					
in-kind expenses					
alcoholic beverages					
personal automobiles					
finer & penalties					
personal use items					
lobbying					
unallowable relocation					
gratuities					
political contributions					
related party transactions					
costs where a conflict of interest exists					
Unallowable costs if Program is Federally funded or cost-restricted by Contract (See Instructions)					
Explain:					
Explain:					
TOTAL UNALLOWABLE COSTS (to line D of Grant Report) --See below if NONE	0	0	0	0	0

If no unallowable costs are listed, sign and date as follows:
I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.


 Signature

11/30/07
 Date

Donna J. Dunham, Financial Director
 Printed Name and Title

ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT for the period July 1 through June 30, 2007
Page 1 of 2 -- Grant Allowable Cost Summary

AGENCY NAME: Vermilion County Health Department FEIN: 37-6002224

	Program Name/Number/Contract Number/Other Identification	DHS GRANT-FUNDED SERVICES					All other Programs	Mgmt & General	Total
		Program 6 TIPCM 440	Program 7 FCM DNSTATE 300	Program 3	Program 4	Program 5			
	711G7520								
A	Direct Program expenses	144,696	357,886						502,582
B	Allocate Management and General Costs (Note 1)	35,104	68,414					-	103,518
C	SUBTOTAL A + B	179,800	426,300					-0-	606,100
D	Subtract Unallowable costs per page 2	0	0						
E	Add other approved uses (attach documentation)	0	0						
F	TOTAL Allowable costs	179,800	426,300						
G	Special provisions (see instructions)	0	0						
H	Interest Earned (see instructions) *	0	0						

NOTE 1: Management and General costs are allocated based on: direct salaries, X total direct costs, X other basis (attach explanation).

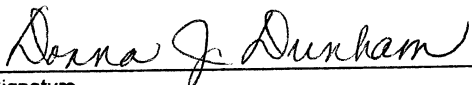
Direct costs are used for supplies, travel, patient care and equipment (when purchased). However, rent is allocated by using square footage. Full Time Equivalency (FTE) is used for other expenses such as phones, postage, etc.

*Cost of accounting for interest is significant in terms of interest earned.

ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT for the period July 1 through June 30, 2007
Page 2 of 2 -- UNALLOWABLE COSTS REPORT

AGENCY NAME: Vermilion County Health Dept.

FEIN: 37-6002224

Program Name/Number/Contract Number:	DHS GRANT-FUNDED SERVICES				
	Program 6	Program 7	Program 3	Program 4	Program 5
711G7520	440	300			
Unallowable Costs (see instructions)					
compensation of governing body					
entertainment					
association dues					
meetings and conventions					
fundraising					
bad debt					
charity and grants					
unallowable interest					
inventories					
depreciation on DHS-funded assets					
cost of production					
in-kind expenses					
alcoholic beverages					
personal automobiles					
finances & penalties					
personal use items					
lobbying					
unallowable relocation					
gratuities					
political contributions					
related party transactions					
costs where a conflict of interest exists					
Unallowable costs if Program is Federally funded or cost-restricted by Contract (See Instructions)					
Explain:					
Explain:					
TOTAL UNALLOWABLE COSTS (to line D of Grant Report) -See below if NONE	0	0			
<p>If no unallowable costs are listed, sign and date as follows:</p> <p>I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.</p> <p style="text-align: center;">  Signature </p> <p style="text-align: right;"> 11/30/07 Date </p> <p style="text-align: center;"> Donna J. Dunham, Financial Director Printed Name and Title </p>					

SINGLE AUDIT REPORTS

**Independent Auditor's Report on Compliance and Other Matters and on Internal Control
Over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

Vermilion County Board
Vermilion County, Illinois
Danville, Illinois

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Vermilion County, Illinois as of and for the year ended November 30, 2007, which collectively comprise Vermilion County, Illinois' basic financial statements and have issued our report thereon dated May 23, 2008. In our report on the financial statements our opinion was adverse for the governmental activities due to the omission of certain fixed assets and general infrastructure assets and related depreciation expense. 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 Vermilion County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 affect 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. We consider the deficiency described in the accompanying schedule of findings and responses as 07-01 to be a significant deficiency in internal control over financial reporting.

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 the 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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider finding 07-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Vermilion 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*. We noted certain immaterial instances of noncompliance that we have reported to management of Vermilion County in a separate letter dated May 23, 2008.

Vermilion County's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Vermilion County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board, finance committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gundersen LLP

Danville, Illinois
May 23, 2008

**Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133**

Vermilion County Board
Vermilion County, Illinois
Danville, Illinois

Compliance

We have audited the compliance of Vermilion County, Illinois 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 November 30, 2007. Vermilion 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 Vermilion County's management. Our responsibility is to express an opinion on Vermilion 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 Vermilion 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 on Vermilion County's compliance with those requirements.

In our opinion, Vermilion 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 November 30, 2007.

Internal Control Over Compliance

The management of Vermilion 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 Vermilion 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 entity's internal control over compliance.

A *control deficiency* in an entity'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 material weaknesses, as defined above.

This report is intended solely for the information and use of the Board, finance committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Danville, Illinois
May 23, 2008

VERMILION COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended November 30, 2007

Federal Grantor/ Pass Through Grantor/Program Title	CFDA Number	Grantor's Number	Federal Expenditures	Passed Through to Subrecipients
DEPARTMENT OF AGRICULTURE				
Flow-through from Illinois Department of Human Services:				
Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	711G7520000	\$ 244,615	\$ -
Supplemental Nutrition Program For Women, Infants, and Children (WIC)	10.557	811G7520000	164,659	-
Supplemental Nutrition Program for Women, Infants, and Children - Noncash	10.557	None	846,665	-
Farmers' Market Nutrition Program	10.572	None	1,000	-
			<u>1,256,939</u>	<u>-</u>
Flow-through from Illinois Department of Public Health:				
Summer Food Inspection	10.559		650	-
TOTAL DEPARTMENT OF AGRICULTURE			<u>\$ 1,257,589</u>	<u>\$ -</u>
ENVIRONMENTAL PROTECTION AGENCY				
Flow-through from Illinois Department of Public Health:				
Performance Partnership Grant	66.605	None	\$ 638	\$ -
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Flow-through from Illinois Department of Human Services:				
Social Services Block Grant:				
Family Planning - Title X	93.217	711G6520000	\$ 52,892	\$ -
Family Planning - Title X	93.217	811G6520000	109,000	-
			<u>161,892</u>	<u>-</u>
Temporary Assistance to Needy Families	93.558	711G6520000	93,667	-
Temporary Assistance to Needy Families	93.558	811G6520000	66,096	-
			<u>159,763</u>	<u>-</u>
Title XX Block Grant	93.667	711G6520000	103,700	-
MCH Block Grant	93.994	711G6520000	11,257	-
Childcare Development Block Grant	93.575	711G6520000	25,560	-
			<u>462,172</u>	<u>-</u>

VERMILION COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended November 30, 2007

Federal Grantor/ Pass Through Grantor/Program Title	CFDA Number	Grantor's Number	Federal Expenditures	Passed Through to Subrecipients
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Flow-through from Illinois Department of Public Health:				
Centers for Disease Control and Prevention	93.283	None	\$ 63,674	\$ -
Investigations and Technical Assistance	93.069	None	6,065	-
Bio-Terrorism			69,739	-
Flow-through Illinois Department of Public Aid:				
Child Support Enforcement	93.563	None	23,167	-
Immunization Grant	93.268	None	118,499	-
Medical Assistance Program	93.778	None	83,000	-
			224,666	-
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 756,577	\$ -
DEPARTMENT OF LABOR				
Flow-through Danville Area Community College:				
Workforce Investment Act Grant – Adult Program	17.258	None	\$ 46,828	\$ -
DEPARTMENT OF HOMELAND SECURITY				
Flow-through Illinois Emergency Management Agency:				
Emergency Management Performance Grant - 2007	97.042	None	\$ 25,504	\$ -
Chemical Stockpile Emergency Preparedness - 2007	97.040	None	248,305	-
TOTAL DEPARTMENT OF HOMELAND SECURITY			\$ 273,809	\$ -

VERMILION COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended November 30, 2007

<u>Federal Grantor/ Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
DEPARTMENT OF TRANSPORTATION				
Flow-through Illinois Department of Transportation: Public Transportation for Non-Urbanized Areas	20.509	None	\$ 127,078	\$ -
DEPARTMENT OF JUSTICE				
Flow-through Illinois Criminal Justice Information Authority: Byrne Formula Grant	16.579	2005-DJ-BX-0308	\$ 143,581	\$ 143,581
Byrne Formula Grant	16.579	2005-DJ-BX-0308	45,000	45,000
Total Byrne Formula Grant			188,581	188,581
Flow-through the City of Danville: Edward Byrne Memorial Grant	16.710	None	10,168	-
TOTAL DEPARTMENT OF JUSTICE			\$ 198,749	\$ 188,581
TOTAL EXPENDITURES OF AWARDS			\$ 2,661,268	\$ 188,581

This schedule should be read only in connection with the accompanying note to the schedule.

VERMILION COUNTY, ILLINOIS
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
November 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting.

Non-monetary Assistance

The Vermilion County Health Department receives commodities for the immunization program through the Illinois Department of Public Health (IDPH). During fiscal year 2007 these commodities were valued at \$118,499 (CFDA 93.268). This amount is included in the accompanying schedule as the Immunization Grant.

The Vermilion County Health Department issues food instruments to participants in the WIC Program that are used to purchase food. During fiscal year 2007 these food instruments were valued at \$846,665 (CFDA 10.557). This amount is included in the accompanying schedule as part of the WIC Grant.

This information is an integral part of the accompanying schedule.

VERMILION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2007

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: adverse opinion
Internal control over financial reporting:

- Material weakness(es) identified? x Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes x None reported

Noncompliance material to financial statements noted? Yes x No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes x No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes x None reported

Type of auditor’s report issued on compliance for major programs: unqualified opinion

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Supplemental Nutrition Program for Women, Infants and Children
16.579	Byrne Formula Grant Program

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000
Auditee qualified as low-risk auditee? Yes x No

Section II – Financial Statement Findings

FINDING NO. 07-01 – FINANCIAL STATEMENT PREPARATION, INCLUDING CASH TO ACCRUAL BASIS ADJUSTMENTS

Criteria or Specific Requirement: Financial Statement Preparation, Including Cash to Accrual Basis Adjustments.

Condition: The County engages Clifton Gunderson to assist in preparing the necessary cash to accrual basis adjustments and its financial statements and accompanying disclosures. However, as independent auditors, Clifton Gunderson cannot be considered part of the County’s internal control system.

Context: The County Board and management share the ultimate responsibility for the County’s internal control system.

Effect: While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

VERMILION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2007

Section II – Financial Statement Findings (Continued)

Cause: As a result of substantial changes in the County's personnel during this past year, the County did not have the necessary resources to perform a review of the County's financial statements and related disclosures including the necessary cash to accrual basis adjustments, to provide a high level of assurance that any potential material omissions or other errors would be identified and corrected.

Recommendation: The County should continue to obtain additional training to be able to assist in the posting of the cash to accrual adjustments and development of the necessary financial reporting package.

Views of Responsible Officials and Planned Corrective Action: The County's management is aware of the need for proper personnel to complete the necessary cash to accrual basis adjustments, financial statements, including disclosures in accordance with generally accepted accounting principles and has made changes which will assist in performing this function in the future.

Section III – Federal Award Findings and Questioned Costs

None to report.

**VERMILION COUNTY, ILLINOIS
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
Year Ended November 30, 2007**

YEAR ENDED NOVEMBER 30, 2006

FINDING NO. 06-01 – HELP AMERICA VOTE ACT (HAVA) CFDA #90.401

Payments to vendors must be made no later than 30 days following receipt of assistance payment from the State Board of Election or by the due date indicated on contract, whichever is earlier, as required by federal cash management requirements.

Condition has been corrected.