

**VERMILION COUNTY, ILLINOIS**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTAL INFORMATION**

**November 30, 2009**

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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, 2009, 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, 2009, 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, 2009 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 June 25, 2010 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 and schedules of funding progress for Illinois Municipal Retirement Fund 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. 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, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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. 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.

The statistical information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Clifton Gunderson LLP*

Danville, Illinois  
June 25, 2010

## 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, 2009.

### Financial Highlights

- The assets of Vermilion County exceeded its liabilities at the close of the most recent fiscal year by \$33.481 million (*net assets*). Of this amount, \$20.678 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 \$1.897 million. Approximately 62% of this increase is attributable to the Vermilion Manor Nursing Home.
- As of the close of the current fiscal year, Vermilion County's governmental funds reported combined ending fund balances of \$32.422 million, an increase of \$413,349 in comparison with the prior year. Approximately 64% of this total amount 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 \$8.562 million, almost 73% of total General Fund annual audited expenditures.
- Vermilion County's total debt decreased by \$22,337 (0.57%) during the current fiscal year. This debt is comprised of accumulated paid time off, Other Post Employment Benefits (OPEB) associated with the County's health insurance program, and obligations under capital leases by the Danville Public Building Commission to fund the building of the Juvenile Detention Center and the addition to the Public Safety Building. The long term liability for OPEB is new this year as a result of GASB Statement No. 45 which requires the County to estimate post employment benefits in conjunction with employee's years of service. 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 (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 18 – 20 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 21 – 25 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 Nursing Home, Nursing Home Farm and Solid Waste Management operations. *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 26 – 29 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 30 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 31 – 52 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 54 – 61 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 63 – 81 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 \$33.481 million at the close of the most recent fiscal year. By far, the largest portion of Vermilion County's net assets (62%) is comprised of unrestricted funds.

A portion of Vermilion County's net assets (38%) represents resources that are subject to external restrictions on how they may be used. Categories of restrictions include capital assets, capital projects, roads and public safety. The remaining balance of *unrestricted net assets* (\$20.678 million) may be used to meet the government's ongoing obligations to citizens and creditors. There are two categories of *unrestricted net assets* that comprise the \$20.678 million; \$18.150 million is unrestricted for governmental activities and \$2.528 million is unrestricted for business type activities. In comparison with the prior fiscal year, the former experienced a decrease of almost \$472,000, due entirely to a reclassification of FICA funds from Unrestricted to Restricted for Retirement, and the latter increased approximately \$1,255,000. The increase in the unrestricted net assets of the business type activities is a result of the Vermilion Manor Nursing Home's successful fiscal year.

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.

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

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Current and other assets	\$47,848	\$46,884	\$ 4,235	\$ 2,999	\$52,083	\$49,883
Capital assets	-	-	1,061	1,190	1,061	1,190
Total assets	47,848	46,884	5,296	4,189	53,144	51,073
Long-term liabilities outstanding	3,883	3,905	-	-	3,883	3,905
Other liabilities	14,073	13,858	1,707	1,726	15,780	15,584
Total liabilities	17,956	17,763	1,707	1,726	19,663	19,489
Net assets:						
Invested in capital assets, net of related debt	-	-	1,061	1,190	1,061	1,190
Restricted	11,742	10,499	-	-	11,742	10,499
Unrestricted	18,150	18,622	2,528	1,273	20,678	19,895
Total net assets	\$ 29,892	\$ 29,121	\$ 3,589	\$ 2,463	\$33,481	\$31,584

There was a decrease of almost \$130,000 in invested capital assets, net of related debt reported in connection with Vermilion County's business-type activities. This is comprised of accumulated depreciation increasing \$180,992 (net of disposals), and equipment additions (net of disposals), totaling \$51,455 for the current year.

Vermilion County's total net assets increased by \$1.897 million during the current fiscal year. Total governmental activities precipitated approximately 41% of this increase while business type activities, including Vermilion Manor Nursing Home and Solid Waste Management, added just more than 59% of the increase. About 62% of this increase, or \$1,167,408, is a direct result of a successful fiscal year at the Vermilion Manor Nursing Home.

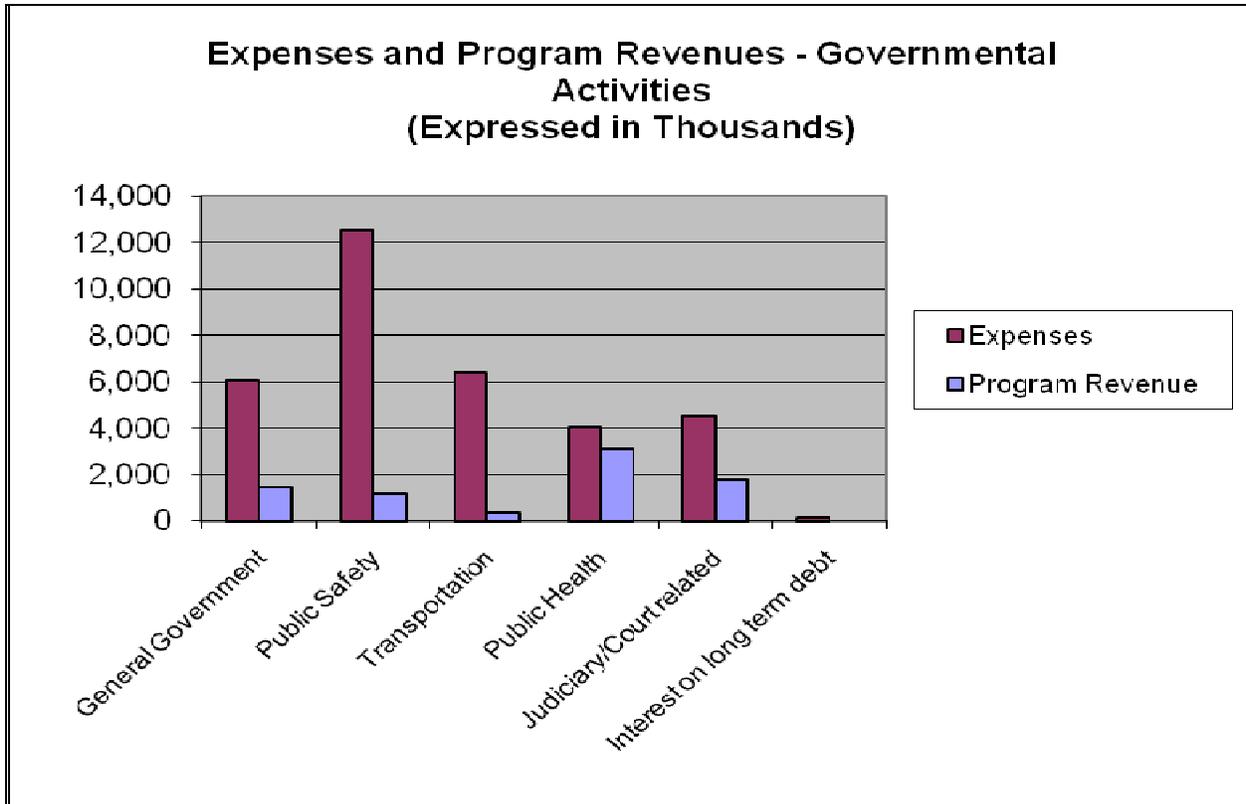
**Vermilion County's Changes in Net Assets**  
(Expressed in Thousands)

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 4,192	\$ 3,485	\$12,014	\$11,226	\$ 16,206	\$14,711
Operating grants and contributions	3,657	3,348	-	-	3,657	3,348
Capital grants and contributions	65	39	-	-	65	39
<b>General revenues:</b>						
Property taxes	10,195	10,135	693	686	10,888	10,821
Other taxes	9,656	10,894	-	-	9,656	10,894
<b>Grants and contributions not restricted to specific programs:</b>						
Other	6,763	6,258	169	94	6,932	6,352
<b>Total revenues</b>	<b>34,528</b>	<b>34,159</b>	<b>12,876</b>	<b>12,006</b>	<b>47,404</b>	<b>46,165</b>
<b>Expenses:</b>						
General government	6,048	6,615	-	-	6,048	6,615
Public safety	12,546	12,739	-	-	12,546	12,739
Transportation	6,416	5,965	-	-	6,416	5,965
Public Health	4,052	4,094	-	-	4,052	4,094
Judiciary/Court related	4,547	4,610	-	-	4,547	4,610
Interest on long-term debt	148	152	-	-	148	152
Nursing Home	-	-	11,319	10,502	11,319	10,502
Nursing Home Farm	-	-	34	58	34	58
Solid Waste Management	-	-	397	367	397	367
<b>Total expenses</b>	<b>33,757</b>	<b>34,175</b>	<b>11,750</b>	<b>10,927</b>	<b>45,507</b>	<b>45,102</b>
Increase (decrease) in net assets before transfers	771	(16)	1,126	1,079	1,897	1,063
Transfers	-	-	-	-	-	-
<b>Increase in net assets</b>	<b>771</b>	<b>(16)</b>	<b>1,126</b>	<b>1,079</b>	<b>1,897</b>	<b>1,063</b>
Net assets - 12/01/08	29,121	29,137	2,463	1,384	31,584	30,521
Net assets - 11/30/09	\$29,892	\$29,121	\$ 3,589	\$ 2,463	\$ 33,481	\$31,584

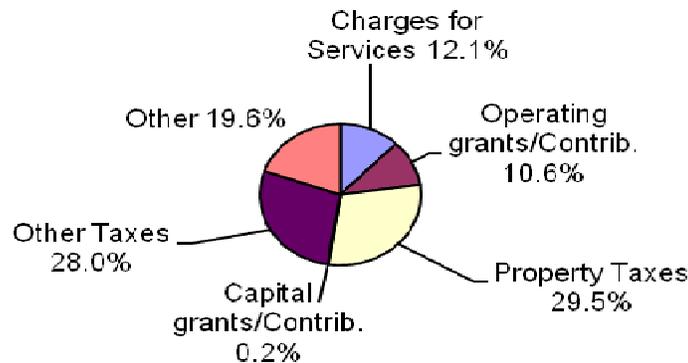
**Governmental activities.** Governmental activities precipitated an increase in Vermilion County's net assets by \$771,758. Noteworthy issues are as follows:

- Funds Restricted for Capital Projects experienced a decrease in net assets of \$199,536. This is largely comprised of work completed at the Courthouse Annex building including air conditioning, elevator reparation and a new entrance to the building, with a combined cost of more than \$137,000.
- Net Assets in the FICA Fund were reclassified from Unrestricted to a restricted status. The amount for FICA that was reclassified was \$1,110,073. There was no change in the total Net Assets as a result of this reclassification, just changes in the lines titled Unrestricted and Reserved for Retirement Fund.
- Net Assets Reserved for Retirement includes FICA Fund and IMRF Fund. While the state controlled IMRF program experienced excessive losses in 2009, the County has made a conscious effort to fund the employee's promised retirement benefits; thus, the fund balance of the IMRF Fund increased \$213,734 this fiscal year.
- Internal Service Funds are used to finance goods or services between funds. Examples of expenses that would utilize this category are insurance for Worker's Compensation, Liability, Health and Unemployment. The County pays the initial invoice(s) and then bills the individual fund for its portion of the expense. One of management's goals has been to isolate the expenses associated with a particular function to better identify the cost of the service. In total, the Internal Service Fund experienced an increase in net assets of \$111,936; \$100,000 of this increase was a receivable of Corporate Replacement tax to the General Liability Fund, received in March 2010.
- Governmental activities include general government, judiciary and court related, public safety, public health, transportation and interest on long term debt. Expenses for governmental activities were \$418,179 less in fiscal year 08/09 as compared with fiscal year 07/08. In specific, the General Fund expenditures were \$458,557 less as compared to the prior year. This is a result of the commitment of the department heads and elected officials to reduce expenditures rather than increase taxes.
- The 08/09 budgeted revenue figure for Corporate Replacement Tax paid to Vermilion County was \$1,450,000. The audit reports that Vermilion County actually received \$1,002,191 from the state. In comparison to the prior year's receipts, this is a reduction of \$466,289. State Sales Tax dollars collected in 08/09 are down just more than \$490,000 as compared to those collected in the 07/08 fiscal year. Additionally, State Income Tax Allocation is down \$195,000 from the prior year. In summary, these three revenue lines reveal a reduction in state payments to Vermilion County of almost \$1,152,000 as compared to the prior year.
- Positive contributors to the almost \$772,000 increase in Net Assets of governmental activities as compared to the prior year were: Charges for Services, up \$707,767; Operating Grants, increased \$309,244 and Capital Grants up slightly more than \$26,000. These program revenues total an increase of just over \$1 million compared to the prior year. Once again, this is a result of dedicated department heads and elected officials and their efforts to find alternatives to funding, other than increasing property taxes.

Noncurrent liabilities, which includes accumulated paid time off, other post employment benefit obligations (OPEB), and bond payments associated with the County jail and Juvenile Detention Center, showed a decrease of just more than \$26,000. This positively affects the net assets of Vermilion County. This decrease would have been more substantial but a new GAAP requirement, GASB Statement No. 45, required the County to estimate and record anticipated expenditures associated with retiree's health insurance benefits, OPEB. This obligation caused an increase of \$83,686 in Vermilion County's noncurrent obligations for 2009.

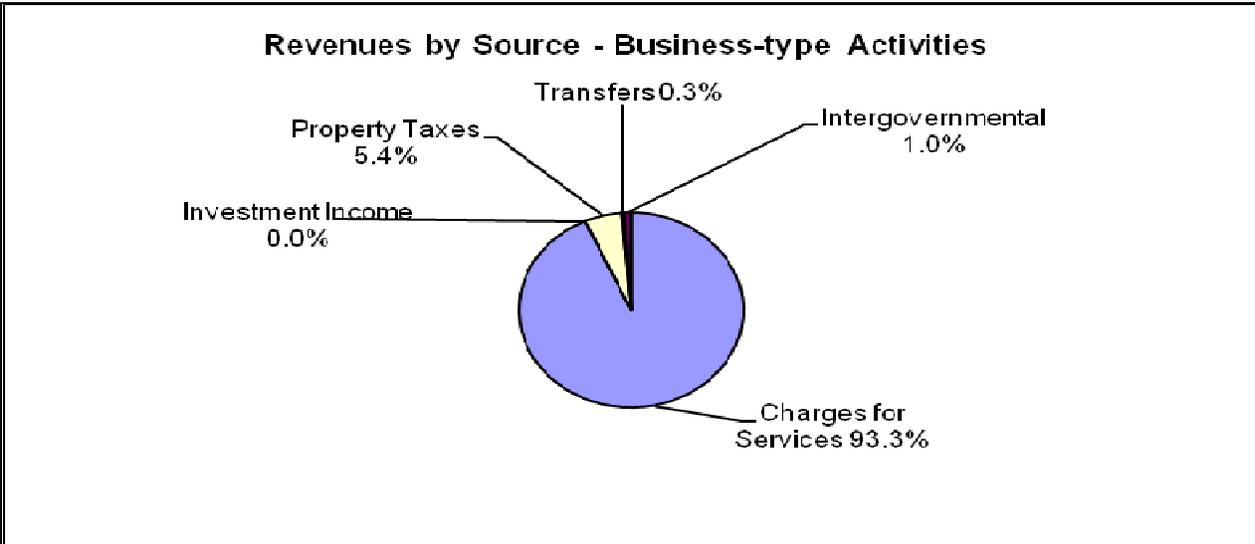
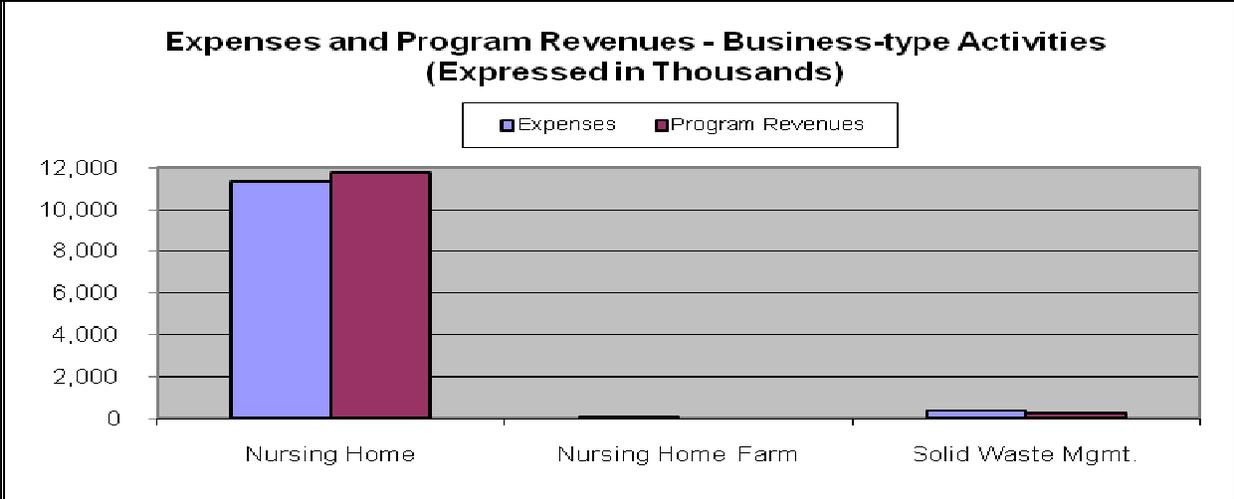


### Revenues by Source - Governmental Activities



**Business-type activities.** Business-type activities increased Vermilion County's net assets by approximately \$1.125 million, accounting for most of the total growth in the government's net assets of just over \$1.897 million. Key elements of this increase are as follows:

- Charges for services for business-type activities were \$788,354 higher (7% increase) for the current fiscal year. The Nursing Home reported an increase of almost \$1,080,000 while Solid Waste Management experienced a reduction of just more than \$291,000.
- The Management Team of the Vermilion Manor Nursing Home has just completed their second consecutive year of healthy fiscal growth. The primary source of revenue and expenditures continues to be patient census numbers. The patient days increased 10% in fiscal year 2009 to 57,362; the corresponding Medicare days increased 15.8% to 8,275 and the insurance days experienced an increase of 211.2%, to 1,142. It should be noted that the highest reimbursement comes from Medicare days. While operating revenues increased 10%, the Management Team effectively controlled the associated operating expenditures, which increased only 7.75%; thus, the operating income was \$492,984. When the non operating revenue items such as taxes and interest are included, the Vermilion Manor Nursing Home experienced an increase in net assets of \$1,167,408.
- The reduction of \$291,466 for Solid Waste Fund charges for services is a result of state level fee exemptions on tipping charges imposed at local landfills. As the exempted tonnage increased, the revenue from the tipping charges dropped more than 52% from the prior year. Additionally, the expenses for the Solid Waste fund were \$397,563; this was up almost \$31,000, more than 8%, from the prior year as a result of increased utilization of the recycling program. These factors combined for a \$41,879 reduction in net assets of Other Enterprise Funds. Noting that the recycling program was no longer economically feasible in Vermilion County, the Board of Health voted to terminate it effective October 31, 2009.



**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 \$32.422 million, an increase of slightly more than \$413,000 in comparison with the prior year. Approximately 64% of this total (\$20.68 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion; roughly \$8.562 million is *available for spending* at the general government's discretion and \$12.118 million available for Special Revenue Funds for purposes such as public safety. 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 (\$179,000), 2) to road projects (\$4.7 million), 3) for public safety (\$4.2 million), 4) employee retirement funding (\$2.2 million), and 5) for a variety of other restricted purposes (\$473,000).

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 \$8,562,161, which represents 72.7% of the total annual General Fund expenditures of \$11,782,971. The prior fiscal year had a fund balance to expenditure ratio of 65.8%. This increase in ratio is due to the reduction in actual annual General Fund expenditures from fiscal year 2008 to fiscal year 2009 of \$458,557.

The Fund Balance of Vermilion County's General Fund increased by approximately \$507,000 during the current fiscal year. The original fiscal year 2009 General Fund budget called for a deficit of \$505,086; as budget amendments occurred during the year, the final General Fund budget projected a deficit of \$651,458. The General Fund actually experienced an increase in Fund Balance of \$506,835, to a total of \$8,562,161. This is a positive budget variance of \$1,158,293. Although the actual annual revenue was almost \$400,000 less than budgeted, the primary reason for this positive variance was because the department heads and elected officials worked diligently to bring the actual annual expenses in almost \$1.55 million less than budgeted annual expenses.

The reason that the General Fund revenue fell short by almost \$400,000 was due to the Internal County Service line under the Charges for Services revenue category. In both the original and final General Fund revenue budget, there was a required entry of \$1,300,000 that directly correlates to an expenditure in the Nursing Home Fund. This was a mandate by the State of Illinois that this is presented in this manner. It functions as a pass through line for Federal reimbursement dollars that are submitted to the state for Medicare payments. Any dollars that are deposited into that revenue line are directly paid to the State of Illinois and are thus, not true revenue, even though this procedure for recordation was required by the state. Therefore, actual revenues do not include the \$1,300,000 although the original and final budgets did. Hence, this caused a negative budget variance for revenues. The 2009 – 2010 fiscal year budget also includes this mandated revenue entry, totaling \$2,450,000; however, both the County auditor and the independent auditors feel it will not be required when preparing the 2010 – 2011 fiscal year budget.

If one were to disregard the Internal County Service revenue from the final budgeted numbers, the actual revenue received would have been approximately \$903,000 higher than revenue budgeted. The additional \$903,000 in revenue received over budgeted was comprised of multiple factors. Those worthy of mention, both higher and lower, as they compare to the budgeted revenue are: State Sales tax, down almost \$115,000; State Income Tax, under by \$240,000; Corporate Replacement Tax, up \$562,000; State Salary Reimbursements, over by \$103,000; actual Charges for Services exceeded budget by approximately \$218,000; Fines and Forfeitures were \$147,000 in excess of budget; and Miscellaneous income was \$242,000 over budgeted revenue.

As previously mentioned, the actual General Fund expenditures were \$1.55 million less than final budgeted expenditures for the current fiscal year. The County offices that superbly managed their annual expenditures by spending less than budgeted are as follows: County Board, under by almost \$81,000; County Clerk, spent \$237,151 less than budgeted (due to a reimbursement grant received late in the year); Employee Benefits, under budget by almost \$121,000; Building and Grounds returned approximately \$105,000 to the General Fund; Judiciary and Court related offices spent almost \$230,000 less than budgeted; and the Public Safety budgets returned just more than \$220,000 of unspent funds. The combination of conservative budgeting of revenue and excellent control of expenditures resulted in a fiscal year that increased the fund balance of the General Fund.

The County Board membership continued the endeavor to keep property tax rates from increasing; thus, alternative funding methods have been vigorously sought out to achieve this.

To that end, the County tax rate per \$100 of assessed valuation, excluding drainage districts, were as follows: fiscal year 2007, \$1.45; fiscal year 2008, \$1.37; fiscal year 2009, \$1.33. Additionally, the Board members felt it would be more prudent to utilize a portion of the existing fund balance instead of raising the property taxes; hence, the 08/09 original budget anticipated a General Fund deficit of \$505,086. Again, with higher than anticipated revenues, and fiscally responsible department heads and elected officials, the fund balance of the General Fund increased slightly more than 6%.

The Public Safety Building Rent fund has a total fund balance of \$7.3 million, all of which is reserved for expenses related to public safety. This fund balance is 108% of the annual expenditures of the current fiscal year. The net increase in fund balance during the current year was approximately \$648,000, primarily a result of a refund from the Danville Public Building Commission, received in May of 2009, to correct an overpayment. A future budgetary goal of this fund is to remain self sustaining while neither increasing nor decreasing the fund balance.

*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 \$2.1 million, an increase of almost \$1.3 million; the other enterprise funds had unrestricted assets of \$428,000, a reduction of just under \$39,000. 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**

The General Fund was budgeted to have a deficit of \$505,086 for Fiscal Year 2008 - 2009. Throughout the budget year, grants were received that increased revenue by almost \$270,000, of which approximately \$241,000 was appropriated for expenditures and \$29,000 returned to Fund Balance. The County Clerk and Election Commission sought out and received approximately \$216,000 and \$31,000, respectively, for election expenses. Technology Services received a grant for \$9,800 for updates to the voter system. Building and Grounds locked in a grant for \$8,300 for energy conservation. Lastly, the Coroner received a grant for just over \$4,400.

Expense appropriations for the General Fund increased almost \$416,000 throughout the budget year. Of this increase, approximately \$241,000 (58%) was funded by grant dollars and \$175,000 (42%) by fund balance. Some of the major expenditures that required the use of fund balance were:

- \$75,000 for Sheriff's vehicles due to adding two deputies.
- \$50,000 for autopsies, Coroner's office.
- \$19,244 State's Attorney expenses for state mandated salary and office expenses.
- \$18,904 Public Defender's expenses for state mandated salary, reference books and expert testimony.

Upon completion of the 2008 – 2009 Fiscal Year, the General Fund had a budgeted deficit of \$651,458; this was comprised of the original budgeted deficit of \$505,086 plus the additional necessary use of fund balance totaling \$175,358 less the grant money that was returned to Fund Balance of \$28,986. The Fund Balance for the General Fund actually increased \$506,835 for the fiscal year. Thus, the favorable variance from final budgeted to actual was \$1.16 million.

### Capital Asset and Debt Administration

**Capital assets.** Vermilion County's investment in capital assets for its business-type activities as of November 30, 2009, amounted to almost \$1.061 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 10.9%; the driving factor in this reduction was the increase in accumulated depreciation of \$180,992.

#### Vermilion County's Capital Assets (Net of depreciation)

	Business-type activities	
	2009	2008
Land	\$ 1,000	\$ 1,000
Buildings	5,591,471	5,591,471
Transportation equipment	71,712	66,067
Recycling equipment	96,610	96,610
Other equipment	1,214,832	1,169,022
<b>Total</b>	<b>6,975,625</b>	<b>6,924,170</b>
Less: Accumulated depreciation	5,914,826	5,733,834
<b>Net capital assets</b>	<b>\$1,060,799</b>	<b>\$ 1,190,336</b>

Additional information on Vermilion County's capital assets for business-type activities can be found in Note 10 on pages 46 – 47 of this report.

**Long-term debt.** At the end of the current fiscal year, Vermilion County had total long-term obligations of \$3,883,024. This was comprised of obligations under the capital lease agreement associated with the Danville Public Building Commission’s bond issue for the Juvenile Detention Center and the addition to the Public Safety Building, accumulated paid time off and a new liability required as a result of GASB Statement No. 45 in which an estimate must be made for postemployment benefits other than pensions; specifically, the new liability is an estimation regarding health insurance benefits for current and future retirees of Vermilion County. The outstanding bonds for the Juvenile Detention Center and addition to the Public Safety Building are not in Vermilion County’s name.

**Vermilion County's Outstanding Debt  
Non Current Liabilities**

	<b>Governmental activities</b>	
	<b>2009</b>	<b>2008</b>
Accumulated paid time off	\$ 159,748	\$ 148,771
Postemployment obligations	83,686	-
Bond obligations	3,639,590	3,756,590
<b>Total</b>	<b>\$3,883,024</b>	<b>\$3,905,361</b>

Vermilion County’s total long term debt decreased by \$22,337 (0.57%) during the current fiscal year even with a new liability of \$83,686 for postemployment obligations. Accumulated paid time off increased by \$10,977 as a result of the value of a day worked by long term employees increases. However, it is expected that this obligation will decrease in the near future as long term employees retire. Bond obligations experienced a decrease of \$117,000 due to the annual bond payments to the Danville Public Building Commission.

Additional information on Vermilion County’s long-term debt can be found in Note 5 on pages 39 – 40 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for Vermilion County was 11.7% as of the close of the current Fiscal Year; this was an increase from a rate of 9.0% a year ago. This information is from the IDES website. This compares unfavorably to the state's average unemployment rate of 10.4% (IDES website), and the national average rate of 10.0% (Bureau of Labor Statistics).
- Although the 2009 – 2010 Budget showed a decrease in the estimated overall extended tax rate, 08/09 at 1.39677% and 09/10 at 1.39436%, the actual extended rate increased from 1.3313% to 1.34150%. While the County Board and Elected Officials have been diligent in their efforts to reduce the property tax rates, the actual rate went up due to the Assessed Valuation decreasing in 09/10. As the national housing market experienced a decline in housing values, the trend affected Vermilion County as well. The Assessed Valuation at 08/09 and 09/10 were \$876,345,741 and \$868,168,785, respectively, a decrease of \$8,176,956. The last time that Vermilion County experienced a reduction in Actual Assessed Valuation was fiscal year 05/06. We are hopeful that this trend will reverse, allowing property values to increase and tax rates to decrease.
- The General Fund has a planned budget surplus of \$268,789 for the 2009 – 2010 budget year. The County Board office has continued its efforts to assign expenses to the various funds and departments that create them. In that light, many departments are able to fund their own expenses, thus taking some of the financial burden off of the General Fund.
- A top priority for the County Board is to keep the property tax rates as low as possible; however, there are serious concerns about future funding sources. The State of Illinois' inability to pay its bills has caused Vermilion County to drastically reduce the staff and business hours at the Health Department, as their primary source of funding is state grants. The state has also been very slow to reimburse salary expenses, as was promised, for offices such as Probation, Juvenile Detention, State's Attorney, Public Defender and Supervisor of Assessments.

All of these factors were considered in preparing Vermilion County's budget for the 2009 – 2010 fiscal year; hence, the primary goal in preparing that budget was to not increase the County property tax rate.

## **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 Financial Resources Director, 6 N. Vermilion St., Vermilion County, Danville, IL 61832.

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF NET ASSETS**  
November 30, 2009

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<b>CURRENT ASSETS</b>			
Cash	\$ 6,275,279	\$ 3,099,420	\$ 9,374,699
Investments	18,267,867	61,033	18,328,900
Receivables, net	791,045	2,073,161	2,864,206
Taxes receivable	10,803,488	-	10,803,488
Accrued interest	23,347	-	23,347
Prepaid items	4,517,068	-	4,517,068
Receivable from external parties	2,494,178	-	2,494,178
Internal balances	998,946	(998,946)	-
Due from other governments	3,677,019	-	3,677,019
	<u>47,848,237</u>	<u>4,234,668</u>	<u>52,082,905</u>
Total current assets			
<b>NONCURRENT ASSETS</b>			
Capital assets:			
Land	-	1,000	1,000
Buildings	-	5,591,471	5,591,471
Transportation equipment	-	71,712	71,712
Recycling equipment	-	96,610	96,610
Other equipment	-	1,214,832	1,214,832
Total, at cost	-	6,975,625	6,975,625
Less accumulated depreciation	-	5,914,826	5,914,826
	<u>-</u>	<u>1,060,799</u>	<u>1,060,799</u>
Total noncurrent assets			
<b>TOTAL ASSETS</b>	<u>\$ 47,848,237</u>	<u>\$ 5,295,467</u>	<u>\$ 53,143,704</u>
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 2,400,173	\$ 818,376	\$ 3,218,549
Accrued payroll	543,239	195,466	738,705
Due to others	157,450	-	157,450
Deferred revenue	10,971,994	692,778	11,664,772
Current portion of lease obligations	120,900	-	120,900
	<u>14,193,756</u>	<u>1,706,620</u>	<u>15,900,376</u>
Total current liabilities			
<b>NONCURRENT LIABILITIES</b>			
Accumulated paid time off	159,748	-	159,748
Other postemployment obligation	83,686	-	83,686
Noncurrent portion of lease obligations	3,518,690	-	3,518,690
	<u>3,762,124</u>	<u>-</u>	<u>3,762,124</u>
Total noncurrent liabilities			
Total liabilities	<u>17,955,880</u>	<u>1,706,620</u>	<u>19,662,500</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of obligations	-	1,060,799	1,060,799
Restricted for capital projects	178,855	-	178,855
Restricted for road projects	4,703,316	-	4,703,316
Restricted for Public Safety			
Building Rent	4,200,719	-	4,200,719
Reserved for retirement	2,186,349	-	2,186,349
Restricted for election	45,869	-	45,869
Restricted for working cash	294,445	-	294,445
Restricted for Regional			
Superintendent of Schools	132,274	-	132,274
Unrestricted	18,150,530	2,528,048	20,678,578
	<u>29,892,357</u>	<u>3,588,847</u>	<u>33,481,204</u>
Total net assets			
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 47,848,237</u>	<u>\$ 5,295,467</u>	<u>\$ 53,143,704</u>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**Year Ended November 30, 2009**

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Assets</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>PROGRAMS</b>							
<b>Governmental activities:</b>							
General government	\$ (6,047,934)	\$ 1,431,542	\$ 46,758	\$ -	\$ (4,569,634)	\$ -	\$ (4,569,634)
Judiciary and court related	(4,547,356)	1,803,598	-	-	(2,743,758)	-	(2,743,758)
Public safety	(12,545,808)	634,004	533,824	-	(11,377,980)	-	(11,377,980)
Public health	(4,052,078)	323,508	2,689,832	64,739	(973,999)	-	(973,999)
Transportation	(6,416,024)	-	386,519	-	(6,029,505)	-	(6,029,505)
Interest on long-term debt	(147,539)	-	-	-	(147,539)	-	(147,539)
	<u>(33,756,739)</u>	<u>4,192,652</u>	<u>3,656,933</u>	<u>64,739</u>	<u>(25,842,415)</u>	<u>-</u>	<u>(25,842,415)</u>
<b>Business-Type activities:</b>							
Nursing Home	(11,318,951)	11,748,717	-	-	-	429,766	429,766
Nursing Home Farm	(34,032)	-	-	-	-	(34,032)	(34,032)
Solid Waste Management	(397,563)	265,549	-	-	-	(132,014)	(132,014)
	<u>(11,750,546)</u>	<u>12,014,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,720</u>	<u>263,720</u>
<b>TOTAL</b>	<u>\$ (45,507,285)</u>	<u>\$ 16,206,918</u>	<u>\$ 3,656,933</u>	<u>\$ 64,739</u>	<u>(25,842,415)</u>	<u>263,720</u>	<u>(25,578,695)</u>

**GENERAL REVENUES**

Property taxes	\$ 10,195,028	\$ 692,703	\$ 10,887,731
Corporate personal property replacement taxes	1,002,191	-	1,002,191
State sales taxes	3,021,726	-	3,021,726
State income tax allocation	2,132,378	-	2,132,378
Hotel, restaurant and amusement taxes	3,834	-	3,834
Local motor fuel taxes	3,456,611	-	3,456,611
Inheritance taxes	39,642	-	39,642
Interest/investment income	370,932	5,981	376,913
Intergovernmental revenues	5,441,943	125,278	5,567,221
Miscellaneous	987,735	-	987,735
Transfers	<u>(37,847)</u>	<u>37,847</u>	<u>-</u>
Total general revenues and transfers	<u>26,614,173</u>	<u>861,809</u>	<u>27,475,982</u>
Change in net assets	771,758	1,125,529	1,897,287
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>29,120,599</u>	<u>2,463,318</u>	<u>31,583,917</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 29,892,357</u>	<u>\$ 3,588,847</u>	<u>\$ 33,481,204</u>

**VERMILION COUNTY, ILLINOIS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**November 30, 2009**

	<u>Major Special Revenue Funds</u>				<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Public Safety Building Rent</u>	<u>Illinois Municipal Retirement</u>			
<b>ASSETS</b>						
Cash	\$ 160,003	\$ 207,793	\$ 161,465	\$ 347,384	\$ 5,058,807	\$ 5,935,452
Investments	5,485,404	2,400,000	700,000	3,655,575	5,226,888	17,467,867
Receivables:						
Taxes, net of allowance for estimated uncollectibles	1,980,000	3,731,310	1,287,000	-	3,013,178	10,011,488
Other	10,157	1,095	207	2,190	9,445	23,094
Prepaid items	-	4,200,719	-	316,349	-	4,517,068
Due from other funds	2,258,952	-	356,306	-	1,069,147	3,684,405
Due from other governments	1,464,473	682,748	-	210,408	1,319,390	3,677,019
<b>TOTAL ASSETS</b>	<u>\$ 11,358,989</u>	<u>\$ 11,223,665</u>	<u>\$ 2,504,978</u>	<u>\$ 4,531,906</u>	<u>\$ 15,696,855</u>	<u>\$ 45,316,393</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 407,918	\$ 97,800	\$ 141,702	\$ 69,967	\$ 947,738	\$ 1,665,125
Accrued payroll	408,910	46,184	-	-	88,145	543,239
Due to other funds	-	-	-	-	348,976	348,976
Due to other governments	-	-	-	-	157,450	157,450
Deferred revenue	1,980,000	3,731,310	1,287,000	-	3,181,684	10,179,994
 Total liabilities	 <u>2,796,828</u>	 <u>3,875,294</u>	 <u>1,428,702</u>	 <u>69,967</u>	 <u>4,723,993</u>	 <u>12,894,784</u>
<b>FUND BALANCE</b>						
Reserved for capital projects	-	-	-	-	178,855	178,855
Reserved for road projects	-	-	-	-	4,703,316	4,703,316
Reserved for Public Safety						
Building Rent	-	4,200,719	-	-	-	4,200,719
Reserved for retirement	-	-	1,076,276	-	1,110,073	2,186,349
Reserved for election	-	-	-	-	45,869	45,869
Reserved for working cash	-	-	-	-	294,445	294,445
Reserved for Regional Superintendent of Schools	-	-	-	-	132,274	132,274
Unreserved, reported in						
General Fund	8,562,161	-	-	-	-	8,562,161
Special Revenue Funds	-	3,147,652	-	4,461,939	4,508,030	12,117,621
 Total fund balance	 <u>8,562,161</u>	 <u>7,348,371</u>	 <u>1,076,276</u>	 <u>4,461,939</u>	 <u>10,972,862</u>	 <u>32,421,609</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 11,358,989</u>	<u>\$ 11,223,665</u>	<u>\$ 2,504,978</u>	<u>\$ 4,531,906</u>	<u>\$ 15,696,855</u>	<u>\$ 45,316,393</u>

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, 2009**

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

Fund balances-total governmental funds	\$ 32,421,609
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.	791,045
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.	562,727
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(3,883,024)</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 29,892,357</u></b>

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, 2009**

	<u>Major Special Revenue Funds</u>				<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Public Safety Building Rent</u>	<u>Illinois Municipal Retirement</u>	<u>Law Enforcement Fund</u>		
<b>REVENUES</b>						
Taxes	\$ 1,340,550	\$ 4,402,610	\$ 1,533,731	\$ 20,267	\$ 2,897,870	\$ 10,195,028
Intergovernmental	7,272,900	3,002,509	110,000	1,262,955	7,158,686	18,807,050
Licenses and permits	20,600	-	-	-	146,714	167,314
Charges for services	2,193,373	-	-	-	1,325,623	3,518,996
Fines and forfeits	496,976	-	-	-	9,366	506,342
Miscellaneous	897,750	43,157	2,946	17,852	396,962	1,358,667
	<u>12,222,149</u>	<u>7,448,276</u>	<u>1,646,677</u>	<u>1,301,074</u>	<u>11,935,221</u>	<u>34,553,397</u>
<b>EXPENDITURES</b>						
Current:						
General government	4,397,857	-	558,848	-	797,030	5,753,735
Judiciary and court related	3,366,993	-	386,894	-	793,469	4,547,356
Public safety	4,018,121	6,800,540	487,201	300,328	939,618	12,545,808
Public health	-	-	-	-	4,052,078	4,052,078
Transportation	-	-	-	-	6,416,024	6,416,024
Capital outlay	-	-	-	-	199,536	199,536
Debt service:						
Principal	-	-	-	117,000	-	117,000
Interest	-	-	-	147,539	-	147,539
	<u>11,782,971</u>	<u>6,800,540</u>	<u>1,432,943</u>	<u>564,867</u>	<u>13,197,755</u>	<u>33,779,076</u>
Excess (deficiency) of revenues over expenditures	<u>439,178</u>	<u>647,736</u>	<u>213,734</u>	<u>736,207</u>	<u>(1,262,534)</u>	<u>774,321</u>

	<u>General Fund</u>	<u>Major Special Revenue Funds</u>			<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
		<u>Public Safety Building Rent</u>	<u>Illinois Municipal Retirement</u>	<u>Law Enforcement Fund</u>		
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	\$ 295,789	\$ -	\$ -	\$ -	\$ 228,132	\$ 523,921
Operating transfers out	<u>(228,132)</u>	<u>-</u>	<u>-</u>	<u>(513,960)</u>	<u>(142,801)</u>	<u>(884,893)</u>
Total other financing sources (uses)	<u>67,657</u>	<u>-</u>	<u>-</u>	<u>(513,960)</u>	<u>85,331</u>	<u>(360,972)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	506,835	647,736	213,734	222,247	(1,177,203)	413,349
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>8,055,326</u>	<u>6,700,635</u>	<u>862,542</u>	<u>4,239,692</u>	<u>12,150,065</u>	<u>32,008,260</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 8,562,161</u>	<u>\$ 7,348,371</u>	<u>\$ 1,076,276</u>	<u>\$ 4,461,939</u>	<u>\$ 10,972,862</u>	<u>\$ 32,421,609</u>

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, 2009**

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

Net change in fund balances - total governmental funds	\$	413,349
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.		224,136
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	\$	117,000
Increase in other postemployment obligations		(83,686)
Increase in compensated absences		<u>(10,977)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities		22,337
Internal service funds are used by management to charge the costs of insurance to individual funds. The net expenditure of internal service funds is reported with governmental activities		<u>111,936</u>
<b>Change in net assets of governmental activities</b>	<b>\$</b>	<b><u>771,758</u></b>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**November 30, 2009**

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Vermilion Manor Nursing Home	Other Enterprise Funds	Total	Internal Service Fund
<b>CURRENT ASSETS</b>				
Cash	\$ 2,978,189	\$ 121,231	\$ 3,099,420	\$ 339,827
Investments	-	61,033	61,033	800,000
Receivables, net	1,813,310	259,851	2,073,161	792,000
Accrued interest	-	-	-	253
Due from other funds	-	-	-	157,695
Total current assets	<u>4,791,499</u>	<u>442,115</u>	<u>5,233,614</u>	<u>2,089,775</u>
<b>NONCURRENT ASSETS</b>				
Land	-	1,000	1,000	-
Buildings and improvements	5,572,471	19,000	5,591,471	-
Transportation equipment	71,712	-	71,712	-
Recycling equipment	-	96,610	96,610	-
Other equipment	<u>1,183,950</u>	<u>30,882</u>	<u>1,214,832</u>	<u>-</u>
Total, at cost	6,828,133	147,492	6,975,625	-
Less accumulated depreciation	<u>5,776,845</u>	<u>137,981</u>	<u>5,914,826</u>	<u>-</u>
Total noncurrent assets	<u>1,051,288</u>	<u>9,511</u>	<u>1,060,799</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 5,842,787</u>	<u>\$ 451,626</u>	<u>\$ 6,294,413</u>	<u>\$ 2,089,775</u>
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 807,327	\$ 11,049	\$ 818,376	\$ 735,048
Accrued payroll	192,458	3,008	195,466	-
Due to other funds	998,946	-	998,946	-
Deferred revenue	<u>692,778</u>	<u>-</u>	<u>692,778</u>	<u>792,000</u>
Total current liabilities	<u>2,691,509</u>	<u>14,057</u>	<u>2,705,566</u>	<u>1,527,048</u>
<b>NET ASSETS</b>				
Invested in capital assets	1,051,288	9,511	1,060,799	-
Unrestricted net assets	<u>2,099,990</u>	<u>428,058</u>	<u>2,528,048</u>	<u>562,727</u>
Total net assets	<u>3,151,278</u>	<u>437,569</u>	<u>3,588,847</u>	<u>562,727</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 5,842,787</u>	<u>\$ 451,626</u>	<u>\$ 6,294,413</u>	<u>\$ 2,089,775</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, 2009**

	<b>Business-Type Activities</b>			<b>Governmental Activities - Internal Service Fund</b>
	<b>Enterprise Funds</b>			
	<b>Vermilion Manor Nursing Home</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 11,748,717	\$ 263,799	\$ 12,012,516	\$ 1,471,519
Fines and forfeits	-	1,750	1,750	-
Miscellaneous	39,457	85,821	125,278	-
Total operating revenues	<u>11,788,174</u>	<u>351,370</u>	<u>12,139,544</u>	<u>1,471,519</u>
<b>OPERATING EXPENSES</b>				
Personnel services	5,999,389	172,954	6,172,343	2,332,534
Supplies and materials	616,916	3,952	620,868	-
Other services and charges	37,241	46,465	83,706	-
Contractual services	4,437,511	205,288	4,642,799	-
Capital outlay	6,908	-	6,908	-
Depreciation	197,225	2,936	200,161	-
Total operating expenses	<u>11,295,190</u>	<u>431,595</u>	<u>11,726,785</u>	<u>2,332,534</u>
Operating income (loss)	<u>492,984</u>	<u>(80,225)</u>	<u>412,759</u>	<u>(861,015)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Taxes	692,703	-	692,703	643,311
Interest income	5,482	499	5,981	6,515
Interest expense	(23,761)	-	(23,761)	-
Total non-operating revenues	<u>674,424</u>	<u>499</u>	<u>674,923</u>	<u>649,826</u>
Income (loss) before transfers	<u>1,167,408</u>	<u>(79,726)</u>	<u>1,087,682</u>	<u>(211,189)</u>
<b>OPERATING TRANSFERS</b>				
Operating transfers in	-	37,847	37,847	323,125
Operating transfers out	-	-	-	-
Total operating transfers	<u>-</u>	<u>37,847</u>	<u>37,847</u>	<u>323,125</u>
<b>CHANGE IN NET ASSETS</b>	<u>1,167,408</u>	<u>(41,879)</u>	<u>1,125,529</u>	<u>111,936</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>1,983,870</u>	<u>479,448</u>	<u>2,463,318</u>	<u>450,791</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 3,151,278</u>	<u>\$ 437,569</u>	<u>\$ 3,588,847</u>	<u>\$ 562,727</u>

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, 2009**

	<b>Business-Type Activities</b>			<b>Governmental</b>
	<b>Vermilion Manor</b>	<b>Other Enterprise</b>	<b>Total</b>	<b>Internal Service</b>
	<b>Nursing Home</b>	<b>Funds</b>		<b>Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers				
including cash deposits	\$ 12,146,203	\$ 378,120	\$ 12,524,323	\$ 1,471,519
Cash paid to suppliers and for claims	(5,112,451)	(264,024)	(5,376,475)	(2,439,733)
Cash paid to employees	(5,988,930)	(180,964)	(6,169,894)	-
Cash received from (paid to) other funds	(288,618)	-	(288,618)	(100,000)
	<u>756,204</u>	<u>(66,868)</u>	<u>689,336</u>	<u>(1,068,214)</u>
Net cash provided by (used in) operating activities				
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash received for property taxes	692,703	-	692,703	643,311
Cash paid for interest	(23,761)	-	(23,761)	-
Cash transfers from (to) other funds	-	37,847	37,847	323,125
	<u>668,942</u>	<u>37,847</u>	<u>706,789</u>	<u>966,436</u>
Net cash provided by noncapital financing activities				
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property and equipment	(70,623)	-	(70,623)	-
	<u>(70,623)</u>	<u>-</u>	<u>(70,623)</u>	<u>-</u>
Net cash provided by investing activities				
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of investments	-	-	-	-
Interest received	5,482	622	6,104	8,222
Proceeds from sale of investments	-	48,400	48,400	-
	<u>5,482</u>	<u>49,022</u>	<u>54,504</u>	<u>8,222</u>
Net cash provided by investing activities				
<b>NET INCREASE (DECREASE) IN CASH</b>	1,360,005	20,001	1,380,006	(93,556)
<b>CASH, BEGINNING OF YEAR</b>	1,618,184	101,230	1,719,414	433,383
<b>CASH, END OF YEAR</b>	<u>\$ 2,978,189</u>	<u>\$ 121,231</u>	<u>\$ 3,099,420</u>	<u>\$ 339,827</u>

	<b>Business-Type Activities Enterprise Funds</b>			<b>Governmental Activities</b>
	<b>Vermilion Manor Nursing Home</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 492,984	\$ (80,225)	\$ 412,759	\$ (861,015)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	197,225	2,936	200,161	-
Effects of changes in operating assets and liabilities:				
Receivables	358,029	26,750	384,779	-
Accounts payable and accrued payroll	(3,416)	(16,329)	(19,745)	(107,199)
Due to other funds	(288,618)	-	(288,618)	(100,000)
Deferred revenue	-	-	-	-
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ 756,204</u>	<u>\$ (66,868)</u>	<u>\$ 689,336</u>	<u>\$ (1,068,214)</u>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**November 30, 2009**

		<u>Agency Funds</u>
Cash	\$	11,476,778
Investments		497,000
Receivables:		
Taxes, net of allowance for estimated uncollectibles		1,457,493
Accrued interest		89
Due from other funds		37,741
Inventory		<u>13,074</u>
 <b>TOTAL ASSETS</b>	 \$	 <u><u>13,482,175</u></u>
 Accounts payable	 \$	 455,540
Due to other funds		2,531,919
Due to other governments		462,047
Due to others		4,953,079
Due to taxing bodies		<u>5,079,590</u>
 <b>TOTAL LIABILITIES</b>	 \$	 <u><u>13,482,175</u></u>

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

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**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 is 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, 2009**

**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 the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days of the end of the current fiscal year. 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.

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

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

**Law Enforcement Fund** - This fund is used to collect and disburse funds for the Public Safety Building expansion and Juvenile Detention Center.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**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, 2009**

**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; 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, 2009**

**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 required 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, 2009 was \$1.67 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.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**PROPERTY TAXES (Continued)**

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.

Based on collection histories, the County has provided at November 30, 2009 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 paid time off (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.

**ADOPTION OF NEW ACCOUNTING STANDARD**

As further described in Note 13, effective December 1, 2008, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement requires a systematic, accrual basis measurement and recognition of other postemployment benefit (OPEB) expense over a period that approximates employees' years of service. The Statement also requires disclosure of information about actuarial accrued liabilities associated with OPEB and progress being made in funding the plan.

**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 \$35,513,884 and the respective bank balances totaled \$35,395,610. Included in the carrying amount of the County's bank deposits are certificates of deposits totaling \$16,402,801. Also included in the County's carrying amount of bank deposits are money market funds totaling \$70,745.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**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, 2009, mature within one year.

**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%. As of November 30, 2009, the County’s deposits were not fully collateralized and therefore subject to custodial risk.

**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 105% over FDIC and FSLIC \$250,000 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 \$3,236,098 at November 30, 2009.

In addition to the above, the County had \$927,395 invested in certificates of deposits through financial services brokers.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**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.

**NOTE 4 – INTERFUND ACTIVITY**

Individual fund interfund receivable and payable (due to/due from other funds) at November 30, 2009 were as follows:

<b>Fund</b>	<b><u>Interfund Receivable</u></b>	<b><u>Interfund Payable</u></b>
General Fund	\$ 2,258,952	\$ -
Special Revenue Funds:		
Health Department	108	300,000
Court Security	-	16,410
Indemnity	24,040	-
County Clerk Vital Records	1,018	-
FICA	967,286	-
Illinois Municipal Retirement	356,306	-
Court Support	7,203	-
Capital Projects	-	15,682
Court Document Storage	12,245	-
Courthouse Automation	11,929	-
Recorder's Special Fee	3,973	-
Law Library	3,780	6,869
Probation Service	15,545	-
Treasurer's Automation	12,020	-
Animal Control	-	15
County Bridge	10,000	-
Township Motor Fuel	-	10,000
Total special revenue funds	<u>1,425,453</u>	<u>348,976</u>
Enterprise Funds:		
Nursing Home	-	998,946
Internal Service	<u>157,695</u>	-
Agency Funds:		
Restitution	9,654	10,552
County Collector	-	2,053,059
County Clerk	4,808	6,267
Circuit Clerk	-	187,579
Recorder	-	20,461
Work Release	-	4,001
Treasurer's Account	23,279	-
Payroll Clearing	-	250,000
Total agency funds	<u>37,741</u>	<u>2,531,919</u>
<b>TOTAL</b>	<b><u>\$3,879,841</u></b>	<b><u>\$3,879,841</u></b>

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 4 – INTERFUND ACTIVITY (CONTINUED)**

The amounts due to/from other funds are for routine and recurring interfund charges. These amounts are expected to be repaid within one year.

Interfund transfers for the year ended November 30, 2009 consisted of the following:

<b>Transfers to General Fund from:</b>	
Non-major governmental funds	<u>\$ 104,954</u>
<b>Transfers to General Fund from:</b>	
Law Enforcement Fund	<u>\$ 190,835</u>
<b>Transfers to Non-major Governmental Funds from:</b>	
General Fund	<u>\$ 228,132</u>
<b>Transfers to Internal Service Funds from:</b>	
Law Enforcement Fund	<u>\$ 323,125</u>
<b>Transfers to Other Enterprise Funds from:</b>	
Health Department Fund	<u>\$ 37,847</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, 2009 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, 2009 are as follows:

	<b>Balance November 30, <u>2008</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b>Balance November 30, <u>2009</u></b>
Accumulated paid time off	\$ 148,771	\$ 15,434	\$ 4,457	\$ 159,748
Other postemployment benefits	-	83,686	-	83,686
Juvenile Detention Center lease	<u>3,756,590</u>	<u>-</u>	<u>117,000</u>	<u>3,639,590</u>
<b>TOTAL</b>	<u>\$ 3,905,361</u>	<u>\$ 99,120</u>	<u>\$ 121,457</u>	<u>\$ 3,883,024</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.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 5 – GENERAL LONG-TERM DEBT (CONTINUED)**

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.

\$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>
2010	\$ 263,681	\$ 120,900	\$ 142,781
2011	262,667	124,800	137,867
2012	261,497	128,700	132,797
2013	263,993	136,500	127,493
2014	262,355	140,400	121,955
2015-2019	1,315,368	795,600	519,768
2020-2024	1,774,689	1,466,400	308,289
Thereafter	<u>756,352</u>	<u>726,290</u>	<u>30,062</u>
<b>TOTAL</b>	<b><u>\$5,160,602</u></b>	<b><u>\$3,639,590</u></b>	<b><u>\$ 1,521,012</u></b>

Interest cost incurred on general long-term debt by the County during the year ended November 30, 2009 totaled \$147,539.

**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 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, 2009**

**NOTE 6 – LEASE AGREEMENTS (CONTINUED)**

**Public Safety Building lease (Continued)**

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:

<u>Fiscal Year</u>	
2010	\$ 4,582,603
2011	4,720,081

Lease expense for the year ended November 30, 2009 was \$4,460,253.

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND**

**Defined Benefit Pension Plan - Other Qualified Vermilion County Employees**

*Plan Description.* The County's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The County's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the County Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's contribution rate for calendar year 2008 was 8.16 percent of annual covered payroll. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For 2008 the County's annual pension cost of \$1,278,438 for the Regular plan was equal to the County's required and actual contributions.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2009**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

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

**THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN**

<b>Fiscal Year <u>Ending</u></b>	<b>Annual Pension <u>Cost (APC)</u></b>	<b>Percentage of APC <u>Contributed</u></b>	<b>Net Pension <u>Obligation</u></b>
12/31/08	\$ 1,278,438	100%	\$ -
12/31/07	1,258,526	100%	-
12/31/06	1,309,910	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included (a) 7.5 percent investment rate of return (net of administrative and direct investment 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 the County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Regular plan's overfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006 was 24 years.

*Funded Status and Funding Progress.* As of December 31, 2008, the most recent actuarial valuation date, the Regular plan was 88.00 percent funded. The actuarial accrued liability for benefits was \$31,711,617 and the actuarial value of assets was \$27,905,712, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,805,905. The covered payroll (annual payroll of active employees covered by the plan) was \$15,667,136 the ratio of the UAAL to the covered payroll was 24 percent.

The schedule of funding progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Defined Benefit Pension Plan – Sheriff's Law Enforcement Personnel**

*Plan Description.* The County's defined benefit pension plan for Sheriff's Law Enforcement Personnel employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The County's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2009**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

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

*Funding Policy.* As set by statute, the County Sheriff’s Law Enforcement Personnel plan members are required to contribute 7.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County’s contribution rate for calendar year 2008 was 16.48 percent of annual covered payroll. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For 2008 the County’s annual pension cost of \$290,984 for the Sheriff’s Law Enforcement Personnel plan was equal to the County’s required and actual contributions.

**THREE-YEAR TREND INFORMATION FOR THE SHERIFF’S  
LAW ENFORCEMENT PERSONNEL PLAN**

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/08	\$ 290,984	100%	\$ -
12/31/07	234,470	100%	-
12/31/06	262,735	100%	-

The required contribution for 2008 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included (a) 7.5 percent investment rate of return (net of administrative and direct investment 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 the County Sheriff’s Law Enforcement Personnel plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Sheriff’s Law Enforcement Personnel plan’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006 was 24 years.

*Funded Status and Funding Progress.* As of December 31, 2008, the most recent actuarial valuation date, the Sheriff’s Law Enforcement Personnel plan was 73.04 percent funded. The actuarial accrued liability for benefits was \$7,028,816 and the actuarial value of assets was \$5,133,837, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,894,979. The covered payroll (annual payroll of active employees covered by the plan) was \$1,765,682 and the ratio of the UAAL to the covered payroll was 107 percent.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

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

The schedule of funding progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Defined Benefit Pension Plan – Elected County Officials**

*Plan Description.* The County’s defined benefit pension plan for Elected County Official employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The County’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the County Elected County Official plan members are required to contribute 7.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County’s contribution rate for calendar year 2008 was 44.06 percent of annual covered payroll. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For 2008 the County’s annual pension cost of \$381,606 for the Elected County Official plan was equal to the County’s required and actual contributions.

**THREE-YEAR TREND INFORMATION FOR THE ELECTED  
COUNTY OFFICIAL PLAN**

<b><u>Fiscal Year Ending</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
12/31/08	\$ 381,606	100%	\$ -
12/31/07	336,807	100%	-
12/31/06	365,800	100%	-

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

**Defined Benefit Pension Plan – Elected County Officials (Continued)**

The required contribution for 2008 was determined as part of the December 31, 2006 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006 included (a) 7.5 percent investment rate of return (net of administrative and direct investment 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 the County Elected County Official plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Elected County Official plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2006 was 24 years.

*Funded Status and Funding Progress.* As of December 31, 2008, the most recent actuarial valuation date, the Elected County Official plan was 31.32 percent funded. The actuarial accrued liability for benefits was \$5,061,861 and the actuarial value of assets was \$1,585,572, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,476,289. The covered payroll (annual payroll of active employees covered by the plan) was \$866,107 and the ratio of the UAAL to the covered payroll was 401 percent.

The schedule of funding progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**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 fund incurred expenditures in excess of appropriations:

County Motor Fuel Tax

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 9 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**Deficit Fund Balance**

The following individual funds maintained deficit fund balances as of November 30, 2009:

Animal Control	\$ 27,081
Court Security	\$ 19,080
Law Library	\$ 5,002
Health Insurance	\$ 218,648

**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, 2009 is as follows:

	<b>Vermilion Manor Nursing Home</b>	<b>Vermilion County Farm</b>	<b>Solid Waste Management</b>	<b>Total</b>
Operating revenues	\$ 11,788,174	\$ 85,632	\$ 265,738	\$ 12,139,544
Depreciation	197,225	-	2,936	200,161
Operating income (loss)	492,984	51,600	(131,825)	412,759
Operating transfers in (out)	-	-	37,847	37,847
Property and equipment additions	70,623	-	-	70,623
Change in net assets	1,167,408	51,600	(93,479)	1,125,529
Net working capital	2,099,990	61,033	367,025	2,528,048
Total assets	5,842,787	62,033	389,593	6,294,413
Total equity	3,151,278	62,033	375,536	3,588,847

**FIXED ASSETS**

**Nursing Home**

	<b>Balance December 1, 2008</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance November 30, 2009</b>
Buildings	\$ 5,572,471	\$ -	\$ -	\$ 5,572,471
Transportation equipment	66,067	24,814	(19,169)	71,712
Other equipment	1,138,141	45,809	-	1,183,950
	<u>6,776,679</u>	<u>70,623</u>	<u>(19,169)</u>	<u>6,828,133</u>
Less accumulated depreciation	<u>(5,598,789)</u>	<u>(197,225)</u>	<u>19,169</u>	<u>(5,776,845)</u>
<b>Total</b>	<b><u>\$ 1,177,890</u></b>	<b><u>\$ (126,602)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,051,288</u></b>

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 10 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS (CONTINUED)**

**County Farm**

	<b>Balance December 1, <u>2008</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b>Balance November 30, <u>2009</u></b>
Land	\$ <u>1,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,000</u>

**Solid Waste Management**

	<b>Balance December 1, <u>2008</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b>Balance November 30, <u>2009</u></b>
Buildings	\$ 19,000	\$ -	\$ -	\$ 19,000
Recycling equipment	96,610	-	-	96,610
Other equipment	<u>30,882</u>	<u>-</u>	<u>-</u>	<u>30,882</u>
	146,492	-	-	146,492
Less accumulated depreciation	<u>(135,045)</u>	<u>(2,936)</u>	<u>-</u>	<u>(137,981)</u>
<b>Total</b>	<b>\$ <u>11,447</u></b>	<b>\$ <u>(2,936)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>8,511</u></b>

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 Building Commission.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 11 - JOINT VENTURES (CONTINUED)**

**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 Hoopston. 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.

**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 2009 were \$322,843.

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, 2009 was \$234,387. The liability for claims incurred but not reported was estimated to range between \$230,917 and \$238,205. Based on this range, the County reflected a total liability for unpaid claims in the accompanying financial statements of \$384,522.

Changes in the balances of claims liabilities during fiscal year 2009 were as follows:

<b>Estimated Liability December 1, 2008</b>	<b>Incurred and Estimated Claims</b>	<b>Claim Payments</b>	<b>Estimated Liability November 30, 2009</b>
\$ 563,688	\$ 143,677	\$ 322,843	\$ 384,522
<b>Estimated Liability December 1, 2007</b>	<b>Incurred and Estimated Claims</b>	<b>Claim Payments</b>	<b>Estimated Liability November 30, 2008</b>
\$ 507,000	\$ 282,706	\$ 226,018	\$ 563,688

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 12 – SELF-FUNDED INSURANCE (CONTINUED)**

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 accounts payable in the Internal Service Funds.

**Reconciliation of Changes in Claims Liability**

Claims liability, beginning balance	\$ 250,000
Claims paid, incurred prior to December, 2009	(1,173,557)
Increase in claims liability for claims incurred prior to December, 2009	<u>1,173,557</u>
<b>Claims liability, ending balance</b>	<b><u>\$ 250,000</u></b>

The County uses the reimbursement method in processing unemployment claims.

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

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS**

The County implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective December 1, 2008. This statement requires the costs of postemployment benefits other than pension benefits to be recognized over a period that approximates an employee’s years of service. Implementation of this statement resulted in recording a liability of \$83,686 as of November 30, 2009. Additional disclosures required by this statement are included below.

*Plan Description.* In addition to providing the pension benefits described in Note 7, the County provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan (Retiree Healthcare Program). The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the County’s governmental and business-type activities.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

*Benefits Provided.* The County provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under one of the County’s retirement plans. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree can choose to not participate in the plan or continue under the County’s plan at a Medicare Supplement rate.

*Membership.* At November 30, 2009, membership consisted of:

Retirees and beneficiaries currently receiving benefits	11
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>627</u>
<b>Total</b>	<u><u>638</u></u>
<b>Participating employers</b>	<u><u>1</u></u>

*Funding Policy.* The County is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Premium cost sharing arrangements vary depending on the bargaining unit and date of retirement. Qualified retirees pay a percentage of the premium cost for single and dependent coverage based on Medicare status and family status.

*Annual OPEB Costs and Net OPEB Obligation.* The County’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an on-going basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The County first had an actuarial valuation performed for the plan as of November 30, 2009 to determine the funded status of the plan as of that date as well as the employer’s annual required contribution (ARC) for the fiscal year ended November 30, 2009. The County’s annual OPEB cost (expense) of \$142,307 was equal to the ARC for the fiscal year 2009, as the transition liability was set at zero as of December 1, 2008. The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 was as follows:

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

<b>Fiscal Year Ended</b>	<b>Annual OPEB Cost</b>	<b>Employer Contributions</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
November 30, 2009	\$ 142,307	\$ -	41.20%	\$ 83,686

The net OPEB obligation as of November 30, 2009, was calculated as follows:

Annual required contribution	\$ 142,307
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	142,307
Contributions made	<u>58,621</u>
Increase in net OPEB obligation	83,686
Net OPEB obligation, beginning of year	<u>-</u>
<b>Net OPEB obligation, end of year</b>	<b><u>\$ 83,686</u></b>

*Funded Status and Funding Progress.* The funded status of the plan as of November 30, 2009, was as follows:

Actuarial accrued liability (AAL)	\$ 1,149,665
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	1,149,665
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	18,422,971
UAAL as a percentage of covered payroll	6.24%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the AALs for benefits.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2009**

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the November 30, 2009 actuarial valuation, the entry-age normal cost method was used. The actuarial assumptions included a discount rate of 5.0 percent, salary increases comprised of a wage inflation component of 3.0 percent, and an ultimate healthcare trend rate of 8.0 percent initially and an ultimate rate of 6.0 percent. The calculations assume a level-percentage-of-pay 30-year open amortization period for retirees.

The actuarial value of assets was not determined as the County has not advance funded its obligation.

**NOTE 14 - SUBSEQUENT EVENTS**

Events or transactions occurring after November 30, 2009, that provided additional evidence about conditions that existed at November 30, 2009, have been recognized in the financial statements for the year ended November 30, 2009. Events or transactions that provided evidence about conditions that did not exist at November 30, 2009 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended November 30, 2009.

**NOTE 15 - NEW GOVERNMENT ACCOUNTING STANDARD**

In February 2009, the Governmental Accounting Standards Board issued new accounting statement for *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The County will be required to adopt the new accounting standard in its November 30, 2011 financial statements. The County has not determined the effect, if any, the adoption of new accounting standard will have on the County's net assets.

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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget</b> <b>Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Taxes	\$ 1,350,000	\$ 1,350,000	\$ 1,340,550	\$ (9,450)
Intergovernmental	6,622,250	6,891,842	7,272,900	381,058
Licenses and permits	20,000	20,000	20,600	600
Charges for services	3,274,000	3,275,340	2,193,373	(1,081,967)
Fines and forfeits	350,000	350,000	496,976	146,976
Miscellaneous	<u>733,340</u>	<u>732,000</u>	<u>897,750</u>	<u>165,750</u>
Total revenues	<u>12,349,590</u>	<u>12,619,182</u>	<u>12,222,149</u>	<u>(397,033)</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Government</b>				
County Board	315,241	315,241	234,438	80,803
County Auditor	113,696	113,696	110,405	3,291
Data Processing	307,679	317,479	295,347	22,132
County Treasurer	202,594	202,594	197,979	4,615
Non-Department Services	626,351	498,219	381,509	116,710
Capital Outlay	275,000	350,000	294,921	55,079
Merit Commission	13,884	15,384	14,712	672
Regional Superintendent of Schools	92,404	92,404	79,689	12,715
County Clerk	505,597	726,213	489,062	237,151
County Recorder	169,472	169,472	167,813	1,659
Other	1,055,500	1,055,500	934,552	120,948
Election Commission	258,793	266,978	204,194	62,784
Board of Review	73,325	73,325	64,513	8,812
Supervisor of Assessments	301,845	301,845	265,554	36,291
Buildings and Grounds	<u>759,477</u>	<u>767,777</u>	<u>663,169</u>	<u>104,608</u>
Total General Government	<u>5,070,858</u>	<u>5,266,127</u>	<u>4,397,857</u>	<u>868,270</u>
<b>Judiciary and Court Related</b>				
Circuit Clerk	506,280	506,280	487,310	18,970
States Attorney	1,017,035	1,036,279	945,088	91,191
Probation	1,069,793	1,069,793	1,061,453	8,340
Judiciary and Rules	433,362	433,362	322,964	110,398
Collection Program	35,095	35,095	35,095	-
Public Defender	<u>496,818</u>	<u>515,722</u>	<u>515,083</u>	<u>639</u>
Total Judiciary and Court Related	<u>3,558,383</u>	<u>3,596,531</u>	<u>3,366,993</u>	<u>229,538</u>
<b>Public Safety</b>				
Sheriff	2,365,789	2,365,789	2,234,750	131,039
Juvenile Detention Center	1,396,952	1,396,952	1,334,910	62,042
Emergency Services Disaster Agency	254,143	254,143	225,112	29,031
Coroner	<u>167,051</u>	<u>221,466</u>	<u>223,349</u>	<u>(1,883)</u>
Total Public Safety	<u>4,183,935</u>	<u>4,238,350</u>	<u>4,018,121</u>	<u>220,229</u>
Total expenditures	<u>12,813,176</u>	<u>13,101,008</u>	<u>11,782,971</u>	<u>1,318,037</u>
Excess (deficiency) of revenues over expenditures	<u>(463,586)</u>	<u>(481,826)</u>	<u>439,178</u>	<u>921,004</u>

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended November 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	\$ 113,500	\$ 113,500	\$ 295,789	\$ 182,289
Operating transfers out	<u>(155,000)</u>	<u>(283,132)</u>	<u>(228,132)</u>	<u>55,000</u>
Total other financing sources (uses)	<u>(41,500)</u>	<u>(169,632)</u>	<u>67,657</u>	<u>237,289</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>\$ (505,086)</u>	<u>\$ (651,458)</u>	506,835	<u>\$ 1,158,293</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>8,055,326</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 8,562,161</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Taxes	\$ 4,450,000	\$ 4,450,000	\$ 4,402,610	\$ (47,390)
Intergovernmental	2,588,000	2,588,000	3,002,509	414,509
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>43,157</u>	<u>13,157</u>
Total revenues	7,068,000	7,068,000	7,448,276	380,276
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public safety	<u>7,132,896</u>	<u>7,132,896</u>	<u>6,800,540</u>	<u>332,356</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (64,896)</u>	<u>\$ (64,896)</u>	647,736	<u>\$ 712,632</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>6,700,635</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 7,348,371</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Taxes	\$ 1,550,000	\$ 1,550,000	\$ 1,533,731	\$ (16,269)
Intergovernmental	545,000	545,000	110,000	(435,000)
Miscellaneous	<u>15,000</u>	<u>15,000</u>	<u>2,946</u>	<u>(12,054)</u>
Total revenues	2,110,000	2,110,000	1,646,677	(463,323)
<b>EXPENDITURES</b>				
<b>Current:</b>				
Retirement contributions	<u>2,110,000</u>	<u>2,110,000</u>	<u>1,432,943</u>	<u>677,057</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	213,734	<u>\$ 213,734</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>862,542</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,076,276</u>	

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR FUND - SPECIAL REVENUE - LAW ENFORCEMENT FUND**  
**Year Ended November 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 20,267	\$ 20,267
Intergovernmental	1,300,000	1,300,000	1,262,955	(37,045)
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>17,852</u>	<u>(12,148)</u>
Total revenues	1,330,000	1,330,000	1,301,074	(28,926)
<b>EXPENDITURES</b>				
<b>Current:</b>				
Transportation	<u>564,900</u>	<u>564,900</u>	<u>564,867</u>	<u>33</u>
Excess of revenues over expenditures	765,100	765,100	736,207	(28,893)
<b>OTHER FINANCING USES</b>				
Operating transfers out	<u>(500,000)</u>	<u>(500,000)</u>	<u>(513,960)</u>	<u>(13,960)</u>
Excess of revenues over expenditures and other financing uses	<u>\$ 265,100</u>	<u>\$ 265,100</u>	222,247	<u>\$ (42,853)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>4,239,692</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 4,461,939</u>	

**VERMILION COUNTY, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS  
Year Ended November 30, 2009**

(Unaudited)

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a/c)</b>
12/31/08	\$ 27,905,712	\$ 31,711,617	\$ 3,805,905	88.00%	\$ 15,667,136	24.29%
12/31/07	32,627,050	31,263,568	(1,363,482)	104.36%	15,423,115	0.00%
12/31/06	30,053,603	29,462,321	(591,282)	102.01%	14,734,642	0.00%

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a/c)</b>
12/31/08	\$ 5,133,837	\$ 7,028,816	\$ 1,894,979	73.04%	\$ 1,765,682	107.32%
12/31/07	6,723,620	7,253,243	529,623	92.70%	1,703,999	31.08%
12/31/06	7,009,881	8,296,037	1,286,156	84.50%	1,804,450	71.28%

**VERMILION COUNTY, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS  
Year Ended November 30, 2009**

(Unaudited)

**ILLINOIS MUNICIPAL RETIREMENT FUND  
ELECTED COUNTY OFFICIALS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a/c)</b>
12/31/08	\$ 1,585,572	\$ 5,061,861	\$ 3,476,289	31.32%	\$ 866,107	401.37%
12/31/07	1,914,214	5,227,378	3,313,164	36.62%	809,827	409.12%
12/31/06	1,399,455	4,847,891	3,448,436	28.87%	773,198	446.00%

**OTHER POST-EMPLOYMENT BENEFITS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a/c)</b>
11/30/09	\$ -	\$ 1,149,665	\$ 1,149,665	0.0%	\$ 18,422,971	6.24%

Information for prior years is not available as the County implemented Governmental Accounting Standards Board Statement, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, for fiscal year 2009.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**November 30, 2009**

**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, 2009

	<u>Mental Health Board</u>	<u>Health Department</u>	<u>Animal Control</u>	<u>Trans- portation</u>	<u>Indemnity</u>	<u>County Clerk Vital Records</u>	<u>FICA</u>
Cash	\$ 265,627	\$ 36,559	\$ -	\$ 591,173	\$ 103,673	\$ 36,040	\$ 169,672
Temporary investments	200,000	-	-	1,300,000	138,000	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	778,570	247,500	-	789,030	-	-	792,000
Other	-	-	-	6,578	-	-	-
Due from other funds	-	108	-	-	24,040	1,018	967,286
Due from other governments	-	850,080	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,244,197</u>	<u>\$ 1,134,247</u>	<u>\$ -</u>	<u>\$ 2,686,781</u>	<u>\$ 265,713</u>	<u>\$ 37,058</u>	<u>\$ 1,928,958</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 2,212	\$ 62,068	\$ 17,877	\$ 133,812	\$ -	\$ 7,950	\$ 26,885
Accrued payroll	1,270	56,418	9,189	15,525	-	-	-
Due to other funds	-	300,000	15	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Deferred revenue	778,570	377,699	-	789,030	-	-	792,000
Total liabilities	782,052	796,185	27,081	938,367	-	7,950	818,885
<b>FUND BALANCE (DEFICIT)</b>	<u>462,145</u>	<u>338,062</u>	<u>(27,081)</u>	<u>1,748,414</u>	<u>265,713</u>	<u>29,108</u>	<u>1,110,073</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 1,244,197</u>	<u>\$ 1,134,247</u>	<u>\$ -</u>	<u>\$ 2,686,781</u>	<u>\$ 265,713</u>	<u>\$ 37,058</u>	<u>\$ 1,928,958</u>

VERMILION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2009

	<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>	<u>Court Support</u>	<u>County Bridge</u>
Cash	\$ 1,011	\$ 115,598	\$ 33,796	\$ 8,709	\$ 255,986	\$ 720,158
Temporary investments	-	-	-	-	-	800,000
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	47,531	17,912	3,441	-	337,194
Other	-	-	-	-	-	409
Due from other funds	-	-	-	-	7,203	10,000
Due from other governments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,011</u>	<u>\$ 163,129</u>	<u>\$ 51,708</u>	<u>\$ 12,150</u>	<u>\$ 263,189</u>	<u>\$ 1,867,761</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 1,294	\$ 487	\$ 94	\$ 106,323	\$ 86,195
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Deferred revenue	-	47,531	17,912	3,441	-	337,194
Total liabilities	-	48,825	18,399	3,535	106,323	423,389
<b>FUND BALANCE (DEFICIT)</b>	<u>1,011</u>	<u>114,304</u>	<u>33,309</u>	<u>8,615</u>	<u>156,866</u>	<u>1,444,372</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 1,011</u>	<u>\$ 163,129</u>	<u>\$ 51,708</u>	<u>\$ 12,150</u>	<u>\$ 263,189</u>	<u>\$ 1,867,761</u>

VERMILION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2009

	<u>Court Document Storage</u>	<u>Court Automation</u>	<u>Court Security</u>	<u>Recorder's Special Fee</u>	<u>Law Library</u>	<u>Township Motor Fuel Tax</u>
Cash	\$ 196,285	\$ 202,389	\$ -	\$ 196,808	\$ -	\$ 102,066
Temporary investments	-	-	-	-	-	-
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-
Other	-	-	-	-	-	-
Due from other funds	12,245	11,929	-	3,973	3,780	-
Due from other governments	-	-	-	-	-	174,967
<b>TOTAL ASSETS</b>	<u>\$ 208,530</u>	<u>\$ 214,318</u>	<u>\$ -</u>	<u>\$ 200,781</u>	<u>\$ 3,780</u>	<u>\$ 277,033</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 43,382	\$ 7,803	\$ -	\$ 8,000	\$ 1,913	\$ 212,833
Accrued payroll	559	-	2,670	-	-	-
Due to other funds	-	-	16,410	-	6,869	10,000
Due to other governments	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	43,941	7,803	19,080	8,000	8,782	222,833
<b>FUND BALANCE (DEFICIT)</b>	<u>164,589</u>	<u>206,515</u>	<u>(19,080)</u>	<u>192,781</u>	<u>(5,002)</u>	<u>54,200</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 208,530</u>	<u>\$ 214,318</u>	<u>\$ -</u>	<u>\$ 200,781</u>	<u>\$ 3,780</u>	<u>\$ 277,033</u>

VERMILION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2009

	<u>Child Support</u>	<u>Probation Service</u>	<u>Treasurer's Automation</u>	<u>Circuit Clerk Operation &amp; Administration</u>	<u>Township Bridge</u>	<u>VC Trustee Revolving Fund</u>
Cash	\$ 145,154	\$ 398,288	\$ 71,786	\$ 16,492	\$ 276,448	\$ 25,873
Temporary investments	-	-	-	-	-	-
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-
Other	-	-	-	-	-	-
Due from other funds	-	15,545	12,020	-	-	-
Due from other governments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 145,154</u>	<u>\$ 413,833</u>	<u>\$ 83,806</u>	<u>\$ 16,492</u>	<u>\$ 276,448</u>	<u>\$ 25,873</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 462	\$ 12,450	\$ -	\$ 151	\$ 86,975	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	462	12,450	-	151	86,975	-
<b>FUND BALANCE (DEFICIT)</b>	<u>144,692</u>	<u>401,383</u>	<u>83,806</u>	<u>16,341</u>	<u>189,473</u>	<u>25,873</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 145,154</u>	<u>\$ 413,833</u>	<u>\$ 83,806</u>	<u>\$ 16,492</u>	<u>\$ 276,448</u>	<u>\$ 25,873</u>

VERMILION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2009

	<u>County Motor Fuel Tax</u>	<u>Law Enforcement Grant</u>	<u>Victim Witness Attorney General</u>	<u>CRIS</u>	<u>Multi- Jurisdictional Narcotics</u>	<u>Home Confinement and Probation</u>
Cash	\$ 712,290	\$ 34	\$ 17,473	\$ -	\$ 68	\$ 84,876
Temporary investments	2,250,000	-	-	-	-	-
Receivables:						
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-
Other	468	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	<u>106,893</u>	<u>-</u>	<u>-</u>	<u>157,450</u>	<u>30,000</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,069,651</u>	<u>\$ 34</u>	<u>\$ 17,473</u>	<u>\$ 157,450</u>	<u>\$ 30,068</u>	<u>\$ 84,876</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 52,047	\$ -	\$ -	\$ -	\$ -	\$ 7,157
Accrued payroll	2,333	-	181	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	157,450	-	-
Deferred revenue	<u>-</u>	<u>34</u>	<u>8,273</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Total liabilities	54,380	34	8,454	157,450	30,000	7,157
<b>FUND BALANCE (DEFICIT)</b>	<u>3,015,271</u>	<u>-</u>	<u>9,019</u>	<u>-</u>	<u>68</u>	<u>77,719</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,069,651</u>	<u>\$ 34</u>	<u>\$ 17,473</u>	<u>\$ 157,450</u>	<u>\$ 30,068</u>	<u>\$ 84,876</u>

VERMILION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2009

	<u>GIS Automation</u>	<u>Drug Court Fee</u>	<u>Capital Projects</u>	<u>Board of Elections</u>	<u>Working Cash</u>	<u>Reg. Supt. Direct Services</u>	<u>Total</u>
Cash	\$ 83,128	\$ 7,732	\$ -	\$ 45,869	\$ 5,472	\$ 132,274	\$ 5,058,807
Temporary investments	-	-	250,000	-	288,888	-	5,226,888
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	3,013,178
Other	-	-	1,905	-	85	-	9,445
Due from other funds	-	-	-	-	-	-	1,069,147
Due from other governments	-	-	-	-	-	-	1,319,390
<b>TOTAL ASSETS</b>	<u>\$ 83,128</u>	<u>\$ 7,732</u>	<u>\$ 251,905</u>	<u>\$ 45,869</u>	<u>\$ 294,445</u>	<u>\$ 132,274</u>	<u>\$ 15,696,855</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 12,000	\$ -	\$ 57,368	\$ -	\$ -	\$ -	\$ 947,738
Accrued payroll	-	-	-	-	-	-	88,145
Due to other funds	-	-	15,682	-	-	-	348,976
Due to other governments	-	-	-	-	-	-	157,450
Deferred revenue	-	-	-	-	-	-	3,181,684
Total liabilities	12,000	-	73,050	-	-	-	4,723,993
<b>FUND BALANCE (DEFICIT)</b>	<u>71,128</u>	<u>7,732</u>	<u>178,855</u>	<u>45,869</u>	<u>294,445</u>	<u>132,274</u>	<u>10,972,862</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 83,128</u>	<u>\$ 7,732</u>	<u>\$ 251,905</u>	<u>\$ 45,869</u>	<u>\$ 294,445</u>	<u>\$ 132,274</u>	<u>\$ 15,696,855</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<b>Mental Health Board</b>	<b>Health Department</b>	<b>Animal Control</b>	<b>Trans- portation</b>	<b>Indemnity</b>	<b>County Clerk Vital Records</b>	<b>FICA</b>
<b>REVENUES</b>							
Taxes	\$ 778,001	\$ 236,722	\$ -	\$ 713,443	\$ -	\$ -	\$ 767,298
Intergovernmental	-	2,754,571	-	-	-	-	350,000
Licenses and permits	-	-	146,714	-	-	-	-
Charges for services	-	323,508	72,474	-	61,900	14,566	-
Fines and forfeits	-	-	-	-	-	-	-
Miscellaneous	<u>2,009</u>	<u>5,747</u>	<u>375</u>	<u>29,356</u>	<u>2,052</u>	<u>324</u>	<u>861</u>
Total revenues	<u>780,010</u>	<u>3,320,548</u>	<u>219,563</u>	<u>742,799</u>	<u>63,952</u>	<u>14,890</u>	<u>1,118,159</u>
<b>EXPENDITURES</b>							
General government	-	-	-	-	-	37,476	365,712
Judiciary and court related	-	-	-	-	-	-	253,185
Public safety	-	-	358,976	-	-	-	318,825
Public health	784,967	3,237,267	-	-	-	-	-
Transportation	-	-	-	684,585	-	-	-
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>784,967</u>	<u>3,237,267</u>	<u>358,976</u>	<u>684,585</u>	<u>-</u>	<u>37,476</u>	<u>937,722</u>
Excess (deficiency) of revenues over expenditures	<u>(4,957)</u>	<u>83,281</u>	<u>(139,413)</u>	<u>58,214</u>	<u>63,952</u>	<u>(22,586)</u>	<u>180,437</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	-	-	100,000	-	-	-	-
Operating transfers out	<u>-</u>	<u>(37,847)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(37,847)</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(4,957)</u>	<u>45,434</u>	<u>(39,413)</u>	<u>58,214</u>	<u>63,952</u>	<u>(22,586)</u>	<u>180,437</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>467,102</u>	<u>292,628</u>	<u>12,332</u>	<u>1,690,200</u>	<u>201,761</u>	<u>51,694</u>	<u>929,636</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 462,145</u>	<u>\$ 338,062</u>	<u>\$ (27,081)</u>	<u>\$ 1,748,414</u>	<u>\$ 265,713</u>	<u>\$ 29,108</u>	<u>\$ 1,110,073</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<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>	<u>Court Support</u>	<u>County Bridge</u>
<b>REVENUES</b>						
Taxes	\$ -	\$ 45,430	\$ 17,290	\$ 2,899	\$ -	\$ 336,787
Intergovernmental	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Charges for services	430	-	-	-	41,901	-
Fines and forfeits	-	-	-	-	-	-
Miscellaneous	<u>3</u>	<u>980</u>	<u>37</u>	<u>17</u>	<u>2,185</u>	<u>25,712</u>
Total revenues	<u>433</u>	<u>46,410</u>	<u>17,327</u>	<u>2,916</u>	<u>44,086</u>	<u>362,499</u>
<b>EXPENDITURES</b>						
General government	500	-	-	-	-	-
Judiciary and court related	-	-	-	-	12,372	-
Public safety	-	-	-	-	-	-
Public health	-	20,592	7,759	1,493	-	-
Transportation	-	-	-	-	-	333,050
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>500</u>	<u>20,592</u>	<u>7,759</u>	<u>1,493</u>	<u>12,372</u>	<u>333,050</u>
Excess (deficiency) of revenues over expenditures	<u>(67)</u>	<u>25,818</u>	<u>9,568</u>	<u>1,423</u>	<u>31,714</u>	<u>29,449</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(104,954)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(104,954)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(67)	25,818	9,568	1,423	(73,240)	29,449
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>1,078</u>	<u>88,486</u>	<u>23,741</u>	<u>7,192</u>	<u>230,106</u>	<u>1,414,923</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 1,011</u>	<u>\$ 114,304</u>	<u>\$ 33,309</u>	<u>\$ 8,615</u>	<u>\$ 156,866</u>	<u>\$ 1,444,372</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<u>Court Document Storage</u>	<u>Court Automation</u>	<u>Court Security</u>	<u>Recorder's Special Fee</u>	<u>Law Library</u>	<u>Township Motor Fuel Tax</u>
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	1,804,925
Licenses and permits	-	-	-	-	-	-
Charges for services	147,752	139,425	-	51,496	42,343	-
Fines and forfeits	-	-	-	-	-	-
Miscellaneous	<u>377</u>	<u>1,728</u>	<u>85</u>	<u>508</u>	<u>-</u>	<u>893</u>
Total revenues	<u>148,129</u>	<u>141,153</u>	<u>85</u>	<u>52,004</u>	<u>42,343</u>	<u>1,805,818</u>
<b>EXPENDITURES</b>						
General government	-	-	-	32,049	22,152	-
Judiciary and court related	111,805	98,082	122,871	-	-	-
Public safety	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Transportation	-	-	-	-	-	1,918,772
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>111,805</u>	<u>98,082</u>	<u>122,871</u>	<u>32,049</u>	<u>22,152</u>	<u>1,918,772</u>
Excess (deficiency) of revenues over expenditures	<u>36,324</u>	<u>43,071</u>	<u>(122,786)</u>	<u>19,955</u>	<u>20,191</u>	<u>(112,954)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	128,132	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>128,132</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	36,324	43,071	5,346	19,955	20,191	(112,954)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>128,265</u>	<u>163,444</u>	<u>(24,426)</u>	<u>172,826</u>	<u>(25,193)</u>	<u>167,154</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 164,589</u>	<u>\$ 206,515</u>	<u>\$ (19,080)</u>	<u>\$ 192,781</u>	<u>\$ (5,002)</u>	<u>\$ 54,200</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<u>Child Support</u>	<u>Probation Service</u>	<u>Treasurer's Automation</u>	<u>Circuit Clerk Operations &amp; Administration</u>	<u>Township Bridge</u>	<u>VC Trustee Revolving Fund</u>
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	955	-	-	214,130	-
Licenses and permits	-	-	-	-	-	-
Charges for services	37,392	191,337	15,140	11,100	-	10,477
Fines and forfeits	-	-	-	-	-	-
Miscellaneous	<u>738</u>	<u>14,827</u>	<u>125</u>	<u>131</u>	<u>696</u>	<u>53</u>
Total revenues	<u>38,130</u>	<u>207,119</u>	<u>15,265</u>	<u>11,231</u>	<u>214,826</u>	<u>10,530</u>
<b>EXPENDITURES</b>						
General government	-	-	4,452	4,168	-	8,693
Judiciary and court related	71,265	123,889	-	-	-	-
Public safety	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Transportation	-	-	-	-	165,332	-
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>71,265</u>	<u>123,889</u>	<u>4,452</u>	<u>4,168</u>	<u>165,332</u>	<u>8,693</u>
Excess (deficiency) of revenues over expenditures	<u>(33,135)</u>	<u>83,230</u>	<u>10,813</u>	<u>7,063</u>	<u>49,494</u>	<u>1,837</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(33,135)</u>	<u>83,230</u>	<u>10,813</u>	<u>7,063</u>	<u>49,494</u>	<u>1,837</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>177,827</u>	<u>318,153</u>	<u>72,993</u>	<u>9,278</u>	<u>139,979</u>	<u>24,036</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 144,692</u>	<u>\$ 401,383</u>	<u>\$ 83,806</u>	<u>\$ 16,341</u>	<u>\$ 189,473</u>	<u>\$ 25,873</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<u>County Motor Fuel Tax</u>	<u>Grants</u>				<u>Home Confinement and Probation</u>
		<u>Law Enforcement Grant</u>	<u>Victim Witness Attorney General</u>	<u>CRIS</u>	<u>Multi- Jurisdictional Narcotics</u>	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,437,556	10,858	22,496	386,519	152,578	-
Licenses and permits	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Miscellaneous	<u>32,985</u>	<u>8</u>	<u>2,210</u>	<u>-</u>	<u>-</u>	<u>44,854</u>
Total revenues	<u>1,470,541</u>	<u>10,866</u>	<u>24,706</u>	<u>386,519</u>	<u>152,578</u>	<u>44,854</u>
<b>EXPENDITURES</b>						
General government	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public safety	-	10,866	22,496	-	152,578	74,243
Public health	-	-	-	-	-	-
Transportation	2,927,766	-	-	386,519	-	-
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,927,766</u>	<u>10,866</u>	<u>22,496</u>	<u>386,519</u>	<u>152,578</u>	<u>74,243</u>
Excess (deficiency) of revenues over expenditures	<u>(1,457,225)</u>	<u>-</u>	<u>2,210</u>	<u>-</u>	<u>-</u>	<u>(29,389)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(1,457,225)</u>	<u>-</u>	<u>2,210</u>	<u>-</u>	<u>-</u>	<u>(29,389)</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>4,472,496</u>	<u>-</u>	<u>6,809</u>	<u>-</u>	<u>68</u>	<u>107,108</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 3,015,271</u>	<u>\$ -</u>	<u>\$ 9,019</u>	<u>\$ -</u>	<u>\$ 68</u>	<u>\$ 77,719</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2009**

	<u>GIS Automation</u>	<u>Drug Court Fee</u>	<u>Capital Projects</u>	<u>Board of Elections</u>	<u>Working Cash</u>	<u>Reg. Supt. Direct Services</u>	<u>Total</u>
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,897,870
Intergovernmental	-	-	-	24,098	-	-	7,158,686
Licenses and permits	-	-	-	-	-	-	146,714
Charges for services	164,382	-	-	-	-	-	1,325,623
Fines and forfeits	-	9,366	-	-	-	-	9,366
Miscellaneous	183	-	-	-	4,303	222,600	396,962
	<u>164,565</u>	<u>9,366</u>	<u>-</u>	<u>24,098</u>	<u>4,303</u>	<u>222,600</u>	<u>11,935,221</u>
Total revenues							
<b>EXPENDITURES</b>							
General government	144,000	-	-	8,819	-	169,009	797,030
Judiciary and court related	-	-	-	-	-	-	793,469
Public safety	-	1,634	-	-	-	-	939,618
Public health	-	-	-	-	-	-	4,052,078
Transportation	-	-	-	-	-	-	6,416,024
Capital projects	-	-	199,536	-	-	-	199,536
	<u>144,000</u>	<u>1,634</u>	<u>199,536</u>	<u>8,819</u>	<u>-</u>	<u>169,009</u>	<u>13,197,755</u>
Total expenditures							
Excess (deficiency) of revenues over expenditures	<u>20,565</u>	<u>7,732</u>	<u>(199,536)</u>	<u>15,279</u>	<u>4,303</u>	<u>53,591</u>	<u>(1,262,534)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	-	-	-	-	-	-	228,132
Operating transfers out	-	-	-	-	-	-	(142,801)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,331</u>
Total other financing sources (uses)							
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	20,565	7,732	(199,536)	15,279	4,303	53,591	(1,177,203)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>50,563</u>	<u>-</u>	<u>378,391</u>	<u>30,590</u>	<u>290,142</u>	<u>78,683</u>	<u>12,150,065</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 71,128</u>	<u>\$ 7,732</u>	<u>\$ 178,855</u>	<u>\$ 45,869</u>	<u>\$ 294,445</u>	<u>\$ 132,274</u>	<u>\$ 10,972,862</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF NET ASSETS**  
**OTHER ENTERPRISE FUNDS**  
**November 30, 2009**

**ASSETS**

	<u>Vermilion County Farm</u>	<u>Solid Waste Management</u>	<u>Total</u>
<b>CURRENT ASSETS</b>			
Cash	\$ -	\$ 121,231	\$ 121,231
Investments	61,033	-	61,033
Receivables	<u>-</u>	<u>259,851</u>	<u>259,851</u>
Total current assets	<u>61,033</u>	<u>381,082</u>	<u>442,115</u>
<b>NONCURRENT ASSETS</b>			
Land	1,000	-	1,000
Buildings and improvements	-	19,000	19,000
Recycling equipment	-	96,610	96,610
Other equipment	<u>-</u>	<u>30,882</u>	<u>30,882</u>
Total, at cost	1,000	146,492	147,492
Less accumulated depreciation	<u>-</u>	<u>137,981</u>	<u>137,981</u>
Total noncurrent assets	<u>1,000</u>	<u>8,511</u>	<u>9,511</u>
<b>TOTAL ASSETS</b>	<u>\$ 62,033</u>	<u>\$ 389,593</u>	<u>\$ 451,626</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ -	\$ 11,049	\$ 11,049
Accrued payroll	<u>-</u>	<u>3,008</u>	<u>3,008</u>
Total current liabilities	<u>-</u>	<u>14,057</u>	<u>14,057</u>
<b>NET ASSETS</b>			
Invested in capital assets	1,000	8,511	9,511
Unrestricted	<u>61,033</u>	<u>367,025</u>	<u>428,058</u>
Total net assets	<u>62,033</u>	<u>375,536</u>	<u>437,569</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 62,033</u>	<u>\$ 389,593</u>	<u>\$ 451,626</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**OTHER ENTERPRISE FUNDS**  
**Year Ended November 30, 2009**

	<u>Vermilion County Farm</u>	<u>Solid Waste Management</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ -	\$ 263,799	\$ 263,799
Fines and forfeits	-	1,750	1,750
Miscellaneous	<u>85,632</u>	<u>189</u>	<u>85,821</u>
Total operating revenues	<u>85,632</u>	<u>265,738</u>	<u>351,370</u>
<b>OPERATING EXPENSES</b>			
Personnel services	-	172,954	172,954
Supplies and materials	-	3,952	3,952
Other services and charges	34,032	12,433	46,465
Contractual services	-	205,288	205,288
Depreciation	<u>-</u>	<u>2,936</u>	<u>2,936</u>
Total operating expenses	<u>34,032</u>	<u>397,563</u>	<u>431,595</u>
Operating income (loss)	51,600	(131,825)	(80,225)
<b>NON-OPERATING REVENUES</b>			
Interest income	<u>-</u>	<u>499</u>	<u>499</u>
Income (loss) before operating transfers	51,600	(131,326)	(79,726)
<b>OPERATING TRANSFERS</b>			
Operating transfers in	<u>-</u>	<u>37,847</u>	<u>37,847</u>
<b>CHANGES IN NET ASSETS</b>	51,600	(93,479)	(41,879)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>10,433</u>	<u>469,015</u>	<u>479,448</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 62,033</u>	<u>\$ 375,536</u>	<u>\$ 437,569</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**November 30, 2009**

	<u>Health Insurance</u>	<u>General Liability Insurance</u>	<u>Total</u>
<b>CURRENT ASSETS</b>			
Cash	\$ 75,143	\$ 264,684	\$ 339,827
Investments	-	800,000	800,000
Receivables, net	-	792,000	792,000
Accrued interest	-	253	253
Due from other funds	<u>-</u>	<u>157,695</u>	<u>157,695</u>
<b>TOTAL ASSETS</b>	<u>\$ 75,143</u>	<u>\$ 2,014,632</u>	<u>\$ 2,089,775</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 293,791	\$ 441,257	\$ 735,048
Deferred revenue	<u>-</u>	<u>792,000</u>	<u>792,000</u>
Total liabilities	293,791	1,233,257	1,527,048
<b>NET ASSETS</b>			
Unrestricted net assets	<u>(218,648)</u>	<u>781,375</u>	<u>562,727</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 75,143</u>	<u>\$ 2,014,632</u>	<u>\$ 2,089,775</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**Year Ended November 30, 2009**

	<b>Health Insurance</b>	<b>General Liability Insurance</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,216,855	\$ 254,664	\$ 1,471,519
<b>OPERATING EXPENSES</b>			
Personnel services	1,573,561	758,973	2,332,534
Net loss from operating activities	(356,706)	(504,309)	(861,015)
<b>NON-OPERATING REVENUES</b>			
Taxes	-	643,311	643,311
Interest income	59	6,456	6,515
Total non-operating revenues	59	649,767	649,826
Income (loss) before operating transfers	(356,647)	145,458	(211,189)
<b>OPERATING TRANSFERS</b>			
Operating transfers in	97,653	225,472	323,125
<b>CHANGE IN NET ASSETS</b>	(258,994)	370,930	111,936
<b>NET ASSETS, BEGINNING OF YEAR</b>	40,346	410,445	450,791
<b>NET ASSETS, END OF YEAR</b>	\$ (218,648)	\$ 781,375	\$ 562,727

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**November 30, 2009**

**ASSETS**

	<u>Restitution</u>	<u>County Collector</u>	<u>Treasurer's Account</u>	<u>Inheritance Tax</u>	<u>Deposit Fund</u>	<u>Unknown Heirs</u>	<u>Non-resident Heirs</u>	<u>Payroll Clearing</u>
Cash	\$ 24,309	\$ 5,091,631	\$ 65,174	\$ 653,132	\$ 820,495	\$ 122,854	\$ 40,898	\$ 902,356
Investments	-	-	-	-	-	-	-	-
Receivables:								
Taxes, net of allowance for estimated uncollectibles	-	1,457,493	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
Due from other funds	9,654	-	23,279	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 33,963</u>	<u>\$ 6,549,124</u>	<u>\$ 88,453</u>	<u>\$ 653,132</u>	<u>\$ 820,495</u>	<u>\$ 122,854</u>	<u>\$ 40,898</u>	<u>\$ 902,356</u>

**LIABILITIES**

Accounts payable	\$ -	\$ 11,835	\$ 2,297	\$ 283,366	\$ 14,975	\$ 30,782	\$ -	\$ 96,862
Due to other funds	10,552	2,053,059	-	-	-	-	-	250,000
Due to other governments	-	-	-	369,766	-	-	-	-
Due to others	23,411	-	86,156	-	805,520	92,072	40,898	555,494
Due to taxing bodies	-	4,484,230	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>\$ 33,963</u>	<u>\$ 6,549,124</u>	<u>\$ 88,453</u>	<u>\$ 653,132</u>	<u>\$ 820,495</u>	<u>\$ 122,854</u>	<u>\$ 40,898</u>	<u>\$ 902,356</u>

VERMILION COUNTY, ILLINOIS  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**November 30, 2009**

**ASSETS**

	<u>Work Release</u>	<u>Prisoner's Commissary</u>	<u>Sheriff's Office</u>	<u>Probation Office</u>	<u>County Clerk</u>	<u>Circuit Clerk</u>	<u>Recorder</u>
Cash	\$ 23,810	\$ 93,967	\$ 59,937	\$ 34,336	\$ 133,914	\$ 2,896,089	\$ 100,398
Investments	-	-	-	-	-	190,000	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	4,808	-	-
Inventory	-	12,261	-	-	-	-	813
<b>TOTAL ASSETS</b>	<u>\$ 23,810</u>	<u>\$ 106,228</u>	<u>\$ 59,937</u>	<u>\$ 34,336</u>	<u>\$ 138,722</u>	<u>\$ 3,086,089</u>	<u>\$ 101,211</u>

**LIABILITIES**

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	4,001	-	-	-	6,267	187,579	20,461
Due to other governments	-	-	-	-	-	92,281	-
Due to others	19,809	106,228	59,937	34,336	132,455	2,806,229	80,750
Due to taxing bodies	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>\$ 23,810</u>	<u>\$ 106,228</u>	<u>\$ 59,937</u>	<u>\$ 34,336</u>	<u>\$ 138,722</u>	<u>\$ 3,086,089</u>	<u>\$ 101,211</u>

VERMILION COUNTY, ILLINOIS  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
November 30, 2009

**ASSETS**

	<b>Regional Superintendent</b>						<b>Total</b>
	<b>Trustees</b>	<b>Institute</b>	<b>Bus Drivers</b>	<b>G.E.D.</b>	<b>Drug Abuse Prevention</b>	<b>Drainage District</b>	
Cash	\$ 3,284	\$ 40,905	\$ 2,546	\$ 21,592	\$ 34,457	\$ 310,694	\$ 11,476,778
Investments	7,000	-	-	-	-	300,000	497,000
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	1,457,493
Accrued interest	-	-	-	-	-	89	89
Due from other funds	-	-	-	-	-	-	37,741
Inventory	-	-	-	-	-	-	13,074
<b>TOTAL ASSETS</b>	<b><u>\$ 10,284</u></b>	<b><u>\$ 40,905</u></b>	<b><u>\$ 2,546</u></b>	<b><u>\$ 21,592</u></b>	<b><u>\$ 34,457</u></b>	<b><u>\$ 610,783</u></b>	<b><u>\$ 13,482,175</u></b>

**LIABILITIES**

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,423	\$ 455,540
Due to other funds	-	-	-	-	-	-	2,531,919
Due to other governments	-	-	-	-	-	-	462,047
Due to others	10,284	40,905	2,546	21,592	34,457	-	4,953,079
Due to taxing bodies	-	-	-	-	-	595,360	5,079,590
<b>TOTAL LIABILITIES</b>	<b><u>\$ 10,284</u></b>	<b><u>\$ 40,905</u></b>	<b><u>\$ 2,546</u></b>	<b><u>\$ 21,592</u></b>	<b><u>\$ 34,457</u></b>	<b><u>\$ 610,783</u></b>	<b><u>\$ 13,482,175</u></b>

## **STATISTICAL INFORMATION**

**VERMILION COUNTY, ILLINOIS**  
**ASSESSED VALUATION AND TAX EXTENSIONS**  
**Tax Levies 2008, 2007, and 2006**  
**(Unaudited)**

	<u>2008</u> <u>Extended in 2009</u>		<u>2007</u> <u>Extended in 2008</u>		<u>2006</u> <u>Extended in 2007</u>		
<b>EQUALIZED VALUATION</b>	\$	<u>876,345,741</u>	\$	<u>853,385,609</u>	\$	<u>805,616,952</u>	
<b>TAXES EXTENDED</b>							
County (see below)	\$	11,747,594	14.89%	\$ 11,754,763	15.36%	\$ 11,749,433	16.01%
Townships and Road Districts		5,946,129	7.54%	5,745,126	7.51%	5,511,855	7.51%
Cities and villages		9,641,005	12.22%	8,886,698	11.61%	8,207,236	11.19%
District schools		41,825,268	53.01%	40,646,478	53.12%	38,751,570	52.81%
High school and junior college		5,742,033	7.28%	5,608,497	7.33%	5,384,610	7.34%
Sanitary districts		24,525	0.03%	24,533	0.03%	23,840	0.03%
Vermilion County Airport Authority		601,701	0.76%	583,943	0.76%	570,349	0.78%
Fire protection districts		1,463,272	1.85%	1,402,551	1.83%	1,351,897	1.84%
Cemeteries		101,882	0.13%	99,024	0.13%	96,359	0.13%
Vermilion County Conservation District		989,374	1.25%	986,896	1.29%	985,720	1.34%
Libraries, parks, etc.		<u>821,648</u>	1.04%	<u>784,636</u>	1.03%	<u>746,243</u>	1.02%
<b>TOTALS</b>	\$	<u><u>78,904,431</u></u>	<u>100.00%</u>	\$ <u><u>76,523,145</u></u>	<u>100.00%</u>	\$ <u><u>73,379,112</u></u>	<u>100.00%</u>

	<u>Rate</u> <u>Per \$100</u>		<u>Rate</u> <u>Per \$100</u>		<u>Rate</u> <u>Per \$100</u>	
	<u>Extension</u>	<u>Valuation</u>	<u>Extension</u>	<u>Valuation</u>	<u>Extension</u>	<u>Valuation</u>
General County	\$ 1,350,449	0.15410	\$ 1,047,958	0.12280	\$ 1,349,408	0.16750
County IMRF	1,550,256	0.17690	1,550,602	0.18170	1,599,955	0.19860
County Highway	722,109	0.08240	705,750	0.08270	669,468	0.08310
Social Security	775,566	0.08850	775,728	0.09090	775,004	0.09620
County Health	239,242	0.02730	239,801	0.02810	237,657	0.02950
Bridge Fund	340,898	0.03890	332,820	0.03900	265,048	0.03290
Public Safety Building-rental	4,450,084	0.50780	4,450,406	0.52150	4,300,383	0.53380
Mental Health Board #708	786,958	0.08980	777,434	0.09110	733,111	0.09100
Liability Insurance	650,249	0.07420	650,280	0.07620	650,133	0.08070
Drainage Districts	80,803	0.34010	77,887	0.33640	65,571	0.31180
Cooperative	100,780	0.01150	100,700	0.01180	99,897	0.01240
Nursing Home	700,200	0.07990	699,776	0.08200	659,800	0.08190
Law Enforcement - B&I	-	-	345,621	0.04050	343,998	0.04270
<b>TOTALS</b>	\$ <u><u>11,747,594</u></u>	<u>1.67140</u>	\$ <u><u>11,754,763</u></u>	<u>1.70470</u>	\$ <u><u>11,749,433</u></u>	<u>1.76210</u>

**ILLINOIS DEPARTMENT OF HUMAN SERVICES  
GRANT REPORT**

ILLINOIS DEPARTMENT OF HUMAN SERVICES  
 GRANT REPORT for the period July 1 through June 30, 2009  
 Page 1 of 2 -- Grant Allowable Cost Summary

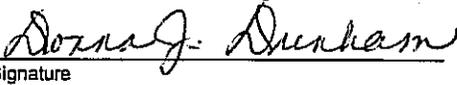
AGENCY NAME: VERMILION COUNTY HEALTH DEPARTMENT FEIN: 37-6002224

	DHS GRANT-FUNDED SERVICES					All other Programs	Mgmt & General	Total	
	Program 1	Program 2	Program 3	Program 4	Program 5				
K11GK520	WIC 900	AOK 570	FCM 300	HCC 420	HFI 400				
A	Direct Program expenses	346,103	52,928	362,311	39,515	174,059	194,955	215,714	1,385,585
B	Allocate Management and General Costs (Note 1)	78,621	17,289	72,960	1,217	20,881	24,746	215,714	-0-
C	SUBTOTAL A + B	424,724	70,217	435,271	40,732	194,940	219,701	-0-	1,385,585
D	Subtract Unallowable costs per page 2	0	0	0	0	0	0	0	0
E	Add other approved uses (attach documentation)	0	0	0	0	0	0	0	0
F	TOTAL Allowable costs	424,724	70,217	435,271	40,732	194,940			
G	Special provisions (see instructions)	0	0	0	0	0	0	0	0
H	Interest Earned (see instructions)	0	0	0	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 using square footage. Full Time Equivalency (FTE) is used for other expenses such as phones, postage, etc.

AGENCY NAME: Vermilion County Health Dept.

FEIN: 37-6002224

K11GK520 Program Name/Number/Contract Number:	DHS GRANT-FUNDED SERVICES				
	Program 1	Program 2	Program 3	Program 4	Program 5
	WIC	AOK	FCM	HCC	HFI
Unallowable Costs (see instructions)	900	570	300	420	400
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:					
<b>TOTAL UNALLOWABLE COSTS (to line D of Grant Report) --See below if NONE</b>	0	0	0	0	0
<p>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.</p> <p style="text-align: center;">             Signature         </p> <p style="text-align: right;">           11/30/09            Date         </p> <p style="text-align: center;">           Donna J. Dunham, Financial Director            Printed Name and Title         </p>					

ILLINOIS DEPARTMENT OF HUMAN SERVICES  
 GRANT REPORT for the period July 1 through June 30, 2009  
 Page 1 of 2 -- Grant Allowable Cost Summary

AGENCY NAME: VERMILION COUNTY HEALTH DEPARTMENT FEIN: 37-6002224

	K11GK520	DHS GRANT-FUNDED SERVICES					All other Programs	Mgmt & General	Total
		Program 1 TIPCM 440	Program 2 WIC-FM 920	Program 3	Program 4	Program 5			
A	Direct Program expenses	193,951	1,004					194,955	
B	Allocate Management and General Costs (Note 1)	24,746	0				-	24,746	
C	SUBTOTAL A + B	218,697	1,004				-0-	219,701	
D	Subtract Unallowable costs per page 2	0	0						
E	Add other approved uses (attach documentation)	0	0						
F	TOTAL Allowable costs	218,697	1,004						
G	Special provisions (see instructions)	0	0						
H	Interest Earned (see instructions)	0	0						

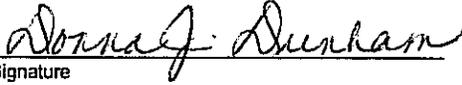
NOTE 1: Management and General costs are allocated based on:          direct salaries, X total direct costs, X other basis (attach explanation).

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.

ILLINOIS DEPARTMENT OF HUMAN SERVICES  
 GRANT REPORT for the period July 1 through June 30, 2009  
 Page 2 of 2 – UNALLOWABLE COSTS REPORT

AGENCY NAME: Vermilion County Health Department

FEIN: 37-6002224

K11GK520 Program Name/Number/Contract Number:	DHS GRANT-FUNDED SERVICES				
	Program 1	Program 2	Program 3	Program 4	Program 5
	TIPCM	WIC FMI			
Unallowable Costs (see instructions)	440	920			
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			
<p>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.</p> <p style="text-align: center;">             Signature         </p> <p style="text-align: right;">           11/30/09            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, 2009, which collectively comprise Vermilion County, Illinois' basic financial statements and have issued our report thereon dated June 25, 2010. 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 material weaknesses.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs and responses to be material weaknesses in internal control over financial reporting (09-01 and 09-02).

## 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 matters that we reported to management of Vermilion County in a separate letter dated June 25, 2010.

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

This report is intended solely for the information and use of management, the Board, finance committee, 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 Gunderson LLP*

Danville, Illinois  
June 25, 2010

**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 OMB *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2009. Vermilion County, Illinois' 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, Illinois' management. Our responsibility is to express an opinion on Vermilion County, Illinois' 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, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Vermilion County, Illinois' compliance with those requirements.

In our opinion, Vermilion County, Illinois 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, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 09-03.

## Internal Control Over Compliance

The management of Vermilion County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Vermilion County, Illinois' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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, however, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 09-03. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Vermilion County, Illinois' response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Vermilion County, Illinois' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board, finance committee, 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 Gunderson LLP*

Danville, Illinois  
June 25, 2010

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended November 30, 2009**

<b>Federal Grantor/ Pass Through Grantor/Program Title</b>	<b><u>CFDA Number</u></b>	<b><u>Grantor's Number</u></b>	<b><u>Federal Expenditures</u></b>	<b><u>Passed Through to Subrecipients</u></b>
<b>DEPARTMENT OF AGRICULTURE</b>				
Flow-through from Illinois Department of Human Services:				
Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	911G7520000	\$ 254,013	\$ -
Supplemental Nutrition Program For Women, Infants, and Children (WIC)	10.557	1011G7520000	153,791	-
Supplemental Nutrition Program for Women, Infants, and Children - Noncash	10.557	None	<u>1,348,705</u>	<u>-</u>
			<u>1,756,509</u>	<u>-</u>
Farmers' Market Nutrition Program	10.572	None	1,000	-
State Administrative Matching Grant for the Supplemental Nutrition Assistance Program	10.561	81XL701000	<u>114,803</u>	<u>114,803</u>
			<u>1,872,312</u>	<u>114,803</u>
Flow-through from Illinois Department of Public Health:				
Summer Food Inspection	10.559	None	500	-
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>			<u>\$ 1,872,812</u>	<u>\$ 114,803</u>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Flow-through from Illinois Department of Public Health:				
Performance Partnership Grant	66.605	None	<u>\$ 788</u>	<u>\$ -</u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Flow-through from Illinois Department of Human Services:				
Social Services Block Grant:				
Family Planning - Title X	93.217	911G6520000	\$ 34,776	\$ -
Family Planning - Title X	93.217	1011G6520000	<u>111,500</u>	<u>-</u>
			<u>146,276</u>	<u>-</u>
Temporary Assistance to Needy Families	93.558	911G6520000	49,882	-
Temporary Assistance to Needy Families	93.558	1011G6520000	<u>63,797</u>	<u>-</u>
			<u>113,679</u>	<u>-</u>

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended November 30, 2009**

<b>Federal Grantor/ Pass Through Grantor/Program Title</b>	<b><u>CFDA Number</u></b>	<b><u>Grantor's Number</u></b>	<b><u>Federal Expenditures</u></b>	<b><u>Passed Through to Subrecipients</u></b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Flow-through from Illinois Department of Human Services:				
Social Services Block Grant:				
Title XX Block Grant	93.667	911G6520000	\$ 105,024	\$ -
MCH Block Grant	93.994	911G6520000	14,000	-
MCH Block Grant	93.994	1011G6520000	10,000	-
			<u>24,000</u>	<u>-</u>
Childcare Development Block Grant	93.575	911G6520000	6,200	-
Childcare Development Block Grant	93.575	1011G6520000	16,500	-
			<u>22,700</u>	<u>-</u>
			<u>151,724</u>	<u>-</u>
Flow-through from the Illinois State Board of Elections:				
Voting Access for Individuals with Disabilities	93.617	None	4,689	-
Flow-through from Illinois Department of Public Health:				
Terrorism	93.069	None	170,302	-
Local Health Prevention	93.977	None	16,875	-
Immunization Grant – Noncash	93.268	None	77,632	-
Immunization Grant	93.268	None	700	-
			<u>78,332</u>	<u>-</u>
			<u>265,509</u>	<u>-</u>
Flow-through from Illinois Department of Public Health:				
Child Support Enforcement	93.563	None	23,870	-
Medical Assistance Program	93.778	None	144,050	-
			<u>167,920</u>	<u>-</u>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>\$ 849,797</u>	<u>\$ -</u>

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended November 30, 2009**

<b>Federal Grantor/ Pass Through Grantor/Program Title</b>	<b><u>CFDA Number</u></b>	<b><u>Grantor's Number</u></b>	<b><u>Federal Expenditures</u></b>	<b><u>Passed Through to Subrecipients</u></b>
<b>DEPARTMENT OF LABOR</b>				
Flow-through from Danville Area Community College: Workforce Investment Act Grant – Adult Program	17.258	None	\$ <u>22,660</u>	\$ <u>-</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Flow-through from Illinois Emergency Management Agency: Emergency Management Performance Grant - 2008	97.042	None	\$ <u>28,726</u>	\$ <u>-</u>
<b>DEPARTMENT OF TRANSPORTATION</b>				
Flow-through from Illinois Department of Transportation: Public Transportation for Non-Urbanized Areas	20.509	None	\$ <u>81,711</u>	\$ <u>-</u>
<b>DEPARTMENT OF JUSTICE</b>				
Flow-through from Illinois Criminal Justice Information Authority: Byrne Formula Grant	16.738	None	\$ 152,578	\$ 152,578
Flow-through from the City of Danville: Edward Byrne Memorial Grant	16.710	None	<u>10,866</u>	<u>-</u>
<b>TOTAL DEPARTMENT OF JUSTICE</b>			<b><u>\$ 163,444</u></b>	<b><u>\$ 152,578</u></b>
<b>DEPARTMENT OF ELECTION ASSISTANCE COMMISSION</b>				
Flow-through from Illinois State Board of Elections: Help America Vote Act (HAVA)	90.401	None	\$ <u>175,903</u>	\$ <u>-</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b><u>\$ 3,195,841</u></b>	<b><u>\$ 267,381</u></b>

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, 2009**

**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 2009 these commodities were valued at \$77,632 (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. For the year ended June 30, 2009, these food instruments were valued at \$1,348,705 (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, 2009**

**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)? x Yes      \_\_\_ No  
 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? x Yes      \_\_\_ 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 (WIC)

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. 09-01 – FINANCIAL STATEMENT PREPARATION AND AUDIT  
ADJUSTMENTS**

*Criteria or Specific Requirement:* Financial statement preparation and audit adjustments are the responsibility of the County’s management.

*Condition:* The County engages Clifton Gunderson to assist in preparing its financial statements and accompanying disclosures, including any necessary audit adjustments. 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, 2009**

**Section II – Financial Statement Findings (Continued)**

*Cause:* The County's personnel do not have the necessary resources to perform a review of the County's financial statements and related disclosures, including necessary 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 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 resources to complete the financial statements and related disclosures in accordance with generally accepted accounting principles, and any necessary adjustments, and will continue to make changes which will assist in performing these functions in the future.

**FINDING NO. 09-02 – BANK RECONCILIATIONS**

*Criteria or Specific Requirement:* Properly completed bank reconciliations are the responsibility of the County's management.

*Condition:* During the course of the audit we noted unidentified differences within the bank reconciliations.

*Context:* Of thirty bank reconciliations tested, we noted two instances where there were unidentified differences within the bank reconciliations.

*Effect:* Failure to properly investigate and identify these differences could result in a misappropriation of assets to go undetected.

*Cause:* Differences within the bank reconciliations are not being fully investigated.

*Recommendation:* It is essential to investigate unidentified differences present within the bank reconciliations. Communication between the respective departments is fundamental in allowing the reconciling issues to be cleared in a timely manner.

*Views of Responsible Officials and Planned Corrective Action:* The County's management is aware of the need for proper investigation of unidentified differences within the bank reconciliations. Management and respective departments will continue to communicate in order to resolve the differences in a timely manner.

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended November 30, 2009**

**Section III – Federal Award Findings and Questioned Costs**

**FINDING NO. 09-03– AUTHORIZATION CONTROLS OVER ELIGIBILITY NOT PERFORMED**

Federal Agency/Program: U.S. Department of Agriculture - 10.557 - Special Supplemental Food Program for Women, Infants, and Children (WIC)

Pass-through Agency: Illinois Department of Human Services

*Criteria or Specific Requirement:* The Health Department should have proper controls in place over the eligibility process to ensure compliance with eligibility requirements. The client's internal controls over eligibility states the Client Certification Form should be signed by the applicant/guardian, the nurse, and a case manager.

*Condition:* During the course of the audit we noted one instance where the case manager failed to properly sign the Client Certification Form.

*Context:* Of twenty-five participants tested, we noted one instance where the case manager failed to properly sign the Client Certification Form.

*Effect:* Failure of the case manager to properly document the review of the Client Certification Form could result in applicants being accepted into the program who are not eligible to receive benefits.

*Cause:* The exception was an oversight by the case manager and other review processes did not detect this lapse in the control system.

*Recommendation:* We recommend the Health Department monitor controls to ensure all controls are being performed as designed.

*Views of Responsible Officials and Planned Corrective Action:* The Health Department is aware of the issue and will take the necessary actions to monitor the controls in place.

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS**  
**Year Ended November 30, 2009**

**YEAR ENDED NOVEMBER 30, 2008**

**FINDING NO. 08-01 – FINANCIAL STATEMENT PREPARATION, INCLUDING  
AUDIT ADJUSTMENTS**

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

Condition still exists.