



Report of the Vermont State Auditor

March 12, 2013

**VERMONT COUNTY
SHERIFFS'
DEPARTMENTS
COMPILATION OF REPORTS
ON FINANCIAL
TRANSACTIONS AND
CONDITIONS FOR FISCAL
YEARS ENDING JUNE 30, 2011
AND JUNE 30, 2012**

**Douglas R. Hoffer
Vermont State Auditor
Rpt. No. 13-02**

Mission Statement

The mission of the Auditor's Office is to hold state government accountable. This means ensuring that taxpayer funds are used effectively and efficiently, and that we foster the prevention of waste, fraud, and abuse.

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DOUGLAS R. HOFFER
STATE AUDITOR



STATE OF VERMONT
OFFICE OF THE STATE AUDITOR

March 12, 2013

Representative William J. Lippert, Chair, House Committee on Judiciary
Senator Dick Sears, Chair, Senate Committee on Judiciary

I am pleased to submit the attached compilation of audit reports that describe the financial transactions and condition of each of Vermont's 14 County Sheriffs' Departments, as required by 24 VSA §290b(d).

In accordance with §290b(e), each Sheriff's Department is required to be audited once every two years by a public accounting firm, with the cost of these audits shared by the State Auditor's Office, the Secretary of Administration, and the respective Sheriff's Department.

This report utilizes financial information from statements that have been audited under §290b(e), rather than unaudited financial reports submitted to the State Auditor's Office under §290b(d).

This report summarizes the audits that were conducted on the following schedule:

For the year ended June 30, 2011:

- Bennington County
- Chittenden County
- Orange County
- Washington County
- Windham County
- Windsor County

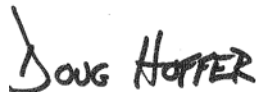
For the year ended June 30, 2012:

- Addison County
- Caledonia County
- Essex County
- Franklin County
- Grand Isle County
- Lamoille County
- Orleans County
- Rutland County

The audits referenced in this report were conducted in accordance with auditing standards generally accepted in the United States of America and with *Government Auditing Standards*.¹ Each audit includes a report on internal control and compliance, as well as findings and recommendations for corrective action.

This report is submitted pursuant to statutory requirement, as well as the desire to keep members of the General Assembly, the executive branch, and the public informed regarding the finances of Vermont's sheriffs' departments.

Respectfully,

A handwritten signature in black ink that reads "DOUG HOFFER". The letters are in all caps and have a slightly cursive, informal style.

Douglas R. Hoffer
Vermont State Auditor

¹ Copies of individual County Sheriff's Department audit reports are available upon request.

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Introduction

A county sheriff's department is a governmental entity created by the Vermont Constitution and operating under the specific authority and procedures established under 24 V.S.A. Chapter 5. A sheriff is a statutory employee of the county where he or she serves, but the state sets and pays the sheriff's salary and establishes the duties and operations of the department. However, deputies and other personnel are paid by the respective counties at salaries that are established locally.

Operating expenses are typically funded partially from county taxpayers through the general county budget, and partially from a variety of department fees and service charges, some of which are set by statute and others by the county sheriff.

The fees are intended to provide resources to cover all costs of the sheriff's department, except the costs paid directly by the State and county noted above, including recovery of the cost of property and equipment used in the performance of these services.

The State Auditor's Office (SAO) has a number of duties in statute regarding the preparation and auditing of financial statements by the 14 county sheriffs' departments.

Among these duties, outlined in 24 V.S.A. §290b(d), is the responsibility to compile reports that reflect the financial transactions and condition of each sheriff's department into one report for the General Assembly.

In a subsequent section of statute (§290b(e)), we are also required to receive copies of the biennial audits of financial statements issued by sheriffs' departments, and to pay one-third the cost of these audits. In the event a sheriff leaves office, 24 V.S.A. §290b(c) requires the SAO to conduct a transitional audit of the accounts for that sheriff's department, and the cost is borne by the SAO.

Each sheriff's department is required to be audited every two years, and the following schedule has been adopted:

| County | Audited for year ending June 30: |
|---------------|---|
| Addison | 2012, 2014 |
| Bennington | 2011, 2013 |
| Caledonia | 2012, 2014 |
| Chittenden | 2011, 2013 |
| Essex | 2012, 2014 |
| Franklin | 2012, 2014 |
| Grand Isle | 2012, 2014 |
| Lamoille | 2012, 2014 |
| Orange | 2011, 2013 |
| Orleans | 2012, 2014 |
| Rutland | 2012, 2014 |
| Washington | 2011, 2013 |
| Windham | 2011, 2013 |
| Windsor | 2011, 2013 |

Scope & Methodology

This compilation provides a synopsis of the results of the financial statement audits conducted by McSoley McCoy & Co for each sheriff's department. Each audit results in an audit report (i.e., an opinion on the financial statements) and a report on internal control over financial reporting and compliance with provisions of laws, regulations, contracts or grant agreements.

The financial statement audits of the fourteen county sheriff departments are conducted in accordance with generally accepted government auditing standards (GAGAS), issued by the comptroller general of the United States. These standards require auditors to plan and perform the audit to obtain sufficient evidence to provide reasonable assurance about whether the financial statements of the various departments 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. An unqualified audit opinion represents the auditor's opinion that all accounting rules were consistently applied and that the sheriff's

department financial reports fairly portray the financial condition of the department (see Table 1).

The report on internal control and compliance provides information about control weaknesses and instances of noncompliance with provisions of laws, regulations, contracts and grant agreements in situations where such noncompliance would have a material effect on the audit results. Control weaknesses are reported to the extent that, in the auditor's judgment, the weaknesses could adversely affect a department's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements (see Summary of Audit Results for internal control and noncompliance findings by individual department).

A material weakness is a deficiency, or combination of deficiencies, in internal control that creates a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected on a timely basis.

A significant deficiency is a control deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A control deficiency exists when the design or operation of one or more of the internal control components does not allow management or employees, in the normal course of performing their assigned duties, to prevent or detect and correct misstatements on a timely basis.

Table 1: Audit Opinions

| | Audit Report Date | Opinion Expressed |
|------------|-------------------|-------------------|
| FY2011 | | |
| Bennington | December 16, 2011 | Unqualified |
| Chittenden | December 19, 2011 | Unqualified |
| Orange | November 30, 2011 | Unqualified |
| Washington | December 2, 2011 | Unqualified |
| Windham | November 30, 2011 | Unqualified |
| Windsor | December 5, 2011 | Unqualified |
| | | |
| FY2012 | | |
| Addison | January 3, 2013 | Unqualified |
| Caledonia | October 31, 2012 | Unqualified |
| Essex | November 29, 2012 | Unqualified |
| Franklin | December 20, 2012 | Unqualified |
| Grand Isle | October 25, 2012 | Unqualified |
| Lamoille | October 15, 2012 | Unqualified |
| Orleans | November 14, 2012 | Unqualified |
| Rutland | November 26, 2012 | Unqualified |

Summary of Audit Results

Addison County

Profile

Donald M. Keeler, Jr., Sheriff
Addison County Sheriff's Department
35 Court Street
Middlebury, VT 05753
Audit Period: For year ended June 30, 2012¹

Overview

- Two material weaknesses

Material weaknesses

- Several accounts, including cash accounts, accounts receivable, net assets, notes payable and other various liability accounts, had actual year-end balances that were not reflected in the trial balance, which required several adjusting journal entries to bring the financial statements current. Auditor noted the need to review and reconcile financial statements quarterly to provide accurate financial information throughout the year, provide an early indication of potential errors or problems within the Department, and reduce work at year end. RESPONSE: The jail has been closed and the Department no longer keeps separate accounts that need to be integrated at the end of each fiscal year.
- Department maintains a variety of fixed assets, including a number of depreciated items. Auditor recommends a review of the fixed asset detail and removal of those items no longer in service on a regular basis. RESPONSE: Department is in the process of removing all assets no longer in service or that have been fully depreciated.

¹ Transitional audit performed for period July 1, 2011 to April 16, 2012 upon election of new sheriff.

Bennington County

Profile

Chad D. Schmidt, Sheriff
Bennington County Sheriff's Department
P.O. Box 4207
212 Lincoln Street
Bennington, VT 05201
Audit Period: For year ended June 30, 2011

Overview

- Two significant deficiencies

Significant deficiencies

- The Department has a policy of capitalizing assets greater than \$1,000; however, several expenditures were recorded as expenses rather than capital assets. In addition, capital assets purchased with grant funds or received through other sources should also have been considered as a capital asset with the corresponding revenue recorded, as applicable. **RESPONSE:** Management agrees with this finding and will implement procedures to review all capital purchases and repairs in excess of \$1,000 to proper recognition.
- Revenue and expenses for several services performed and received were recorded to the incorrect fiscal year. **RESPONSE:** Management agrees with this finding and will begin reviewing revenue and expense transactions to ensure proper cutoff.

Caledonia County

Profile

Dean R. Shatney, Sheriff
Caledonia Sheriff's Department
1126 Main Street, Suite 2
St. Johnsbury, VT 05819
Audit Period: For year ended June 30, 2012²

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

² Transitional audit performed for period July 1, 2011 to December 31, 2011 upon appointment of new sheriff.

Chittenden County

Profile

Kevin M. McLaughlin, Sheriff
Chittenden County Sheriff's Department
P.O. Box 1426
70 Ethan Allen Drive
South Burlington, VT 05403
Audit Period: For year ended June 30, 2011

Overview

- Three significant deficiencies

Significant deficiencies

- Invoices do not specify that payments should be made payable to the Chittenden County Sheriff's Department. **RESPONSE:** Management agrees with this finding and will add this to all invoices.
- The Department's fixed asset records at June 30, 2011 did not include all expenditures that met the Department's capitalization policy during 2011 and 2010, thus understating fixed assets. This has resulted in a prior period adjustment of the previously issued 2010 financial statements. **RESPONSE:** Management agrees with this finding and will implement procedures to review all purchases and repairs in excess of \$1,000 for proper recognition.
- Revenue was recorded when billed instead of when the services were performed. Recommend that a review be performed by the Department's bookkeeper to verify that year-end cutoff is performed during the months following year-end. **RESPONSE:** Management agrees with this finding and will begin reviewing revenue transactions to ensure proper cutoff.

Essex County

Profile

Trevor Colby, Sheriff
Essex County Sheriff's Department
91 Courthouse Drive
Guildhall, VT 05905
Audit Period: For year ended June 30, 2012

Overview

- Five significant deficiencies

Significant deficiencies

- A lack of segregation of duties was noted within the cash receipt and disbursement and recordkeeping areas due to the small size of the Department. The auditor recommends the following procedures be enacted: 1) the sheriff should open the mail, maintain the list of all receipts, and restrictively endorse all items received as "for deposit only"; 2) someone other than the check preparer and signor should mail all payments; and 3) recordkeeping duties should be delegated only to the bookkeeper and the sheriff prevented from providing recordkeeping services to the Department. **RESPONSE:** Management agrees with the finding and will consider these recommendations and consider other procedures to improve segregation of duties.
- Department currently does not have established procedures for an employee work week, vacation leave, sick leave, compensated holidays, and other fringe benefits. **RESPONSE:** Management agrees with finding and will consider drafting a written policy for the Department.
- Instances noted when signatures or supporting documentation authorizing the invoices and employee time sheets were missing. **RESPONSE:** Management agrees with this finding and will consider implementing and respecting the control.
- Revenue was recorded when billed instead of when the services were performed, and auditor recommends that a review be performed by the Department's bookkeeper to verify that year-end cutoff is performed during the months following year-end. **RESPONSE:** Management agrees with this finding and will consider drafting a written policy for the Department.

-
-
- The Department capitalized purchases of fixed assets below the capitalization policy of \$1,000. Recommend the Department adhere to its capitalization policy or consider formally changing the policy.
RESPONSE: Management agrees with this finding and will consider drafting a written policy for the Department.

Franklin County

Profile

Robert W. Norris, Sheriff
Franklin County Sheriff's Department
P.O. Box 367
387 Lake Road
St. Albans, VT 05478
Audit Period: For year ended June 30, 2012

Overview

- One significant deficiency

Significant deficiencies

- Department had an operating loss of \$149,003, the result of not responding quickly to a loss of revenue resulting in expenses with no corresponding revenue. **RESPONSE:** The Department will respond with corrective action quickly if an unexpected decline in revenue occurs again in the future.

Grand Isle County

Profile

Ray Allen, Sheriff
Grand Isle Sheriff's Department
P.O. Box 168
3677 U.S. Route 2
North Hero, VT 05474
Audit Period: For year ended June 30, 2012

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

Lamoille County

Profile

Roger Marcoux, Sheriff
Lamoille County Sheriff's Department
P.O. Box 96
162 Commonwealth Avenue
Hyde Park, VT 05655
Audit Period: For year ended June 30, 2012

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

Orange County

Profile

William Bohnyak, Sheriff
Orange County Sheriff's Department
RR 1, Box 30G
11 VT Rt. 113
Chelsea, VT 05038
Audit Period: For year ended June 30, 2011

Overview

- Two significant deficiencies

Significant deficiencies

- The Department has policy of capitalizing assets greater than \$1,000, but auditor noted several disbursements had been recorded as expenses rather than capital assets. **RESPONSE:** Management agrees with this finding and will implement procedures to review all capital purchases and repairs in excess of \$1,000 to proper recognition.
- Audit notes that revenue and expenses for several services performed and received were recorded to the wrong fiscal year and recommends management implement procedures to ensure all revenue and expenses be recognized to the proper period. **RESPONSE:** Management agrees with this finding and will begin reviewing revenue and expense transactions.

Orleans County

Profile

Kirk J. Martin, Sheriff
Orleans County Sheriff's Department
P.O. Box 355
255 Main Street.
Newport, VT 05855
Audit Period: For year ended June 30, 2012

Overview

- Five control deficiencies

Control deficiencies

- Department's fixed asset records at June 30, 2012 did not include fully depreciated assets that are still in service, thus understating the value of gross vehicles and equipment and accumulated depreciation. Auditor recommends the Department bring their depreciation schedules current and begin a schedule of periodic inventories.
- Payroll was processed later than stipulated by the Vermont Sheriffs' Uniform Accounting Manual. Auditor recommends the Department change its policy for processing payroll to comply with the State of Vermont.
- Revenue was recorded when billed instead of when the services were performed. Auditor suggests that a review be performed by the department's bookkeeper to verify that year-end cutoff is performed during the months following year-end to ensure the accuracy and reliability of the financial statements.
- The employee who is responsible for other cash functions also reviews the bank reconciliation for the vehicle account, which provides an ineffective system of cash control and the possibility of fraudulent activities due to the lack of an adequate segregation of duties. Auditor recommends that an employee independent of cash receipt and disbursement activities should review the bank reconciliation for any unusual items and document their approval by initialing the form.
- Auditor noted instances where signatures or supporting documentation authorizing the invoices were missing and recommends that approval of invoices be documented in the future.

Rutland County

Profile

Stephen P. Benard, Sheriff
Rutland County Sheriff's Department
P.O. Box 303
88 Grove Street
Rutland, VT 05701
Audit Period: For year ended June 30, 2012

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

Washington County

Profile

W. Samuel Hill, Sheriff
Washington County Sheriff's Department
10 Elm Street
P.O. Box 678
Montpelier, VT 05601
Audit Period: For year ended June 30, 2011

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

Windham County

Profile

Keith D. Clark, Sheriff
Windham County Sheriff's Department
P.O. Box 266, Route 30
Newfane, VT 05345
Audit Period: For year ended June 30, 2011

Overview

- Four significant deficiencies

Significant deficiencies

- Revenue and expenses for several services performed and received were recorded to the wrong fiscal year. Auditor recommends that management implement procedures to ensure all revenue and expenses be recognized to the proper period. **RESPONSE:** Management agrees with this finding and will begin reviewing revenue and expense transactions to ensure proper cutoff.
- The Department has a policy of capitalizing assets greater than \$1,000, but auditor noted several disbursements had been recorded as expenses rather than capital assets. Recommends the Department adhere to their capitalization policy. **RESPONSE:** Management agrees with this finding and will implement procedures to review all capital purchases and repairs in excess of \$1,000 for proper recognition.
- Auditor notes that documentation for review of timesheets was missing in several instances and recommends that Department adhere to their established procedures. **RESPONSE:** Management agrees with this finding and will ensure all timesheets are properly documented as reviewed and approved.
- Department's invoices do not indicate that "all checks should be made payable to the Windham County Sheriff Department" to avoid potential of a payment being made directly to sheriff or other employee. **RESPONSE:** Management agrees with this finding and will add this statement to all invoices.

Windsor County

Profile

D. Michael Chamberlain, Sheriff
Windsor County Sheriff's Department
P.O. Box 478
62 Pleasant Street
Woodstock, VT 05091
Audit Period: For year ended June 30, 2011

Overview

- No control deficiencies
- No significant deficiencies
- No material weaknesses

Summary of Financial Statement Information

The tables on the following pages have been assembled with data from financial statement audits of each sheriff's department. The notes to financial statements that accompany each audit report (not included here) are an integral part of an audit performed in accordance with Government Auditing Standards and should be requested and considered when evaluating these figures.

Table 2: Summary of Fiscal Year 2012 Statements of Net Assets

| For the year ended June 30, 2012 | <i>Addison</i> | <i>Caledonia</i> | <i>Essex</i> | <i>Franklin</i> | <i>Grand Isle</i> | <i>Lamoille</i> | <i>Orleans</i> | <i>Rutland</i> | <i>TOTAL</i> |
|---|------------------|------------------|------------------|------------------|-------------------|--------------------|------------------|--------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | \$225,092 | \$321,428 | \$107,671 | \$53,010 | \$116,895 | \$792,916 | \$21,737 | \$320,398 | \$1,959,147 |
| Accounts receivable | 48,651 | 104,080 | 27,288 | 26,822 | 45,985 | 79,208 | 56,275 | 143,268 | 531,577 |
| Inventory | 8,992 | - | - | - | - | - | - | - | 8,992 |
| Prepaid expenses | 2,901 | 42,250 | 5,074 | 17,015 | 5,602 | 29,562 | - | 7,817 | 110,221 |
| Other current assets | - | - | - | - | - | 150 | 7,966 | - | 8,116 |
| Fixed Assets, Net of Accumulated Depreciation | 272,463 | 119,971 | 42,318 | 334,872 | 164,528 | 1,264,079 | 129,569 | 404,354 | 2,732,154 |
| Restricted assets | 5,499 | - | - | - | 1,721 | 274,342 | 140,335 | 342,688 | 764,585 |
| Total Assets | \$563,598 | \$587,729 | \$182,351 | \$431,719 | \$334,731 | \$2,440,257 | \$355,882 | \$1,218,525 | \$6,114,792 |
| LIABILITIES and EQUITY | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable | \$862 | \$6,466 | \$1,140 | \$30,348 | \$6,521 | \$15,234 | \$3,373 | 48,906 | \$112,850 |
| Accrued expenses | - | - | - | - | - | - | 6,395 | 2,291 | 8,686 |
| Accrued payroll and payroll items | 6,977 | 7,897 | 15,108 | 52,674 | 16,457 | 92,644 | 18,102 | 98,423 | 308,282 |
| Compensated absences payable | 10,206 | - | - | - | - | - | - | - | 10,206 |
| Deferred revenue | - | - | - | 30,512 | 12,495 | - | - | - | 43,007 |
| Deferred compensation | - | - | - | - | - | - | - | 129,050 | 129,050 |
| Other current liabilities | - | - | - | - | - | - | - | 16,090 | 16,090 |
| Notes and other debt payable | - | - | 7,300 | 31,580 | 44,225 | - | 8,654 | 449,523 | 541,282 |
| Total Liabilities | 18,045 | 14,363 | 23,548 | 145,114 | 79,698 | 107,878 | 36,524 | 744,283 | 1,169,453 |
| Equity | | | | | | | | | |
| Invested in capital assets | 272,463 | 119,971 | 35,018 | 332,292 | 120,303 | 1,264,079 | 120,915 | 168,469 | 2,433,510 |
| Restricted cash | 5,499 | - | - | - | 1,721 | 274,342 | 140,335 | - | 421,897 |
| Unrestricted | 267,591 | 453,395 | 123,785 | (45,687) | 133,009 | 793,958 | 58,108 | 305,773 | 2,089,932 |
| Total net assets | 545,553 | 573,366 | 158,803 | 286,605 | 255,033 | 2,332,379 | 319,358 | 474,242 | 4,945,339 |
| Total Liabilities and Equity | \$563,598 | \$587,729 | \$182,351 | \$431,719 | \$334,731 | \$2,440,257 | \$355,882 | \$1,218,525 | \$6,114,792 |

Source: Audited Financial Statements of Cited County Sheriff's Departments

Table 3: Summary of Fiscal Year 2012 Statement of Revenues, Expenses and Changes in Net Assets

| For the year ended June 30, 2012 | <i>Addison^a</i> | <i>Caledonia^b</i> | <i>Essex</i> | <i>Franklin</i> | <i>Grand Isle</i> | <i>Lamoille</i> | <i>Orleans</i> | <i>Rutland</i> | <i>TOTAL</i> |
|---|----------------------------|------------------------------|----------------|------------------|-------------------|------------------|----------------|------------------|------------------|
| Operating Revenues: | | | | | | | | | |
| Charges for services | \$341,242 | \$239,009 | \$210,691 | \$1,044,533 | \$347,455 | \$2,376,095 | \$749,178 | \$1,370,717 | \$6,678,920 |
| Jail revenues | 66,951 | - | - | - | - | - | - | - | 66,951 |
| Communications | 5,061 | - | - | - | - | - | - | - | 5,061 |
| Transport services | 46,179 | 9,703 | - | - | - | - | - | - | 55,882 |
| Process services | 53,154 | 25,920 | - | - | - | - | - | - | 79,074 |
| Operating grants | 63,475 | 9,803 | 4,647 | 245,879 | 99,160 | 213,193 | 14,898 | 230,803 | 881,858 |
| County reimbursements | 37,466 | - | - | 143,943 | - | 82,261 | 6,102 | 113,849 | 383,621 |
| Miscellaneous revenues | 28,736 | 4,874 | 2,772 | 18,247 | 2,527 | 52,809 | 13,291 | 320 | 123,576 |
| Total operating revenues | 642,264 | 289,309 | 218,110 | 1,452,602 | 449,142 | 2,724,358 | 783,469 | 1,715,689 | 8,274,943 |
| Operating Expenses: | | | | | | | | | |
| Contracted services | 248,252 | 146,403 | 156,136 | 993,233 | 280,620 | 669,848 | 256,637 | 1,015,219 | 3,766,348 |
| Process services | 20,362 | 3,877 | - | 70,231 | 3,946 | 52,502 | 49,565 | 18,693 | 219,176 |
| Transportation services | - | - | - | - | - | 37,089 | 20,756 | - | 57,845 |
| Grant expenditures | - | 7,389 | - | - | 114,570 | 7,180 | 11,508 | 32,992 | 173,639 |
| Administration and general | 153,713 | 96,389 | 11,246 | 294,565 | 22,913 | 482,201 | 241,150 | 289,198 | 1,591,375 |
| Jail services | 142,961 | - | - | - | - | - | - | - | 142,961 |
| Communications services | 5,139 | 1,230 | - | - | - | 935,130 | 47,664 | 127,398 | 1,116,561 |
| Automotive services | 54,305 | 34,594 | 18,370 | 134,260 | 57,134 | 73,112 | 91,471 | 110,939 | 574,185 |
| Depreciation | 73,088 | 23,931 | 13,838 | 109,316 | 38,218 | 213,759 | 68,525 | 78,359 | 619,034 |
| Total operating expenses | 697,820 | 313,813 | 199,590 | 1,601,605 | 517,401 | 2,470,821 | 787,276 | 1,672,798 | 8,261,124 |
| Net operating gain (loss) | (55,556) | (24,504) | 18,520 | (149,003) | (68,259) | 253,537 | (3,807) | 42,891 | 13,819 |

| For the year ended June 30, 2012 | <i>Addison^a</i> | <i>Caledonia^b</i> | <i>Essex</i> | <i>Franklin</i> | <i>Grand Isle</i> | <i>Lamoille</i> | <i>Orleans</i> | <i>Rutland</i> | <i>TOTAL</i> |
|--|----------------------------|------------------------------|------------------|------------------|-------------------|--------------------|------------------|------------------|--------------------|
| Non-operating revenues (expenses): | | | | | | | | | |
| Gain (loss) on sale of equipment | 11,836 | - | - | 497 | (844) | 2,500 | 651 | (1,160) | 13,480 |
| Interest income | 46 | | | | 432 | 3,456 | 293 | 312 | 4,539 |
| Interest expense | (275) | - | - | (1,885) | (679) | - | (967) | (3,404) | (7,210) |
| Total non-operating revenues (expenses) | 11,607 | - | - | (1,388) | (1,091) | 5,956 | (23) | (4,252) | 10,809 |
| Net income (loss) | (43,949) | (24,504) | 18,520 | (150,391) | (69,350) | 259,493 | (3,830) | 38,639 | 24,628 |
| Net assets, beginning of year | 589,502 | 573,366 | 140,283 | 436,996 | 324,383 | 2,072,886 | 323,188 | 435,603 | 4,896,207 |
| Net assets, end of year | \$545,553 | \$548,862 | \$158,803 | \$286,605 | \$255,033 | \$2,332,379 | \$319,358 | \$474,242 | \$4,920,835 |

^a Transitional audit performed for period July 1, 2011 to April 16, 2012

^b Transitional audit performed for period July 1, 2011 to December 31, 2011

Source: Audited Financial Statements of Cited County Sheriff's Departments

Table 4: Summary of Fiscal Year 2011 Statements of Net Assets

| June 30, 2011 | <i>Bennington</i> | <i>Chittenden</i> | <i>Orange</i> | <i>Washington</i> | <i>Windham</i> | <i>Windsor</i> | TOTAL |
|---|-------------------|--------------------|------------------|-------------------|------------------|--------------------|--------------------|
| Assets | | | | | | | |
| Cash and cash equivalents | \$105,049 | \$1,090,221 | \$112,726 | \$504,760 | \$97,919 | \$868,787 | \$2,779,462 |
| Accounts receivable | 107,246 | 125,997 | 77,917 | 159,623 | 123,633 | 58,763 | 653,179 |
| Due from other governments | - | - | - | - | 43,853 | 63,836 | 107,689 |
| Prepaid expenses | 780 | 20,554 | 2,811 | 13,849 | 2,049 | 20,551 | 60,594 |
| Other current assets | - | - | 3,679 | - | - | - | 3,679 |
| Fixed assets, net of accumulated depreciation | 155,591 | 305,779 | 272,505 | 126,144 | 241,171 | 160,491 | 1,261,681 |
| Restricted assets | - | 82,665 | 580 | - | - | - | 83,245 |
| Total Assets | \$368,666 | \$1,625,216 | \$470,218 | \$804,376 | \$508,625 | \$1,172,428 | \$4,949,529 |
| LIABILITIES and EQUITY | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$37,518 | \$19,403 | \$7,929 | \$19,984 | \$20,032 | \$2,635 | \$107,501 |
| Accrued payroll and payroll items | 32,000 | 43,908 | 14,222 | 50,817 | 41,324 | 39,666 | 221,937 |
| Deferred revenue | - | 7,207 | - | - | - | - | 7,207 |
| Notes and other debt payable | 78,719 | - | 24,855 | - | 87,760 | - | 191,334 |
| Total Liabilities | 148,237 | 70,518 | 47,006 | 70,801 | 149,116 | 42,301 | 527,979 |
| Equity | | | | | | | |
| Invested in capital assets | 76,557 | 305,779 | 247,650 | 126,144 | 153,411 | 160,491 | 1,070,032 |
| Restricted cash | - | 82,665 | 580 | - | - | - | 83,245 |
| Unrestricted | 143,872 | 1,166,254 | 174,982 | 607,431 | 206,098 | 969,636 | 3,268,273 |
| Total net assets | 220,429 | 1,554,698 | 423,212 | 733,575 | 359,509 | 1,130,127 | 4,421,550 |
| Total Liabilities and Equity | \$368,666 | \$1,625,216 | \$470,218 | \$804,376 | \$508,625 | \$1,172,428 | \$4,949,529 |

Source: Audited Financial Statements of Cited County Sheriff's Departments

Table 5: Summary of Fiscal Year 2011 Statements of Revenues, Expenses and Changes in Net Assets

| For the year ended June 30, 2011 | <i>Bennington</i> | <i>Chittenden</i> | <i>Orange</i> | <i>Washington</i> | <i>Windham</i> | <i>Windsor</i> | <i>TOTAL</i> |
|---|-------------------|-------------------|----------------|-------------------|------------------|------------------|------------------|
| Operating Revenues: | | | | | | | |
| Charges for services | \$1,015,318 | \$1,218,729 | \$599,459 | \$584,559 | \$830,637 | \$808,028 | \$5,056,730 |
| Jail revenues | - | - | 2,650 | 3,840 | - | - | 6,490 |
| Transport services | - | - | - | 125,344 | 82,744 | 53,125 | 261,213 |
| Process services | - | - | - | 161,846 | 114,170 | 189,472 | 465,488 |
| Operating grants | 177,539 | 158,250 | 243,596 | 70,065 | 236,853 | 41,616 | 927,919 |
| County/state reimbursements | - | - | 79,117 | 451,787 | - | 32,783 | 563,687 |
| Miscellaneous revenues | 4,120 | 36,286 | 31,725 | 43,906 | 42,725 | 1,174 | 159,936 |
| Total operating revenues | 1,196,977 | 1,413,265 | 956,547 | 1,441,347 | 1,307,129 | 1,126,198 | 7,441,463 |
| Operating Expenses: | | | | | | | |
| Contracted services | 558,368 | 435,790 | 251,272 | 827,013 | 506,765 | 398,264 | 2,977,472 |
| Process services | - | 163,039 | 24,719 | 57,587 | 42,427 | 54,727 | 342,499 |
| Transportation services | 99,668 | 74,761 | 21,491 | - | - | 25,593 | 221,513 |
| Grant expenditures | 30,601 | - | 88,343 | - | 178,645 | 28,860 | 326,449 |
| Administration and general | 339,497 | 422,825 | 306,792 | 269,747 | 262,787 | 365,951 | 1,967,599 |
| Jail services | - | - | 2,818 | 3,843 | - | - | 6,661 |
| Communications services | 14,988 | - | 24,403 | 35,271 | 79,422 | 16,651 | 170,735 |
| Automotive services | 135,458 | 130,615 | 93,350 | 88,413 | 103,904 | 109,940 | 661,680 |
| Miscellaneous | 6,127 | - | - | - | 4,404 | - | 10,531 |
| Depreciation | 45,447 | 81,843 | 84,777 | 65,873 | 77,159 | 90,532 | 445,631 |
| Total operating expenses | 1,230,154 | 1,308,873 | 897,965 | 1,347,747 | 1,255,513 | 1,090,518 | 7,130,770 |
| Net operating gain (loss) | (33,177) | 104,392 | 58,582 | 93,600 | 51,616 | 35,680 | 310,693 |

| For the year ended June 30, 2011 | <i>Bennington</i> | <i>Chittenden</i> | <i>Orange</i> | <i>Washington</i> | <i>Windham</i> | <i>Windsor</i> | <i>TOTAL</i> |
|--|-------------------|--------------------|------------------|-------------------|------------------|--------------------|--------------------|
| Non-operating revenues (expenses): | | | | | | | |
| Gain (loss) on sale of equipment | 3,285 | (510) | - | (63) | - | 2,500 | 5,212 |
| Interest income | 282 | 6,976 | - | 10,862 | 1,863 | 4,064 | 24,047 |
| Interest expense | (4,033) | - | (675) | (15) | (3,611) | - | (8,334) |
| Total non-operating revenues (expenses) | (466) | 6,466 | (675) | 10,784 | (1,748) | 6,564 | 20,925 |
| Net income (loss) | (33,643) | 110,858 | 57,907 | 104,384 | 49,868 | 42,244 | 331,618 |
| Net assets, beginning of year | 243,322 | 1,311,924 | 346,466 | 609,826 | 244,933 | 1,087,883 | 3,855,104 |
| Prior year adjustment | 10,750 | 131,916 | 18,839 | 19,365 | 64,708 | - | 234,828 |
| Net assets, end of year | \$220,429 | \$1,554,698 | \$423,212 | \$733,575 | \$359,509 | \$1,130,127 | \$4,421,550 |

Source: Audited Financial Statements of Cited County Sheriff's Departments