

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

ANNUAL FINANCIAL REPORT

2006

JASPER COUNTY, INDIANA



**FILED**

09/28/2007



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Donya G. Jordan	01-01-05 to 12-31-08
Treasurer	Tammy L. McEwan	01-01-05 to 12-31-08
Clerk	Kara Fishburn	01-01-05 to 12-31-08
Sheriff	Orville J. Perry	01-01-05 to 12-31-08
Recorder	Phyllis Lanoue	01-01-05 to 12-31-08
President of the Board of County Commissioners	Richard Maxwell	01-01-06 to 12-31-07
President of the County Council	Ronald P. McIlwain James Adamson	01-01-06 to 12-31-06 01-01-07 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note I, the financial statements referred to above do not include a number of component units of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2006, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated August 8, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, and Schedule of Capital Assets, are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

August 8, 2007



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

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 8, 2007. The opinions to the financial statements were qualified due to omission of significant component units, which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the County's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

August 8, 2007

JASPER COUNTY  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2006

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipt and Changes in Net Assets
		Charges for Services	Capital Grants and Contributions	Primary Governmental Activities
Primary government:				
Governmental activities:				
General government	\$ 9,853,894	\$ 890,475	\$ -	\$ (8,963,419)
Public safety	4,070,183	915,808	-	(3,154,375)
Highways and streets	3,185,361	-	-	(3,185,361)
Sanitation	826,094	-	-	(826,094)
Health and welfare	1,779,618	-	-	(1,779,618)
Culture and recreation	500	-	-	(500)
Capital outlay	1,520,152	-	1,522,628	2,476
Total primary government	\$ 21,235,802	\$ 1,806,283	\$ 1,522,628	(17,906,891)
General receipts:				
Property taxes				6,275,377
Other local sources				3,818,778
Grants and contributions not restricted to specific programs				8,194,562
Unrestricted investment earnings				977,326
Total general receipts				19,266,043
Change in net assets				1,359,152
Net assets - beginning				24,104,658
Net assets - ending				\$ 25,463,810
<u>Assets</u>				
Cash and investments				\$ 4,050,607
Restricted assets:				
Cash and investments				21,413,203
Total assets				\$ 25,463,810
<u>Net Assets</u>				
Restricted for:				
Public safety				\$ 2,450,532
Highways and streets				2,134,047
Sanitation				750,043
Health and welfare				2,058,176
Capital outlay				6,514,317
Other purposes				7,506,088
Total net assets				\$ 25,463,810

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

JASPER COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006

	General	Motor Vehicle Highway	Rainy Day	Cumulative Jail	Other Governmental Funds	Totals
<b>Receipts:</b>						
Taxes	\$ 6,730,212	\$ -	\$ -	\$ 502,946	\$ 2,855,875	\$ 10,089,033
Licenses and permits	-	17,050	-	-	-	17,050
Intergovernmental	809,656	3,144,098	-	66,259	1,651,531	5,671,544
Charges for services	198,875	-	-	-	1,027,428	1,226,303
Fines and forfeits	191,602	-	-	-	371,328	562,930
Other	610,707	64,787	-	111,191	2,381,617	3,168,302
<b>Total receipts</b>	<b>8,541,052</b>	<b>3,225,935</b>	<b>-</b>	<b>680,396</b>	<b>8,287,779</b>	<b>20,735,162</b>
<b>Disbursements:</b>						
General government	7,280,513	-	-	-	2,573,381	9,853,894
Public safety	2,738,772	-	-	-	1,331,411	4,070,183
Highways and streets	-	2,901,934	-	-	283,427	3,185,361
Sanitation	67,576	-	-	-	758,518	826,094
Health and welfare	-	-	-	-	1,779,618	1,779,618
Culture and recreation	-	-	-	-	500	500
Capital outlay:						
Highways and streets	-	-	-	59,447	1,137,929	1,197,376
Special assessments	-	-	-	-	322,776	322,776
<b>Total disbursements</b>	<b>10,086,861</b>	<b>2,901,934</b>	<b>-</b>	<b>59,447</b>	<b>8,187,560</b>	<b>21,235,802</b>
Excess (deficiency) of receipts over disbursements	(1,545,809)	324,001	-	620,949	100,219	(500,640)
Other financing sources: Other receipts	775,666	234,169	-	-	849,957	1,859,792
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(770,143)	558,170	-	620,949	950,176	1,359,152
Cash and investment fund balance - beginning	4,820,750	1,349,472	3,674,690	2,359,379	11,900,367	24,104,658
Cash and investment fund balance - ending	\$ 4,050,607	\$ 1,907,642	\$ 3,674,690	\$ 2,980,328	\$ 12,850,543	\$ 25,463,810
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ 4,050,607	\$ -	\$ -	\$ -	\$ -	\$ 4,050,607
Restricted assets:						
Cash and investments	-	1,907,642	3,674,690	2,980,328	12,850,543	21,413,203
Total cash and investment assets - December 31	\$ 4,050,607	\$ 1,907,642	\$ 3,674,690	\$ 2,980,328	\$ 12,850,543	\$ 25,463,810
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
General government	\$ -	\$ -	\$ 3,674,690	\$ -	\$ -	\$ 3,674,690
Public safety	-	-	-	-	2,923,508	2,923,508
Highways and streets	-	1,907,642	-	-	226,405	2,134,047
Sanitation	-	-	-	-	1,316,998	1,316,998
Health and welfare	-	-	-	-	1,018,245	1,018,245
Capital outlay	-	-	-	2,980,328	3,533,989	6,514,317
Other purposes	-	-	-	-	3,831,398	3,831,398
Unrestricted	4,050,607	-	-	-	-	4,050,607
Total cash and investment fund balance - December 31	\$ 4,050,607	\$ 1,907,642	\$ 3,674,690	\$ 2,980,328	\$ 12,850,543	\$ 25,463,810

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

JASPER COUNTY  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2006

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 160,810	\$ -	\$ -
Investment earnings:			
Interest	<u>37,322</u>	-	-
Agency fund additions	<u>-</u>	<u>-</u>	<u>95,191,004</u>
Total additions	<u>198,132</u>	<u>-</u>	<u>95,191,004</u>
Deductions:			
Benefits	52,161	-	-
Refunds of contributions	11,762	-	-
Administrative and general	77,042	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>95,432,189</u>
Total deductions	<u>140,965</u>	<u>-</u>	<u>95,432,189</u>
Excess (deficiency) of total additions over total deductions	57,167	-	(241,185)
Cash and investment fund balance - beginning	<u>1,448,127</u>	<u>67,350</u>	<u>2,411,323</u>
Cash and investment fund balance - ending	<u>\$ 1,505,294</u>	<u>\$ 67,350</u>	<u>\$ 2,170,138</u>

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

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government: Jasper County

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

The Jasper County Hospital, a blended component unit, has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

The County reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The motor vehicle highway fund accounts for all financial resources and expenditures for maintaining the County highway system.

The rainy day fund accounts for the financial resources set aside for future expenditures due to unusual circumstances that do not occur annually.

The cumulative jail fund accounts for financial resources and expenditures for maintaining the County jail.

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the sheriff's pension trust and the sheriff's benefit pension funds, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the schools and the County.

Agency funds account for assets held by the County as an agent for federal, state and local agencies and serves as controller of accounts for certain cash transactions during the time they are a liability to the County.

C. Measurement Focus and Basis of Accounting

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

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

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

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

3. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the County's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

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

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Primary government and component unit activity and balances – Resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions and are classified separately from internal balances and activities within the primary government.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2006, the County had the following investments:

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 410,693
U.S. agencies	212,972
Mutual funds	168,157
Repurchase agreements	1,343,590
Total	\$ 2,135,412

Investment Policies

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

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

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

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

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. At December 31, 2006, the County's money was all held in accounts considered cash equivalents in the County's name.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2006, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Treasuries and Securities, Corporate Debt Instruments, Corporate Equity Instruments and Mutual Funds in the amount of \$2,135,412. All of these investments are held by the investment's counterparty, in the name of the Sheriff's Pension Plan.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years.

The Sheriff's Merit Board has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses.

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 33,886	\$ 351,354	\$ 25,453
U.S. agencies	-	206,929	6,043
Mutual bond funds*	168,157	-	-
Repurchase agreements	1,343,590	-	-
Totals	<u>\$ 1,545,633</u>	<u>\$ 558,283</u>	<u>\$ 31,496</u>

\*The mutual bond funds had a weighted average maturity of 11 months.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

<u>Standard and Poor's Rating</u>	<u>Moody's Rating</u>	<u>County's Investments</u>		
		<u>Mutual Funds</u>	<u>Corporate Bonds</u>	<u>Government Sponsored Enterprise</u>
AAA	Aaa	\$ -	\$ 4,113	\$ 623,665
AA	Aa	-	11,951	-
A	A	168,157	26,321	-
BBB	Baa	-	4,158	-
Totals		\$ 168,157	\$ 46,543	\$ 623,665

Concentration of Credit Risk

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

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk. More than 5% of the Sheriff's Retirement and Benefit investments are in the Federal Home Loan Mortgage Group. These investments represent 5.84% of the total investments.

Foreign Currency Risk

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

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk. There is no foreign currency related to the investment portfolio of the Sheriff's Retirement and Benefit plan.

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Medical Benefits to Employees

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents. The risk financing fund is accounted for in the Employees Benefit Fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$40,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund by the General Fund and withholdings from the employees payroll and are available to pay claims, claim reserves, and administrative costs of the program.

B. Subsequent Events

New Jail Construction

In 2006, the County has contracted for engineering services for the design and construction of a new jail. Construction is to begin in 2007 with funding of \$5,250,000 from tax revenues and \$8,600,000 in general obligation bonds to be repaid over a 13 year term.

C. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for the Indigent Program, Medical Assistance to Wards and Children with Special Health Care Needs through local property tax levies. The County remits those taxes to the State, which pays the cost.

D. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

The County contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 298,290	\$ 103,914	\$ 16,505
Interest on net pension obligation	(13,883)	(1,703)	-
Adjustment to annual required contribution	15,821	2,630	-
Annual pension cost	300,228	104,841	16,505
Contributions made	260,769	111,295	16,505
Increase in net pension obligation	39,459	(6,454)	-
Net pension obligation, beginning of year	(191,494)	(24,323)	-
Net pension obligation, end of year	\$ (152,035)	\$ (30,777)	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5.74%	14%	2%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-06	01-01-07	01-01-07
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

JASPER COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-04	\$ 204,935	112%	\$ (200,198)
	06-30-05	259,240	97%	(191,494)
	06-30-06	300,228	101%	(152,035)
County Police Retirement Plan	12-31-04	103,906	96%	(23,421)
	12-31-05	113,293	101%	(24,323)
	12-31-06	104,841	106%	(30,777)
County Police Benefit Plan	12-31-04	13,510	100%	-
	12-31-05	13,605	100%	-
	12-31-06	16,505	100%	-

JASPER COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 3,746,711	\$ 3,968,043	\$ (221,332)	94%	\$ 4,067,588	(5%)
07-01-04	3,832,297	4,487,546	(655,249)	85%	4,343,439	(15%)
07-01-05	4,029,780	5,034,368	(1,004,588)	80%	4,427,183	(23%)

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 1,140,036	\$ 1,140,036	-	100%	\$ 640,146	0%
01-01-02	1,272,533	1,272,533	-	100%	663,542	0%
01-01-03	1,397,333	1,397,333	-	100%	649,400	0%
01-01-04	1,550,338	1,550,338	-	100%	715,008	0%
01-01-05	1,735,973	1,735,973	-	100%	784,047	0%
01-01-06	1,909,329	1,909,329	-	100%	784,047	0%
01-01-07	2,106,486	2,106,486	-	100%	780,869	0%

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006

	Employee Benefits	Local Road and Street	Accident Report	Animal Shelter	Aviation	Bioterrorism	Child Psych Res
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,545
Intergovernmental	-	364,820	-	-	-	28,055	10,874
Charges for services	-	-	3,761	-	19,125	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	1,762,911	-	-	2,719	4,584	-	-
<b>Total receipts</b>	<b>1,762,911</b>	<b>364,820</b>	<b>3,761</b>	<b>2,719</b>	<b>23,709</b>	<b>28,055</b>	<b>93,419</b>
<b>Disbursements:</b>							
General government	2,083,261	-	-	2,028	-	-	-
Public safety	-	-	2,215	-	-	27,459	-
Highways and streets	-	283,427	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	13,671
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	53,510	-	-
Special assessments	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,083,261</b>	<b>283,427</b>	<b>2,215</b>	<b>2,028</b>	<b>53,510</b>	<b>27,459</b>	<b>13,671</b>
Excess (deficiency) of receipts over disbursements	(320,350)	81,393	1,546	691	(29,801)	596	79,748
<b>Other financing sources:</b>							
Other receipts	225,057	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(95,293)	81,393	1,546	691	(29,801)	596	79,748
Cash and investment fund balance - beginning	181,089	145,012	1,264	6,279	465,065	11,529	57,991
Cash and investment fund balance - ending	<u>\$ 85,796</u>	<u>\$ 226,405</u>	<u>\$ 2,810</u>	<u>\$ 6,970</u>	<u>\$ 435,264</u>	<u>\$ 12,125</u>	<u>\$ 137,739</u>
<b><u>Cash and Investment Assets - December 31</u></b>							
<b>Restricted assets:</b>							
Cash and investments	<u>\$ 85,796</u>	<u>\$ 226,405</u>	<u>\$ 2,810</u>	<u>\$ 6,970</u>	<u>\$ 435,264</u>	<u>\$ 12,125</u>	<u>\$ 137,739</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
<b>Restricted for:</b>							
Public safety	\$ -	\$ -	\$ 2,810	\$ 6,970	\$ -	\$ 12,125	\$ -
Highway and streets	-	226,405	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	85,796	-	-	-	435,264	-	137,739
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 85,796</u></b>	<b><u>\$ 226,405</u></b>	<b><u>\$ 2,810</u></b>	<b><u>\$ 6,970</u></b>	<b><u>\$ 435,264</u></b>	<b><u>\$ 12,125</u></b>	<b><u>\$ 137,739</u></b>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Clerk Title IV-D	Clerk's Record Perpetuation	County Share IV-D	County Law Enforcement Continuing Education	Community Correction Project	Community Correction Grant	Community Correction Work
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	14,230	-	-	-	17,141
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	9,810	-	-	-	-	-
Other	14,230	-	-	-	227,660	92,228	-
<b>Total receipts</b>	<b>14,230</b>	<b>9,810</b>	<b>14,230</b>	<b>-</b>	<b>227,660</b>	<b>92,228</b>	<b>17,141</b>
<b>Disbursements:</b>							
General government	3,225	11,264	-	-	-	-	-
Public safety	-	-	-	2,208	173,796	116,177	8,149
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,225</b>	<b>11,264</b>	<b>-</b>	<b>2,208</b>	<b>173,796</b>	<b>116,177</b>	<b>8,149</b>
Excess (deficiency) of receipts over disbursements	11,005	(1,454)	14,230	(2,208)	53,864	(23,949)	8,992
<b>Other financing sources:</b>							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,005	(1,454)	14,230	(2,208)	53,864	(23,949)	8,992
Cash and investment fund balance - beginning	56,829	7,617	53,473	2,208	489,445	72,073	16,221
Cash and investment fund balance - ending	<u>\$ 67,834</u>	<u>\$ 6,163</u>	<u>\$ 67,703</u>	<u>\$ -</u>	<u>\$ 543,309</u>	<u>\$ 48,124</u>	<u>\$ 25,213</u>
<b><u>Cash and Investment Assets - December 31</u></b>							
<b>Restricted assets:</b>							
Cash and investments	<u>\$ 67,834</u>	<u>\$ 6,163</u>	<u>\$ 67,703</u>	<u>\$ -</u>	<u>\$ 543,309</u>	<u>\$ 48,124</u>	<u>\$ 25,213</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
<b>Restricted for:</b>							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 543,309	\$ 48,124	\$ 25,213
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	67,834	6,163	67,703	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 67,834</u></b>	<b><u>\$ 6,163</u></b>	<b><u>\$ 67,703</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 543,309</u></b>	<b><u>\$ 48,124</u></b>	<b><u>\$ 25,213</u></b>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Community Emergency Response	Cop Universal Grant	DEA	Deferral Division	Drainage Maintenance	Drug Free Community	Emergency Medical Service
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 78,322	\$ -	\$ -
Intergovernmental	-	36,563	-	-	-	-	-
Charges for services	-	-	-	-	-	-	469,268
Fines and forfeits	-	-	-	92,156	-	43,101	-
Other	-	-	-	-	34,957	3,050	-
<b>Total receipts</b>	<b>-</b>	<b>36,563</b>	<b>-</b>	<b>92,156</b>	<b>113,279</b>	<b>46,151</b>	<b>469,268</b>
<b>Disbursements:</b>							
General government	-	-	-	-	-	-	-
Public safety	-	141,883	54,369	78,881	-	39,259	599,055
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	159,463	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>141,883</b>	<b>54,369</b>	<b>78,881</b>	<b>159,463</b>	<b>39,259</b>	<b>599,055</b>
Excess (deficiency) of receipts over disbursements	-	(105,320)	(54,369)	13,275	(46,184)	6,892	(129,787)
<b>Other financing sources:</b>							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(105,320)	(54,369)	13,275	(46,184)	6,892	(129,787)
Cash and investment fund balance - beginning	140	106,500	70,769	170,895	796,227	39,349	602,763
Cash and investment fund balance - ending	<u>140</u>	<u>1,180</u>	<u>16,400</u>	<u>184,170</u>	<u>750,043</u>	<u>46,241</u>	<u>472,976</u>
<b><u>Cash and Investment Assets - December 31</u></b>							
<b>Restricted assets:</b>							
Cash and investments	<u>140</u>	<u>1,180</u>	<u>16,400</u>	<u>184,170</u>	<u>750,043</u>	<u>46,241</u>	<u>472,976</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
<b>Restricted for:</b>							
Public safety	140	1,180	16,400	184,170	-	46,241	472,976
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	750,043	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>140</u></b>	<b><u>1,180</u></b>	<b><u>16,400</u></b>	<b><u>184,170</u></b>	<b><u>750,043</u></b>	<b><u>46,241</u></b>	<b><u>472,976</u></b>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Emergency Planning and Right to Know	Emergency Telephone System	Extradition	Family and Children	Firearms Training	Health	Health Maintenance
Receipts:							
Taxes	\$ -	\$ -	\$ 6,436	\$ 753,871	\$ -	\$ 7,679	\$ -
Intergovernmental	-	-	-	-	-	1,012	33,139
Charges for services	2,356	418,769	-	-	6,960	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	68,870	-
Total receipts	<u>2,356</u>	<u>418,769</u>	<u>6,436</u>	<u>753,871</u>	<u>6,960</u>	<u>77,561</u>	<u>33,139</u>
Disbursements:							
General government	-	-	-	-	4,970	-	-
Public safety	5,235	271,404	3,917	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	1,438,078	-	206,661	31,678
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	<u>5,235</u>	<u>271,404</u>	<u>3,917</u>	<u>1,438,078</u>	<u>4,970</u>	<u>206,661</u>	<u>31,678</u>
Excess (deficiency) of receipts over disbursements	<u>(2,879)</u>	<u>147,365</u>	<u>2,519</u>	<u>(684,207)</u>	<u>1,990</u>	<u>(129,100)</u>	<u>1,461</u>
Other financing sources:							
Other receipts	-	-	-	494,348	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,879)</u>	<u>147,365</u>	<u>2,519</u>	<u>(189,859)</u>	<u>1,990</u>	<u>(129,100)</u>	<u>1,461</u>
Cash and investment fund balance - beginning	<u>59,963</u>	<u>692,516</u>	<u>63,841</u>	<u>1,053,499</u>	<u>1,897</u>	<u>251,256</u>	<u>1,172</u>
Cash and investment fund balance - ending	<u>\$ 57,084</u>	<u>\$ 839,881</u>	<u>\$ 66,360</u>	<u>\$ 863,640</u>	<u>\$ 3,887</u>	<u>\$ 122,156</u>	<u>\$ 2,633</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 57,084</u>	<u>\$ 839,881</u>	<u>\$ 66,360</u>	<u>\$ 863,640</u>	<u>\$ 3,887</u>	<u>\$ 122,156</u>	<u>\$ 2,633</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ 57,084	\$ 839,881	\$ 66,360	\$ -	\$ 3,887	\$ -	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	863,640	-	122,156	2,633
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 57,084</u>	<u>\$ 839,881</u>	<u>\$ 66,360</u>	<u>\$ 863,640</u>	<u>\$ 3,887</u>	<u>\$ 122,156</u>	<u>\$ 2,633</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Homeland Security Grant	IDEM Recycling Grant	IN Sup CT Interpreter	Jury Duty	K9	Law Enforcement Continuing Education	Levy Excess
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	86,196	12,487	1,000	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	7,486	-	11,220	-
Other	-	-	-	56	10	-	-
<b>Total receipts</b>	<b>86,196</b>	<b>12,487</b>	<b>1,000</b>	<b>7,542</b>	<b>10</b>	<b>11,220</b>	<b>-</b>
<b>Disbursements:</b>							
General government	-	12,487	3,225	11,952	-	-	-
Public safety	86,196	-	-	-	372	3,228	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>86,196</b>	<b>12,487</b>	<b>3,225</b>	<b>11,952</b>	<b>372</b>	<b>3,228</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	-	(2,225)	(4,410)	(362)	7,992	-
Other financing sources: Other receipts	-	-	-	-	-	-	42,568
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(2,225)	(4,410)	(362)	7,992	42,568
Cash and investment fund balance - beginning	-	-	2,381	10,461	1,044	24,354	193,688
Cash and investment fund balance - ending	\$ -	\$ -	\$ 156	\$ 6,051	\$ 682	\$ 32,346	\$ 236,256
<b><u>Cash and Investment Assets - December 31</u></b>							
Restricted assets:							
Cash and investments	\$ -	\$ -	\$ 156	\$ 6,051	\$ 682	\$ 32,346	\$ 236,256
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
Restricted for:							
Public safety	\$ -	\$ -	\$ 156	\$ 6,051	\$ 682	\$ 32,346	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	236,256
<b>Total cash and investment fund balance - December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 156</b>	<b>\$ 6,051</b>	<b>\$ 682</b>	<b>\$ 32,346</b>	<b>\$ 236,256</b>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Local Health Maintenance No. 3	Local Law Enforcement 1999	Misdemeanant	Mortgage Fee	Partners Drug Free Grant	Partners Drug Free	Property Reassessment
Receipts:							
Taxes	\$ 19,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,536
Intergovernmental	-	579	18,439	-	-	1,500	17,197
Charges for services	-	-	-	5,830	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	35,547
<b>Total receipts</b>	<b>19,201</b>	<b>579</b>	<b>18,439</b>	<b>5,830</b>	<b>-</b>	<b>1,500</b>	<b>183,280</b>
Disbursements:							
General government	-	-	75,500	5,858	-	-	254,587
Public safety	-	2,299	-	-	61,519	1,574	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	22,269	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>22,269</b>	<b>2,299</b>	<b>75,500</b>	<b>5,858</b>	<b>61,519</b>	<b>1,574</b>	<b>254,587</b>
Excess (deficiency) of receipts over disbursements	(3,068)	(1,720)	(57,061)	(28)	(61,519)	(74)	(71,307)
Other financing sources:							
Other receipts	-	-	6	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,068)	(1,720)	(57,055)	(28)	(61,519)	(74)	(71,307)
Cash and investment fund balance - beginning	14,959	2,038	107,823	522	61,519	5,449	934,956
Cash and investment fund balance - ending	<u>\$ 11,891</u>	<u>\$ 318</u>	<u>\$ 50,768</u>	<u>\$ 494</u>	<u>\$ -</u>	<u>\$ 5,375</u>	<u>\$ 863,649</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 11,891</u>	<u>\$ 318</u>	<u>\$ 50,768</u>	<u>\$ 494</u>	<u>\$ -</u>	<u>\$ 5,375</u>	<u>\$ 863,649</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ 318	\$ 50,768	\$ -	\$ -	\$ 5,375	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	11,891	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	494	-	-	863,649
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 11,891</u>	<u>\$ 318</u>	<u>\$ 50,768</u>	<u>\$ 494</u>	<u>\$ -</u>	<u>\$ 5,375</u>	<u>\$ 863,649</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Prosecutor Title IV-D	Recorders Record Perpetuation	Riverboat	Sales Disclosure	Sheriff Smoking	Supplemental Adult/Juvenile Probation	Supplemental Public Defender
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	189,055	-	-	-	-
Charges for services	-	-	-	5,670	-	-	-
Fines and forfeits	-	-	-	-	-	112,907	10,535
Other	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>189,055</u>	<u>5,670</u>	<u>-</u>	<u>112,907</u>	<u>10,535</u>
Disbursements:							
General government	-	31,881	66,848	-	-	-	-
Public safety	4,374	-	-	-	-	68,683	15,121
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	2,086	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	<u>4,374</u>	<u>31,881</u>	<u>66,848</u>	<u>-</u>	<u>2,086</u>	<u>68,683</u>	<u>15,121</u>
Excess (deficiency) of receipts over disbursements	<u>(4,374)</u>	<u>(31,881)</u>	<u>122,207</u>	<u>5,670</u>	<u>(2,086)</u>	<u>44,224</u>	<u>(4,586)</u>
Other financing sources:							
Other receipts	<u>21,409</u>	<u>50,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>17,035</u>	<u>18,340</u>	<u>122,207</u>	<u>5,670</u>	<u>(2,086)</u>	<u>44,224</u>	<u>(4,586)</u>
Cash and investment fund balance - beginning	<u>52,874</u>	<u>159,864</u>	<u>367,714</u>	<u>19,520</u>	<u>3,709</u>	<u>334,549</u>	<u>54,116</u>
Cash and investment fund balance - ending	<u>\$ 69,909</u>	<u>\$ 178,204</u>	<u>\$ 489,921</u>	<u>\$ 25,190</u>	<u>\$ 1,623</u>	<u>\$ 378,773</u>	<u>\$ 49,530</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 69,909</u>	<u>\$ 178,204</u>	<u>\$ 489,921</u>	<u>\$ 25,190</u>	<u>\$ 1,623</u>	<u>\$ 378,773</u>	<u>\$ 49,530</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ 69,909	\$ -	\$ -	\$ -	\$ -	\$ 378,773	\$ 49,530
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	1,623	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	178,204	489,921	25,190	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 69,909</u>	<u>\$ 178,204</u>	<u>\$ 489,921</u>	<u>\$ 25,190</u>	<u>\$ 1,623</u>	<u>\$ 378,773</u>	<u>\$ 49,530</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Surplus Dog Tax Special	Surveyors Corner	User Fee	Weed Eradication	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement
<b>Receipts:</b>							
Taxes	\$ -	\$ 8,948	\$ -	\$ -	\$ 437,678	\$ 199,643	\$ 28,039
Intergovernmental	-	-	-	2,050	57,660	26,302	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	75,843	-	-	-	-
Other	-	-	-	-	75,157	54,535	5,103
<b>Total receipts</b>	<b>-</b>	<b>8,948</b>	<b>75,843</b>	<b>2,050</b>	<b>570,495</b>	<b>280,480</b>	<b>33,142</b>
<b>Disbursements:</b>							
General government	875	-	-	-	-	-	-
Public safety	-	-	79,876	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	3,689	-	-	-	279,408	74,921
Special assessments	-	-	-	-	322,776	-	-
<b>Total disbursements</b>	<b>875</b>	<b>3,689</b>	<b>79,876</b>	<b>-</b>	<b>322,776</b>	<b>279,408</b>	<b>74,921</b>
Excess (deficiency) of receipts over disbursements	(875)	5,259	(4,033)	2,050	247,719	1,072	(41,779)
<b>Other financing sources:</b>							
Other receipts	875	-	1,121	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,259	(2,912)	2,050	247,719	1,072	(41,779)
Cash and investment fund balance - beginning	-	47,933	31,237	14,252	1,809,810	1,475,388	608,734
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 53,192</u>	<u>\$ 28,325</u>	<u>\$ 16,302</u>	<u>\$ 2,057,529</u>	<u>\$ 1,476,460</u>	<u>\$ 566,955</u>
<b><u>Cash and Investment Assets - December 31</u></b>							
<b>Restricted assets:</b>							
Cash and investments	<u>\$ -</u>	<u>\$ 53,192</u>	<u>\$ 28,325</u>	<u>\$ 16,302</u>	<u>\$ 2,057,529</u>	<u>\$ 1,476,460</u>	<u>\$ 566,955</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
<b>Restricted for:</b>							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	566,955
Health and welfare	-	-	-	16,302	-	-	-
Capital outlay	-	-	-	-	2,057,529	1,476,460	-
Other purposes	-	53,192	28,325	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ -</u></b>	<b><u>\$ 53,192</u></b>	<b><u>\$ 28,325</u></b>	<b><u>\$ 16,302</u></b>	<b><u>\$ 2,057,529</u></b>	<b><u>\$ 1,476,460</u></b>	<b><u>\$ 566,955</u></b>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	<u>Child Restraint</u>	<u>Pioneerz Donation</u>	<u>Special Death Benefit</u>	<u>Sheriff Commissary</u>	<u>Community Correction Grant</u>	<u>Children with Special Health Needs</u>	<u>Coroner Education</u>
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,112	\$ -
Intergovernmental	-	-	-	-	-	1,268	-
Charges for services	-	-	-	55,691	38,432	-	1,566
Fines and forfeits	1,550	-	3,990	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,550</u>	<u>-</u>	<u>3,990</u>	<u>55,691</u>	<u>38,432</u>	<u>17,380</u>	<u>1,566</u>
Disbursements:							
General government	-	-	3,865	-	-	-	1,555
Public safety	1,450	-	-	54,766	27,001	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	17,380	-
Culture and recreation	-	500	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total disbursements	<u>1,450</u>	<u>500</u>	<u>3,865</u>	<u>54,766</u>	<u>27,001</u>	<u>17,380</u>	<u>1,555</u>
Excess (deficiency) of receipts over disbursements	<u>100</u>	<u>(500)</u>	<u>125</u>	<u>925</u>	<u>11,431</u>	<u>-</u>	<u>11</u>
Other financing sources:							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	100	(500)	125	925	11,431	-	11
Cash and investment fund balance - beginning	<u>50</u>	<u>500</u>	<u>265</u>	<u>40,327</u>	<u>43,296</u>	<u>-</u>	<u>153</u>
Cash and investment fund balance - ending	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 41,252</u>	<u>\$ 54,727</u>	<u>\$ -</u>	<u>\$ 164</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 41,252</u>	<u>\$ 54,727</u>	<u>\$ -</u>	<u>\$ 164</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	150	-	390	41,252	54,727	-	164
Total cash and investment fund balance - December 31	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 41,252</u>	<u>\$ 54,727</u>	<u>\$ -</u>	<u>\$ 164</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	IBEC Grant	Juvenile Probation Service	Medical Assistance to Wards	Recorders Identify Theft	Airport/INDOT Grant	County Economic Development Income Tax	Totals
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ 42,232	\$ -	\$ -	\$ 1,044,633	\$ 2,855,875
Intergovernmental	64,000	-	5,563	-	662,401	-	1,651,531
Charges for services	-	-	-	-	-	-	1,027,428
Fines and forfeits	-	2,730	-	-	-	-	371,328
Other	-	-	-	-	-	-	2,381,617
<b>Total receipts</b>	<b>64,000</b>	<b>2,730</b>	<b>47,795</b>	<b>-</b>	<b>662,401</b>	<b>1,044,633</b>	<b>8,287,779</b>
<b>Disbursements:</b>							
General government	-	-	-	-	-	-	2,573,381
Public safety	-	-	-	-	-	-	1,930,466
Highways and streets	-	-	-	-	-	-	283,427
Sanitation	-	-	-	-	-	-	159,463
Health and welfare	-	-	47,795	-	-	-	1,779,618
Culture and recreation	-	-	-	-	-	-	500
Capital outlay:							
Highways and streets	64,000	-	-	-	662,401	-	1,137,929
Special assessments	-	-	-	-	-	-	322,776
<b>Total disbursements</b>	<b>64,000</b>	<b>-</b>	<b>47,795</b>	<b>-</b>	<b>662,401</b>	<b>-</b>	<b>8,187,560</b>
Excess (deficiency) of receipts over disbursements	-	2,730	-	-	-	1,044,633	100,219
<b>Other financing sources:</b>							
Other receipts	-	-	-	14,352	-	-	849,957
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,730	-	14,352	-	1,044,633	950,176
Cash and investment fund balance - beginning	-	-	-	-	-	-	11,900,367
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 2,730</u>	<u>\$ -</u>	<u>\$ 14,352</u>	<u>\$ -</u>	<u>\$ 1,044,633</u>	<u>\$ 12,850,543</u>
<b><u>Cash and Investment Assets - December 31</u></b>							
<b>Restricted assets:</b>							
Cash and investments	<u>\$ -</u>	<u>\$ 2,730</u>	<u>\$ -</u>	<u>\$ 14,352</u>	<u>\$ -</u>	<u>\$ 1,044,633</u>	<u>\$ 12,850,543</u>
<b><u>Cash and Investment Fund Balance - December 31</u></b>							
<b>Restricted for:</b>							
Public safety	\$ -	\$ 2,730	\$ -	\$ -	\$ -	\$ -	\$ 2,923,508
Highway and streets	-	-	-	-	-	-	226,405
Sanitation	-	-	-	-	-	-	1,316,998
Health and welfare	-	-	-	-	-	-	1,018,245
Capital outlay	-	-	-	-	-	-	3,533,989
Other purposes	-	-	-	14,352	-	1,044,633	3,831,398
<b>Total cash and investment fund balance - December 31</b>	<u>\$ -</u>	<u>\$ 2,730</u>	<u>\$ -</u>	<u>\$ 14,352</u>	<u>\$ -</u>	<u>\$ 1,044,633</u>	<u>\$ 12,850,543</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006

	Health for the Indigent	Welfare Trust	Administration Fee	City and Town Court	Congressional School Interest	Education Plate Fees	Infraction Judgments
Additions:							
Agency fund additions	\$ 180,321	\$ 24,868	\$ 28,322	\$ 12,538	\$ 4,374	\$ 1,669	\$ 45,907
Deductions:							
Agency fund deductions	180,321	60,064	-	-	2,694	1,688	45,400
Excess (deficiency) of total additions over total deductions	-	(35,196)	28,322	12,538	1,680	(19)	507
Cash and investment fund balance - beginning	-	42,218	53,809	28,816	136,826	19	3,125
Cash and investment fund balance - ending	\$ -	\$ 7,022	\$ 82,131	\$ 41,354	\$ 138,506	\$ -	\$ 3,632

JASPER COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	<u>Inheritance Tax</u>	<u>Interstate Compact Fee</u>	<u>Overweight Vehicle Fines</u>	<u>Sewage Collection</u>	<u>State Fines and Forfeitures</u>	<u>State Sales Disclosure</u>	<u>Surplus Tax</u>
Additions:							
Agency fund additions	\$ 1,548,059	\$ 338	\$ -	\$ 43,553	\$ 3,122	\$ 5,670	\$ 79,886
Deductions:							
Agency fund deductions	<u>1,697,533</u>	<u>225</u>	<u>201</u>	<u>43,553</u>	<u>2,891</u>	<u>5,520</u>	<u>38,081</u>
Excess (deficiency) of total additions over total deductions	(149,474)	113	(201)	-	231	150	41,805
Cash and investment fund balance - beginning	<u>354,025</u>	<u>-</u>	<u>201</u>	<u>-</u>	<u>258</u>	<u>455</u>	<u>41,908</u>
Cash and investment fund balance - ending	<u>\$ 204,551</u>	<u>\$ 113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489</u>	<u>\$ 605</u>	<u>\$ 83,713</u>

JASPER COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Surplus Tax Sale	Tax Distribution	Tax Sale Fee	Tax Sale Redemption	Community Correction	County Sheriff
Additions:						
Agency fund additions	\$ 72,687	\$ 41,245,380	\$ 5,875	\$ 17,048	\$ 238,157	\$ 143,269
Deductions:						
Agency fund deductions	194,293	41,245,380	4,860	17,048	227,333	146,917
Excess (deficiency) of total additions over total deductions	(121,606)	-	1,015	-	10,824	(3,648)
Cash and investment fund balance - beginning	258,846	-	3,740	41	14,632	3,648
Cash and investment fund balance - ending	\$ 137,240	\$ -	\$ 4,755	\$ 41	\$ 25,456	\$ -

JASPER COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	County Recorder	County Treasurer	County Prosecutor	County Health	County Probation	Clerk of the Court
Additions:						
Agency fund additions	\$ 185,224	\$ 42,146,952	\$ -	\$ 70,350	\$ 141,452	\$ 6,393,979
Deductions:						
Agency fund deductions	185,389	42,162,142	295	70,350	142,402	6,305,805
Excess (deficiency) of total additions over total deductions	(165)	(15,190)	(295)	-	(950)	88,174
Cash and investment fund balance - beginning	14,736	883,113	4,143	25	10,410	445,782
Cash and investment fund balance - ending	\$ 14,571	\$ 867,923	\$ 3,848	\$ 25	\$ 9,460	\$ 533,956

JASPER COUNTY  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Sheriff's Inmate	Payroll Withholdings	Commissioners' Certified Tax Sale	Health Insurance	PP Judgment Collections	Totals
Additions:						
Agency fund additions	\$ 92,614	\$ 2,458,235	\$ 1,100	\$ -	\$ 55	\$ 95,191,004
Deductions:						
Agency fund deductions	89,421	2,562,228	100	-	55	95,432,189
Excess (deficiency) of total additions over total deductions	3,193	(103,993)	1,000	-	-	(241,185)
Cash and investment fund balance - beginning	741	109,306	-	500	-	2,411,323
Cash and investment fund balance - ending	\$ 3,934	\$ 5,313	\$ 1,000	\$ 500	\$ -	\$ 2,170,138

JASPER COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For the Year Ended December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Retroactive reporting of general infrastructure assets will occur by January 1, 2007.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 625,651
Buildings	7,179,424
Improvements other than buildings	4,314,595
Machinery and equipment	<u>8,370,259</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u><u>20,489,929</u></u>

JASPER COUNTY  
OTHER REPORTS

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

County Treasurer  
County Sheriff

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

Compliance

We have audited the compliance of Jasper County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2006. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

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

This report is intended solely for the information and use of the County's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

August 8, 2007

JASPER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2006

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Bulletproof Vest Partnership Program	16.607	FY 2006	\$ 2,299
Public Safety Partnership and Community Policing Grant Computer Aided Dispatch System	16.710	2005CKWX0023	<u>35,383</u>
Total for federal grantor agency			<u>37,682</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Direct Grant			
Airport Improvement Program Airport Parallel Taxiway Project Weather Reporting System	20.106	AIP 3-18-0070-02 AIP 3-18-0070-01	733,123 <u>125,727</u>
Total for federal grantor agency			<u>858,850</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health			
Centers for Disease Control and Prevention - Investigations and Technical Assistance Bioterrorism Preparedness Pandemic Public Health Preparedness and Responses for Bioterrorism	93.283	BPRS 136-2	2,114 <u>25,941</u>
Total for program			<u>28,055</u>
Pass-Through Indiana Family and Social Services Administration			
Child Support Enforcement	93.563	FY 2006	<u>162,035</u>
Total for federal grantor agency			<u>190,090</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Homeland Security Grant Program Airport Parallel Taxiway Project Weather Reporting System	97.067	2005 SHSP 2005 LETPP	54,330 <u>31,866</u>
Total for federal grantor agency			<u>86,196</u>
Total federal awards expended			<u>\$ 1,172,818</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

JASPER COUNTY  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

JASPER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no
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Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee?	yes
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

JASPER COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

JASPER COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 8, 2007, with Kendell Culp, Commissioner; Donya G. Jordan, Auditor. Our audit disclosed no material items that warrant comment at this time.