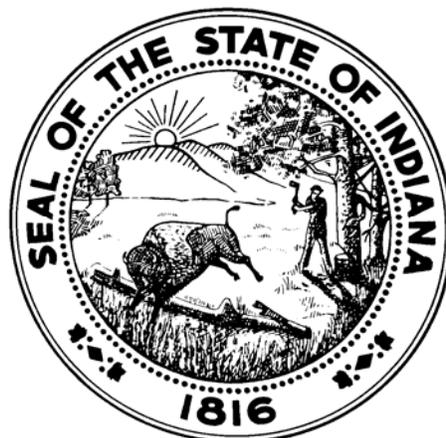


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2006

STEBEN COUNTY, INDIANA



FILED

10/25/2007

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Kim Koomler Pamela Coleman	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Treasurer	Sylvia Petre	01-01-04 to 12-31-07
Clerk	Diana Penick	01-01-04 to 12-31-07
Sheriff	Rick Lewis	01-01-03 to 12-31-10
Recorder	Pamela Colman Dani Parrish	01-01-03 to 12-31-06 01-01-07 to 12-31-10
President of the Board of County Commissioners	F. Mayo Sanders	01-01-06 to 12-31-07
President of the County Council	William L. Booth	01-01-06 to 12-31-07



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

TO: THE OFFICIALS OF STEUBEN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Steuben 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the business-type 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 September 11, 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.

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.

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

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, Schedule of Capital Assets, and Schedule of Long-Term Debt 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 and Schedule of Long-Term Debt have 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 them.

STATE BOARD OF ACCOUNTS

September 11, 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 STEUBEN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Steuben 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 September 11, 2007. 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

September 11, 2007

STEUBEN 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	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 6,923,361	\$ 692,312	\$ 618,381	\$ 558,043	\$ (5,054,625)
Public safety	7,261,742	1,719,540	937,014	-	(4,605,188)
Highways and streets	9,999,357	-	6,109	-	(9,993,248)
Health and welfare	3,601,997	-	-	-	(3,601,997)
Urban redevelopment and housing	393,815	-	279,877	-	(113,938)
Culture and recreation	508,452	239,110	6,300	-	(263,042)
Interest on long-term debt	30,864	-	-	-	(30,864)
	<u>\$ 28,719,588</u>	<u>\$ 2,650,962</u>	<u>\$ 1,847,681</u>	<u>\$ 558,043</u>	<u>(23,662,902)</u>
Total primary government					
General receipts:					
Property taxes					11,988,239
Other local sources					94,530
Grants and contributions not restricted to specific programs					42,998,016
Unrestricted investment earnings					1,092,774
Transfers					1,606,246
					<u>57,779,805</u>
					Change in net assets
					34,116,903
					Net assets - beginning
					8,429,852
					Net assets - ending
					\$ 42,546,755
<u>Assets</u>					
Cash and investments					\$ 3,564,918
Restricted assets:					
Cash and investments					38,981,837
Total assets					\$ 42,546,755
<u>Net Assets</u>					
Restricted for:					
Culture and recreation					\$ 41,414
Debt service					7,647
Other purposes					38,932,776
Unrestricted					3,564,918
Total net assets					\$ 42,546,755

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

STEUBEN 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	Major Moves	Other Governmental Funds	Totals
Receipts:				
Taxes	\$ 5,901,003	\$ -	\$ 6,087,236	\$ 11,988,239
Licenses and permits	281,927	-	48,712	330,639
Intergovernmental	280,216	40,000,000	5,182,169	45,462,385
Charges for services	1,793,781	-	857,181	2,650,962
Fines and forfeits	312,248	-	-	312,248
Other	1,938,118	-	382,321	2,320,439
	<u>10,507,293</u>	<u>40,000,000</u>	<u>12,557,619</u>	<u>63,064,912</u>
Total receipts				
Disbursements:				
General government	4,997,489	-	908,640	5,906,129
Public safety	4,651,711	-	5,526,496	10,178,207
Highways and streets	-	-	2,946,854	2,946,854
Health and welfare	175,335	-	777,018	952,353
Culture and recreation	81,323	-	427,129	508,452
Urban redevelopment and housing	-	-	393,815	393,815
Debt service:				
Principal	-	-	471,972	471,972
Interest	-	-	30,864	30,864
Capital outlay:				
Highways and streets	-	6,297,162	801,813	7,098,975
Special assessments	-	-	451,183	451,183
	<u>9,905,858</u>	<u>6,297,162</u>	<u>12,735,784</u>	<u>28,938,804</u>
Total disbursements				
Excess (deficiency) of receipts over disbursements	<u>601,435</u>	<u>33,702,838</u>	<u>(178,165)</u>	<u>34,126,108</u>
Other financing sources (uses):				
Transfers in	463,127	-	1,143,119	1,606,246
Transfers out	(1,000,000)	-	(606,246)	(1,606,246)
	<u>(536,873)</u>	<u>-</u>	<u>536,873</u>	<u>-</u>
Total other financing sources (uses)				
Excess of receipts and other financing sources over disbursements and other financing uses	64,562	33,702,838	358,708	34,126,108
Cash and investment fund balance - beginning	<u>738,869</u>	<u>-</u>	<u>7,642,736</u>	<u>8,381,605</u>
Cash and investment fund balance - ending	<u>\$ 803,431</u>	<u>\$ 33,702,838</u>	<u>\$ 8,001,444</u>	<u>42,507,713</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:				
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.				<u>39,042</u>
Net assets of governmental activities				<u>\$ 42,546,755</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	\$ 803,431	\$ -	\$ 2,761,487	\$ 3,564,918
Restricted assets:				
Cash and investments	<u>-</u>	<u>33,702,838</u>	<u>5,239,957</u>	<u>38,942,795</u>
Total cash and investment assets - December 31	<u>\$ 803,431</u>	<u>\$ 33,702,838</u>	<u>\$ 8,001,444</u>	<u>\$ 42,507,713</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Restricted for:				
Culture and recreation	\$ -	\$ -	\$ 41,414	\$ 41,414
Debt service	-	-	7,647	7,647
Other purposes	-	33,702,838	5,190,896	38,893,734
Unrestricted	<u>803,431</u>	<u>-</u>	<u>2,761,487</u>	<u>3,564,918</u>
Total cash and investment fund balance - December 31	<u>\$ 803,431</u>	<u>\$ 33,702,838</u>	<u>\$ 8,001,444</u>	<u>\$ 42,507,713</u>

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

STEUBEN COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 PROPRIETARY FUNDS
 As of and for the Year Ended December 31, 2006

	Internal Service Funds
Operating receipts:	
Other	\$ 1,834,667
Operating disbursements:	
Other	1,843,872
Deficiency of operating receipts over operating disbursements	(9,205)
Cash and investment fund balance - beginning	48,247
Cash and investment fund balance - ending	\$ 39,042
<u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	\$ 39,042
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	\$ 39,042

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

STEUBEN 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>Agency Funds</u>
Additions:		
Contributions:		
Employer	\$ 120,000	\$ -
Plan members	31,358	-
	<u>151,358</u>	<u>-</u>
Total contributions		
	151,358	-
Investment earnings:		
Net in fair value of investments	268,288	-
Interest/dividends	69,612	-
	<u>337,900</u>	<u>-</u>
Total investment earnings		
	337,900	-
Agency fund additions	-	133,548,052
	<u>-</u>	<u>133,548,052</u>
Total additions		
	489,258	133,548,052
Deductions:		
Benefits	68,731	-
Administrative and general	67,045	-
Agency fund deductions	-	132,486,321
	<u>135,776</u>	<u>132,486,321</u>
Total deductions		
	135,776	132,486,321
Excess of total additions over total deductions	353,482	1,061,731
Cash and investment fund balance - beginning	<u>2,938,326</u>	<u>2,630,893</u>
Cash and investment fund balance - ending	<u>\$ 3,291,808</u>	<u>\$ 3,692,624</u>

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

STEUBEN 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 Steuben County

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

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

The County reports the following major governmental funds:

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

The major moves fund is used for construction, reconstruction and maintenance of County highways.

Additionally, the County reports the following fund types:

The internal service fund, the self-insurance fund, provides health insurance to other County departments on a cost-reimbursement basis.

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Agency funds account for assets held by the County as an agent for other government entities and serve as control of accounts for certain cash transactions during the time they are liability to the County.

C. Measurement Focus and Basis of Accounting

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

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

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

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The County does not have any enterprise funds.

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 or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

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

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Equity Classification

Government-Wide Statements

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

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

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund 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.

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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:

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.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to 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.

B. Cash and Investment Balance Deficits

At December 31, 2006, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	2006
Tax Sale Fee	\$ 60,603
WIC	8,303
Children Psych Resident Treatment Service	24,177

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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. At December 31, 2006, the bank balance held at Morgan Stanley Trust for the Sheriff's Retirement and Benefit Pension Plans in the amount of \$132,905 was uninsured and uncollateralized. The remaining 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. As of December 31, 2006, the County had the following investments:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 194,030
U.S. agencies	218,682
Corporation bonds	562,932
Corporation stocks	2,183,416
Total	\$ 3,159,060

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 unit 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 unit'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.

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 held investments in Repurchase Agreements in the amount of \$7,622,861. Of these investments \$7,622,861 were held by the counterparty's trust department or agent but not 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. Treasury Bonds and Notes, Government Sponsored Entities, Corporate Bonds, and Corporate Stocks in the amount of \$3,159,060. Of these investments \$3,159,060 are held by the investment's counterparty, not in the name of the Sheriff's Pension Plan.

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 19,088	\$ 90,538	\$ 84,404
U.S. agencies	-	89,645	129,037
Corporate bonds	14,526	11,873	536,533
Corporate stocks	2,183,416	-	-
Totals	<u>\$ 2,217,030</u>	<u>\$ 192,056</u>	<u>\$ 749,974</u>

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.

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	Corporate Bonds	Government Sponsored Enterprise
AAA	Aaa	\$ 24,063	\$ 412,712
AA	Aa	74,097	-
A	A	175,297	-
BBB	Baa	104,882	-
BB	Ba	31,689	-
B	B	-	-
Other rating	Other rating	35,274	-
Unrated	Unrated	117,630	-
Totals		<u>\$ 562,932</u>	<u>\$ 412,712</u>

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Federal National Mortgage Association and Federal Home Loan Mortgage. These investments represent .61%, and 6.32%, respectively, of the total investments.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2006, were as follows:

Transfer From	Transfer To	2006
General Fund	Other governmental	\$ 1,000,000
Other governmental	General Fund	463,127
	Other governmental	143,119
Total		\$ 1,606,246

The County typically uses transfers for cash flow purposes as provided by various statutory provisions.

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 risk of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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.

Group Health Insurance

The County has chosen to establish a risk financing fund for risk associated with Health Insurance. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$5,000 per year per individual and \$10,000 per year per family. There is also an aggregate stop loss policy of \$50,000. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for employee payroll. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. 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. Counties administer the Adoption Assistance Program and the Foster Care Program.

C. 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:

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

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 398,730	\$ 146,395	\$ 12,649
Interest on net pension obligation	(13,513)	8,842	-
Adjustment to annual required contribution	<u>15,399</u>	<u>(12,745)</u>	<u>-</u>
Annual pension cost	400,616	142,492	12,649
Contributions made	<u>341,260</u>	<u>107,351</u>	<u>12,649</u>
Increase in net pension obligation	59,356	35,141	-
Net pension obligation, beginning of year	<u>(186,385)</u>	<u>117,890</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (127,029)</u>	<u>\$ 153,031</u>	<u>\$ -</u>

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5.75%	17.3%	1.5%
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	75% of expected actual value plus 25% of market value	75% of expected actual value plus 25% of market value	75% of expected actual value plus 25% of market value

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%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 262,180	112%	\$ (164,851)
	06-30-05	306,348	125%	(186,385)
	06-30-06	400,616	85%	(127,029)
County Police Retirement Plan	12-31-04	130,492	104.7%	99,225
	12-31-05	159,222	88.3%	117,890
	12-31-06	142,492	75.3%	153,031
County Police Benefit Plan	12-31-04	13,362	100%	-
	12-31-05	16,443	100%	-
	12-31-06	12,649	100%	-

STEUBEN 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)
07-01-04	\$ 4,798,947	\$ 5,419,008	\$ (620,061)	89%	\$ 5,545,240	(11%)
07-01-05	5,058,335	6,438,725	(1,380,390)	79%	5,947,180	(23%)
07-01-06	5,625,556	6,417,122	(791,566)	88%	5,896,846	(13%)

County Police Retirement 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)
01-01-02	\$ 2,060,827	\$ 2,060,827	\$ -	100%	\$ 761,141	0%
01-01-03	2,045,018	2,045,018	-	100%	756,034	0%
01-01-04	2,112,907	2,112,907	-	100%	757,996	0%
01-01-05	2,271,032	2,271,032	-	100%	848,637	0%
01-01-06	2,604,829	2,604,829	-	100%	843,525	0%
01-01-07	2,930,311	2,930,311	-	100%	856,829	0%

County Police Benefit 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)
01-01-02	\$ 139,654	\$ 139,654	\$ -	100%	\$ 761,141	0%
01-01-03	136,749	136,749	-	100%	756,034	0%
01-01-04	138,288	138,288	-	100%	757,996	0%
01-01-05	142,596	142,596	-	100%	848,637	0%
01-01-06	164,720	164,720	-	100%	843,525	0%
01-01-07	184,247	184,247	-	100%	856,829	0%

STEUBEN 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

	Highways and Streets	County Health	Accident Report	Firearms Training	County Aviation	Innkeeper's Tax	Hazardous Waste
Receipts:							
Taxes	\$ -	\$ 236,920	\$ -	\$ -	\$ 17,690	\$ 387,596	\$ -
Licenses and permits	2,727	45,985	-	-	-	-	-
Intergovernmental	2,681,524	-	-	-	350	-	-
Charges for services	-	-	3,675	6,860	13,079	-	-
Other	86,929	12,638	-	-	-	-	-
Total receipts	2,771,180	295,543	3,675	6,860	31,119	387,596	-
Disbursements:							
General government	-	-	-	-	56,842	-	-
Public safety	-	-	3,757	2,837	-	-	-
Highways and streets	2,740,745	-	-	-	-	-	-
Health and welfare	-	504,112	-	-	-	-	-
Culture and recreation	-	-	-	-	-	390,650	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	155,775	-	-	-	-	-	-
Interest	3,817	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-
Total disbursements	2,900,337	504,112	3,757	2,837	56,842	390,650	-
Excess (deficiency) of receipts over disbursements	(129,157)	(208,569)	(82)	4,023	(25,723)	(3,054)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(129,157)	(208,569)	(82)	4,023	(25,723)	(3,054)	-
Cash and investment fund balance - beginning	1,126,124	277,877	3,577	4,438	63,921	24,334	1,855
Cash and investment fund balance - ending	<u>\$ 996,967</u>	<u>\$ 69,308</u>	<u>\$ 3,495</u>	<u>\$ 8,461</u>	<u>\$ 38,198</u>	<u>\$ 21,280</u>	<u>\$ 1,855</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 38,198	\$ -	\$ -
Restricted assets:							
Cash and investments	996,967	69,308	3,495	8,461	-	21,280	1,855
Total cash and investment assets - December 31	\$ 996,967	\$ 69,308	\$ 3,495	\$ 8,461	\$ 38,198	\$ 21,280	\$ 1,855
Cash and Investment Fund Balance - December 31							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	996,967	69,308	3,495	8,461	-	21,280	1,855
Unrestricted	-	-	-	-	38,198	-	-
Total cash and investment fund balance - December 31	\$ 996,967	\$ 69,308	\$ 3,495	\$ 8,461	\$ 38,198	\$ 21,280	\$ 1,855

STEUBEN 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)

	Surveyor's Corner Perpetuation	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Property Reassessment	Recorder's Record Perpetuation	Clerk's Record Perpetuation	County Law Enforcement Continuing Education
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 182,295	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	11,180	132,203	11,434	-	72,408	12,727	4,280
Other	-	-	-	-	-	-	-
Total receipts	11,180	132,203	11,434	182,295	72,408	12,727	4,280
Disbursements:							
General government	16,743	-	-	236,706	41,049	10,068	-
Public safety	-	162,252	20,895	-	-	-	7,459
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	6,481	-	-	-	-	-
Interest	-	115	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-
Total disbursements	16,743	168,848	20,895	236,706	41,049	10,068	7,459
Excess (deficiency) of receipts over disbursements	(5,563)	(36,645)	(9,461)	(54,411)	31,359	2,659	(3,179)
Other financing sources (uses):							
Transfers in	-	-	-	400,000	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	400,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,563)	(36,645)	(9,461)	345,589	31,359	2,659	(3,179)
Cash and investment fund balance - beginning	59,867	89,073	14,037	1,084,513	242,709	41,160	4,709
Cash and investment fund balance - ending	<u>\$ 54,304</u>	<u>\$ 52,428</u>	<u>\$ 4,576</u>	<u>\$ 1,430,102</u>	<u>\$ 274,068</u>	<u>\$ 43,819</u>	<u>\$ 1,530</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 54,304	\$ -	\$ -	\$ 1,430,102	\$ 274,068	\$ 43,819	\$ -
Restricted assets:							
Cash and investments	-	52,428	4,576	-	-	-	1,530
Total cash and investment assets - December 31	\$ 54,304	\$ 52,428	\$ 4,576	\$ 1,430,102	\$ 274,068	\$ 43,819	\$ 1,530
Cash and Investment Fund Balance - December 31							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	52,428	4,576	-	-	-	1,530
Unrestricted	54,304	-	-	1,430,102	274,068	43,819	-
Total cash and investment fund balance - December 31	\$ 54,304	\$ 52,428	\$ 4,576	\$ 1,430,102	\$ 274,068	\$ 43,819	\$ 1,530

STEUBEN 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	Emergency Planning and Right to Know	Tobacco Settlement	Drainage Maintenance	Canine Donation	EMS Donation	Pretrial Diversion
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 538,437	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	20,000	5,971	13,139	-	-	-	-
Charges for services	11,520	-	-	-	-	-	96,480
Other	-	-	-	-	130	2,330	-
Total receipts	31,520	5,971	13,139	538,437	130	2,330	96,480
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	3,171	11,523	543,018	469	3,255	149,011
Highways and streets	-	-	-	-	-	-	-
Health and welfare	20,282	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-
Total disbursements	20,282	3,171	11,523	543,018	469	3,255	149,011
Excess (deficiency) of receipts over disbursements	11,238	2,800	1,616	(4,581)	(339)	(925)	(52,531)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(93,119)	-	-	-
Total other financing sources (uses)	-	-	-	(93,119)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,238	2,800	1,616	(97,700)	(339)	(925)	(52,531)
Cash and investment fund balance - beginning	103,187	32,902	45,416	1,018,520	469	4,618	69,137
Cash and investment fund balance - ending	<u>\$ 114,425</u>	<u>\$ 35,702</u>	<u>\$ 47,032</u>	<u>\$ 920,820</u>	<u>\$ 130</u>	<u>\$ 3,693</u>	<u>\$ 16,606</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ 920,820	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	114,425	35,702	47,032	-	130	3,693	16,606
Total cash and investment assets - December 31	\$ 114,425	\$ 35,702	\$ 47,032	\$ 920,820	\$ 130	\$ 3,693	\$ 16,606
Cash and Investment Fund Balance - December 31							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	114,425	35,702	47,032	-	130	3,693	16,606
Unrestricted	-	-	-	920,820	-	-	-
Total cash and investment fund balance - December 31	\$ 114,425	\$ 35,702	\$ 47,032	\$ 920,820	\$ 130	\$ 3,693	\$ 16,606

STEUBEN 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)

	County Drug Free Community	Supplemental Public Defender Services	Civil Defense Donation	Communications	DARE Donations	Sheriff Donation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	80,385	-	-
Charges for services	-	24,265	-	398,748	-	-
Other	30,980	-	-	-	-	-
Total receipts	30,980	24,265	-	479,133	-	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	25,700	20,300	-	390,865	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	94,021	-	-
Interest	-	-	-	12,121	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	25,700	20,300	-	497,007	-	-
Excess (deficiency) of receipts over disbursements	5,280	3,965	-	(17,874)	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,280	3,965	-	(17,874)	-	-
Cash and investment fund balance - beginning	38,995	67,206	840	221,123	27	450
Cash and investment fund balance - ending	<u>\$ 44,275</u>	<u>\$ 71,171</u>	<u>\$ 840</u>	<u>\$ 203,249</u>	<u>\$ 27</u>	<u>\$ 450</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	44,275	71,171	840	203,249	27	450
Total cash and investment assets - December 31	<u>\$ 44,275</u>	<u>\$ 71,171</u>	<u>\$ 840</u>	<u>\$ 203,249</u>	<u>\$ 27</u>	<u>\$ 450</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	44,275	71,171	840	203,249	27	450
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 44,275</u>	<u>\$ 71,171</u>	<u>\$ 840</u>	<u>\$ 203,249</u>	<u>\$ 27</u>	<u>\$ 450</u>

STEUBEN 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)

	County Medical Inmate Co-Payment	County Park Electric Deposit	Immunization Donation	Soldiers and Sailors Monument Maintenance and Restoration	County Family and Children	Law Enforcement Education
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,003,219	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	9,814	-	274,128	-
Charges for services	5,369	14,445	-	-	-	3,996
Other	-	-	-	-	161,133	-
Total receipts	5,369	14,445	9,814	-	3,438,480	3,996
Disbursements:						
General government	-	-	-	8,784	-	-
Public safety	2,444	-	-	-	2,649,644	4,876
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	8,802	-	-	-
Culture and recreation	-	17,679	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	2,444	17,679	8,802	8,784	2,649,644	4,876
Excess (deficiency) of receipts over disbursements	2,925	(3,234)	1,012	(8,784)	788,836	(880)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,925	(3,234)	1,012	(8,784)	788,836	(880)
Cash and investment fund balance - beginning	2,747	5,925	13,044	8,890	(224,706)	30,820
Cash and investment fund balance - ending	<u>\$ 5,672</u>	<u>\$ 2,691</u>	<u>\$ 14,056</u>	<u>\$ 106</u>	<u>\$ 564,130</u>	<u>\$ 29,940</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	5,672	2,691	14,056	106	564,130	29,940
Total cash and investment assets - December 31	<u>\$ 5,672</u>	<u>\$ 2,691</u>	<u>\$ 14,056</u>	<u>\$ 106</u>	<u>\$ 564,130</u>	<u>\$ 29,940</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ 2,691	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	5,672	-	14,056	106	564,130	29,940
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 5,672</u>	<u>\$ 2,691</u>	<u>\$ 14,056</u>	<u>\$ 106</u>	<u>\$ 564,130</u>	<u>\$ 29,940</u>

STEUBEN 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)

	Safe School Fee	Local Plan Council	Unsafe Building	Stop Violence Against Woman	Drug Abuse/ Prosecution/ Interdiction and Correction	Jury Pay Fee
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	23,632	-	-
Charges for services	-	-	-	-	5,713	16,702
Other	-	-	852	-	-	-
Total receipts	-	-	852	23,632	5,713	16,702
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	5,800	24,786	6,100	15,638
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	-	-	5,800	24,786	6,100	15,638
Excess (deficiency) of receipts over disbursements	-	-	(4,948)	(1,154)	(387)	1,064
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(4,948)	(1,154)	(387)	1,064
Cash and investment fund balance - beginning	400	4,087	23,646	1,154	10,904	21,662
Cash and investment fund balance - ending	<u>\$ 400</u>	<u>\$ 4,087</u>	<u>\$ 18,698</u>	<u>\$ -</u>	<u>\$ 10,517</u>	<u>\$ 22,726</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 4,087	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	400	-	18,698	-	10,517	22,726
Total cash and investment assets - December 31	<u>\$ 400</u>	<u>\$ 4,087</u>	<u>\$ 18,698</u>	<u>\$ -</u>	<u>\$ 10,517</u>	<u>\$ 22,726</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	400	-	18,698	-	10,517	22,726
Unrestricted	-	4,087	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 400</u>	<u>\$ 4,087</u>	<u>\$ 18,698</u>	<u>\$ -</u>	<u>\$ 10,517</u>	<u>\$ 22,726</u>

STEUBEN 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's Victim Assistance	Gravel Pit/ County Park	Bioterrorism Response Grant	Community Corrections Grant	Tax Sale Fee	Arrest Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	12,703	-	930	403,791	15,928	102,078
Charges for services	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	12,703	-	930	403,791	15,928	102,078
Disbursements:						
General government	-	-	-	-	78,157	-
Public safety	13,206	-	3,535	382,781	-	102,078
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	13,206	-	3,535	382,781	78,157	102,078
Excess (deficiency) of receipts over disbursements	(503)	-	(2,605)	21,010	(62,229)	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(503)	-	(2,605)	21,010	(62,229)	-
Cash and investment fund balance - beginning	503	1,650	3,071	175,746	1,626	-
Cash and investment fund balance - ending	\$ -	\$ 1,650	\$ 466	\$ 196,756	\$ (60,603)	\$ -
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (60,603)	\$ -
Restricted assets:						
Cash and investments	-	1,650	466	196,756	-	-
Total cash and investment assets - December 31	\$ -	\$ 1,650	\$ 466	\$ 196,756	\$ (60,603)	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	1,650	466	196,756	-	-
Unrestricted	-	-	-	-	(60,603)	-
Total cash and investment fund balance - December 31	\$ -	\$ 1,650	\$ 466	\$ 196,756	\$ (60,603)	\$ -

STEUBEN 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)

	DUI Taskforce Grant	Riverboat Revenue Sharing	Plat Book Maintenance	Meth Lab Mini Grant	Local Law Enforcement BG	Homeland Security Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	9,592	74,450	-	-	-	72,111
Charges for services	-	-	12,097	-	-	-
Other	-	-	-	-	-	-
Total receipts	<u>9,592</u>	<u>74,450</u>	<u>12,097</u>	<u>-</u>	<u>-</u>	<u>72,111</u>
Disbursements:						
General government	-	74,450	12,231	-	-	-
Public safety	8,755	-	-	-	-	72,281
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	<u>8,755</u>	<u>74,450</u>	<u>12,231</u>	<u>-</u>	<u>-</u>	<u>72,281</u>
Excess (deficiency) of receipts over disbursements	<u>837</u>	<u>-</u>	<u>(134)</u>	<u>-</u>	<u>-</u>	<u>(170)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</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>837</u>	<u>-</u>	<u>(134)</u>	<u>-</u>	<u>-</u>	<u>(170)</u>
Cash and investment fund balance - beginning	<u>2,471</u>	<u>-</u>	<u>27,394</u>	<u>3</u>	<u>7</u>	<u>3,153</u>
Cash and investment fund balance - ending	<u>\$ 3,308</u>	<u>\$ -</u>	<u>\$ 27,260</u>	<u>\$ 3</u>	<u>\$ 7</u>	<u>\$ 2,983</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>3,308</u>	<u>-</u>	<u>27,260</u>	<u>3</u>	<u>7</u>	<u>2,983</u>
Total cash and investment assets - December 31	<u>\$ 3,308</u>	<u>\$ -</u>	<u>\$ 27,260</u>	<u>\$ 3</u>	<u>\$ 7</u>	<u>\$ 2,983</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	<u>3,308</u>	<u>-</u>	<u>27,260</u>	<u>3</u>	<u>7</u>	<u>2,983</u>
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 3,308</u>	<u>\$ -</u>	<u>\$ 27,260</u>	<u>\$ 3</u>	<u>\$ 7</u>	<u>\$ 2,983</u>

STEUBEN 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)

	Coordinated Community Response to Intimate Partner Violence	Community Transition	Master Tobacco Grant	Drug Free Tobacco Grant	Building Safety Education	Probation Transfer Fee
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	19,123	-	20,172	34,946	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	-	-	-	975
Total receipts	19,123	-	20,172	34,946	-	975
Disbursements:						
General government	-	-	-	-	-	-
Public safety	19,123	-	-	-	-	975
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	12,816	25,895	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	19,123	-	12,816	25,895	-	975
Excess (deficiency) of receipts over disbursements	-	-	7,356	9,051	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	7,356	9,051	-	-
Cash and investment fund balance - beginning	-	68	26,191	6,633	475	150
Cash and investment fund balance - ending	\$ -	\$ 68	\$ 33,547	\$ 15,684	\$ 475	\$ 150
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 68	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	33,547	15,684	475	150
Total cash and investment assets - December 31	\$ -	\$ 68	\$ 33,547	\$ 15,684	\$ 475	\$ 150
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	-	33,547	15,684	475	150
Unrestricted	-	68	-	-	-	-
Total cash and investment fund balance - December 31	\$ -	\$ 68	\$ 33,547	\$ 15,684	\$ 475	\$ 150

STEUBEN 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)

	School System Radio	Safe Haven Grant	Cumulative Bridge	WIC	Inmate Drug Testing	Land Acquisition and Taxes Payable
Receipts:						
Taxes	\$ -	\$ -	\$ 168,629	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	32,323	115,010	9,955	93,965	15,625	-
Charges for services	-	-	-	-	-	-
Other	-	-	1,407	-	-	-
Total receipts	32,323	115,010	179,991	93,965	15,625	-
Disbursements:						
General government	7,627	-	-	-	-	-
Public safety	-	115,010	-	-	23,358	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	115,229	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	199,566	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	7,627	115,010	199,566	115,229	23,358	-
Excess (deficiency) of receipts over disbursements	24,696	-	(19,575)	(21,264)	(7,733)	-
Other financing sources (uses):						
Transfers in	-	-	400,000	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	400,000	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	24,696	-	380,425	(21,264)	(7,733)	-
Cash and investment fund balance - beginning	26,727	-	956,833	12,961	30,216	3,565
Cash and investment fund balance - ending	<u>\$ 51,423</u>	<u>\$ -</u>	<u>\$ 1,337,258</u>	<u>\$ (8,303)</u>	<u>\$ 22,483</u>	<u>\$ 3,565</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 51,423	\$ -	\$ -	\$ -	\$ -	\$ 3,565
Restricted assets:						
Cash and investments	-	-	1,337,258	(8,303)	22,483	-
Total cash and investment assets - December 31	\$ 51,423	\$ -	\$ 1,337,258	\$ (8,303)	\$ 22,483	\$ 3,565
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	-	1,337,258	(8,303)	22,483	-
Unrestricted	51,423	-	-	-	-	3,565
Total cash and investment fund balance - December 31	\$ 51,423	\$ -	\$ 1,337,258	\$ (8,303)	\$ 22,483	\$ 3,565

STEUBEN 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)

	Probation Indigent Treatment	CASA	Youth Improvement Program	Abandoned Junk Vehicles	Court Interpreter Service	Children Psych Resident Treatment Service
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,253
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	4,065	82,211	-	2,500	-
Charges for services	-	-	-	-	-	-
Other	-	-	-	1,837	-	-
Total receipts	-	4,065	82,211	1,837	2,500	3,253
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	4,065	64,241	1,166	3,436	119,912
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	-	4,065	64,241	1,166	3,436	119,912
Excess (deficiency) of receipts over disbursements	-	-	17,970	671	(936)	(116,659)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	17,970	671	(936)	(116,659)
Cash and investment fund balance - beginning	6,905	-	1,922	407	936	92,482
Cash and investment fund balance - ending	<u>\$ 6,905</u>	<u>\$ -</u>	<u>\$ 19,892</u>	<u>\$ 1,078</u>	<u>\$ -</u>	<u>\$ (24,177)</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	6,905	-	19,892	1,078	-	(24,177)
Total cash and investment assets - December 31	<u>\$ 6,905</u>	<u>\$ -</u>	<u>\$ 19,892</u>	<u>\$ 1,078</u>	<u>\$ -</u>	<u>\$ (24,177)</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	6,905	-	19,892	1,078	-	(24,177)
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 6,905</u>	<u>\$ -</u>	<u>\$ 19,892</u>	<u>\$ 1,078</u>	<u>\$ -</u>	<u>\$ (24,177)</u>

STEUBEN 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)

	GIS Watershed Grant	HAVA	Special Death Benefits	Public Health Preparing	Misdemeanant	Public Safety Training
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,109	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	4,110	52,451	20,699	-
Total receipts	6,109	-	4,110	52,451	20,699	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	80,504	3,910	-	19,935	184
Highways and streets	6,109	-	-	-	-	-
Health and welfare	-	-	-	48,882	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	6,109	80,504	3,910	48,882	19,935	184
Excess (deficiency) of receipts over disbursements	-	(80,504)	200	3,569	764	(184)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(80,504)	200	3,569	764	(184)
Cash and investment fund balance - beginning	-	82,140	415	2,733	-	201
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 1,636</u>	<u>\$ 615</u>	<u>\$ 6,302</u>	<u>\$ 764</u>	<u>\$ 17</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 1,636	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	615	6,302	764	17
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 1,636</u>	<u>\$ 615</u>	<u>\$ 6,302</u>	<u>\$ 764</u>	<u>\$ 17</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	-	615	6,302	764	17
Unrestricted	-	1,636	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 1,636</u>	<u>\$ 615</u>	<u>\$ 6,302</u>	<u>\$ 764</u>	<u>\$ 17</u>

STEUBEN 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)

	Steuben County Bike Trail	Service on Defendant	Jail Lease Rental	Cumulative Jail	General Drain Improvement	Airport Development and Construction
Receipts:						
Taxes	\$ -	\$ -	\$ 1,197	\$ 149,876	\$ 55,016	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,300	24,633	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	-	-	2,206	70
Total receipts	6,300	24,633	1,197	149,876	57,222	70
Disbursements:						
General government	-	-	-	-	104,705	-
Public safety	-	-	-	306,182	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	6,300	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	40,000	-
Interest	-	-	-	-	3,735	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Airport	-	-	-	-	-	-
Total disbursements	6,300	-	-	306,182	148,440	-
Excess (deficiency) of receipts over disbursements	-	24,633	1,197	(156,306)	(91,218)	70
Other financing sources (uses):						
Transfers in	-	-	-	-	143,119	-
Transfers out	-	-	-	(463,127)	-	-
Total other financing sources (uses)	-	-	-	(463,127)	143,119	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	24,633	1,197	(619,433)	51,901	70
Cash and investment fund balance - beginning	-	14,090	6,450	619,433	128,347	797
Cash and investment fund balance - ending	\$ -	\$ 38,723	\$ 7,647	\$ -	\$ 180,248	\$ 867
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	38,723	7,647	-	180,248	867
Total cash and investment assets - December 31	\$ -	\$ 38,723	\$ 7,647	\$ -	\$ 180,248	\$ 867
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ 38,723	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	7,647	-	-	-
Other purposes	-	-	-	-	180,248	867
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ -	\$ 38,723	\$ 7,647	\$ -	\$ 180,248	\$ 867

STEUBEN 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)

	Cumulative Capital Development	Airport State Grant	Airport FAA Grant	ID Security Protection	Sheriff SVC	Assistant Firefighter GT-EMS
Receipts:						
Taxes	\$ 434,888	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	22,364	535,679	20,404	8,892	11,070
Charges for services	-	-	-	-	-	-
Other	3,574	-	-	-	-	-
Total receipts	438,462	22,364	535,679	20,404	8,892	11,070
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	11,070
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	602,247	-	-	-	-	-
Airport	-	2,040	449,143	-	-	-
Total disbursements	602,247	2,040	449,143	-	-	11,070
Excess (deficiency) of receipts over disbursements	(163,785)	20,324	86,536	20,404	8,892	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(163,785)	20,324	86,536	20,404	8,892	-
Cash and investment fund balance - beginning	612,200	20,502	45,698	-	-	-
Cash and investment fund balance - ending	\$ 448,415	\$ 40,826	\$ 132,234	\$ 20,404	\$ 8,892	\$ -
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	448,415	40,826	132,234	20,404	8,892	-
Total cash and investment assets - December 31	\$ 448,415	\$ 40,826	\$ 132,234	\$ 20,404	\$ 8,892	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	448,415	40,826	132,234	20,404	8,892	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 448,415	\$ 40,826	\$ 132,234	\$ 20,404	\$ 8,892	\$ -

STEUBEN 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)

	Bulletproof Vest Grant	Boat Patrol/ LARE Grant	Housing Study Grant	Predisaster MIT Grant	Steuben County EDIT	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 908,220	\$ 6,087,236
Licenses and permits	-	-	-	-	-	48,712
Intergovernmental	1,440	30,480	279,877	4,500	-	5,182,169
Charges for services	-	-	-	-	-	857,181
Other	-	-	-	-	-	382,321
Total receipts	1,440	30,480	279,877	4,500	908,220	12,557,619
Disbursements:						
General government	-	-	-	-	261,278	908,640
Public safety	1,440	30,480	-	3,200	81,869	5,526,496
Highways and streets	-	-	-	-	200,000	2,946,854
Health and welfare	-	-	-	-	41,000	777,018
Culture and recreation	-	-	-	-	12,500	427,129
Economic development	-	-	279,877	-	113,938	393,815
Debt service:						
Principal	-	-	-	-	175,695	471,972
Interest	-	-	-	-	11,076	30,864
Capital outlay:						
Highways and streets	-	-	-	-	-	801,813
Airport	-	-	-	-	-	451,183
Total disbursements	1,440	30,480	279,877	3,200	897,356	12,735,784
Excess (deficiency) of receipts over disbursements	-	-	-	1,300	10,864	(178,165)
Other financing sources (uses):						
Transfers in	-	-	-	-	200,000	1,143,119
Transfers out	-	-	-	-	(50,000)	(606,246)
Total other financing sources (uses)	-	-	-	-	150,000	536,873
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	1,300	160,864	358,708
Cash and investment fund balance - beginning	-	-	-	-	187,978	7,642,736
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 1,300	\$ 348,842	\$ 8,001,444
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,761,487
Restricted assets:						
Cash and investments	-	-	-	1,300	348,842	5,239,957
Total cash and investment assets - December 31	\$ -	\$ -	\$ -	\$ 1,300	\$ 348,842	\$ 8,001,444
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,414
Debt service	-	-	-	-	-	7,647
Other purposes	-	-	-	1,300	348,842	5,190,896
Unrestricted	-	-	-	-	-	2,761,487
Total cash and investment fund balance - December 31	\$ -	\$ -	\$ -	\$ 1,300	\$ 348,842	\$ 8,001,444

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

	<u>Court Fees</u>	<u>Tax Sale Redemption</u>	<u>Tax Sale Surplus</u>	<u>Coroner Training and Continuing Education</u>	<u>Inheritance Tax</u>	<u>Surplus Tax</u>
Additions:						
Agency fund additions	\$ 467,195	\$ 106,940	\$ 2,996,290	\$ 1,736	\$ 657,206	\$ 126,692
Deductions:						
Agency fund deductions	466,301	108,132	1,483,306	1,924	802,902	108,869
Excess (deficiency) of total additions over total deductions	894	(1,192)	1,512,984	(188)	(145,696)	17,823
Cash and investment fund balance - beginning	45,698	1,192	6,934	298	348,192	364,865
Cash and investment fund balance - ending	<u>\$ 46,592</u>	<u>\$ -</u>	<u>\$ 1,519,918</u>	<u>\$ 110</u>	<u>\$ 202,496</u>	<u>\$ 382,688</u>

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

	<u>Congressional Interest</u>	<u>County Sheriff</u>	<u>Tax Distributions</u>	<u>Prosecutors Bad Check</u>	<u>Payroll</u>	<u>Clerk of Circuit Court</u>
Additions:						
Agency fund additions	<u>\$ 476</u>	<u>\$ 4,632,778</u>	<u>\$ 50,632,950</u>	<u>\$ 10,577</u>	<u>\$ 3,550,779</u>	<u>\$ 10,372,350</u>
Deductions:						
Agency fund deductions	<u>670</u>	<u>4,632,778</u>	<u>50,743,586</u>	<u>11,170</u>	<u>3,547,413</u>	<u>10,234,793</u>
Excess (deficiency) of total additions over total deductions	(194)	-	(110,636)	(593)	3,366	137,557
Cash and investment fund balance - beginning	<u>194</u>	<u>-</u>	<u>129,911</u>	<u>13,251</u>	<u>155,428</u>	<u>410,821</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,275</u>	<u>\$ 12,658</u>	<u>\$ 158,794</u>	<u>\$ 548,378</u>

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

	<u>Welfare Trust</u>	<u>Innkeeper Tax Commission</u>	<u>County Recorder</u>	<u>County Treasurer</u>	<u>EMS</u>	<u>State Sales Disclosure Fee</u>
Additions:						
Agency fund additions	\$ -	\$ 392,495	\$ 252,991	\$ 58,134,243	\$ 896,140	\$ 7,580
Deductions:						
Agency fund deductions	43,933	372,360	252,991	58,469,654	896,140	7,720
Excess (deficiency) of total additions over total deductions	(43,933)	20,135	-	(335,411)	-	(140)
Cash and investment fund balance - beginning	50,173	304,242	-	780,900	1	795
Cash and investment fund balance - ending	<u>\$ 6,240</u>	<u>\$ 324,377</u>	<u>\$ -</u>	<u>\$ 445,489</u>	<u>\$ 1</u>	<u>\$ 655</u>

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

	Congressional Principal	County Dog Tax	Levy Excess	Child Safety Seats	Mortgage Fee Fund	Totals
Additions:						
Agency fund additions	\$ 32,000	\$ 1,572	\$ 268,010	\$ 300	\$ 6,752	\$ 133,548,052
Deductions:						
Agency fund deductions	32,000	1,572	260,992	275	6,840	132,486,321
Excess (deficiency) of total additions over total deductions	-	-	7,018	25	(88)	1,061,731
Cash and investment fund balance - beginning	16,775	-	-	-	1,223	2,630,893
Cash and investment fund balance - ending	<u>\$ 16,775</u>	<u>\$ -</u>	<u>\$ 7,018</u>	<u>\$ 25</u>	<u>\$ 1,135</u>	<u>\$ 3,692,624</u>

STEUBEN 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.

General infrastructure assets have not been reported. Retroactive reporting of general infrastructure assets will occur by 2007.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,856,217
Buildings	13,895,123
Improvements other than buildings	181,817
Machinery and equipment	<u>8,286,732</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 26,219,889</u>

STEUBEN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

The county has entered into the following long-term debt:

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
2004 Police Cars and EMS Vehicles	\$ 44,753	\$ 44,753
Highway Trucks	207,094	-
EMS Trucks	34,894	22,963
Sheriff Van, Cars, and SUV	57,918	57,918
911 Lease Equipment	210,687	49,208
Notes and loans payable	67,000	-
Bonds payable:		
General obligation bonds:		
Energy Efficiency Improvements	<u>3,640,000</u>	<u>150,000</u>
Total governmental activities long-term debt	<u>\$ 4,262,346</u>	<u>\$ 324,842</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
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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 STEUBEN COUNTY, INDIANA

Compliance

We have audited the compliance of Steuben 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

September 11, 2007

STEUBEN 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 AGRICULTURE</u>			
Pass-Through Indiana Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		
FY06			\$ 94,238
FY07			<u>20,768</u>
Total for federal grantor agency			<u>115,006</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590		
		2003-WE-BX-0018	13,070
		2005-WE-AX-0022	89,008
		2004-1490-IN-CW-0014	<u>115,010</u>
Total for program			<u>217,088</u>
Direct			
Bulletproof Vest Partnership Program	16.607	07039286	<u>1,440</u>
Pass-Through Indiana Criminal Justice Institute			
Violence Against Women Formula Grants	16.588		
		05STO53	11,250
		06STO56	19,123
		06STO58	<u>13,536</u>
Total for program			<u>43,909</u>
Total for federal grantor agency			<u>262,437</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Direct			
Airport Improvement Program	20.106	3-180002-08	<u>462,460</u>
Pass-Through Indiana Criminal Justice Institute			
State and Community Highway Safety	20.600	154AL-05-03	<u>8,755</u>
Total for federal grantor agency			<u>471,215</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Department of Environmental Management			
Targeted Watersheds Grants	66.439	A305-3-751	<u>6,109</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	93.283	U90/CCU517024-04	<u>3,535</u>
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
County Prosecutor's Expenditures			163,439
County Clerk's Expenditures			33,058
Indirect Costs			<u>32,772</u>
Total for program			<u>229,269</u>
Total for federal grantor agency			<u>232,804</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Predisaster Mitigation Competitive Grants	97.017	C4496157	<u>3,200</u>
Community Emergency Response Team Program	97.054		<u>72,281</u>
Total for program			<u>75,481</u>
Total federal awards expended			<u>\$ 1,163,052</u>

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

STEUBEN 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 Steuben 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.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
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

Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

STEUBEN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

STEUBEN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 11, 2007, with Pamela Coleman, Auditor; F. Mayo Sanders, President of the Board of County Commissioners; and William L. Booth, President of the County Council. Our audit disclosed no material items that warrant comment at this time.