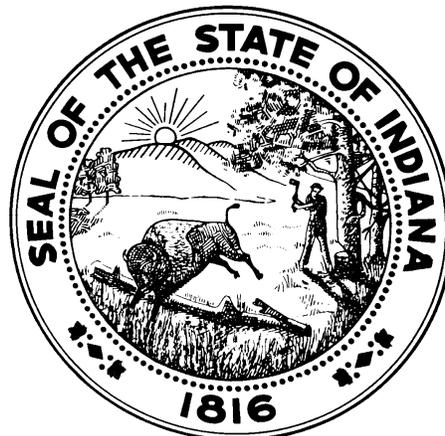


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2006

WASHINGTON COUNTY, INDIANA



FILED

11/28/2007

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Lana Sullivan Sara Bachman	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Treasurer	Shirley Batt	01-01-05 to 12-31-08
Clerk	Rita Martin	01-01-05 to 12-31-08
Sheriff	Roger W. Lyles Claude C. Combs	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Recorder	Cynthia J. Zink	01-01-03 to 12-31-10
President of the Board of County Commissioners	Phillip E. Lofton Byron Green Lana Sullivan	01-01-06 to 06-05-06 06-06-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	John D. Fultz	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF WASHINGTON COUNTY, INDIANA

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

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated October 4, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, 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

October 4, 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 WASHINGTON COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Washington 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 October 4, 2007. The opinion to the financial statements was qualified due to omission of component units which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

October 4, 2007

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

Functions/Programs	Disbursements	Program Receipts			Net (Disbursements) Receipts
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 6,622,494	\$ 396,823	\$ 415,085	\$ 712,002	\$ (5,098,584)
Public safety	3,925,854	679,252	891,412	3,594	(2,351,596)
Highways and streets	3,018,061	-	2,918,970	38,124	(60,967)
Sanitation	338,527	-	-	-	(338,527)
Health and welfare	2,223,289	31,475	264,759	-	(1,927,055)
Culture and recreation	455,133	213,650	12,343	5,446	(223,694)
Interest on long-term debt	23,285	-	-	-	(23,285)
	<u>\$ 16,606,643</u>	<u>\$ 1,321,200</u>	<u>\$ 4,502,569</u>	<u>\$ 759,166</u>	<u>(10,023,708)</u>
Total primary government					
General receipts:					
Property taxes					4,589,627
Other local sources					2,062,268
Interest earnings					266,247
Unrestricted intergovernmental receipts					398,794
Gaming taxes					176,309
Riverboat revenue sharing					509,483
Insurance proceeds					22,500
Other operating receipts					1,716,431
					<u>9,741,659</u>
Total general receipts					
					(282,049)
Change in net assets					
					4,429,962
Net assets - beginning					
					<u>\$ 4,147,913</u>
Net assets - ending					
<u>\$ 4,147,913</u>					
<u>Assets</u>					
Cash and investments					\$ 414,041
Restricted assets:					
Cash and investments					3,733,872
					<u>4,147,913</u>
Total assets					
					<u>\$ 4,147,913</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 1,443,541
Public safety					705,947
Highways and streets					656,265
Health and welfare					736,670
Culture and recreation					191,449
Unrestricted					
					<u>414,041</u>
Total net assets					
					<u>\$ 4,147,913</u>

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

WASHINGTON 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	County Highway	Property Reassessment	Family and Children	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 4,932,354	\$ -	\$ -	\$ 741,655	\$ 977,886	\$ 6,651,895
Intergovernmental	621,095	2,119,619	-	102,936	3,502,671	6,346,321
Charges for services	335,176	-	-	-	996,668	1,331,844
Other	704,813	77,623	657	279,150	932,291	1,994,534
Total receipts	6,593,438	2,197,242	657	1,123,741	6,409,516	16,324,594
Disbursements:						
General government	4,056,950	-	136,775	-	1,952,919	6,146,644
Public safety	2,017,199	-	-	-	1,589,796	3,606,995
Highways and streets	-	2,129,903	-	-	306,684	2,436,587
Sanitation	-	-	-	-	338,527	338,527
Health and welfare	254,163	-	-	1,090,845	884,719	2,229,727
Culture and recreation	-	-	-	-	377,213	377,213
Debt service:						
Principal	-	220,076	-	-	171,083	391,159
Interest	-	18,240	-	-	5,045	23,285
Capital outlay:						
General government	-	-	-	-	474,430	474,430
Public safety	-	-	-	-	158,841	158,841
Highways and streets	-	-	-	-	345,315	345,315
Culture and recreation	-	-	-	-	77,920	77,920
Total disbursements	6,328,312	2,368,219	136,775	1,090,845	6,682,492	16,606,643
Excess (deficiency) of receipts over disbursements	265,126	(170,977)	(136,118)	32,896	(272,976)	(282,049)
Other financing sources (uses):						
Transfers in	97,100	492,930	-	-	83,013	673,043
Transfers out	(8,000)	-	-	-	(665,043)	(673,043)
Total other financing sources (uses)	89,100	492,930	-	-	(582,030)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	354,226	321,953	(136,118)	32,896	(855,006)	(282,049)
Cash and investment fund balance - beginning	(84,046)	134,296	854,455	475,773	3,049,484	4,429,962
Cash and investment fund balance - ending	<u>\$ 270,180</u>	<u>\$ 456,249</u>	<u>\$ 718,337</u>	<u>\$ 508,669</u>	<u>\$ 2,194,478</u>	<u>\$ 4,147,913</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 270,180	\$ -	\$ -	\$ -	\$ 143,861	\$ 414,041
Restricted assets:						
Cash and investments	-	456,249	718,337	508,669	2,050,617	3,733,872
Total cash and investment assets - December 31	<u>\$ 270,180</u>	<u>\$ 456,249</u>	<u>\$ 718,337</u>	<u>\$ 508,669</u>	<u>\$ 2,194,478</u>	<u>\$ 4,147,913</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ 718,337	\$ -	\$ 725,204	\$ 1,443,541
Public safety	-	-	-	-	705,947	705,947
Highways and streets	-	456,249	-	-	200,016	656,265
Health and welfare	-	-	-	508,669	228,001	736,670
Culture and recreation	-	-	-	-	191,449	191,449
Unrestricted	270,180	-	-	-	143,861	414,041
Total cash and investment fund balance - December 31	<u>\$ 270,180</u>	<u>\$ 456,249</u>	<u>\$ 718,337</u>	<u>\$ 508,669</u>	<u>\$ 2,194,478</u>	<u>\$ 4,147,913</u>

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 70,410	\$ -	\$ -
Plan members	<u>14,104</u>	<u>-</u>	<u>-</u>
Total contributions	<u>84,514</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	46,999	-	-
Dividends and Interest	<u>31,981</u>	<u>-</u>	<u>-</u>
Total investment earnings	<u>78,980</u>	<u>-</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>64,575,813</u>
Total additions	<u>163,494</u>	<u>-</u>	<u>64,575,813</u>
Deductions:			
Benefits	24,842	-	-
Administrative and general	20,287	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>65,340,622</u>
Total deductions	<u>45,129</u>	<u>-</u>	<u>65,340,622</u>
Excess (deficiency) of total additions over total deductions	118,365	-	(764,809)
Cash and investment fund balance - beginning	<u>788,701</u>	<u>44,383</u>	<u>2,313,334</u>
Cash and investment fund balance - ending	<u>\$ 907,066</u>	<u>\$ 44,383</u>	<u>\$ 1,548,525</u>

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

WASHINGTON 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: Washington County

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

The Washington County Memorial Hospital and the Washington County Solid Waste Management District, discretely presented component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. 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. There are no business-type activities to report at this time.

Fund Financial Statements

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

The County reports the following major governmental funds:

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

The county highway fund is used for construction, reconstruction, and maintenance of the highways of the County.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The property reassessment fund is used to accumulate funds to pay for reassessment.

The county family and children fund provides services to children who are adjudicated CHINS or delinquents; families for which there is an informal adjustment; service referral agreement; or for individuals receiving assistance for adoption. Expenses for child welfare services, care of wards in foster homes, and care of wards in therapeutic homes are also made from this fund.

Additionally, the County reports the following fund types:

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

The private-purpose trust fund reports a trust arrangement under which principal and income benefit individuals, organizations, or other governments.

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental 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.

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.

E. 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.

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 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.
2. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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. Disbursements in Excess of Appropriations

For the year ended December 31, 2006, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2006
General Fund	\$ 410,206
Riverboat Revenue	299,439
CEDIT	101,267
Park and Recreation	17,483
Drug Free Community Support	12,000
Children Psychiatric Residential Treatment	6,909
County Highway	1,672
 Total	 \$ 848,976

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

These disbursements were funded by available fund balances.

C. 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:

Fund	2006
County User Fee	\$ 12,542
County Misdemeanant	2,966
Adult Protective Services Unit	9,214
Prosecutor's Special Fees	8,297
Park and Recreation Nonreverting	14,947
Drug Free Community Support	1,651
Indiana Child Care	5,208
Vector Control	1,420
Public Health Coordinator Grant	5,307
State Homeland Security Grant	154

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. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 139,865
Corporate debt instruments	225,395
Mutual funds	187,356
Corporate equity instruments	264,617
Total	\$ 817,233

Investment Policies

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

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

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

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2006, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Treasuries and Securities, Corporate Debt Instruments, Mutual Funds, and Corporate Equity Instruments in the amount of \$817,233. Of these investments \$817,233 are held by the investment's counterparty, not in the name of the Sheriff's Pension Plan.

Interest Rate Risk

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

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. agencies	\$ -	\$ -	\$ 139,865
Mutual bond funds*	-	-	20,000
Mutual equity funds	167,356	-	-
Corporate debt instruments	25,486	51,438	148,471
Corporate equity instruments	<u>264,617</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 457,459</u>	<u>\$ 51,438</u>	<u>\$ 308,336</u>

*The mutual bond funds had a weighted average maturity of 7.05 years.

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.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County's Investments			
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise	Corporate Equity
AAA	Aaa	\$ -	\$ 49,854	\$ 139,865	\$ -
AA	Aa	-	24,660	-	-
A	A	10,000	150,881	-	-
BBB	Baa	10,000	-	-	-
Unrated	Unrated	167,356	-	-	264,617
Totals		<u>\$ 187,356</u>	<u>\$ 225,395</u>	<u>\$ 139,865</u>	<u>\$ 264,617</u>

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.

Foreign Currency Risk

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

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk.

B. Interfund Transfers

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

Transfer From	Transfer To	2006
General Fund	Other governmental	\$ 8,000
Other governmental	General Fund	97,100
Other governmental	County Highway	492,930
Other governmental	Other governmental	75,013
Total		<u>\$ 673,043</u>

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims exceeded commercial insurance coverage by \$157,271 for the year 2007. There were no significant reductions in insurance by major category of risk.

Job Related Illnesses or Injuries to Employees

During 2004, the County joined a public entity risk pool, the Indiana Public Employee's Plan, Inc., currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989 for the purpose of providing a medium for the funding and administration of workers compensation claims. The County pays an annual premium to the risk pool for its workers compensation coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event

B. Holding Corporation

The County has entered into a capital lease with Washington County Detention Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$152,604. The capital lease was paid off in 2006.

C. Administration of Welfare Programs

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

D. Hospital Debt Obligation

The County Hospital issued bonds in 1979 in the amount of \$2,000,000 and issued additional bonds in 1994 in the amount of \$3,800,000. The County has agreed to pay \$207,000 per year of this debt obligation of the Hospital by way of an ad valorem tax. The County is obligated for the annual payment only, which is accounted for in a governmental fund. This debt is an obligation of the Hospital, and is not a direct liability of the County itself.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. 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 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.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 248,498	\$ 61,686	\$ 8,571
Interest on net pension obligation	(6,117)	1,295	-
Adjustment to annual required contribution	6,971	(2,636)	-
Annual pension cost	249,352	60,345	8,571
Contributions made	196,725	61,839	8,571
Increase (decrease) in net pension obligation	52,627	(1,494)	-
Net pension obligation, beginning of year	(84,371)	18,503	-
Net pension obligation, end of year	<u>\$ (31,744)</u>	<u>\$ 17,009</u>	<u>\$ -</u>

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5%	15.7%	2.5%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-06	10-01-06	10-01-06
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 149,268	112%	\$ (85,931)
	06-30-05	181,426	99%	(84,371)
	06-30-06	249,352	108%	(31,744)
County Police Retirement Plan	09-30-04	59,974	104%	19,344
	09-30-05	61,483	99%	18,503
	09-30-06	60,345	100%	17,009
County Police Benefit Plan	09-30-04	6,512	100%	-
	09-30-05	8,190	100%	-
	09-30-06	8,571	100%	-

WASHINGTON 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	\$ 2,517,480	\$ 2,789,606	\$ (272,126)	90%	\$ 3,562,399	(8%)
07-01-05	2,660,770	3,518,569	(857,799)	76%	3,739,406	(23%)
07-01-06	2,957,536	3,562,686	(605,150)	83%	3,902,957	(16%)

County Police Retirement 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)
10-01-01	\$ 576,395	\$ 576,395	\$ -	100%	\$ 359,268	0%
10-01-02	595,369	595,369	-	100%	339,596	0%
10-01-03	625,220	625,220	-	100%	376,553	0%
10-01-04	682,797	682,797	-	100%	414,184	0%
10-01-05	792,837	792,837	-	100%	430,087	0%
10-01-06	905,126	905,126	-	100%	439,797	0%

WASHINGTON 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

	County Health	Park and Recreation	Local Road and Street	Accident Report	Firearms Training	Surveyor's Corner Perpetuation
Receipts:						
Taxes	\$ 148,331	\$ 58,077	\$ -	\$ -	\$ -	\$ -
Intergovernmental	20,587	12,343	306,421	-	-	-
Charges for services	21,869	58,827	-	2,716	8,840	7,200
Other	2,871	1,338	-	-	-	-
Total receipts	193,658	130,585	306,421	2,716	8,840	7,200
Disbursements:						
General government	-	-	-	-	-	16,414
Public safety	-	-	-	3,323	1,682	-
Highways and streets	-	-	306,684	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	254,301	-	-	-	-	-
Culture and recreation	-	222,620	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	254,301	222,620	306,684	3,323	1,682	16,414
Excess (deficiency) of receipts over disbursements	(60,643)	(92,035)	(263)	(607)	7,158	(9,214)
Other financing sources (uses):						
Intergovernmental loans	-	(17,900)	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	(17,900)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(60,643)	(109,935)	(263)	(607)	7,158	(9,214)
Cash and investment fund balance - beginning	152,676	235,360	263	2,072	2,855	26,730
Cash and investment fund balance - ending	<u>\$ 92,033</u>	<u>\$ 125,425</u>	<u>\$ -</u>	<u>\$ 1,465</u>	<u>\$ 10,013</u>	<u>\$ 17,516</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	92,033	125,425	-	1,465	10,013	17,516
Total cash and investment assets - December 31	<u>\$ 92,033</u>	<u>\$ 125,425</u>	<u>\$ -</u>	<u>\$ 1,465</u>	<u>\$ 10,013</u>	<u>\$ 17,516</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,516
Public safety	-	-	-	1,465	10,013	-
Highways and streets	-	-	-	-	-	-
Health and welfare	92,033	-	-	-	-	-
Culture and recreation	-	125,425	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 92,033</u>	<u>\$ 125,425</u>	<u>\$ -</u>	<u>\$ 1,465</u>	<u>\$ 10,013</u>	<u>\$ 17,516</u>

WASHINGTON 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)

	Supplemental Juvenile Probation Services	Supplemental Adult Probation Services	Recorder's Records Perpetuation	County Law Enforcement Continuing Education	County User Fee	Local Health Maintenance
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	33,333	33,139
Charges for services	2,955	72,591	35,318	-	90,987	-
Other	-	7	-	135	80	-
Total receipts	2,955	72,598	35,318	135	124,400	33,139
Disbursements:						
General government	-	-	32,420	-	156,327	-
Public safety	1,294	71,051	-	275	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	22,776
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	1,294	71,051	32,420	275	156,327	22,776
Excess (deficiency) of receipts over disbursements	1,661	1,547	2,898	(140)	(31,927)	10,363
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	8,500	16,513
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	8,500	16,513
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,661	1,547	2,898	(140)	(23,427)	26,876
Cash and investment fund balance - beginning	16,171	27,936	117,889	2,480	10,885	31,364
Cash and investment fund balance - ending	<u>\$ 17,832</u>	<u>\$ 29,483</u>	<u>\$ 120,787</u>	<u>\$ 2,340</u>	<u>\$ (12,542)</u>	<u>\$ 58,240</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (12,542)	\$ -
Restricted assets:						
Cash and investments	17,832	29,483	120,787	2,340	-	58,240
Total cash and investment assets - December 31	\$ 17,832	\$ 29,483	\$ 120,787	\$ 2,340	\$ (12,542)	\$ 58,240
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ 120,787	\$ -	\$ -	\$ -
Public safety	17,832	29,483	-	2,340	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	58,240
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	(12,542)	-
Total cash and investment fund balance - December 31	\$ 17,832	\$ 29,483	\$ 120,787	\$ 2,340	\$ (12,542)	\$ 58,240

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

	Community Corrections Home Detention	Emergency Planning and Right to Know	County Drug Free Community	Emergency Telephone System (911)	Guardian Ad Litem	County Misdemeanant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	3,632	-	-	2,035	31,500
Charges for services	144,330	-	29,155	-	-	-
Other	-	-	-	213,914	-	-
Total receipts	144,330	3,632	29,155	213,914	2,035	31,500
Disbursements:						
General government	-	-	-	-	-	-
Public safety	171,239	3,203	37,000	282,311	35	49,500
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	171,239	3,203	37,000	282,311	35	49,500
Excess (deficiency) of receipts over disbursements	(26,909)	429	(7,845)	(68,397)	2,000	(18,000)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	50,000	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	50,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(26,909)	429	(7,845)	(18,397)	2,000	(18,000)
Cash and investment fund balance - beginning	163,975	12,072	13,092	46,334	23,209	15,034
Cash and investment fund balance - ending	<u>\$ 137,066</u>	<u>\$ 12,501</u>	<u>\$ 5,247</u>	<u>\$ 27,937</u>	<u>\$ 25,209</u>	<u>\$ (2,966)</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,966)
Restricted assets:						
Cash and investments	137,066	12,501	5,247	27,937	25,209	-
Total cash and investment assets - December 31	\$ 137,066	\$ 12,501	\$ 5,247	\$ 27,937	\$ 25,209	\$ (2,966)
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	137,066	12,501	5,247	27,937	25,209	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	(2,966)
Total cash and investment fund balance - December 31	\$ 137,066	\$ 12,501	\$ 5,247	\$ 27,937	\$ 25,209	\$ (2,966)

WASHINGTON 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)

	Supplemental Public Defender Services	Jury Pay	Juvenile Care	Washington County Prosecuting Investigator	Community Service Restitution	Adult Protective Services Unit
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	12,559	2,418	-	14,308	19,315	75,298
Other	-	-	-	-	-	-
Total receipts	12,559	2,418	-	14,308	19,315	75,298
Disbursements:						
General government	-	-	-	-	-	-
Public safety	14,107	-	159	50,677	20,792	46,412
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	14,107	-	159	50,677	20,792	46,412
Excess (deficiency) of receipts over disbursements	(1,548)	2,418	(159)	(36,369)	(1,477)	28,886
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(8,500)
Total other financing sources (uses)	-	-	-	-	-	(8,500)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,548)	2,418	(159)	(36,369)	(1,477)	20,386
Cash and investment fund balance - beginning	11,217	4,885	159	36,369	1,607	(29,600)
Cash and investment fund balance - ending	<u>\$ 9,669</u>	<u>\$ 7,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130</u>	<u>\$ (9,214)</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,214)
Restricted assets:						
Cash and investments	<u>9,669</u>	<u>7,303</u>	<u>-</u>	<u>-</u>	<u>130</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 9,669</u>	<u>\$ 7,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130</u>	<u>\$ (9,214)</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	9,669	7,303	-	-	130	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	(9,214)
Total cash and investment fund balance - December 31	<u>\$ 9,669</u>	<u>\$ 7,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130</u>	<u>\$ (9,214)</u>

WASHINGTON 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 Special Fees	Park and Recreation Nonreverting	Immunization Clinic Donation	Specified Donation	Urine Screen Test	Operation Pull Over
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	14,608	154,823	9,606	-	15,080	-
Other	-	-	-	-	-	-
Total receipts	14,608	154,823	9,606	-	15,080	-
Disbursements:						
General government	-	-	-	100	13,670	-
Public safety	31,770	-	-	-	-	85
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	4,951	-	-	-
Culture and recreation	-	154,593	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	31,770	154,593	4,951	100	13,670	85
Excess (deficiency) of receipts over disbursements	(17,162)	230	4,655	(100)	1,410	(85)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(17,162)	230	4,655	(100)	1,410	(85)
Cash and investment fund balance - beginning	8,865	(15,177)	3,288	100	35,442	85
Cash and investment fund balance - ending	<u>\$ (8,297)</u>	<u>\$ (14,947)</u>	<u>\$ 7,943</u>	<u>\$ -</u>	<u>\$ 36,852</u>	<u>\$ -</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ (8,297)	\$ (14,947)	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	7,943	-	36,852	-
Total cash and investment assets - December 31	<u>\$ (8,297)</u>	<u>\$ (14,947)</u>	<u>\$ 7,943</u>	<u>\$ -</u>	<u>\$ 36,852</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 36,852	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	7,943	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	(8,297)	(14,947)	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ (8,297)</u>	<u>\$ (14,947)</u>	<u>\$ 7,943</u>	<u>\$ -</u>	<u>\$ 36,852</u>	<u>\$ -</u>

WASHINGTON 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)

	Rodman Cemetery Donation	Drug Free Community Support	Riverboat Revenue	Child Care Advocacy	Wireless 911	Tobacco Settlement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	38,355	509,483	-	-	18,337
Charges for services	-	-	-	435	81,865	-
Other	910	18,255	191,163	-	-	-
Total receipts	910	56,610	700,646	435	81,865	18,337
Disbursements:						
General government	799	-	769,939	-	-	-
Public safety	-	54,428	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	1,415	-	29,643
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	799	54,428	769,939	1,415	-	29,643
Excess (deficiency) of receipts over disbursements	111	2,182	(69,293)	(980)	81,865	(11,306)
Other financing sources (uses):						
Intergovernmental loans	-	-	17,900	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(50,000)	(16,513)
Total other financing sources (uses)	-	-	17,900	-	(50,000)	(16,513)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	111	2,182	(51,393)	(980)	31,865	(27,819)
Cash and investment fund balance - beginning	874	(3,833)	221,895	1,415	24,836	45,087
Cash and investment fund balance - ending	<u>\$ 985</u>	<u>\$ (1,651)</u>	<u>\$ 170,502</u>	<u>\$ 435</u>	<u>\$ 56,701</u>	<u>\$ 17,268</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ (1,651)	\$ 170,502	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	985	-	-	435	56,701	17,268
Total cash and investment assets - December 31	\$ 985	\$ (1,651)	\$ 170,502	\$ 435	\$ 56,701	\$ 17,268
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ 985	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	56,701	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	435	-	17,268
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	(1,651)	170,502	-	-	-
Total cash and investment fund balance - December 31	\$ 985	\$ (1,651)	\$ 170,502	\$ 435	\$ 56,701	\$ 17,268

WASHINGTON 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)

	JAIBG Grant No. 98-JB-052	Hebron Cemetery Donation	Clerk's Perpetuation	Build Washington County	Indiana Child Care	R & F Motsinger Mahuron Estate
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	10,609	-	-	-
Other	-	-	-	-	-	910
Total receipts	-	-	10,609	-	-	910
Disbursements:						
General government	-	-	5,918	-	-	910
Public safety	498	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	498	-	5,918	-	-	910
Excess (deficiency) of receipts over disbursements	(498)	-	4,691	-	-	-
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(498)	-	4,691	-	-	-
Cash and investment fund balance - beginning	498	1,772	5,773	13,985	(5,208)	877
Cash and investment fund balance - ending	\$ -	\$ 1,772	\$ 10,464	\$ 13,985	\$ (5,208)	\$ 877
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (5,208)	\$ -
Restricted assets:						
Cash and investments	-	1,772	10,464	13,985	-	877
Total cash and investment assets - December 31	\$ -	\$ 1,772	\$ 10,464	\$ 13,985	\$ (5,208)	\$ 877
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ 1,772	\$ 10,464	\$ 13,985	\$ -	\$ 877
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	(5,208)	-
Total cash and investment fund balance - December 31	\$ -	\$ 1,772	\$ 10,464	\$ 13,985	\$ (5,208)	\$ 877

WASHINGTON 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)

	Standish Cemetery	Tobacco Prevention and Cessation	Vector Control	Hospital Lease Rental	Sheriff's Commissary	Prosecutor's Drug Investigation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 125,571	\$ -	\$ -
Intergovernmental	-	26,806	-	17,429	-	57,097
Charges for services	-	-	-	-	54,728	-
Other	-	-	-	669	-	-
Total receipts	-	26,806	-	143,669	54,728	57,097
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	51,725	61,705
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	20,130	1,420	210,164	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	20,130	1,420	210,164	51,725	61,705
Excess (deficiency) of receipts over disbursements	-	6,676	(1,420)	(66,495)	3,003	(4,608)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	6,676	(1,420)	(66,495)	3,003	(4,608)
Cash and investment fund balance - beginning	2,471	11,501	-	69,216	30,152	8,335
Cash and investment fund balance - ending	<u>\$ 2,471</u>	<u>\$ 18,177</u>	<u>\$ (1,420)</u>	<u>\$ 2,721</u>	<u>\$ 33,155</u>	<u>\$ 3,727</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ (1,420)	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	2,471	18,177	-	2,721	33,155	3,727
Total cash and investment assets - December 31	\$ 2,471	\$ 18,177	\$ (1,420)	\$ 2,721	\$ 33,155	\$ 3,727
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ 2,471	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	33,155	3,727
Highways and streets	-	-	-	-	-	-
Health and welfare	-	18,177	-	2,721	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	(1,420)	-	-	-
Total cash and investment fund balance - December 31	\$ 2,471	\$ 18,177	\$ (1,420)	\$ 2,721	\$ 33,155	\$ 3,727

WASHINGTON 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)

	Washington County Sheriff Investigation	Community Corrections Grant	Solid Waste Management	Family Violence and Victim Assistance	Insurance Nonreverting	Riverboat Wagering Tax Revenue Sharing
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	207,153	-	231,791	-	176,309
Charges for services	-	-	-	-	-	-
Other	-	-	338,527	-	-	-
Total receipts	-	207,153	338,527	231,791	-	176,309
Disbursements:						
General government	-	-	-	-	1,746	153,579
Public safety	-	207,153	-	231,791	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	338,527	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	207,153	338,527	231,791	1,746	153,579
Excess (deficiency) of receipts over disbursements	-	-	-	-	(1,746)	22,730
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	(1,746)	22,730
Cash and investment fund balance - beginning	51	-	-	-	4,550	10,737
Cash and investment fund balance - ending	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ 33,467</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,467
Restricted assets:						
Cash and investments	<u>51</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,804</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ 33,467</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 2,804	\$ -
Public safety	51	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	33,467
Total cash and investment fund balance - December 31	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,804</u>	<u>\$ 33,467</u>

WASHINGTON 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)

	Bioterrorism/ Health	IMPACT Grant	Community Emergency Rescue Team Sub Grant	Tourism Bureau	Cumulative Bridge	Cumulative Jail
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 274,687	\$ 25,899
Intergovernmental	2,178	-	-	9,289	38,124	3,594
Charges for services	-	-	-	-	-	10,644
Other	-	-	-	-	14,545	-
Total receipts	2,178	-	-	9,289	327,356	40,137
Disbursements:						
General government	-	-	-	4,769	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	5,018	2,382	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	16,083	-
Interest	-	-	-	-	3,127	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	158,841
Highways and streets	-	-	-	-	345,315	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	5,018	2,382	-	4,769	364,525	158,841
Excess (deficiency) of receipts over disbursements	(2,840)	(2,382)	-	4,520	(37,169)	(118,704)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,840)	(2,382)	-	4,520	(37,169)	(118,704)
Cash and investment fund balance - beginning	5,146	2,402	1,324	18,182	237,185	349,913
Cash and investment fund balance - ending	\$ 2,306	\$ 20	\$ 1,324	\$ 22,702	\$ 200,016	\$ 231,209
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	2,306	20	1,324	22,702	200,016	231,209
Total cash and investment assets - December 31	\$ 2,306	\$ 20	\$ 1,324	\$ 22,702	\$ 200,016	\$ 231,209
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 22,702	\$ -	\$ -
Public safety	2,306	-	1,324	-	-	231,209
Highways and streets	-	-	-	-	200,016	-
Health and welfare	-	20	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 2,306	\$ 20	\$ 1,324	\$ 22,702	\$ 200,016	\$ 231,209

WASHINGTON 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	Park and Recreation Cumulative Building	County Economic Development Income Tax	Jail Bond	Rainy Day	Child Services
Receipts:						
Taxes	\$ 161,673	\$ 39,241	\$ -	\$ 136,559	\$ -	\$ 7,848
Intergovernmental	22,439	5,446	689,563	18,954	-	1,089
Charges for services	-	-	-	-	-	-
Other	30,587	179	-	3,437	-	204
Total receipts	214,699	44,866	689,563	158,950	-	9,141
Disbursements:						
General government	-	-	689,563	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	41,909
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	155,000	-	-
Interest	-	-	-	1,918	-	-
Capital outlay:						
General government	474,430	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	77,920	-	-	-	-
Total disbursements	474,430	77,920	689,563	156,918	-	41,909
Excess (deficiency) of receipts over disbursements	(259,731)	(33,054)	-	2,032	-	(32,768)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(97,100)	-	-
Total other financing sources (uses)	-	-	-	(97,100)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(259,731)	(33,054)	-	(95,068)	-	(32,768)
Cash and investment fund balance - beginning	638,454	99,078	5,530	95,068	1,598	42,257
Cash and investment fund balance - ending	\$ 378,723	\$ 66,024	\$ 5,530	\$ -	\$ 1,598	\$ 9,489
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 1,598	\$ -
Restricted assets:						
Cash and investments	378,723	66,024	5,530	-	-	9,489
Total cash and investment assets - December 31	\$ 378,723	\$ 66,024	\$ 5,530	\$ -	\$ 1,598	\$ 9,489
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ 378,723	\$ -	\$ 5,530	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	9,489
Culture and recreation	-	66,024	-	-	-	-
Unrestricted	-	-	-	-	1,598	-
Total cash and investment fund balance - December 31	\$ 378,723	\$ 66,024	\$ 5,530	\$ -	\$ 1,598	\$ 9,489

WASHINGTON 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 Administration Fee	Public Health Coordinator Grant	State Homeland Security Grant	First Responder Grant	HAVA Voting Machine Title III
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	43,076	-	1,360	-
Charges for services	20,598	-	-	-	-
Other	-	-	-	-	-
Total receipts	20,598	43,076	-	1,360	-
Disbursements:					
General government	-	-	-	-	98,365
Public safety	15,914	-	3,106	-	-
Highways and streets	-	-	-	-	-
Sanitation	-	-	-	-	-
Health and welfare	-	41,678	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	15,914	41,678	3,106	-	98,365
Excess (deficiency) of receipts over disbursements	4,684	1,398	(3,106)	1,360	(98,365)
Other financing sources (uses):					
Intergovernmental loans	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,684	1,398	(3,106)	1,360	(98,365)
Cash and investment fund balance - beginning	41,274	(6,705)	2,952	(336)	113,541
Cash and investment fund balance - ending	<u>\$ 45,958</u>	<u>\$ (5,307)</u>	<u>\$ (154)</u>	<u>\$ 1,024</u>	<u>\$ 15,176</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ (5,307)	\$ (154)	\$ -	\$ -
Restricted assets:					
Cash and investments	45,958	-	-	1,024	15,176
Total cash and investment assets - December 31	<u>\$ 45,958</u>	<u>\$ (5,307)</u>	<u>\$ (154)</u>	<u>\$ 1,024</u>	<u>\$ 15,176</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 15,176
Public safety	45,958	-	-	1,024	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Unrestricted	-	(5,307)	(154)	-	-
Total cash and investment fund balance - December 31	<u>\$ 45,958</u>	<u>\$ (5,307)</u>	<u>\$ (154)</u>	<u>\$ 1,024</u>	<u>\$ 15,176</u>

WASHINGTON 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)

	CDBG CF-05-202	Sheriff's Repeater Tower	Community Transition Program	Drug Court	Major Moves Construction
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	270,607	1,500	150,162	-	492,930
Charges for services	-	-	-	-	-
Other	-	-	-	20,000	-
Total receipts	270,607	1,500	150,162	20,000	492,930
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	150,162	1,789	-
Highways and streets	-	-	-	-	-
Sanitation	-	-	-	-	-
Health and welfare	248,932	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	248,932	-	150,162	1,789	-
Excess (deficiency) of receipts over disbursements	21,675	1,500	-	18,211	492,930
Other financing sources (uses):					
Intergovernmental loans	-	-	-	-	-
Transfers in	-	-	-	8,000	-
Transfers out	-	-	-	-	(492,930)
Total other financing sources (uses)	-	-	-	8,000	(492,930)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	21,675	1,500	-	26,211	-
Cash and investment fund balance - beginning	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 21,675</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 26,211</u>	<u>\$ -</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	21,675	1,500	-	26,211	-
Total cash and investment assets - December 31	<u>\$ 21,675</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 26,211</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	1,500	-	26,211	-
Highways and streets	-	-	-	-	-
Health and welfare	21,675	-	-	-	-
Culture and recreation	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 21,675</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 26,211</u>	<u>\$ -</u>

WASHINGTON 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)

	State Security Program Grant	Homeland Security Protection	Identification Security Protection	Sheriff Sale	Levy Excess	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 977,886
Intergovernmental	26,610	-	-	-	-	3,502,671
Charges for services	-	11,156	13,830	-	-	996,668
Other	-	-	-	-	94,560	932,291
Total receipts	26,610	11,156	13,830	94,560	94,560	6,409,516
Disbursements:						
General government	-	-	8,400	-	-	1,952,919
Public safety	26,610	-	-	-	-	1,589,796
Highways and streets	-	-	-	-	-	306,684
Sanitation	-	-	-	-	-	338,527
Health and welfare	-	-	-	-	-	884,719
Culture and recreation	-	-	-	-	-	377,213
Debt service:						
Principal	-	-	-	-	-	171,083
Interest	-	-	-	-	-	5,045
Capital outlay:						
General government	-	-	-	-	-	474,430
Public safety	-	-	-	-	-	158,841
Highways and streets	-	-	-	-	-	345,315
Culture and recreation	-	-	-	-	-	77,920
Total disbursements	26,610	-	8,400	-	-	6,682,492
Excess (deficiency) of receipts over disbursements	-	11,156	5,430	94,560	94,560	(272,976)
Other financing sources (uses):						
Intergovernmental loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	83,013
Transfers out	-	-	-	-	-	(665,043)
Total other financing sources (uses)	-	-	-	-	-	(582,030)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	11,156	5,430	94,560	94,560	(855,006)
Cash and investment fund balance - beginning	-	-	-	-	-	3,049,484
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 11,156</u>	<u>\$ 5,430</u>	<u>\$ 94,560</u>	<u>\$ 94,560</u>	<u>\$ 2,194,478</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,861
Restricted assets:						
Cash and investments	-	11,156	5,430	94,560	94,560	2,050,617
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 11,156</u>	<u>\$ 5,430</u>	<u>\$ 94,560</u>	<u>\$ 94,560</u>	<u>\$ 2,194,478</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 94,560	\$ 94,560	\$ 725,204
Public safety	-	11,156	5,430	-	-	705,947
Highways and streets	-	-	-	-	-	200,016
Health and welfare	-	-	-	-	-	228,001
Culture and recreation	-	-	-	-	-	191,449
Unrestricted	-	-	-	-	-	143,861
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 11,156</u>	<u>\$ 5,430</u>	<u>\$ 94,560</u>	<u>\$ 94,560</u>	<u>\$ 2,194,478</u>

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

	<u>County Sheriff Pension Retirement</u>	<u>County Sheriff Pension Benefit</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 61,839	\$ 8,571	\$ 70,410
Plan members	<u>14,104</u>	<u>-</u>	<u>14,104</u>
Total contributions	<u>75,943</u>	<u>8,571</u>	<u>84,514</u>
Investment receipts:			
Net increase in investments	45,152	1,847	46,999
Dividends and Interest	<u>29,819</u>	<u>2,162</u>	<u>31,981</u>
Total investment receipts	<u>74,971</u>	<u>4,009</u>	<u>78,980</u>
Total additions	<u>150,914</u>	<u>12,580</u>	<u>163,494</u>
Deductions:			
Benefits	24,842	-	24,842
Administrative and general	<u>15,671</u>	<u>4,616</u>	<u>20,287</u>
Total deductions	<u>40,513</u>	<u>4,616</u>	<u>45,129</u>
Excess of total additions over total deductions	110,401	7,964	118,365
Cash and investment fund balance - beginning	<u>731,310</u>	<u>57,391</u>	<u>788,701</u>
Cash and investment fund balance - ending	<u>\$ 841,711</u>	<u>\$ 65,355</u>	<u>\$ 907,066</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2006

	<u>Congressional Principal</u>	<u>Nancy J. Morris Principal</u>	<u>Riley Trust Principal</u>	<u>Cemetery Principal</u>	<u>Totals</u>
Cash and investment fund balance - beginning	\$ 27,027	\$ 3,754	\$ 11,702	\$ 1,900	\$ 44,383
Cash and investment fund balance - ending	<u>\$ 27,027</u>	<u>\$ 3,754</u>	<u>\$ 11,702</u>	<u>\$ 1,900</u>	<u>\$ 44,383</u>

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

	County Treasurer	Tax Sale Redemption	Tax Sale Surplus	State Fees	Inheritance Tax	Surplus Tax	County Park and Recreation
Additions:							
Agency fund additions	\$ 24,885,005	\$ 86,102	\$ 316,531	\$ 34,309	\$ 783,369	\$ 21,996	\$ 224,939
Deductions:							
Agency fund deductions	24,961,679	85,601	675,718	34,359	797,911	54,956	227,323
Excess (deficiency) of total additions over total deductions	(76,674)	501	(359,187)	(50)	(14,542)	(32,960)	(2,384)
Cash and investment fund balance - beginning	320,076	(501)	492,430	165	23,503	47,793	11,360
Cash and investment fund balance - ending	<u>\$ 243,402</u>	<u>\$ -</u>	<u>\$ 133,243</u>	<u>\$ 115</u>	<u>\$ 8,961</u>	<u>\$ 14,833</u>	<u>\$ 8,976</u>

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

	County Sheriff	Tax Distributions	Payroll Withholdings	County Prosecuting Attorney	Clerk of the Circuit Court	Welfare Trust	County Recorder
Additions:							
Agency fund additions	\$ 717,583	\$ 29,201,111	\$ 2,350,468	\$ 70,036	\$ 3,655,457	\$ 19,652	\$ 138,775
Deductions:							
Agency fund deductions	<u>722,279</u>	<u>29,201,111</u>	<u>2,335,821</u>	<u>69,934</u>	<u>3,955,965</u>	<u>20,701</u>	<u>137,597</u>
Excess (deficiency) of total additions over total deductions	(4,696)	-	14,647	102	(300,508)	(1,049)	1,178
Cash and investment fund balance - beginning	<u>22,575</u>	<u>-</u>	<u>120,726</u>	<u>5,214</u>	<u>1,130,938</u>	<u>8,546</u>	<u>10,707</u>
Cash and investment fund balance - ending	<u>\$ 17,879</u>	<u>\$ -</u>	<u>\$ 135,373</u>	<u>\$ 5,316</u>	<u>\$ 830,430</u>	<u>\$ 7,497</u>	<u>\$ 11,885</u>

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

	Educational License Plate Fees	City/Town Court Costs	Surplus Dog Tax	Park and Recreation Sales Tax	County Economic Development Income Tax	Innkeepers Tax
Additions:						
Agency fund additions	\$ 1,481	\$ 7,486	\$ 1,050	\$ 10,790	\$ 1,018,106	\$ 8,509
Deductions:						
Agency fund deductions	1,725	11,464	1,050	10,699	1,016,740	9,023
Excess (deficiency) of total additions over total deductions	(244)	(3,978)	-	91	1,366	(514)
Cash and investment fund balance - beginning	244	6,830	-	220	18,345	2,894
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 2,852</u>	<u>\$ -</u>	<u>\$ 311</u>	<u>\$ 19,711</u>	<u>\$ 2,380</u>

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

	Delinquent Sewer Assessment	Congressional Interest	Nancy J. Morris Interest	Riley Trust Interest	Inventory Homestead Credit	Totals
Additions:						
Agency fund additions	\$ 3,699	\$ 60	\$ 52	\$ 90	\$ 1,019,157	\$ 64,575,813
Deductions:						
Agency fund deductions	4,194	1,621	-	-	1,003,151	65,340,622
Excess (deficiency) of total additions over total deductions	(495)	(1,561)	52	90	16,006	(764,809)
Cash and investment fund balance - beginning	4,863	10,464	4,966	19,823	51,153	2,313,334
Cash and investment fund balance - ending	<u>\$ 4,368</u>	<u>\$ 8,903</u>	<u>\$ 5,018</u>	<u>\$ 19,913</u>	<u>\$ 67,159</u>	<u>\$ 1,548,525</u>

WASHINGTON 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.

The County has decided to delay the retroactive reporting of infrastructure until January 1, 2007.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 5,513,299
Improvements other than buildings	107,905
Machinery and equipment	<u>5,266,520</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 10,887,724</u>

WASHINGTON COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Bulldozer	\$ 70,864	\$ 16,696
(6) 2005 Sterling Dump Trucks	181,355	58,230
(2) Gradall XL2300	171,851	84,010
(6) Truck Beds	100,966	42,567
2007 New Holland Mower	12,596	2,613
Volvo Road Grader	90,333	5,538
2006 Chevrolet Sign Truck	<u>68,852</u>	<u>10,355</u>
Total governmental activities long-term debt	<u>\$ 696,817</u>	<u>\$ 220,009</u>

WASHINGTON COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer
County Sheriff
County Parks and Recreation
County Highway

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

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

TO: THE OFFICIALS OF WASHINGTON COUNTY, INDIANA

Compliance

We have audited the compliance of Washington 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

October 4, 2007

WASHINGTON 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 HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Office of Rural Affairs Community Development Block Grants/State's Program	14.228	CF-05-202	\$ 138,721
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	2005-VA-GX-0038 2006-VA-GX-0038	133,227 <u>98,564</u>
Total for program			<u>231,791</u>
Edward Byrne Memorial Formula Grant Program	16.579	2004-VA-GX-0018 2004-VA-GX-0018	13,333 <u>23,333</u>
Total for program			<u>36,666</u>
Total for federal grantor agency			<u>268,457</u>
<u>U.S. GENERAL SERVICES ADMINISTRATION</u>			
Pass-Through Indiana Secretary of State Election Reform Payments	39.011		<u>98,365</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Grant Drug Free Communities Support Program Grants	93.276	SP11257-02 SP11257-03	34,355 <u>4,000</u>
Total for program			<u>38,355</u>
Pass-Through Indiana State Department of Health Centers For Disease Control and Prevention - Investigations and Technical Assistance	93.283	BPRS 187-2 U90/CCU517024-07 U90/CCU517024-07	29,031 13,647 <u>2,000</u>
Total for program			<u>44,678</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		<u>186,601</u>
Total for federal grantor agency			<u>269,634</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		<u>4,283</u>
Emergency Management Performance Grants	97.042		<u>23,405</u>
Homeland Security Grant Program	97.067		<u>26,992</u>
Total for federal grantor agency			<u>54,680</u>
Total federal awards expended			<u>\$ 829,857</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

WASHINGTON COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Washington 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.

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2006:

Program Title	Federal CFDA Number	Amount
Crime Victim Assistance	16.575	\$ 231,791

WASHINGTON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:
 Material weaknesses identified? no
 Reportable conditions identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted? no

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
16.575	Crime Victim Assistance
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

WASHINGTON COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WASHINGTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 4, 2007, with Sarah Bachman, Auditor; Lana Sullivan, President of the Board of County Commissioners; and John D. Fultz, President of the County Council.