

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

ANNUAL FINANCIAL REPORT

2007

WASHINGTON COUNTY, INDIANA



FILED

08/26/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Sarah Bachman	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	Claude C. Combs	01-01-07 to 12-31-10
Recorder	Cynthia J. Zink	01-01-07 to 12-31-10
President of the Board of County Commissioners	Lana Sullivan Albert M. Goering Lana Sullivan	01-01-07 to 12-31-07 01-01-08 to 05-07-08 05-08-08 to 12-31-08
President of the County Council	John D. Fultz	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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, 2007, 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, 2007, 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 July 17, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, and Schedule of 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 Long-Term Debt has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

July 17, 2008



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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, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 17, 2008. 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

July 17, 2008

WASHINGTON COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2007

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts			<u>Net (Disbursements) Receipts</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 7,399,197	\$ 1,267,370	\$ 633,205	\$ -	\$ (5,498,622)
Public safety	2,974,333	842,795	-	38,261	(2,093,277)
Highways and streets	3,952,991	-	2,577,262	804,107	(571,622)
Sanitation	348,714	-	-	-	(348,714)
Health and welfare	2,037,242	53,256	38,690	-	(1,945,296)
Economic development	736,128	-	-	-	(736,128)
Culture and recreation	510,407	249,945	-	-	(260,462)
Urban redevelopment and housing	36,900	-	-	-	(36,900)
Principal and interest on indebtedness	285,598	-	-	-	(285,598)
	<u>\$ 18,281,510</u>	<u>\$ 2,413,366</u>	<u>\$ 3,249,157</u>	<u>\$ 842,368</u>	<u>(11,776,619)</u>
Total primary government					
General receipts:					
Property taxes					3,895,895
Income taxes					612,321
Intergovernmental					1,573,442
Other local sources					3,572,421
Grants and contributions not restricted to specific programs					455,738
Investment earnings					301,554
Total general receipts					10,411,371
Change in net assets					(1,365,248)
Net assets - beginning					4,121,006
Net assets - ending					\$ 2,755,758
<u>Assets</u>					
Cash and investments					\$ (333,180)
Restricted assets:					
Cash and investments					3,088,938
Total assets					\$ 2,755,758
<u>Net Assets</u>					
Restricted for:					
General government					\$ 1,319,018
Public safety					612,611
Highways and streets					334,977
Health and welfare					242,576
Culture and recreation					11,237
Capital outlay					568,519
Unrestricted					(333,180)
Total net assets					\$ 2,755,758

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, 2007

	General	County Highway	Property Reassessment	Cumulative Capital Development	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 3,359,368	\$ -	\$ 87,756	\$ 131,634	\$ 1,900,176	\$ 5,478,934
Licenses and permits	13,925	-	-	-	53,256	67,181
Intergovernmental	59,730	2,577,262	1,485	2,227	3,480,001	6,120,705
Charges for services	453,547	-	-	-	1,307,564	1,761,111
Fines and forfeits	134,175	-	-	-	450,899	585,074
Other	1,396,511	144,013	37,618	-	950,414	2,528,556
Total receipts	5,417,256	2,721,275	126,859	133,861	8,142,310	16,541,561
Disbursements:						
General government	4,105,160	-	140,249	223,361	2,365,319	6,834,089
Public safety	1,621,924	-	-	-	1,271,810	2,893,734
Highways and streets	-	2,362,418	-	-	1,368,312	3,730,730
Sanitation	3,218	-	-	-	345,496	348,714
Health and welfare	156,038	-	-	-	1,857,540	2,013,578
Economic development	-	-	-	-	30,000	30,000
Culture and recreation	-	-	-	-	367,829	367,829
Urban redevelopment and housing	-	-	-	-	36,900	36,900
Debt service:						
Principal	-	132,745	-	-	125,079	257,824
Interest	-	18,825	-	-	8,949	27,774
Capital outlay:						
General government	8,531	-	-	-	556,577	565,108
Public safety	-	-	-	-	80,599	80,599
Highways and streets	-	222,261	-	-	-	222,261
Health and welfare	-	-	-	-	23,664	23,664
Economic development	-	-	-	-	706,128	706,128
Culture and recreation	-	-	-	-	142,578	142,578
Total disbursements	5,894,871	2,736,249	140,249	223,361	9,286,780	18,281,510
Deficiency of receipts over disbursements	(477,615)	(14,974)	(13,390)	(89,500)	(1,144,470)	(1,739,949)
Other financing sources (uses):						
Transfers in	-	-	-	-	385,577	385,577
Transfers out	(50,000)	(135,577)	-	-	(200,000)	(385,577)
Other receipts	-	29,205	-	-	345,496	374,701
Total other financing sources (uses)	(50,000)	(106,372)	-	-	531,073	374,701
Deficiency of receipts and other financing sources over disbursements and other financing uses	(527,615)	(121,346)	(13,390)	(89,500)	(613,397)	(1,365,248)
Cash and investment fund balance - beginning	272,080	456,249	718,337	378,723	2,295,617	4,121,006
Cash and investment fund balance - ending	\$ (255,535)	\$ 334,903	\$ 704,947	\$ 289,223	\$ 1,682,220	\$ 2,755,758
Cash and Investment Assets - Ending						
Cash and investments	\$ (255,535)	\$ -	\$ -	\$ -	\$ (77,645)	\$ (333,180)
Restricted assets:						
Cash and investments	-	334,903	704,947	289,223	1,759,865	3,088,938
Total cash and investment assets - ending	\$ (255,535)	\$ 334,903	\$ 704,947	\$ 289,223	\$ 1,682,220	\$ 2,755,758
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ 704,947	\$ -	\$ 614,071	\$ 1,319,018
Public safety	-	-	-	-	612,611	612,611
Highways and streets	-	334,903	-	-	74	334,977
Health and welfare	-	-	-	-	242,576	242,576
Culture and recreation	-	-	-	-	11,237	11,237
Capital outlay	-	-	-	289,223	279,296	568,519
Unrestricted	(255,535)	-	-	-	(77,645)	(333,180)
Total cash and investment fund balance - ending	\$ (255,535)	\$ 334,903	\$ 704,947	\$ 289,223	\$ 1,682,220	\$ 2,755,758

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, 2007

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 67,166	\$ -	\$ -
Plan members	14,975	-	-
Other	-	1,841	-
	<u>82,141</u>	<u>1,841</u>	<u>-</u>
Total contributions			
Investment earnings:			
Interest	37,984	394	-
Dividends	60,457	-	-
	<u>98,441</u>	<u>394</u>	<u>-</u>
Total investment earnings			
Agency fund additions	-	-	58,046,371
	<u>180,582</u>	<u>2,235</u>	<u>58,046,371</u>
Total additions			
Deductions:			
Benefits	20,575	-	-
Administrative and general	23,094	1,131	-
Agency fund deductions	-	-	50,798,748
	<u>43,669</u>	<u>1,131</u>	<u>50,798,748</u>
Total deductions			
Excess of total additions over total deductions	136,913	1,104	7,247,623
Cash and investment fund balance - beginning	907,066	73,519	1,523,594
Cash and investment fund balance - ending	<u>\$ 1,043,979</u>	<u>\$ 74,623</u>	<u>\$ 8,771,217</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, the Washington County Solid Waste Management District, and the Washington County Tourism Commission, 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 for reassessment.

The cumulative capital development fund is used to account for receipts and disbursements authorized by Indiana Code 36-9-14.5-2 and Indiana Code 36-9-14.5-8.

Additionally, the County reports the following fund types:

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

The private-purpose trust funds report trust arrangements 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 a 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, 2007, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2007
County Highway	\$ 110,372
Riverboat	88,246
Rainy Day	55,389
Local Road and Street	23,303
Family and Children	18,967
County Corrections	14,472
Drug Free Community Support	950
Total	\$ 311,699

WASHINGTON COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

These disbursements were funded by available fund balances.

C. Cash and Investment Balance Deficits

At December 31, 2007, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2007
General	\$ 255,535
Health	27,913
User Fee	98,677
First Responder Grant	336
Adult Protective Services	11,328
Prosecutor Special Fees	30,997
Indiana Child Care	5,208
Cumulative Bridge	32,440

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, 2007, the County had the following investments:

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. government securities	\$ 169,687
Corporate debt instruments	224,686
Mutual funds	567,815
Total	\$ 962,188

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, 2007, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Government Securities, Corporate Debt Instruments, and Mutual Funds in the amount of \$962,188. Of these investments \$962,188 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. government securities	\$ -	\$ -	\$ 169,687
Corporate debt instruments	25,901	25,538	173,247
Mutual bond funds	567,815	-	-
Totals	<u>\$ 593,716</u>	<u>\$ 25,538</u>	<u>\$ 342,934</u>

Credit Risk

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

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
AAA	Aaa	\$ 39,949	\$ 25,538	\$ 144,766
AA-	Aa	4,042	24,330	24,921
A+/-	A	9,212	100,415	-
BBB	Baa	12,481	74,403	-
BB	Ba	3,245	-	-
B	B	5,291	-	-
Unrated	Unrated	493,595	-	-
Totals		<u>\$ 567,815</u>	<u>\$ 224,686</u>	<u>\$ 169,687</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, 2007, were as follows:

Transfer From	Transfer To	2007
General Fund	Other governmental funds	\$ 50,000
County Highway Fund	Other governmental funds	135,577
Other governmental funds	Other governmental funds	<u>200,000</u>
Total		<u>\$ 385,577</u>

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Restatements and Reclassifications

For the year ended December 31, 2007, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by opinion unit. The fund reclassification noted for the Tourism Bureau is necessary because the Tourism Bureau is now audited as a separate component unit of the County.

Opinion Unit	Fund Name	Balance as Reported December 31, 2006	Fund Reclassification	Balance as Restated January 1, 2007
Governmental funds	General	\$ 270,180	\$ 1,900	\$ 272,080
Fiduciary funds	Cemetery Principal	1,900	(1,900)	-
Governmental funds	Rodman Cemetery Endowment	985	(985)	-
Fiduciary funds	Rodman Cemetery Endowment	-	985	985
Governmental funds	Hebron Cemetery Endowment	1,772	(1,772)	-
Fiduciary funds	Hebron Cemetery Endowment	-	1,772	1,772
Governmental funds	R & F Motsinger Mahuron Estate	877	(877)	-
Fiduciary funds	R & F Motsinger Mahuron Estate	-	877	877
Governmental funds	Standish Cemetery	2,471	(2,471)	-
Fiduciary funds	Standish Cemetery	-	2,471	2,471
Fiduciary funds	Nancy J. Morris Endowment	3,754	5,018	8,772
Fiduciary funds	Nancy J. Morris Interest	5,018	(5,018)	-
Fiduciary funds	Riley Trust Endowment	11,702	19,913	31,615
Fiduciary funds	Riley Trust Interest	19,913	(19,913)	-
Governmental funds	Tourism Bureau	22,702	(22,702)	-

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 from these risks have exceeded commercial insurance coverage by \$157,271 for the year 2006. 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.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Administration of Welfare Programs

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

C. Hospital Debt Obligation

The County Hospital issued bonds in 1979 in the amount of \$2,000,000 and issued 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.

D. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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.

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 268,430	\$ 69,209	\$ 11,036
Interest on net pension obligation	(2,301)	1,191	-
Adjustment to annual required contribution	2,623	(2,423)	-
Annual pension cost	268,752	67,977	11,036
Contributions made	214,176	56,130	11,036
Increase in net pension obligation	54,576	11,847	-
Net pension obligation, beginning of year	(31,744)	17,009	-
Net pension obligation, end of year	\$ 22,832	\$ 28,856	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6%	16%	2%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-07	01-01-08	01-01-08
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%

WASHINGTON COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-05	\$ 181,426	99%	\$ (84,371)
	06-30-06	249,352	79%	(31,744)
	06-30-07	268,752	80%	22,832
County Police Retirement Plan	10-01-04	61,483	99%	18,503
	10-01-05	60,345	100%	17,009
	10-01-06	67,977	81%	28,856
County Police Benefit Plan	10-01-04	8,190	100%	-
	10-01-05	8,571	100%	-
	10-01-06	11,036	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)
07-01-05	\$ 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%)
07-01-07	3,340,571	4,071,980	(731,409)	82%	4,021,996	(18%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
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%
01-01-08	1,048,108	1,128,446	(80,338)	93%	458,950	(18%)

The current actuarial valuation was dated January 1, 2008. Prior valuation dates were October 1.

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, 2007

	Local Road and Street	Accident Report	Firearms Training	Health	Donations	Public Health Coordinator Grant	Housing Authority
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 102,382	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	29,786	21,971	-	-
Intergovernmental	310,885	-	-	1,732	-	38,261	-
Charges for services	-	2,548	11,940	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	36,900
Total receipts	310,885	2,548	11,940	133,900	21,971	38,261	36,900
Disbursements:							
General government	-	-	-	-	18,014	30,045	-
Public safety	-	425	10,098	-	-	-	-
Highways and streets	328,111	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	253,533	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	36,900
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	313	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	328,111	425	10,098	253,846	18,014	30,045	36,900
Excess (deficiency) of receipts over disbursements	(17,226)	2,123	1,842	(119,946)	3,957	8,216	-
Other financing sources (uses):							
Transfers in	17,300	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	17,300	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	74	2,123	1,842	(119,946)	3,957	8,216	-
Cash and investment fund balance - beginning	-	1,465	10,013	92,033	7,943	(5,307)	-
Cash and investment fund balance - ending	\$ 74	\$ 3,588	\$ 11,855	\$ (27,913)	\$ 11,900	\$ 2,909	\$ -
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ (27,913)	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	74	3,588	11,855	-	11,900	2,909	-
Total cash and investment assets - ending	\$ 74	\$ 3,588	\$ 11,855	\$ (27,913)	\$ 11,900	\$ 2,909	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 11,900	\$ 2,909	\$ -
Public safety	-	3,588	11,855	-	-	-	-
Highways and streets	74	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	(27,913)	-	-	-
Total cash and investment fund balance - ending	\$ 74	\$ 3,588	\$ 11,855	\$ (27,913)	\$ 11,900	\$ 2,909	\$ -

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, 2007
 (Continued)

	Law Enforcement Continuing Education	Clerk's Records Perpetuation	Riverboat	Community Corrections Grant	Emergency Telephone System	Drug Free Community	Emergency Planning /Right to Know
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	462,748	275,855	-	-	-
Charges for services	-	-	216,226	-	-	-	3,626
Fines and forfeits	-	10,384	-	-	-	28,841	-
Other	-	-	-	-	211,511	1,000	-
Total receipts	-	10,384	678,974	275,855	211,511	29,841	3,626
Disbursements:							
General government	-	5,398	205,080	-	-	-	-
Public safety	-	-	-	275,855	232,939	25,950	3,006
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	547,666	-	-	-	-
Public safety	-	-	-	-	67,732	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	-	5,398	752,746	275,855	300,671	25,950	3,006
Excess (deficiency) of receipts over disbursements	-	4,986	(73,772)	-	(89,160)	3,891	620
Other financing sources (uses):							
Transfers in	-	-	-	-	100,000	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	100,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	4,986	(73,772)	-	10,840	3,891	620
Cash and investment fund balance - beginning	2,340	10,464	170,502	-	27,937	5,247	12,501
Cash and investment fund balance - ending	<u>\$ 2,340</u>	<u>\$ 15,450</u>	<u>\$ 96,730</u>	<u>\$ -</u>	<u>\$ 38,777</u>	<u>\$ 9,138</u>	<u>\$ 13,121</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ 96,730	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	2,340	15,450	-	-	38,777	9,138	13,121
Total cash and investment assets - ending	\$ 2,340	\$ 15,450	\$ 96,730	\$ -	\$ 38,777	\$ 9,138	\$ 13,121
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ 15,450	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	2,340	-	-	-	38,777	9,138	13,121
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	96,730	-	-	-	-
Total cash and investment fund balance - ending	\$ 2,340	\$ 15,450	\$ 96,730	\$ -	\$ 38,777	\$ 9,138	\$ 13,121

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, 2007
 (Continued)

	Parks and Recreation	Juvenile Probation Service	Adult Probation Service	Recorder's Records Perpetuation	User Fee	Family and Children	Health Maintenance
Receipts:							
Taxes	\$ 20,784	\$ -	\$ -	\$ -	\$ -	\$ 779,795	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	352	-	-	-	-	13,193	-
Charges for services	-	-	-	37,615	-	428,135	41,424
Fines and forfeits	-	3,875	81,556	-	108,233	-	-
Other	67,339	-	-	-	-	15,333	-
Total receipts	88,475	3,875	81,556	37,615	108,233	1,236,456	41,424
Disbursements:							
General government	-	-	-	15,727	90,482	-	-
Public safety	-	3,039	72,093	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,569,147	25,371
Economic development	-	-	-	-	-	-	-
Culture and recreation	182,782	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	3,886	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	23,351	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	23,207	-	-	-	-	-	-
Total disbursements	205,989	3,039	72,093	15,727	94,368	1,592,498	25,371
Excess (deficiency) of receipts over disbursements	(117,514)	836	9,463	21,888	13,865	(356,042)	16,053
Other financing sources (uses):							
Transfers in	-	-	100,000	-	-	-	-
Transfers out	-	-	-	-	(100,000)	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	100,000	-	(100,000)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(117,514)	836	109,463	21,888	(86,135)	(356,042)	16,053
Cash and investment fund balance - beginning	125,425	17,832	29,483	120,787	(12,542)	508,669	58,240
Cash and investment fund balance - ending	\$ 7,911	\$ 18,668	\$ 138,946	\$ 142,675	\$ (98,677)	\$ 152,627	\$ 74,293
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (98,677)	\$ -	\$ -
Restricted assets:							
Cash and investments	7,911	18,668	138,946	142,675	-	152,627	74,293
Total cash and investment assets - ending	\$ 7,911	\$ 18,668	\$ 138,946	\$ 142,675	\$ (98,677)	\$ 152,627	\$ 74,293
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ 142,675	\$ -	\$ -	\$ -
Public safety	-	18,668	138,946	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	152,627	74,293
Culture and recreation	7,911	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	(98,677)	-	-
Total cash and investment fund balance - ending	\$ 7,911	\$ 18,668	\$ 138,946	\$ 142,675	\$ (98,677)	\$ 152,627	\$ 74,293

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, 2007
 (Continued)

	Community Corrections Home Detention	Solid Waste Planning	Supplemental Public Defender Service	Surveyor's Corner Perpetuation	Jury Pay	Violent Crimes and Victim Assistance	Drug Free Community Support
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	118,024	38,690
Charges for services	-	-	-	6,590	-	-	-
Fines and forfeits	180,318	-	12,369	-	2,922	-	-
Other	-	-	-	-	-	-	15,700
Total receipts	180,318	-	12,369	6,590	2,922	118,024	54,390
Disbursements:							
General government	-	-	-	1,080	2,171	-	51,463
Public safety	168,026	-	13,868	-	-	118,024	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	345,496	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	7,800	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	175,826	345,496	13,868	1,080	2,171	118,024	51,463
Excess (deficiency) of receipts over disbursements	4,492	(345,496)	(1,499)	5,510	751	-	2,927
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	345,496	-	-	-	-	-
Total other financing sources (uses)	-	345,496	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,492	-	(1,499)	5,510	751	-	2,927
Cash and investment fund balance - beginning	137,066	-	9,669	17,516	7,303	-	(1,651)
Cash and investment fund balance - ending	<u>\$ 141,558</u>	<u>\$ -</u>	<u>\$ 8,170</u>	<u>\$ 23,026</u>	<u>\$ 8,054</u>	<u>\$ -</u>	<u>\$ 1,276</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	141,558	-	8,170	23,026	8,054	-	1,276
Total cash and investment assets - ending	<u>\$ 141,558</u>	<u>\$ -</u>	<u>\$ 8,170</u>	<u>\$ 23,026</u>	<u>\$ 8,054</u>	<u>\$ -</u>	<u>\$ 1,276</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ 23,026	\$ 8,054	\$ -	\$ 1,276
Public safety	141,558	-	8,170	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 141,558</u>	<u>\$ -</u>	<u>\$ 8,170</u>	<u>\$ 23,026</u>	<u>\$ 8,054</u>	<u>\$ -</u>	<u>\$ 1,276</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, 2007
 (Continued)

	State Homeland Security Grant	SHSP Grant	Community Transition Program	Impact Grant	Tobacco Master Settlement	Bioterrorism/ Health	Park and Recreation Nonreverting
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	71,723	17,179	160,625	-	19,258	-	-
Charges for services	-	-	-	-	-	-	208,345
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	71,723	17,179	160,625	-	19,258	-	208,345
Disbursements:							
General government	61,691	15,819	160,625	-	12,581	789	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	185,047
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	5,025
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	61,691	15,819	160,625	-	12,581	789	190,072
Excess (deficiency) of receipts over disbursements	10,032	1,360	-	-	6,677	(789)	18,273
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,032	1,360	-	-	6,677	(789)	18,273
Cash and investment fund balance - beginning	(154)	-	-	20	17,268	2,306	(14,947)
Cash and investment fund balance - ending	<u>\$ 9,878</u>	<u>\$ 1,360</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 23,945</u>	<u>\$ 1,517</u>	<u>\$ 3,326</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	9,878	1,360	-	20	23,945	1,517	3,326
Total cash and investment assets - ending	<u>\$ 9,878</u>	<u>\$ 1,360</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 23,945</u>	<u>\$ 1,517</u>	<u>\$ 3,326</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ 9,878	\$ 1,360	\$ -	\$ 20	\$ 23,945	\$ 1,517	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	3,326
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 9,878</u>	<u>\$ 1,360</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 23,945</u>	<u>\$ 1,517</u>	<u>\$ 3,326</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, 2007
 (Continued)

	First Responder Grant	Rainy Day	Riverboat Revenue Sharing	County Economic Development Income Tax	HAVA Voting Machine Title III	CDBG CF-05202	Community Emergency Rescue Team Subgrant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 612,321	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	853,799	171,662	-	-	361,279	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	255	-	-	153,058	-
Total receipts	-	853,799	171,917	612,321	-	514,337	-
Disbursements:							
General government	1,360	809,188	172,858	-	-	483,786	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	30,000	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	706,128	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	1,360	809,188	172,858	736,128	-	483,786	-
Excess (deficiency) of receipts over disbursements	(1,360)	44,611	(941)	(123,807)	-	30,551	-
Other financing sources (uses):							
Transfers in	-	-	-	118,277	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	118,277	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,360)	44,611	(941)	(5,530)	-	30,551	-
Cash and investment fund balance - beginning	1,024	1,598	33,467	5,530	15,176	21,675	1,324
Cash and investment fund balance - ending	<u>\$ (336)</u>	<u>\$ 46,209</u>	<u>\$ 32,526</u>	<u>\$ -</u>	<u>\$ 15,176</u>	<u>\$ 52,226</u>	<u>\$ 1,324</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ (336)	\$ -	\$ 32,526	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	46,209	-	-	15,176	52,226	1,324
Total cash and investment assets - ending	<u>\$ (336)</u>	<u>\$ 46,209</u>	<u>\$ 32,526</u>	<u>\$ -</u>	<u>\$ 15,176</u>	<u>\$ 52,226</u>	<u>\$ 1,324</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ 46,209	\$ -	\$ -	\$ 15,176	\$ 52,226	\$ 1,324
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	(336)	-	32,526	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ (336)</u>	<u>\$ 46,209</u>	<u>\$ 32,526</u>	<u>\$ -</u>	<u>\$ 15,176</u>	<u>\$ 52,226</u>	<u>\$ 1,324</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, 2007
 (Continued)

	Jail Commissary	County Corrections	Levy Excess	Adult Protective Services	Coroners Education	Sheriff Sale Administration	Identification Security Protection
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	1,499	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	135,642	31,550	-	72,062	-	13,600	12,960
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>135,642</u>	<u>31,550</u>	<u>-</u>	<u>72,062</u>	<u>1,499</u>	<u>13,600</u>	<u>12,960</u>
Disbursements:							
General government	-	-	79,471	-	-	-	-
Public safety	133,033	2,276	-	69,109	1,382	10,025	4,054
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	69,487	-	-	-	-	-
Interest	-	4,209	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	5,067	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	<u>133,033</u>	<u>75,972</u>	<u>79,471</u>	<u>74,176</u>	<u>1,382</u>	<u>10,025</u>	<u>4,054</u>
Excess (deficiency) of receipts over disbursements	<u>2,609</u>	<u>(44,422)</u>	<u>(79,471)</u>	<u>(2,114)</u>	<u>117</u>	<u>3,575</u>	<u>8,906</u>
Other financing sources (uses):							
Transfers in	-	50,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>2,609</u>	<u>5,578</u>	<u>(79,471)</u>	<u>(2,114)</u>	<u>117</u>	<u>3,575</u>	<u>8,906</u>
Cash and investment fund balance - beginning	<u>33,155</u>	<u>(2,966)</u>	<u>79,469</u>	<u>(9,214)</u>	<u>-</u>	<u>5,430</u>	<u>11,156</u>
Cash and investment fund balance - ending	<u>\$ 35,764</u>	<u>\$ 2,612</u>	<u>\$ (2)</u>	<u>\$ (11,328)</u>	<u>\$ 117</u>	<u>\$ 9,005</u>	<u>\$ 20,062</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ (2)	\$ (11,328)	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>35,764</u>	<u>2,612</u>	<u>-</u>	<u>-</u>	<u>117</u>	<u>9,005</u>	<u>20,062</u>
Total cash and investment assets - ending	<u>\$ 35,764</u>	<u>\$ 2,612</u>	<u>\$ (2)</u>	<u>\$ (11,328)</u>	<u>\$ 117</u>	<u>\$ 9,005</u>	<u>\$ 20,062</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	35,764	2,612	-	-	117	9,005	20,062
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(11,328)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ 35,764</u>	<u>\$ 2,612</u>	<u>\$ (2)</u>	<u>\$ (11,328)</u>	<u>\$ 117</u>	<u>\$ 9,005</u>	<u>\$ 20,062</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, 2007
 (Continued)

	Adult Offender	Wireless Emergency Telephone System	Probation User Fee Administrative	Major Moves Construction	Sheriff's Repeater Tower	Levy Excess Welfare	Build Washington County
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	493,222	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	188	-	22,213	-	-	-	-
Other	-	140,473	-	-	6,938	-	-
Total receipts	188	140,473	22,213	493,222	6,938	-	-
Disbursements:							
General government	-	-	-	-	390	15,091	-
Public safety	188	-	19,751	-	-	-	-
Highways and streets	-	-	-	493,222	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	188	-	19,751	493,222	390	15,091	-
Excess (deficiency) of receipts over disbursements	-	140,473	2,462	-	6,548	(15,091)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(100,000)	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(100,000)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	40,473	2,462	-	6,548	(15,091)	-
Cash and investment fund balance - beginning	-	56,701	45,958	-	1,500	15,091	13,985
Cash and investment fund balance - ending	\$ -	\$ 97,174	\$ 48,420	\$ -	\$ 8,048	\$ -	\$ 13,985
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	97,174	48,420	-	8,048	-	13,985
Total cash and investment assets - ending	\$ -	\$ 97,174	\$ 48,420	\$ -	\$ 8,048	\$ -	\$ 13,985
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 8,048	\$ -	\$ 13,985
Public safety	-	97,174	48,420	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ 97,174	\$ 48,420	\$ -	\$ 8,048	\$ -	\$ 13,985

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, 2007
 (Continued)

	Prosecutor Special Fees	Child Care Advocacy	Hospital Lease Rental	Child Services	Sheriffs Investigation	Washington County Prosecuting Investigator	Insurance Nonreverting
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	1,251	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	13,831	395	157,345	15,656	-	3,148	-
Total receipts	13,831	395	157,345	15,656	1,251	3,148	-
Disbursements:							
General government	36,531	-	-	-	-	-	1,340
Public safety	-	-	-	-	27	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	9,489	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	36,531	-	-	9,489	27	-	1,340
Excess (deficiency) of receipts over disbursements	(22,700)	395	157,345	6,167	1,224	3,148	(1,340)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,700)	395	157,345	6,167	1,224	3,148	(1,340)
Cash and investment fund balance - beginning	(8,297)	435	2,721	9,489	51	-	2,804
Cash and investment fund balance - ending	<u>\$ (30,997)</u>	<u>\$ 830</u>	<u>\$ 160,066</u>	<u>\$ 15,656</u>	<u>\$ 1,275</u>	<u>\$ 3,148</u>	<u>\$ 1,464</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ (30,997)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	830	160,066	15,656	1,275	3,148	1,464
Total cash and investment assets - ending	<u>\$ (30,997)</u>	<u>\$ 830</u>	<u>\$ 160,066</u>	<u>\$ 15,656</u>	<u>\$ 1,275</u>	<u>\$ 3,148</u>	<u>\$ 1,464</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ 830	\$ 160,066	\$ -	\$ -	\$ 3,148	\$ 1,464
Public safety	-	-	-	-	1,275	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	15,656	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	(30,997)	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ (30,997)</u>	<u>\$ 830</u>	<u>\$ 160,066</u>	<u>\$ 15,656</u>	<u>\$ 1,275</u>	<u>\$ 3,148</u>	<u>\$ 1,464</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, 2007
 (Continued)

	Indiana Child Care	Vector Control	Community Service Restitution	Urine Screen Test	Guardian Ad Litem	Prosecutor's Drug Investigation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	1,420	21,422	20,421	2,099	20,163
Total receipts	-	1,420	21,422	20,421	2,099	20,163
Disbursements:						
General government	-	-	20,195	16,254	99	-
Public safety	-	-	-	-	-	11,869
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	-	20,195	16,254	99	11,869
Excess (deficiency) of receipts over disbursements	-	1,420	1,227	4,167	2,000	8,294
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,420	1,227	4,167	2,000	8,294
Cash and investment fund balance - beginning	(5,208)	(1,420)	130	36,852	25,209	3,727
Cash and investment fund balance - ending	<u>\$ (5,208)</u>	<u>\$ -</u>	<u>\$ 1,357</u>	<u>\$ 41,019</u>	<u>\$ 27,209</u>	<u>\$ 12,021</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (5,208)	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	1,357	41,019	27,209	12,021
Total cash and investment assets - ending	<u>\$ (5,208)</u>	<u>\$ -</u>	<u>\$ 1,357</u>	<u>\$ 41,019</u>	<u>\$ 27,209</u>	<u>\$ 12,021</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ 1,357	\$ 41,019	\$ 27,209	\$ -
Public safety	-	-	-	-	-	12,021
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	(5,208)	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ (5,208)</u>	<u>\$ -</u>	<u>\$ 1,357</u>	<u>\$ 41,019</u>	<u>\$ 27,209</u>	<u>\$ 12,021</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, 2007
 (Continued)

	Tobacco Prevention and Cessation	Drug Court	Cumulative Bridge	Cumulative Jail	Park and Recreation Cumulative Building	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ 269,426	\$ 76,979	\$ 38,489	\$ 1,900,176
Licenses and permits	-	-	-	-	-	53,256
Intergovernmental	-	-	4,559	1,303	65,652	3,480,001
Charges for services	-	-	84,050	-	-	1,307,564
Fines and forfeits	-	-	-	-	-	450,899
Other	13,403	-	16,820	15,784	-	950,414
Total receipts	13,403	-	374,855	94,066	104,141	8,142,310
Disbursements:						
General government	31,580	26,211	-	-	-	2,365,319
Public safety	-	-	-	96,773	-	1,271,810
Highways and streets	-	-	546,979	-	-	1,368,312
Sanitation	-	-	-	-	-	345,496
Health and welfare	-	-	-	-	-	1,857,540
Economic development	-	-	-	-	-	30,000
Culture and recreation	-	-	-	-	-	367,829
Urban redevelopment and housing	-	-	-	-	-	36,900
Debt service:						
Principal	-	-	55,592	-	-	125,079
Interest	-	-	4,740	-	-	8,949
Capital outlay:						
General government	-	-	-	-	-	556,577
Public safety	-	-	-	-	-	80,599
Health and welfare	-	-	-	-	-	23,664
Economic development	-	-	-	-	-	706,128
Culture and recreation	-	-	-	-	119,371	142,578
Total disbursements	31,580	26,211	607,311	96,773	119,371	9,286,780
Excess (deficiency) of receipts over disbursements	(18,177)	(26,211)	(232,456)	(2,707)	(15,230)	(1,144,470)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	385,577
Transfers out	-	-	-	-	-	(200,000)
Other receipts	-	-	-	-	-	345,496
Total other financing sources (uses)	-	-	-	-	-	531,073
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(18,177)	(26,211)	(232,456)	(2,707)	(15,230)	(613,397)
Cash and investment fund balance - beginning	18,177	26,211	200,016	231,209	66,024	2,295,617
Cash and investment fund balance - ending	\$ -	\$ -	\$ (32,440)	\$ 228,502	\$ 50,794	\$ 1,682,220
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ (32,440)	\$ -	\$ -	\$ (77,645)
Restricted assets:						
Cash and investments	-	-	-	228,502	50,794	1,759,865
Total cash and investment assets - ending	\$ -	\$ -	\$ (32,440)	\$ 228,502	\$ 50,794	\$ 1,682,220
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,071
Public safety	-	-	-	-	-	612,611
Highways and streets	-	-	-	-	-	74
Health and welfare	-	-	-	-	-	242,576
Culture and recreation	-	-	-	-	-	11,237
Capital outlay	-	-	-	228,502	50,794	279,296
Unrestricted	-	-	(32,440)	-	-	(77,645)
Total cash and investment fund balance - ending	\$ -	\$ -	\$ (32,440)	\$ 228,502	\$ 50,794	\$ 1,682,220

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2007

	<u>Congressional School Principal</u>	<u>Rodman Cemetery Endowment</u>	<u>Hebron Cemetery Endowment</u>	<u>R & F Motsinger Mahuron Estate</u>	<u>Standish Cemetery Endowment</u>
Additions:					
Contributions:					
Other	\$ -	\$ 979	\$ -	\$ -	\$ -
Investment earnings:					
Interest	-	-	-	-	-
Total additions	-	979	-	-	-
Deductions:					
Administrative and general	-	1,131	-	-	-
Excess (deficiency) of total additions over total deductions	-	(152)	-	-	-
Cash and investment fund balance - beginning	<u>27,027</u>	<u>985</u>	<u>1,772</u>	<u>877</u>	<u>2,471</u>
Cash and investment fund balance - ending	<u>\$ 27,027</u>	<u>\$ 833</u>	<u>\$ 1,772</u>	<u>\$ 877</u>	<u>\$ 2,471</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, 2007
 (Continued)

	Nancy J. Morris Endowment	Riley Trust Endowment	Harley Huckleberry Funeral Trust	Totals
Additions:				
Contributions:				
Other	\$ -	\$ -	\$ 862	\$ 1,841
Investment earnings:				
Interest	144	250	-	394
Total additions	<u>144</u>	<u>250</u>	<u>862</u>	<u>2,235</u>
Deductions:				
Administrative and general	-	-	-	1,131
Excess (deficiency) of total additions over total deductions	144	250	862	1,104
Cash and investment fund balance - beginning	<u>8,772</u>	<u>31,615</u>	<u>-</u>	<u>73,519</u>
Cash and investment fund balance - ending	<u>\$ 8,916</u>	<u>\$ 31,865</u>	<u>\$ 862</u>	<u>\$ 74,623</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007

	City and Town Court Costs	Congressional School Interest	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax	State Fines and Forfeitures	State Sales Disclosure Fee
Additions:							
Agency fund additions	\$ 7,875	\$ 152	\$ 715,727	\$ 45,527	\$ 2,973	\$ 454	\$ 3,310
Deductions:							
Agency fund deductions	<u>9,446</u>	<u>-</u>	<u>204,345</u>	<u>45,527</u>	<u>13,767</u>	<u>454</u>	<u>3,370</u>
Excess (deficiency) of total additions over total deductions	(1,571)	152	511,382	-	(10,794)	-	(60)
Cash and investment fund balance - beginning	<u>2,852</u>	<u>8,903</u>	<u>133,243</u>	<u>-</u>	<u>14,833</u>	<u>-</u>	<u>115</u>
Cash and investment fund balance - ending	<u>\$ 1,281</u>	<u>\$ 9,055</u>	<u>\$ 644,625</u>	<u>\$ -</u>	<u>\$ 4,039</u>	<u>\$ -</u>	<u>\$ 55</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	<u>Sewage Collections</u>	<u>Infraction Judgements</u>	<u>Inheritance Tax</u>	<u>Homestead Credit (Local Option)</u>	<u>Property Replacement and Homestead Credit</u>	<u>County Treasurer</u>	<u>Payroll</u>
Additions:							
Agency fund additions	\$ -	\$ 22,794	\$ 264,530	\$ 900,335	\$ 3,613,599	\$ 24,449,108	\$ 2,102,678
Deductions:							
Agency fund deductions	-	22,794	223,226	-	3,613,599	19,351,419	2,116,106
Excess (deficiency) of total additions over total deductions	-	-	41,304	900,335	-	5,097,689	(13,428)
Cash and investment fund balance - beginning	<u>4,368</u>	<u>-</u>	<u>8,961</u>	<u>67,159</u>	<u>-</u>	<u>243,402</u>	<u>135,373</u>
Cash and investment fund balance - ending	<u>\$ 4,368</u>	<u>\$ -</u>	<u>\$ 50,265</u>	<u>\$ 967,494</u>	<u>\$ -</u>	<u>\$ 5,341,091</u>	<u>\$ 121,945</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Sheriff's Inmate Trust	Education Plate Fees	County Economic Development Income Tax	Innkeepers Tax	Financial Institution Tax	Mortgage Fees State Share	CVET
Additions:							
Agency fund additions	\$ 14,516	\$ 2,775	\$ 900,335	\$ 8,625	\$ 98,942	\$ 4,193	\$ 176,492
Deductions:							
Agency fund deductions	<u>12,015</u>	<u>2,775</u>	<u>899,930</u>	<u>8,182</u>	<u>98,942</u>	<u>4,193</u>	<u>176,492</u>
Excess (deficiency) of total additions over total deductions	2,501	-	405	443	-	-	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>19,711</u>	<u>2,380</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 2,501</u>	<u>\$ -</u>	<u>\$ 20,116</u>	<u>\$ 2,823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	<u>Welfare Trust</u>	<u>Homestead Credit Rebate</u>	<u>Tax Distributions</u>	<u>Park and Recreation Sales Tax</u>	<u>County Recorder</u>
Additions:					
Agency fund additions	\$ 17,498	\$ 769,688	\$ 19,014,355	\$ 12,623	\$ 144,555
Deductions:					
Agency fund deductions	<u>16,141</u>	<u>-</u>	<u>19,014,355</u>	<u>11,681</u>	<u>146,103</u>
Excess (deficiency) of total additions over total deductions	1,357	769,688	-	942	(1,548)
Cash and investment fund balance - beginning	<u>7,497</u>	<u>-</u>	<u>-</u>	<u>311</u>	<u>11,885</u>
Cash and investment fund balance - ending	<u>\$ 8,854</u>	<u>\$ 769,688</u>	<u>\$ -</u>	<u>\$ 1,253</u>	<u>\$ 10,337</u>

WASHINGTON COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	<u>County Prosecuting Attorney</u>	<u>Clerk of the Circuit Court</u>	<u>County Sheriff</u>	<u>County Park and Recreation</u>	<u>Totals</u>
Additions:					
Agency fund additions	\$ 57,936	\$ 3,369,446	\$ 976,893	\$ 348,437	\$ 58,046,371
Deductions:					
Agency fund deductions	<u>59,145</u>	<u>3,517,887</u>	<u>869,801</u>	<u>357,053</u>	<u>50,798,748</u>
Excess (deficiency) of total additions over total deductions	(1,209)	(148,441)	107,092	(8,616)	7,247,623
Cash and investment fund balance - beginning	<u>5,316</u>	<u>830,430</u>	<u>17,879</u>	<u>8,976</u>	<u>1,523,594</u>
Cash and investment fund balance - ending	<u>\$ 4,107</u>	<u>\$ 681,989</u>	<u>\$ 124,971</u>	<u>\$ 360</u>	<u>\$ 8,771,217</u>

WASHINGTON COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Bulldozer	\$ 54,091	\$ 19,210
(6) 2005 Sterling dump trucks	123,127	63,872
(2) Gradall XL2300	116,259	60,333
(6) Truck beds	73,101	30,952
2007 New Holland mower	9,996	3,080
Volvo road grader	84,414	15,305
2006 Chevrolet sign truck	58,364	13,048
Police cars	32,155	27,300
Phone system	277,000	20,000
F150 Truck	15,153	6,441
(2) Backhoes	<u>110,268</u>	<u>13,755</u>
Total governmental activities debt	<u>\$ 953,928</u>	<u>\$ 273,296</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 Sheriff
County Parks and Recreation

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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, 2007. 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, 2007.

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

July 17, 2008

WASHINGTON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2007

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	\$ 361,279
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	2006-VA-GX-0039	118,024
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2006-DJ-BX-0051	7,060
Total for federal grantor agency			125,084
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205		70,284
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Grant Drug Free Communities Support Program Grants	93.276	SP11257-03 SP11257-04	30,690 8,000
Total for program			38,690
Pass-Through Indiana State Department of Health Centers For Disease Control and Prevention - Investigations and Technical Assistance	93.283	U90/CCU517024-07 U90/CCU517024-07	24,361 6,920
Total for program			31,281
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		155,661
Total for federal grantor agency			225,632
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Homeland Security Program	97.073	EDS C44-7-161 EDS C44-7-451	11,250 32,540
Total for program			43,790
Law Enforcement Terrorism Prevention Program	97.074	EDS C44-7-451	17,901 15,819
Total for program			33,720
Total for federal grantor agency			77,510
Total federal awards expended			\$ 859,789

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, 2007:

Program Title	Federal CFDA Number	Amount
Crime Victim Assistance	16.575	\$ 118,024

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
14.228	Community Development Block Grants/State's Program
16.575	Crime Victim Assistance

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 July 17, 2008, with Sarah Bachman, Auditor; Lana Sullivan, President of the Board of County Commissioners; and John D. Fultz, President of the County Council.