

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

ANNUAL FINANCIAL REPORT

2007

FOUNTAIN COUNTY, INDIANA



FILED

09/09/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Colleen S. Chambers	01-01-05 to 12-31-08
Treasurer	Susan A. Coffing	01-01-05 to 12-31-08
Clerk	Patty Gritten	01-01-07 to 12-31-10
Sheriff	Robert Bass	01-01-07 to 12-31-10
Recorder	Brenda Holycross	01-01-07 to 12-31-10
President of the Board of County Commissioners	Lowell M. Osborn Terry Ellingwood	01-01-07 to 09-16-07 09-17-07 to 12-31-08
President of the County Council	Ron Howard	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 FOUNTAIN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fountain 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 June 5, 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 Schedule of Funding Progress, as listed in the Table of Contents, is not a required part of the basic financial statements but is 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

June 5, 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 FOUNTAIN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fountain 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 June 5, 2008. 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.

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)

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.

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

June 5, 2008

FOUNTAIN 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 (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary government:				
Governmental activities:				
General government	\$ 3,056,262	\$ 347,371	\$ 122,108	\$ (2,586,783)
Public safety	4,550,087	1,798,641	1,073,062	(1,678,384)
Highways and streets	3,404,691	-	-	(3,404,691)
Sanitation	11,023	-	-	(11,023)
Health and welfare	1,917,713	418,577	2,000	(1,497,136)
Culture and recreation	447	-	-	(447)
	<u>\$ 12,940,223</u>	<u>\$ 2,564,589</u>	<u>\$ 1,197,170</u>	<u>(9,178,464)</u>
Total primary government				
General receipts:				
				3,881,708
				4,384,234
				549,952
				967,934
				568,492
				10,352,320
				1,173,856
				8,908,903
				\$ 10,082,759
<u>Assets</u>				
Cash and investments				\$ 5,098,085
Restricted assets:				
Cash and investments				4,984,674
Total assets				\$ 10,082,759
<u>Net Assets</u>				
Restricted for:				
General government				\$ 661,129
Public safety				1,156,288
Health and welfare				1,336,034
Highways and streets				1,830,839
Other purposes				384
Unrestricted				5,098,085
Total net assets				\$ 10,082,759

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

FOUNTAIN 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	Highway	Emergency Management	Family and Children	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 3,561,029	\$ 36,950	\$ -	\$ 752,842	\$ 838,671	\$ 5,189,492
Licenses and permits	-	-	-	-	265	265
Intergovernmental	333,700	2,330,568	835,712	147,930	1,175,662	4,823,572
Charges for services	772,634	-	-	338,290	133,037	1,243,961
Fines and forfeits	93,099	-	-	-	1,227,264	1,320,363
Other	807,778	-	-	-	370,977	1,178,755
Total receipts	5,568,240	2,367,518	835,712	1,239,062	3,745,876	13,756,408
Disbursements:						
General government	2,784,094	-	-	-	272,168	3,056,262
Public safety	2,043,024	-	800,210	-	1,706,854	4,550,088
Highways and streets	-	2,688,997	-	-	715,694	3,404,691
Sanitation	11,023	-	-	-	-	11,023
Health and welfare	64,354	-	-	1,314,212	490,889	1,869,455
Culture and recreation	447	-	-	-	-	447
Total disbursements	4,902,942	2,688,997	800,210	1,314,212	3,185,605	12,891,966
Excess (deficiency) of receipts over disbursements	665,298	(321,479)	35,502	(75,150)	560,271	864,442
Other financing sources (uses):						
Other receipts	96,034	176,230	-	-	85,407	357,671
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	761,332	(145,249)	35,502	(75,150)	645,678	1,222,113
Cash and investment fund balance - beginning	3,193,706	1,090,399	(14,547)	962,720	3,607,738	8,840,016
Cash and investment fund balance - ending	\$ 3,955,038	\$ 945,150	\$ 20,955	\$ 887,570	\$ 4,253,416	10,062,129

Amounts reported for governmental activities in the Statement of Activities and Net Assets -

Cash and Investment Basis are different because:

Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.

20,630

Net assets of governmental activities

\$ 10,082,759

Cash and Investment Assets - December 31

Cash and investments	\$ 3,955,038	\$ -	\$ -	\$ -	\$ 1,113,584	\$ 5,068,622
Restricted assets:						
Cash and investments	-	945,150	20,955	887,570	3,139,832	4,993,507
Total cash and investment assets - December 31	\$ 3,955,038	\$ 945,150	\$ 20,955	\$ 887,570	\$ 4,253,416	\$ 10,062,129

Cash and Investment Fund Balance - December 31

Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 715,984	\$ 715,984
Public safety	-	-	20,955	-	1,114,317	1,135,272
Health and welfare	-	-	-	887,570	393,993	1,281,563
Highways and streets	-	945,150	-	-	329,900	1,275,050
Other purposes	-	-	-	-	585,638	585,638
Unrestricted	3,955,038	-	-	-	1,113,584	5,068,622
Total cash and investment fund balance - December 31	\$ 3,955,038	\$ 945,150	\$ 20,955	\$ 887,570	\$ 4,253,416	\$ 10,062,129

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

FOUNTAIN COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 PROPRIETARY FUNDS
 As of and for the Year Ended December 31, 2007

	<u>Internal Service Fund</u> <u>Employee Benefit Trust</u>
Operating receipts:	
Charges for services	\$ <u>1,088,962</u>
Operating disbursements:	
Employee benefits	<u>1,137,219</u>
Excess (deficiency) of operating receipts over operating disbursements	<u>(48,257)</u>
Cash and investment fund balance - beginning	<u>68,887</u>
Cash and investment fund balance - ending	<u>\$ 20,630</u>
<u>Cash and Investment Assets - December 31</u>	
Cash with fiscal agent	<u>\$ 20,630</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Health and welfare	<u>\$ 20,630</u>

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

FOUNTAIN COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2007

	<u>Sheriff Pension</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 48,886	\$ -	\$ -
Plan members	731	-	-
Total contributions	<u>49,617</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	25,142	-	-
Interest	13,778	2,629	-
Dividends	29,100	-	-
Net investment earnings	<u>68,020</u>	<u>2,629</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>47,980,617</u>
Total additions	<u>117,637</u>	<u>2,629</u>	<u>47,980,617</u>
Deductions:			
Benefits	28,318	-	-
Refunds of contributions	9,201	-	-
Administrative and general	16,355	300	-
Agency fund deductions	-	-	47,622,180
Total deductions	<u>53,874</u>	<u>300</u>	<u>47,622,180</u>
Excess of total additions over total deductions	63,763	2,329	358,437
Cash and investment fund balance - beginning	<u>933,176</u>	<u>87,495</u>	<u>1,109,441</u>
Cash and investment fund balance - ending	<u>\$ 996,939</u>	<u>\$ 89,824</u>	<u>\$ 1,467,878</u>

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

FOUNTAIN 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: Fountain County

Discretely Presented Component Unit: Fountain County Solid Waste Management District

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

The Fountain County Solid Waste Management District, a discretely presented component unit has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Wabash Valley Mental Health, Alcoholic Beverage Commission, Covington-Veedersburg Public Library, Community Action Board, Wabash River Heritage Corridor Commission, Emergency Management Advisory Council, and Wabash Valley Hospital.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 emergency management fund is used to account for proceeds from grants and expenditures made to promote disaster preparedness.

The county highway fund is used to account for state and local funding designated for the construction and maintenance of county roads.

The family and children fund is used to account for state and local funding granted to aid in the health and welfare of families with dependent children.

Additionally, the County reports the following fund types:

The internal service fund accounts for employee medical benefits provided to other departments on a cost-reimbursement basis.

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

The private-purpose trust funds report trust arrangements under which principal and income benefit the county schools and the landfill.

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

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

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

Fund Financial Statements

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

FOUNTAIN COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash and Investment Balance Deficits

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

Fund	2007
Public Health Coordinator	\$ <u>(6,365)</u>

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the timing of grant funding in relation to disbursements.

III. Detailed Notes on All Funds

Deposits and Investments

A. 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.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. 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:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 44,885
U.S. agencies	180,700
Mutual funds	149,918
Total	\$ 375,503

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.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. At December 31, 2007, the County held investments in corporate stock and fixed income securities in the amount of \$604,252 and \$355,156, respectively. These investments were held by the Counterparty.

Interest Rate Risk

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

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 25,066	\$ -	\$ 19,819
U.S. agencies	-	25,240	155,460
Mutual funds	149,918	-	-
Totals	<u>\$ 174,984</u>	<u>\$ 25,240</u>	<u>\$ 175,279</u>

Credit Risk

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	Mutual Funds	Government Sponsored Enterprise
AAA	Aaa	\$ -	\$ 225,585
Unrated	Unrated	149,918	-
Totals		<u>\$ 149,918</u>	<u>\$ 225,585</u>

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Concentration of Credit Risk

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

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk.

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.

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.

<u>Opinion Unit</u>	<u>Balance as Reported December 31, 2006</u>	<u>Fund Reclassification</u>	<u>Balance as Restated January 1, 2007</u>
Governmental funds	\$ 9,004,591	\$ (164,575)	\$ 8,840,016
Aggregate remaining funds:			
Agency funds	944,866	164,575	1,109,441

IV. Other Information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); 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 not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees, and Dependents (Excluding Postemployment Benefits)

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents. The risk financing fund is accounted for in the employee benefit trust, an internal service fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$1,000,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Illnesses or Injuries to Employees

During 2002, the County joined with other governmental entities in the Indiana Public Employers' Plan, a public entity risk pool currently operating as a common risk management and insurance program for seven hundred fifty one member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The County pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for 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. Pension Plans

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

a. 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.

b. 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.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	County Police Retirement Plan	County Police Benefit Plan
	<u> </u>	<u> </u>
Annual required contribution	\$ 40,405	\$ 6,196
Interest on net pension obligation	(100)	-
Adjustment to annual required contribution	<u>168</u>	<u>-</u>
Annual pension cost	40,473	6,196
Contributions made	<u>42,690</u>	<u>6,196</u>
Increase (decrease) in net pension obligation	(2,217)	-
Net pension obligation, beginning of year	<u>(1,429)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (3,646)</u>	<u>\$ -</u>

	County Police Retirement Plan	County Police Benefit Plan
	<u> </u>	<u> </u>
Contribution rates:		
County	16%	3%
Plan members	6%	6%
Actuarial valuation date	01-01-07	01-01-07
Actuarial cost method	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years
Amortization period (from date)	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
County Police Retirement Plan	12-31-05	\$ 36,002	91%	\$ 1,810
	12-31-06	38,190	108%	(1,429)
	12-31-07	40,473	106%	(3,646)
County Police Benefit Plan	12-31-05	10,535	100%	-
	12-31-06	8,315	100%	-
	12-31-07	6,196	100%	-

2. Defined Contribution Pension Plans

Plan Description

The County has a defined contribution pension plan administered by American United Life as authorized by Indiana Code 5-10.2-2-1. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by written agreement between the County and the Plan Administrator. The Plan Administrator issues a publicly available financial report that includes financial statements and required supplementary information of the plan. That report may be obtained by contacting:

American United Life
P.O. Box 7134
One American Square
Indianapolis, IN 46204-7134
Ph. (317) 285-4363

Funding Policy and Annual Pension Cost

The contribution requirements of plan members are established by the written agreement between the County and the Plan Administrator. Plan members are required to contribute 3% of the annual covered salary. The County is required to contribute at an actuarially determined rate. The current rate is 3% of annual covered payroll. Employer and employee contributions to the plan were \$97,423 and \$97,423, respectively.

FOUNTAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

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)
01-01-02	\$ 606,751	\$ 606,751	\$ -	100%	\$ 251,692	0%
01-01-03	613,284	613,284	-	100%	254,320	0%
01-01-04	638,688	638,688	-	100%	262,400	0%
01-01-05	674,600	674,600	-	100%	262,667	0%
01-01-06	746,411	746,411	-	100%	273,871	0%
01-01-07	837,308	837,308	-	100%	283,288	0%

FOUNTAIN 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

	Property Reassessment	Surveyors Corner Perpetuation	Federal Law Enforcement Distribution	Infraction Deferral	Jury Pay	County ID Security Protection	Recorder's Records Perpetuation
Receipts:							
Taxes	\$ 90,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	11,881	-	-	-	-	-	-
Charges for services	-	4,710	-	-	-	-	20,977
Fines and forfeits	-	-	-	56,984	4,843	7,032	-
Other	-	-	-	-	-	-	-
Total receipts	<u>102,755</u>	<u>4,710</u>	<u>-</u>	<u>56,984</u>	<u>4,843</u>	<u>7,032</u>	<u>20,977</u>
Disbursements:							
General government	201,463	-	-	-	-	-	13,769
Public safety	-	-	-	29,726	693	4,434	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	<u>201,463</u>	<u>-</u>	<u>-</u>	<u>29,726</u>	<u>693</u>	<u>4,434</u>	<u>13,769</u>
Excess (deficiency) of receipts over disbursements	<u>(98,708)</u>	<u>4,710</u>	<u>-</u>	<u>27,258</u>	<u>4,150</u>	<u>2,598</u>	<u>7,208</u>
Other financing sources (uses):							
Other receipts	<u>4,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(94,029)</u>	<u>4,710</u>	<u>-</u>	<u>27,258</u>	<u>4,150</u>	<u>2,598</u>	<u>7,208</u>
Cash and investment fund balance - beginning	<u>186,573</u>	<u>28,654</u>	<u>67</u>	<u>2,964</u>	<u>16,951</u>	<u>6,900</u>	<u>9,586</u>
Cash and investment fund balance - ending	<u>\$ 92,544</u>	<u>\$ 33,364</u>	<u>\$ 67</u>	<u>\$ 30,222</u>	<u>\$ 21,101</u>	<u>\$ 9,498</u>	<u>\$ 16,794</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>92,544</u>	<u>33,364</u>	<u>67</u>	<u>30,222</u>	<u>21,101</u>	<u>9,498</u>	<u>16,794</u>
Total cash and investment assets - December 31	<u>\$ 92,544</u>	<u>\$ 33,364</u>	<u>\$ 67</u>	<u>\$ 30,222</u>	<u>\$ 21,101</u>	<u>\$ 9,498</u>	<u>\$ 16,794</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ 92,544	\$ 33,364	\$ -	\$ -	\$ -	\$ -	\$ 16,794
Public safety	-	-	67	30,222	21,101	9,498	-
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 92,544</u>	<u>\$ 33,364</u>	<u>\$ 67</u>	<u>\$ 30,222</u>	<u>\$ 21,101</u>	<u>\$ 9,498</u>	<u>\$ 16,794</u>

FOUNTAIN 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)

	County Sales Disclosure	E911 Sinking	CERT Training Grant	Homeland Security LE Terror	County Misdemeanant	Farm Maintenance	Riverboat Revenue
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	215,671
Charges for services	-	-	-	-	-	27,247	-
Fines and forfeits	1,215	79,865	-	-	12,731	-	-
Other	-	-	-	-	-	-	-
Total receipts	1,215	79,865	-	-	12,731	27,247	215,671
Disbursements:							
General government	-	-	-	-	-	2,514	-
Public safety	-	79,865	-	19,729	16,675	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	-	79,865	-	19,729	16,675	2,514	-
Excess (deficiency) of receipts over disbursements	1,215	-	-	(19,729)	(3,944)	24,733	215,671
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,215	-	-	(19,729)	(3,944)	24,733	215,671
Cash and investment fund balance - beginning	8,592	-	2,139	19,729	14,233	310,151	-
Cash and investment fund balance - ending	<u>\$ 9,807</u>	<u>\$ -</u>	<u>\$ 2,139</u>	<u>\$ -</u>	<u>\$ 10,289</u>	<u>\$ 334,884</u>	<u>\$ 215,671</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 334,884	\$ 215,671
Restricted assets:							
Cash and investments	9,807	-	2,139	-	10,289	-	-
Total cash and investment assets - December 31	<u>\$ 9,807</u>	<u>\$ -</u>	<u>\$ 2,139</u>	<u>\$ -</u>	<u>\$ 10,289</u>	<u>\$ 334,884</u>	<u>\$ 215,671</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ 9,807	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	2,139	-	10,289	-	-
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	334,884	215,671
Total cash and investment fund balance - December 31	<u>\$ 9,807</u>	<u>\$ -</u>	<u>\$ 2,139</u>	<u>\$ -</u>	<u>\$ 10,289</u>	<u>\$ 334,884</u>	<u>\$ 215,671</u>

FOUNTAIN 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)

	General Maintenance	Clerk's Records Perpetuation	Cannabis Marijuana Eradication	Service Process	Community Correction Local	Community Correction Home Detention	Community Transition
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	7,508	-	8,373	13,647	874,848	-
Other	-	-	-	-	-	-	39,881
Total receipts	-	7,508	-	8,373	13,647	874,848	39,881
Disbursements:							
General government	540	6,325	-	-	-	-	-
Public safety	-	-	-	15,511	12,366	758,387	50,491
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	540	6,325	-	15,511	12,366	758,387	50,491
Excess (deficiency) of receipts over disbursements	(540)	1,183	-	(7,138)	1,281	116,461	(10,610)
Other financing sources (uses):							
Other receipts	17,741	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	17,201	1,183	-	(7,138)	1,281	116,461	(10,610)
Cash and investment fund balance - beginning	268,697	11,486	4,500	15,511	9,044	520,428	11,881
Cash and investment fund balance - ending	<u>\$ 285,898</u>	<u>\$ 12,669</u>	<u>\$ 4,500</u>	<u>\$ 8,373</u>	<u>\$ 10,325</u>	<u>\$ 636,889</u>	<u>\$ 1,271</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 285,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	12,669	4,500	8,373	10,325	636,889	1,271
Total cash and investment assets - December 31	<u>\$ 285,898</u>	<u>\$ 12,669</u>	<u>\$ 4,500</u>	<u>\$ 8,373</u>	<u>\$ 10,325</u>	<u>\$ 636,889</u>	<u>\$ 1,271</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ 12,669	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	4,500	8,373	10,325	636,889	1,271
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	285,898	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 285,898</u>	<u>\$ 12,669</u>	<u>\$ 4,500</u>	<u>\$ 8,373</u>	<u>\$ 10,325</u>	<u>\$ 636,889</u>	<u>\$ 1,271</u>

FOUNTAIN 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)

	Administrative Fee Probation Users	Adult Probation Services	Guardian Ad Litem	Special Death Benefit Fee	Public Defense Administrative Fee	Court Administrative Fee	DNA Sample Processing
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	14,789	-	-	1,690	-	-	-
Fines and forfeits	-	49,276	-	-	6,862	7,433	3,285
Other	-	-	-	-	-	-	-
Total receipts	<u>14,789</u>	<u>49,276</u>	<u>-</u>	<u>1,690</u>	<u>6,862</u>	<u>7,433</u>	<u>3,285</u>
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	15,489	61,914	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	1,700	-	-	-
Total disbursements	<u>15,489</u>	<u>61,914</u>	<u>-</u>	<u>1,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(700)</u>	<u>(12,638)</u>	<u>-</u>	<u>(10)</u>	<u>6,862</u>	<u>7,433</u>	<u>3,285</u>
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(700)</u>	<u>(12,638)</u>	<u>-</u>	<u>(10)</u>	<u>6,862</u>	<u>7,433</u>	<u>3,285</u>
Cash and investment fund balance - beginning	<u>11,121</u>	<u>12,716</u>	<u>13,385</u>	<u>30</u>	<u>8,295</u>	<u>6,589</u>	<u>2,288</u>
Cash and investment fund balance - ending	<u>\$ 10,421</u>	<u>\$ 78</u>	<u>\$ 13,385</u>	<u>\$ 20</u>	<u>\$ 15,157</u>	<u>\$ 14,022</u>	<u>\$ 5,573</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>10,421</u>	<u>78</u>	<u>13,385</u>	<u>20</u>	<u>15,157</u>	<u>14,022</u>	<u>5,573</u>
Total cash and investment assets - December 31	<u>\$ 10,421</u>	<u>\$ 78</u>	<u>\$ 13,385</u>	<u>\$ 20</u>	<u>\$ 15,157</u>	<u>\$ 14,022</u>	<u>\$ 5,573</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,573
Public safety	10,421	78	13,385	20	15,157	14,022	-
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 10,421</u>	<u>\$ 78</u>	<u>\$ 13,385</u>	<u>\$ 20</u>	<u>\$ 15,157</u>	<u>\$ 14,022</u>	<u>\$ 5,573</u>

FOUNTAIN 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)

	Pretrial Diversion	Eradication	Community Correction 05-06	Community Correction 06-07	DHS Personal Protection Equipment	Rainy Day	County Highway Christmas Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	216,915	166,619	17,765	107,128	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	1,525	-	-	-	-	-	-
Other	-	-	-	-	-	-	1,620
Total receipts	1,525	-	216,915	166,619	17,765	107,128	1,620
Disbursements:							
General government	-	-	-	-	-	32,842	-
Public safety	5,090	-	197,388	194,889	15,245	-	-
Highways and streets	-	-	-	-	-	-	1,300
Health and welfare	-	-	-	-	-	-	-
Total disbursements	5,090	-	197,388	194,889	15,245	32,842	1,300
Excess (deficiency) of receipts over disbursements	(3,565)	-	19,527	(28,270)	2,520	74,286	320
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,565)	-	19,527	(28,270)	2,520	74,286	320
Cash and investment fund balance - beginning	5,548	558	200	28,378	-	202,325	200
Cash and investment fund balance - ending	<u>\$ 1,983</u>	<u>\$ 558</u>	<u>\$ 19,727</u>	<u>\$ 108</u>	<u>\$ 2,520</u>	<u>\$ 276,611</u>	<u>\$ 520</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276,611	\$ 520
Restricted assets:							
Cash and investments	1,983	558	19,727	108	2,520	-	-
Total cash and investment assets - December 31	<u>\$ 1,983</u>	<u>\$ 558</u>	<u>\$ 19,727</u>	<u>\$ 108</u>	<u>\$ 2,520</u>	<u>\$ 276,611</u>	<u>\$ 520</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	1,983	558	19,727	108	2,520	-	-
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	276,611	520
Total cash and investment fund balance - December 31	<u>\$ 1,983</u>	<u>\$ 558</u>	<u>\$ 19,727</u>	<u>\$ 108</u>	<u>\$ 2,520</u>	<u>\$ 276,611</u>	<u>\$ 520</u>

FOUNTAIN 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)

	Local Roads and Streets	Cumulative Bridge	County Health	Public Health Bioterrorism	Public Health Coordinator	County Alcohol and Drug	Health Maintenance
Receipts:							
Taxes	\$ -	\$ 389,478	\$ 93,378	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	173,754	50,431	12,222	2,000	52,966	-	50,000
Charges for services	-	25,287	3,089	-	-	-	-
Fines and forfeits	-	-	-	-	-	49,276	-
Other	-	-	85,983	-	-	-	-
Total receipts	<u>173,754</u>	<u>465,196</u>	<u>194,672</u>	<u>2,000</u>	<u>52,966</u>	<u>49,276</u>	<u>50,000</u>
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	184,743	447,024	-	-	-	-	-
Health and welfare	-	-	216,109	528	56,157	44,680	36,551
Total disbursements	<u>184,743</u>	<u>447,024</u>	<u>216,109</u>	<u>528</u>	<u>56,157</u>	<u>44,680</u>	<u>36,551</u>
Excess (deficiency) of receipts over disbursements	<u>(10,989)</u>	<u>18,172</u>	<u>(21,437)</u>	<u>1,472</u>	<u>(3,191)</u>	<u>4,596</u>	<u>13,449</u>
Other financing sources (uses):							
Other receipts	<u>3,788</u>	<u>11,741</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>(7,201)</u>	<u>29,913</u>	<u>(21,437)</u>	<u>1,472</u>	<u>(3,191)</u>	<u>4,596</u>	<u>13,449</u>
Cash and investment fund balance - beginning	<u>52,329</u>	<u>224,964</u>	<u>145,482</u>	<u>1,414</u>	<u>(3,174)</u>	<u>18,616</u>	<u>24,957</u>
Cash and investment fund balance - ending	<u>\$ 45,128</u>	<u>\$ 254,877</u>	<u>\$ 124,045</u>	<u>\$ 2,886</u>	<u>\$ (6,365)</u>	<u>\$ 23,212</u>	<u>\$ 38,406</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>45,128</u>	<u>254,877</u>	<u>124,045</u>	<u>2,886</u>	<u>(6,365)</u>	<u>23,212</u>	<u>38,406</u>
Total cash and investment assets - December 31	<u>\$ 45,128</u>	<u>\$ 254,877</u>	<u>\$ 124,045</u>	<u>\$ 2,886</u>	<u>\$ (6,365)</u>	<u>\$ 23,212</u>	<u>\$ 38,406</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	124,045	2,886	(6,365)	23,212	38,406
Highways and streets	45,128	254,877	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 45,128</u>	<u>\$ 254,877</u>	<u>\$ 124,045</u>	<u>\$ 2,886</u>	<u>\$ (6,365)</u>	<u>\$ 23,212</u>	<u>\$ 38,406</u>

FOUNTAIN 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 Settlement	Clerk IV-D Incentive	Prosecutor IV-D Incentive	Children's Psychiatric Residential Treatment	General Drain Improvement	Drainage Maintenance	Law Enforcement Equipment
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 115,470	\$ -	\$ 14,038	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	61,816	5,941	9,039	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	200
Total receipts	<u>61,816</u>	<u>5,941</u>	<u>9,039</u>	<u>115,470</u>	<u>-</u>	<u>14,038</u>	<u>200</u>
Disbursements:							
General government	-	5,098	9,617	-	-	-	-
Public safety	-	-	-	-	-	-	200
Highways and streets	-	-	-	-	-	19,853	-
Health and welfare	66,920	-	-	50,966	-	-	-
Total disbursements	<u>66,920</u>	<u>5,098</u>	<u>9,617</u>	<u>50,966</u>	<u>-</u>	<u>19,853</u>	<u>200</u>
Excess (deficiency) of receipts over disbursements	<u>(5,104)</u>	<u>843</u>	<u>(578)</u>	<u>64,504</u>	<u>-</u>	<u>(5,815)</u>	<u>-</u>
Other financing sources (uses):							
Other receipts	-	-	-	-	20,984	22,398	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,104)</u>	<u>843</u>	<u>(578)</u>	<u>64,504</u>	<u>20,984</u>	<u>16,583</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>85,441</u>	<u>16,886</u>	<u>16,690</u>	<u>66,968</u>	<u>219,847</u>	<u>253,742</u>	<u>15</u>
Cash and investment fund balance - ending	<u>\$ 80,337</u>	<u>\$ 17,729</u>	<u>\$ 16,112</u>	<u>\$ 131,472</u>	<u>\$ 240,831</u>	<u>\$ 270,325</u>	<u>\$ 15</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	80,337	17,729	16,112	131,472	240,831	270,325	15
Total cash and investment assets - December 31	<u>\$ 80,337</u>	<u>\$ 17,729</u>	<u>\$ 16,112</u>	<u>\$ 131,472</u>	<u>\$ 240,831</u>	<u>\$ 270,325</u>	<u>\$ 15</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ -	\$ 17,729	\$ 16,112	\$ -	\$ 240,831	\$ 270,325	\$ -
Public safety	-	-	-	-	-	-	15
Health and welfare	80,337	-	-	131,472	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 80,337</u>	<u>\$ 17,729</u>	<u>\$ 16,112</u>	<u>\$ 131,472</u>	<u>\$ 240,831</u>	<u>\$ 270,325</u>	<u>\$ 15</u>

FOUNTAIN 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)

	Sheriff's Dive Team	Covered Bridge	Accident Report	Firearms Training	Operation Pullover	County Drug Free Community	Law Enforcement Continuing Education
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	265	-	-	-
Intergovernmental	-	5,550	-	-	-	-	-
Charges for services	-	-	322	-	-	-	-
Fines and forfeits	-	-	-	-	-	27,922	8,080
Other	2,071	-	-	-	-	-	-
Total receipts	2,071	5,550	322	265	-	27,922	8,080
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	2,071	-	351	3,679	-	-	1,013
Highways and streets	-	251	-	-	-	-	-
Health and welfare	-	-	-	-	-	17,278	-
Total disbursements	2,071	251	351	3,679	-	17,278	1,013
Excess (deficiency) of receipts over disbursements	-	5,299	(29)	(3,414)	-	10,644	7,067
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,299	(29)	(3,414)	-	10,644	7,067
Cash and investment fund balance - beginning	299	24,596	1,493	3,891	2,209	21,666	2,625
Cash and investment fund balance - ending	<u>\$ 299</u>	<u>\$ 29,895</u>	<u>\$ 1,464</u>	<u>\$ 477</u>	<u>\$ 2,209</u>	<u>\$ 32,310</u>	<u>\$ 9,692</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	299	29,895	1,464	477	2,209	32,310	9,692
Total cash and investment assets - December 31	<u>\$ 299</u>	<u>\$ 29,895</u>	<u>\$ 1,464</u>	<u>\$ 477</u>	<u>\$ 2,209</u>	<u>\$ 32,310</u>	<u>\$ 9,692</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	299	-	1,464	477	2,209	32,310	9,692
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	29,895	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 299</u>	<u>\$ 29,895</u>	<u>\$ 1,464</u>	<u>\$ 477</u>	<u>\$ 2,209</u>	<u>\$ 32,310</u>	<u>\$ 9,692</u>

FOUNTAIN 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)

	User Fee	Emergency Telephone System	Non-Reverting Prison Reimbursement	Emergency Planning Right to Know	AFDC Local Plan Committee	Cumulative Capital Development	DARE Donations
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	135,433	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	15,964	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	4,856	-	1,703	-	-	-	-
Other	-	233,907	-	-	-	7,315	-
Total receipts	4,856	233,907	1,703	-	-	158,712	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	3,015	174,039	-	8,566	-	-	-
Highways and streets	-	-	-	-	-	62,523	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	3,015	174,039	-	8,566	-	62,523	-
Excess (deficiency) of receipts over disbursements	1,841	59,868	1,703	(8,566)	-	96,189	-
Other financing sources (uses):							
Other receipts	-	-	-	4,076	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,841	59,868	1,703	(4,490)	-	96,189	-
Cash and investment fund balance - beginning	4,724	134,550	23,976	24,433	384	489,196	275
Cash and investment fund balance - ending	<u>\$ 6,565</u>	<u>\$ 194,418</u>	<u>\$ 25,679</u>	<u>\$ 19,943</u>	<u>\$ 384</u>	<u>\$ 585,385</u>	<u>\$ 275</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	6,565	194,418	25,679	19,943	384	585,385	275
Total cash and investment assets - December 31	<u>\$ 6,565</u>	<u>\$ 194,418</u>	<u>\$ 25,679</u>	<u>\$ 19,943</u>	<u>\$ 384</u>	<u>\$ 585,385</u>	<u>\$ 275</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	6,565	194,418	25,679	19,943	384	-	275
Health and welfare	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	585,385	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 6,565</u>	<u>\$ 194,418</u>	<u>\$ 25,679</u>	<u>\$ 19,943</u>	<u>\$ 384</u>	<u>\$ 585,385</u>	<u>\$ 275</u>

FOUNTAIN 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)

	DARE Grant	Every 15 Minutes	Mural Restoration	Sheriff's Commissary	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 838,671
Licenses and permits	-	-	-	-	265
Intergovernmental	-	-	-	-	1,175,662
Charges for services	-	-	-	34,926	133,037
Fines and forfeits	-	-	-	-	1,227,264
Other	-	-	-	-	370,977
Total receipts	-	-	-	34,926	3,745,876
Disbursements:					
General government	-	-	-	-	272,168
Public safety	-	-	-	36,028	1,706,854
Highways and streets	-	-	-	-	715,694
Health and welfare	-	-	-	-	490,889
Total disbursements	-	-	-	36,028	3,185,605
Excess (deficiency) of receipts over disbursements	-	-	-	(1,102)	560,271
Other financing sources (uses):					
Other receipts	-	-	-	-	85,407
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(1,102)	645,678
Cash and investment fund balance - beginning	1	253	236	9,035	3,607,738
Cash and investment fund balance - ending	<u>\$ 1</u>	<u>\$ 253</u>	<u>\$ 236</u>	<u>\$ 7,933</u>	<u>\$ 4,253,416</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 1,113,584
Restricted assets:					
Cash and investments	1	253	236	7,933	3,139,832
Total cash and investment assets - December 31	<u>\$ 1</u>	<u>\$ 253</u>	<u>\$ 236</u>	<u>\$ 7,933</u>	<u>\$ 4,253,416</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
General government	\$ -	\$ -	\$ 236	\$ -	\$ 715,984
Public safety	1	-	-	7,933	1,114,317
Health and welfare	-	-	-	-	393,993
Highways and streets	-	-	-	-	329,900
Other purposes	-	253	-	-	585,638
Unrestricted	-	-	-	-	1,113,584
Total cash and investment fund balance - December 31	<u>\$ 1</u>	<u>\$ 253</u>	<u>\$ 236</u>	<u>\$ 7,933</u>	<u>\$ 4,253,416</u>

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

	Congressional School Principal	Landfill Postclosure Trust	Totals
Additions:			
Investment earnings:			
Interest	\$ 360	\$ 2,269	\$ 2,629
Deductions:			
Administrative and general	-	300	300
Excess of total additions over total deductions	360	1,969	2,329
Cash and investment fund balance - beginning	26,327	61,168	87,495
Cash and investment fund balance - ending	\$ 26,687	\$ 63,137	\$ 89,824

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

	Riverboat Revenue	Mortgage Fee Fund	State Sales Disclosure	Wheel Tax	Surtax	Welfare Excise Tax
Additions:						
Agency fund additions	\$ 113,214	\$ 2,122	\$ 4,990	\$ 45,611	\$ 265,425	\$ 23,715
Deductions:						
Agency fund deductions	277,789	2,045	3,680	45,691	265,794	23,715
Excess (deficiency) of total additions over total deductions	(164,575)	77	1,310	(80)	(369)	-
Cash and investment fund balance - beginning	164,575	285	350	80	369	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 362</u>	<u>\$ 1,660</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Surplus Tax</u>	<u>Tax Sale Redemption</u>	<u>Surplus Tax Sale</u>	<u>Financial Instituiton Tax</u>	<u>CVET Distributions</u>	<u>Option Tax Certified</u>
Additions:						
Agency fund additions	\$ 29,518	\$ 23,288	\$ 85,553	\$ 118,864	\$ 99,188	\$ 2,078,238
Deductions:						
Agency fund deductions	44,263	24,237	212,851	118,864	99,194	2,078,238
Excess (deficiency) of total additions over total deductions	(14,745)	(949)	(127,298)	-	(6)	-
Cash and investment fund balance - beginning	31,574	992	186,158	-	6	-
Cash and investment fund balance - ending	<u>\$ 16,829</u>	<u>\$ 43</u>	<u>\$ 58,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Option Tax PTR	CEDIT Homestead Credit Fund	Homestead Credit Rebate	Coroner's Continuing Education	Police Pension	AFLAC
Additions:						
Agency fund additions	\$ 686,077	\$ 279,294	\$ 471,426	\$ 654	\$ 5,267	\$ 36,881
Deductions:						
Agency fund deductions	686,077	279,008	-	677	5,267	36,596
Excess (deficiency) of total additions over total deductions	-	286	471,426	(23)	-	285
Cash and investment fund balance - beginning	-	6,269	-	49	-	332
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 6,555</u>	<u>\$ 471,426</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 617</u>

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

	Money Services	Prudential	Central United Life	Prepaid Legal	Boston Mutual	Colonial Insurance
Additions:						
Agency fund additions	\$ 1,140,515	\$ 833	\$ 2,391	\$ 1,224	\$ 10,453	\$ 14,131
Deductions:						
Agency fund deductions	982,005	828	2,634	1,147	10,222	13,934
Excess (deficiency) of total additions over total deductions	158,510	5	(243)	77	231	197
Cash and investment fund balance - beginning	4,160	116	842	-	408	675
Cash and investment fund balance - ending	<u>\$ 162,670</u>	<u>\$ 121</u>	<u>\$ 599</u>	<u>\$ 77</u>	<u>\$ 639</u>	<u>\$ 872</u>

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

	Dental Insurance	Vision Insurance	Key Life Insurance	City and Town Court Costs	Infraction Judgements	Overweight Vehicle Fines
Additions:						
Agency fund additions	\$ 4,894	\$ 4,613	\$ 2,771	\$ 6,650	\$ 54,525	\$ 4,691
Deductions:						
Agency fund deductions	4,915	4,613	2,758	-	54,595	4,691
Excess (deficiency) of total additions over total deductions	(21)	-	13	6,650	(70)	-
Cash and investment fund balance - beginning	27	320	100	108,905	555	-
Cash and investment fund balance - ending	<u>\$ 6</u>	<u>\$ 320</u>	<u>\$ 113</u>	<u>\$ 115,555</u>	<u>\$ 485</u>	<u>\$ -</u>

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

	Education Plates	MVH	Township Assistance	Welfare Trust	Health Care for the Indigent	Medical Assistance to Wards
Additions:						
Agency fund additions	\$ 1,913	\$ 209,654	\$ 79,613	\$ 13,033	\$ 65,837	\$ 5,166
Deductions:						
Agency fund deductions	1,875	209,654	79,613	10,098	67,344	5,297
Excess (deficiency) of total additions over total deductions	38	-	-	2,935	(1,507)	(131)
Cash and investment fund balance - beginning	-	-	-	8,442	2,917	241
Cash and investment fund balance - ending	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,377</u>	<u>\$ 1,410</u>	<u>\$ 110</u>

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

	Special Health Care Needs	Bid Bond	Corporate Tax	Firefighting	Park	Swimming Pool
Additions:						
Agency fund additions	\$ 11,073	\$ -	\$ 1,186,919	\$ 96,179	\$ 123,269	\$ 27,297
Deductions:						
Agency fund deductions	11,350	-	1,195,560	96,179	123,269	27,297
Excess (deficiency) of total additions over total deductions	(277)	-	(8,641)	-	-	-
Cash and investment fund balance - beginning	515	283	8,641	-	-	-
Cash and investment fund balance - ending	<u>\$ 238</u>	<u>\$ 283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Cumulative Fire Special	School General	Pre-School Special Education	Congressional School Interest	School Pension Debt	School Capital Projects
Additions:						
Agency fund additions	\$ 9,499	\$ 5,057,055	\$ 14,473	\$ 1,826	\$ 136,271	\$ 2,005,920
Deductions:						
Agency fund deductions	9,499	5,469,367	14,473	1,053	136,271	2,005,920
Excess (deficiency) of total additions over total deductions	-	(412,312)	-	773	-	-
Cash and investment fund balance - beginning	-	412,312	-	25,909	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 26,682	\$ -	\$ -

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

	School Debt Service	Park and Recreation Towns	Recreation Township	Inheritance Tax	State Fair Board	State Forestry Tax
Additions:						
Agency fund additions	\$ 2,507,968	\$ 63,486	\$ 5,677	\$ 701,701	\$ 6,053	\$ 12,107
Deductions:						
Agency fund deductions	2,507,968	63,486	5,677	537,758	6,053	12,107
Excess (deficiency) of total additions over total deductions	-	-	-	163,943	-	-
Cash and investment fund balance - beginning	-	-	-	28,510	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ 192,453	\$ -	\$ -

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

	State Fines and Forfeitures	Library	Library Lease Rental	Library Capital Projects	Riverside Cemetery	Lease Rental
Additions:						
Agency fund additions	\$ 6,736	\$ 297,939	\$ 96,601	\$ 40,275	\$ 97,719	\$ 84,267
Deductions:						
Agency fund deductions	6,921	299,339	96,601	40,275	97,719	84,267
Excess (deficiency) of total additions over total deductions	(185)	(1,400)	-	-	-	-
Cash and investment fund balance - beginning	1,170	1,400	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 985</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Corporation Cumulative Capital Development	Transportation	School Bus Replacement	Weed Control	Sewer Liens	Solid Waste
Additions:						
Agency fund additions	\$ 74,124	\$ 1,180,308	\$ 302,193	\$ 4,751	\$ 2,844	\$ 133,175
Deductions:						
Agency fund deductions	<u>74,124</u>	<u>1,180,308</u>	<u>302,193</u>	<u>5,738</u>	<u>4,361</u>	<u>133,175</u>
Excess (deficiency) of total additions over total deductions	-	-	-	(987)	(1,517)	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>987</u>	<u>1,517</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	TIF	Township Taxes	Clerk of the Circuit Court	Community Corrections	EMS	Health Department
Additions:						
Agency fund additions	\$ 473,210	\$ 408,037	\$ 1,955,100	\$ 857,894	\$ 572,664	\$ 3,980
Deductions:						
Agency fund deductions	473,210	-	2,064,876	857,894	572,664	3,980
Excess (deficiency) of total additions over total deductions	-	408,037	(109,776)	-	-	-
Cash and investment fund balance - beginning	-	(408,037)	360,538	50	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,762</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Prosecutor</u>	<u>Recorder</u>	<u>Sheriff</u>	<u>Sheriff's Inmate Trust</u>	<u>Treasurer</u>	<u>Totals</u>
Additions:						
Agency fund additions	<u>\$ 90,556</u>	<u>\$ 80,723</u>	<u>\$ 342,866</u>	<u>\$ 34,109</u>	<u>\$ 22,881,541</u>	<u>\$ 47,980,617</u>
Deductions:						
Agency fund deductions	<u>90,556</u>	<u>80,723</u>	<u>333,866</u>	<u>33,934</u>	<u>22,901,960</u>	<u>47,622,180</u>
Excess (deficiency) of total additions over total deductions	-	-	9,000	175	(20,419)	358,437
Cash and investment fund balance - beginning	<u>-</u>	<u>75</u>	<u>-</u>	<u>394</u>	<u>156,430</u>	<u>1,109,441</u>
Cash and investment fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 75</u></u>	<u><u>\$ 9,000</u></u>	<u><u>\$ 569</u></u>	<u><u>\$ 136,011</u></u>	<u><u>\$ 1,467,878</u></u>

FOUNTAIN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2002

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:		
Emergency telephone system	\$ 404,030	\$ 79,865
Computerized record system	37,994	40,028
Motor grader	74,654	41,005
Total governmental activities debt	<u>\$ 516,678</u>	<u>\$ 160,898</u>

FOUNTAIN 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 Commissioners
County Auditor
County Highway
County Health Department
County Emergency Management

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 FOUNTAIN COUNTY, INDIANA

Compliance

We have audited the compliance of Fountain 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, the County Council and the County Commissioners, 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

June 5, 2008

FOUNTAIN 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 HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	BPRS 122-2	\$ 56,157
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
General			22,482
Prosecutor			28,006
Clerk			<u>6,749</u>
Total for program			<u>57,237</u>
Total for federal grantor agency			<u>113,394</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	045-05AC2-00	<u>30,159</u>
Chemical Stockpile Emergency Preparedness Program	97.040	FY 07	<u>800,210</u>
Assistance to Firefighters Grant	97.044	EMW-2006-FG-10216	<u>17,765</u>
State Homeland Security Program	97.073	C44P-7-349	<u>17,901</u>
Total for federal grantor agency			<u>866,035</u>
Total federal awards expended			<u>\$ 979,429</u>

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

FOUNTAIN COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

FOUNTAIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

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

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

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

CFDA Number	Name of Federal Program or Cluster
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97.040	Chemical Stockpile Emergency Preparedness Program
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Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
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Section II-Financial Statement Findings

No matters are reportable.

Section III-Federal Award Findings and Questioned Costs

No matters are reportable.

FOUNTAIN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 5, 2008, with Colleen S. Chambers, Auditor; and Ron Howard, President of the County Council.