

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

ANNUAL FINANCIAL REPORT

2007

JASPER COUNTY, INDIANA



FILED

09/24/2008

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SCHEDULE OF OFFICIALS

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



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County (County), as of and for the year ended December 31, 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 23, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting

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

and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

STATE BOARD OF ACCOUNTS

July 23, 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 JASPER COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County (County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 23, 2008. The opinion on the financial statements was qualified due to the 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.

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)

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.

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 23, 2008

JASPER 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>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>
				<u>Governmental Activities</u>
Primary government:				
Governmental activities:				
General government	\$ 8,207,945	\$ 1,883,326	\$ -	\$ (6,324,619)
Public safety	4,555,754	250,722	-	(4,305,032)
Highways and streets	4,624,497	-	-	(4,624,497)
Health and welfare	1,953,323	-	-	(1,953,323)
Capital outlay	<u>3,408,425</u>	<u>-</u>	<u>657,577</u>	<u>(2,750,848)</u>
Total primary government	<u>\$ 22,749,944</u>	<u>\$ 2,134,048</u>	<u>\$ 657,577</u>	<u>(19,958,319)</u>
General receipts:				
Property taxes				1,813,215
Other local sources				6,063,832
Grants and contributions not restricted to specific programs				5,385,898
Unrestricted investment earnings				<u>1,496,114</u>
Total general receipts				<u>14,759,059</u>
Change in net assets				(5,199,260)
Net assets - beginning				<u>25,377,624</u>
Net assets - ending				<u>\$ 20,178,364</u>
 <u>Assets</u>				
Cash and investments				\$ 795,614
Restricted assets:				
Cash and investments				<u>19,382,750</u>
Total assets				<u>\$ 20,178,364</u>
 <u>Net Assets</u>				
Restricted for:				
Public safety				\$ 3,780,214
Highways and streets				4,003,608
Sanitation				724,627
Health and welfare				380,027
Capital outlay				2,852,161
Other purposes				7,642,113
Unrestricted				<u>795,614</u>
Total net assets				<u>\$ 20,178,364</u>

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

JASPER COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2007

	General	Motor Vehicle Highway	Rainy Day	Cumulative Jail	Jail CAGIT	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 3,985,571	\$ -	\$ 733,318	\$ 103,472	\$ 1,374,341	\$ 1,594,845	\$ 7,791,547
Licenses and permits	-	-	-	-	-	67,460	67,460
Intergovernmental	352,429	3,120,998	-	-	-	1,976,636	5,450,063
Charges for services	479,317	22,158	-	-	-	1,132,492	1,633,967
Fines and forfeits	211,271	15,672	-	-	-	292,744	519,687
Other	1,193,842	98,567	-	91,155	4,016	700,380	2,087,960
Total receipts	6,222,430	3,257,395	733,318	194,627	1,378,357	5,764,557	17,550,684
Disbursements:							
General government	6,853,296	-	288,768	-	-	1,083,991	8,226,055
Public safety	2,695,190	-	-	-	-	1,734,447	4,429,637
Highways and streets	-	3,474,720	-	-	-	978,645	4,453,365
Sanitation	-	-	-	-	-	59,515	59,515
Health and welfare	-	-	-	-	-	1,953,323	1,953,323
Capital outlay:							
Highways and streets	-	-	-	2,090,164	685,000	852,885	3,628,049
Total disbursements	9,548,486	3,474,720	288,768	2,090,164	685,000	6,662,806	22,749,944
Excess (deficiency) of receipts over disbursements	(3,326,056)	(217,325)	444,550	(1,895,537)	693,357	(898,249)	(5,199,260)
Other financing sources:							
Transfers in	71,063	229,439	-	-	-	-	300,502
Transfers out	-	-	-	-	-	(300,502)	(300,502)
Total other financing sources	71,063	229,439	-	-	-	(300,502)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,254,993)	12,114	444,550	(1,895,537)	693,357	(1,198,751)	(5,199,260)
Cash and investment fund balance - beginning	4,050,607	1,907,642	3,674,690	2,980,328	-	12,764,357	25,377,624
Cash and investment fund balance - ending	\$ 795,614	\$ 1,919,756	\$ 4,119,240	\$ 1,084,791	\$ 693,357	\$ 11,565,606	\$ 20,178,364
Cash and Investment Assets - December 31							
Cash and investments	\$ 795,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 795,614
Restricted assets:							
Cash and investments	-	1,919,756	4,119,240	1,084,791	693,357	11,565,606	19,382,750
Total cash and investment assets - December 31	\$ 795,614	\$ 1,919,756	\$ 4,119,240	\$ 1,084,791	\$ 693,357	\$ 11,565,606	\$ 20,178,364
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ 4,119,240	\$ -	\$ -	\$ -	\$ 4,119,240
Public safety	-	-	-	-	-	2,858,966	2,858,966
Highways and streets	-	1,919,756	-	-	-	261,694	2,181,450
Sanitation	-	-	-	-	-	1,171,147	1,171,147
Health and welfare	-	-	-	-	-	222,835	222,835
Capital outlay:							
Other purposes	-	-	-	1,084,791	693,357	3,143,007	4,921,155
Unrestricted	795,614	-	-	-	-	3,907,957	3,907,957
Total cash and investment fund balance - December 31	\$ 795,614	\$ 1,919,756	\$ 4,119,240	\$ 1,084,791	\$ 693,357	\$ 11,565,606	\$ 20,178,364

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 160,810	\$ -	\$ -
Investment earnings:			
Interest	<u>37,322</u>	-	-
Agency fund additions	<u>-</u>	<u>-</u>	<u>68,591,128</u>
Total additions	<u>198,132</u>	<u>-</u>	<u>68,591,128</u>
Deductions:			
Benefits	52,161	-	-
Refunds of contributions	11,762	-	-
Administrative and general	77,042	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>56,059,098</u>
Total deductions	<u>140,965</u>	<u>-</u>	<u>56,059,098</u>
Excess of total additions over total deductions	57,167	-	12,532,030
Cash and investment fund balance - beginning	<u>1,448,127</u>	<u>67,350</u>	<u>2,256,324</u>
Cash and investment fund balance - ending	<u>\$ 1,505,294</u>	<u>\$ 67,350</u>	<u>\$ 14,788,354</u>

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

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government: Jasper County

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

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

The County reports the following major governmental funds:

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

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

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

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The jail cagit fund accounts for financial resources and expenditures for the construction costs for a new jail.

Additionally, the County reports the following fund types:

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

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

Agency funds account for assets held by the County as an agent for federal, state and local 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, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. In 2007, the County did not have all the information available to bill and collect the property taxes for the 2006 pay 2007 year.

3. 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.

4. 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.

5. 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.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Receipts and Disbursements

Program Receipts

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

1. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.
2. Primary government and component unit activity and balances – Resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions and are classified separately from internal balances and activities within the primary government.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

III. Detailed Notes on All Funds

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

As of December 31, 2007, the Sheriff's Retirement and Benefit Plan had the following investments:

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Primary Government Market Value	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ -	\$ 401,971
U.S. agencies	-	219,146
Mutual funds	-	167,280
Repurchase agreements	-	1,476,327
Totals	\$ -	\$ 2,264,724

Statutory Authorization for Investments

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.

JASPER 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, 2006, the County's money was all held in accounts considered cash equivalents in the County's name.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2006, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Treasuries and Securities, Corporate Debt Instruments, Corporate Equity Instruments and Mutual Funds in the amount of \$2,264,724. All these investments are held by the investment's counterparty in the name of the Sheriff's Pension Plan.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years. The County does not have a formal investment policy for interest rate risk for investments.

The Sheriff's Merit Board has not adopted a formal investment policy for interest rate risk.

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	\$ -	\$ 336,333	\$ 65,638
U.S. agencies	-	196,637	22,509
Mutual bond funds*	-	167,280	-
Repurchase agreements	1,476,327	-	-
Totals	<u>\$ 1,476,327</u>	<u>\$ 700,250</u>	<u>\$ 88,147</u>

*The mutual bond funds had a weighted average maturity of 17 months.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The County does not have a formal investment policy for credit risk for investments.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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	\$ -	\$ 11,140	\$ 621,117
AA	Aa	-	55,984	-
A	A	108,157	44,682	-
BBB	Baa	-	1,461	-
Unrated	Unrated	59,123	-	-
Totals		<u>\$ 167,280</u>	<u>\$ 113,267</u>	<u>\$ 621,117</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.

The Sheriff's Retirement and Benefit Pension Plan did not hold any investments that were exposed to 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. There is no foreign currency related to the investment portfolio of the Sheriff's Retirement and Benefit plan.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2007, were as follows:

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Transfer From	Transfer To	2007
Other governmental funds	General Fund	\$ 71,063
Other governmental funds	Motor Vehicle Highway Fund	229,439
Total		\$ 300,502

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

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; 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. Risk financing is not utilized for the other risks of loss.

Medical Benefits to Employees

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

B. Holding Corporation

The County has entered into a capital lease with The Jasper County Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments will begin in 2008.

C. 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.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 298,290	\$ 96,668	\$ 13,763
Interest on net pension obligation	(13,883)	(2,154)	-
Adjustment to annual required contribution	<u>15,821</u>	<u>3,608</u>	<u>-</u>
Annual pension cost	300,228	98,122	13,763
Contributions made	<u>260,769</u>	<u>111,237</u>	<u>13,763</u>
Increase (decrease) in net pension obligation	39,459	(13,115)	-
Net pension obligation, beginning of year	<u>(191,494)</u>	<u>(30,777)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (152,035)</u>	<u>\$ (43,892)</u>	<u>\$ -</u>

JASPER COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6%	13%	3%
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	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 204,935	112%	\$ (200,198)
	06-30-05	259,240	97%	(191,494)
	06-30-06	300,228	87%	(152,035)
County Police Retirement Plan	12-31-05	113,293	101%	(24,323)
	12-31-06	104,841	106%	(30,777)
	12-31-07	98,122	101%	(48,932)
County Police Benefit Plan	12-31-05	13,605	100%	-
	12-31-06	16,505	100%	-
	12-31-07	13,763	101%	-

JASPER COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

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

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 1,140,036	\$ 1,140,036	\$ -	100%	\$ 640,146	0%
01-01-02	1,272,533	1,272,533	-	100%	663,542	0%
01-01-03	1,397,333	1,397,333	-	100%	649,400	0%
01-01-04	1,550,338	1,550,338	-	100%	715,008	0%
01-01-05	1,735,973	1,735,973	-	100%	784,047	0%
01-01-06	1,909,329	1,909,329	-	100%	784,047	0%
01-01-07	2,106,486	2,106,486	-	100%	780,869	0%
01-01-08	2,304,917	2,304,917	-	100%	836,831	0%

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007

	Local Road and Street	Accident Report	Animal Shelter	Aviation	Bio Terror	Child Psych Res	Clerk Title IV-D
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,453	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	376,372	-	-	-	26,820	-	-
Charges for services	-	4,216	-	21,536	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	6,805	-	3,829	-	-	-	-
Total receipts	383,177	4,216	3,829	21,536	26,820	19,453	-
Disbursements:							
General government	-	-	184	-	-	-	7,142
Public safety	-	5,897	-	-	23,484	-	-
Highways and streets	347,888	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	171,132	-	-	-
Total disbursements	347,888	5,897	184	171,132	23,484	-	7,142
Excess (deficiency) of receipts over disbursements	<u>35,289</u>	<u>(1,681)</u>	<u>3,645</u>	<u>(149,596)</u>	<u>3,336</u>	<u>19,453</u>	<u>(7,142)</u>
Other financing sources:							
Transfer out	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>35,289</u>	<u>(1,681)</u>	<u>3,645</u>	<u>(149,596)</u>	<u>3,336</u>	<u>19,453</u>	<u>(7,142)</u>
Cash and investment fund balance - beginning	<u>226,405</u>	<u>2,810</u>	<u>6,970</u>	<u>435,264</u>	<u>12,125</u>	<u>137,739</u>	<u>67,834</u>
Cash and investment fund balance - ending	<u>\$ 261,694</u>	<u>\$ 1,129</u>	<u>\$ 10,615</u>	<u>\$ 285,668</u>	<u>\$ 15,461</u>	<u>\$ 157,192</u>	<u>\$ 60,692</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 261,694</u>	<u>\$ 1,129</u>	<u>\$ 10,615</u>	<u>\$ 285,668</u>	<u>\$ 15,461</u>	<u>\$ 157,192</u>	<u>\$ 60,692</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ 1,129	\$ 10,615	\$ -	\$ 15,461	\$ -	\$ -
Highway and streets	261,694	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	285,668	-	157,192	60,692
Total cash and investment fund balance - December 31	<u>\$ 261,694</u>	<u>\$ 1,129</u>	<u>\$ 10,615</u>	<u>\$ 285,668</u>	<u>\$ 15,461</u>	<u>\$ 157,192</u>	<u>\$ 60,692</u>

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Clerk's Record Perpetuation	County Share IV-D	Community Correction Project	Community Correction Grant	Community Correction Work	Community Emergency Response	Cops Universal Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	114,293	-	-	-
Charges for services	-	-	273,055	-	10,973	-	-
Fines and forfeits	9,995	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	9,995	-	273,055	114,293	10,973	-	-
Disbursements:							
General government	10,720	-	-	-	-	-	-
Public safety	-	-	256,421	118,159	1,964	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	10,720	-	256,421	118,159	1,964	-	-
Excess (deficiency) of receipts over disbursements	(725)	-	16,634	(3,866)	9,009	-	-
Other financing sources:							
Transfer out	-	-	-	-	-	(140)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(725)	-	16,634	(3,866)	9,009	(140)	-
Cash and investment fund balance - beginning	6,163	67,703	543,309	48,124	25,213	140	1,180
Cash and investment fund balance - ending	\$ 5,438	\$ 67,703	\$ 559,943	\$ 44,258	\$ 34,222	\$ -	\$ 1,180
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	\$ 5,438	\$ 67,703	\$ 559,943	\$ 44,258	\$ 34,222	\$ -	\$ 1,180
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ -	\$ 559,943	\$ 44,258	\$ 34,222	\$ -	\$ 1,180
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	5,438	67,703	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 5,438	\$ 67,703	\$ 559,943	\$ 44,258	\$ 34,222	\$ -	\$ 1,180

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	DEA	Deferral Division	Drainage Maintenance	Drug Free Community	Emergency Management Assistance Grant	Emergency Medical Service	Emergency Planning and Right to Know
Receipts:							
Taxes	\$ -	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	11,250	-	1,080
Charges for services	-	-	-	-	-	85,500	-
Fines and forfeits	-	70,652	-	49,877	-	-	-
Other	-	-	33,649	1,000	-	-	12,554
Total receipts	-	70,652	34,099	50,877	11,250	85,500	13,634
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	1,921	22,015	-	41,570	11,250	557,366	2,049
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	59,515	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	1,921	22,015	59,515	41,570	11,250	557,366	2,049
Excess (deficiency) of receipts over disbursements	(1,921)	48,637	(25,416)	9,307	-	(471,866)	11,585
Other financing sources:							
Transfer out	-	(67,655)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,921)	(19,018)	(25,416)	9,307	-	(471,866)	11,585
Cash and investment fund balance - beginning	16,400	184,170	750,043	46,241	-	472,976	57,084
Cash and investment fund balance - ending	\$ 14,479	\$ 165,152	\$ 724,627	\$ 55,548	\$ -	\$ 1,110	\$ 68,669
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	\$ 14,479	\$ 165,152	\$ 724,627	\$ 55,548	\$ -	\$ 1,110	\$ 68,669
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ 14,479	\$ 165,152	\$ -	\$ 55,548	\$ -	\$ -	\$ 68,669
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	724,627	-	-	-	-
Health and welfare	-	-	-	-	-	1,110	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 14,479	\$ 165,152	\$ 724,627	\$ 55,548	\$ -	\$ 1,110	\$ 68,669

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Emergency Telephone System	Extradition	Family and Children	Firearms Training	Health	Health Maintenance	Homeland Security Grant
Receipts:							
Taxes	\$ -	\$ -	\$ 183,188	\$ -	\$ 61,501	\$ 41,424	\$ -
Licenses and permits	-	-	-	-	67,460	-	-
Intergovernmental	-	-	734,413	-	-	-	17,901
Charges for services	409,412	-	65,379	11,855	-	-	-
Fines and forfeits	-	1,906	-	-	-	-	-
Other	68,184	831	-	-	-	23	-
Total receipts	477,596	2,737	982,980	11,855	128,961	41,447	17,901
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	283,889	8,774	-	10,298	-	-	17,901
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	1,687,450	-	212,940	32,046	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	283,889	8,774	1,687,450	10,298	212,940	32,046	17,901
Excess (deficiency) of receipts over disbursements	193,707	(6,037)	(704,470)	1,557	(83,979)	9,401	-
Other financing sources:							
Transfer out	-	-	-	-	(500)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	193,707	(6,037)	(704,470)	1,557	(84,479)	9,401	-
Cash and investment fund balance - beginning	839,881	66,360	863,640	3,887	122,156	2,633	-
Cash and investment fund balance - ending	<u>\$ 1,033,588</u>	<u>\$ 60,323</u>	<u>\$ 159,170</u>	<u>\$ 5,444</u>	<u>\$ 37,677</u>	<u>\$ 12,034</u>	<u>\$ -</u>
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	<u>\$ 1,033,588</u>	<u>\$ 60,323</u>	<u>\$ 159,170</u>	<u>\$ 5,444</u>	<u>\$ 37,677</u>	<u>\$ 12,034</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ 1,033,588	\$ 60,323	\$ -	\$ 5,444	\$ -	\$ -	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	159,170	-	37,677	12,034	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 1,033,588</u>	<u>\$ 60,323</u>	<u>\$ 159,170</u>	<u>\$ 5,444</u>	<u>\$ 37,677</u>	<u>\$ 12,034</u>	<u>\$ -</u>

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	IDEM Recycling Grant	IN Sup CT Interpreter	Jail Property Proceeds	Jury Duty	K9	Law Enforcement Continuing Education	Levy Excess
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,500	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	9,246	-	9,606	-
Other	-	-	123,412	-	-	-	-
Total receipts	-	1,500	123,412	9,246	-	9,606	-
Disbursements:							
General government	-	1,325	-	7,973	-	-	-
Public safety	-	-	-	-	-	1,725	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	1,325	-	7,973	-	1,725	-
Excess (deficiency) of receipts over disbursements	-	175	123,412	1,273	-	7,881	-
Other financing sources:							
Transfer out	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	175	123,412	1,273	-	7,881	-
Cash and investment fund balance - beginning	-	156	-	6,051	682	32,346	236,256
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 331</u>	<u>\$ 123,412</u>	<u>\$ 7,324</u>	<u>\$ 682</u>	<u>\$ 40,227</u>	<u>\$ 236,256</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ -</u>	<u>\$ 331</u>	<u>\$ 123,412</u>	<u>\$ 7,324</u>	<u>\$ 682</u>	<u>\$ 40,227</u>	<u>\$ 236,256</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ 331	\$ 123,412	\$ 7,324	\$ 682	\$ 40,227	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	236,256
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 331</u>	<u>\$ 123,412</u>	<u>\$ 7,324</u>	<u>\$ 682</u>	<u>\$ 40,227</u>	<u>\$ 236,256</u>

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Local Health Maintenance #3	Local Law Enforcement 1999	Misdemeanant	Mortgage Fee	Partners Drug Free	Property Reassessment	Prosecutor Title IV-D
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,010	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	20,217	940	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	18,490	5,153	-	-	-
Other	-	-	-	3,031	3,000	24,988	-
Total receipts	<u>20,217</u>	<u>940</u>	<u>18,490</u>	<u>8,184</u>	<u>3,000</u>	<u>72,998</u>	<u>-</u>
Disbursements:							
General government	-	-	-	8,230	-	132,763	-
Public safety	-	599	-	-	4,257	-	2,381
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	19,633	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	<u>19,633</u>	<u>599</u>	<u>-</u>	<u>8,230</u>	<u>4,257</u>	<u>132,763</u>	<u>2,381</u>
Excess (deficiency) of receipts over disbursements	<u>584</u>	<u>341</u>	<u>18,490</u>	<u>(46)</u>	<u>(1,257)</u>	<u>(59,765)</u>	<u>(2,381)</u>
Other financing sources:							
Transfer out	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>584</u>	<u>341</u>	<u>18,490</u>	<u>(46)</u>	<u>(1,257)</u>	<u>(59,765)</u>	<u>(2,381)</u>
Cash and investment fund balance - beginning	<u>11,891</u>	<u>318</u>	<u>50,768</u>	<u>494</u>	<u>5,375</u>	<u>863,649</u>	<u>69,909</u>
Cash and investment fund balance - ending	<u>\$ 12,475</u>	<u>\$ 659</u>	<u>\$ 69,258</u>	<u>\$ 448</u>	<u>\$ 4,118</u>	<u>\$ 803,884</u>	<u>\$ 67,528</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 12,475</u>	<u>\$ 659</u>	<u>\$ 69,258</u>	<u>\$ 448</u>	<u>\$ 4,118</u>	<u>\$ 803,884</u>	<u>\$ 67,528</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ 659	\$ 69,258	\$ -	\$ 4,118	\$ -	\$ 67,528
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	12,475	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	-	-	-	448	-	803,884	-
Total cash and investment fund balance - December 31	<u>\$ 12,475</u>	<u>\$ 659</u>	<u>\$ 69,258</u>	<u>\$ 448</u>	<u>\$ 4,118</u>	<u>\$ 803,884</u>	<u>\$ 67,528</u>

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Recorders Record Perpetuation	Riverboat	Sales Disclosure	Sheriff Smoking	Adult Probation	Supplemental Public Defender	Surveyors Corner
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,885	\$ 8,310
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	132,009	-	-
Fines and forfeits	-	-	-	-	92	-	-
Other	46,350	189,443	5,100	-	25	-	-
Total receipts	46,350	189,443	5,100	-	132,126	16,885	8,310
Disbursements:							
General government	90,427	66,986	-	-	-	-	741
Public safety	-	-	-	-	116,231	14,782	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	1,254	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	90,427	66,986	-	1,254	116,231	14,782	741
Excess (deficiency) of receipts over disbursements	(44,077)	122,457	5,100	(1,254)	15,895	2,103	7,569
Other financing sources:							
Transfer out	-	-	-	-	-	(2,767)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(44,077)	122,457	5,100	(1,254)	15,895	(664)	7,569
Cash and investment fund balance - beginning	178,204	489,921	25,190	1,623	378,773	49,530	53,192
Cash and investment fund balance - ending	\$ 134,127	\$ 612,378	\$ 30,290	\$ 369	\$ 394,668	\$ 48,866	\$ 60,761
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	\$ 134,127	\$ 612,378	\$ 30,290	\$ 369	\$ 394,668	\$ 48,866	\$ 60,761
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 394,668	\$ 48,866	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	369	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other purposes	134,127	612,378	30,290	-	-	-	60,761
Total cash and investment fund balance - December 31	\$ 134,127	\$ 612,378	\$ 30,290	\$ 369	\$ 394,668	\$ 48,866	\$ 60,761

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	User Fee	Weed Eradication	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	Child Restraint	Sheriff Commissary
Receipts:							
Taxes	\$ -	\$ -	\$ 160,654	\$ 73,475	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	2,650	-	38,443	-	-	-
Charges for services	-	-	-	-	-	-	81,333
Fines and forfeits	103,792	-	-	-	-	2,000	-
Other	1,000	-	62,013	65,191	-	-	-
Total receipts	104,792	2,650	222,667	177,109	-	2,000	81,333
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	98,706	-	-	-	-	1,950	92,802
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	512,826	48,492	120,435	-	-
Total disbursements	98,706	-	512,826	48,492	120,435	1,950	92,802
Excess (deficiency) of receipts over disbursements	6,086	2,650	(290,159)	128,617	(120,435)	50	(11,469)
Other financing sources:							
Transfer out	-	-	-	(229,440)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,086	2,650	(290,159)	(100,823)	(120,435)	50	(11,469)
Cash and investment fund balance - beginning	28,325	16,302	2,057,529	1,476,460	566,955	150	41,252
Cash and investment fund balance - ending	\$ 34,411	\$ 18,952	\$ 1,767,370	\$ 1,375,637	\$ 446,520	\$ 200	\$ 29,783
Cash and Investment Assets - December 31							
Restricted assets:							
Cash and investments	\$ 34,411	\$ 18,952	\$ 1,767,370	\$ 1,375,637	\$ 446,520	\$ 200	\$ 29,783
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ 18,952	\$ -	\$ -	\$ -	\$ -	\$ -
Highway and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	446,520	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	1,767,370	1,375,637	-	-	-
Other purposes	34,411	-	-	-	-	200	29,783
Total cash and investment fund balance - December 31	\$ 34,411	\$ 18,952	\$ 1,767,370	\$ 1,375,637	\$ 446,520	\$ 200	\$ 29,783

JASPER COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Community Correction Grant	Coroner Education	Juvenile Probation Service	Recorders Identify Theft	Airport/Indot Grant	County Economic Development Income Tax	Totals
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 981,495	\$ 1,594,845
Licenses and permits	-	-	-	-	-	-	67,460
Intergovernmental	-	-	-	-	630,757	-	1,976,636
Charges for services	37,224	-	-	-	-	-	1,132,492
Fines and forfeits	-	1,735	10,200	-	-	-	292,744
Other	-	-	-	15,125	-	34,827	700,380
Total receipts	<u>37,224</u>	<u>1,735</u>	<u>10,200</u>	<u>15,125</u>	<u>630,757</u>	<u>1,016,322</u>	<u>5,764,557</u>
Disbursements:							
General government	-	1,670	-	3,244	-	752,586	1,083,991
Public safety	38,056	-	-	-	-	-	1,734,447
Highways and streets	-	-	-	-	630,757	-	978,645
Sanitation	-	-	-	-	-	-	59,515
Health and welfare	-	-	-	-	-	-	1,953,323
Capital outlay:							
Highways and streets	-	-	-	-	-	-	852,885
Total disbursements	<u>38,056</u>	<u>1,670</u>	<u>-</u>	<u>3,244</u>	<u>630,757</u>	<u>752,586</u>	<u>6,662,806</u>
Excess (deficiency) of receipts over disbursements	<u>(832)</u>	<u>65</u>	<u>10,200</u>	<u>11,881</u>	<u>-</u>	<u>263,736</u>	<u>(898,249)</u>
Other financing sources:							
Transfer out	-	-	-	-	-	-	(300,502)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(832)</u>	<u>65</u>	<u>10,200</u>	<u>11,881</u>	<u>-</u>	<u>263,736</u>	<u>(1,198,751)</u>
Cash and investment fund balance - beginning	<u>54,727</u>	<u>164</u>	<u>2,730</u>	<u>14,352</u>	<u>-</u>	<u>1,044,633</u>	<u>12,764,357</u>
Cash and investment fund balance - ending	<u>\$ 53,895</u>	<u>\$ 229</u>	<u>\$ 12,930</u>	<u>\$ 26,233</u>	<u>\$ -</u>	<u>\$ 1,308,369</u>	<u>\$ 11,565,606</u>
<u>Cash and Investment Assets - December 31</u>							
Restricted assets:							
Cash and investments	<u>\$ 53,895</u>	<u>\$ 229</u>	<u>\$ 12,930</u>	<u>\$ 26,233</u>	<u>\$ -</u>	<u>\$ 1,308,369</u>	<u>\$ 11,565,606</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Public safety	\$ -	\$ -	\$ 12,930	\$ -	\$ -	\$ -	\$ 2,858,966
Highway and streets	-	-	-	-	-	-	261,694
Sanitation	-	-	-	-	-	-	1,171,147
Health and welfare	-	-	-	-	-	-	222,835
Capital outlay	-	-	-	-	-	-	3,143,007
Other purposes	<u>53,895</u>	<u>229</u>	<u>-</u>	<u>26,233</u>	<u>-</u>	<u>1,308,369</u>	<u>3,907,957</u>
Total cash and investment fund balance - December 31	<u>\$ 53,895</u>	<u>\$ 229</u>	<u>\$ 12,930</u>	<u>\$ 26,233</u>	<u>\$ -</u>	<u>\$ 1,308,369</u>	<u>\$ 11,565,606</u>

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

	Welfare Trust	Administration Fee	City and Town Court	Congressional School Interest	Education Plate Fees	Infraction Judgments
Additions:						
Agency fund additions	\$ 44,885	\$ 36,983	\$ 12,715	\$ 12,047	\$ 3,638	\$ 45,663
Deductions:						
Agency fund deductions	36,518	-	-	2,694	3,638	44,665
Excess (deficiency) of total additions over total deductions	8,367	36,983	12,715	9,353	-	998
Cash and investment fund balance - beginning	7,022	82,131	41,354	138,506	-	3,632
Cash and investment fund balance - ending	<u>\$ 15,389</u>	<u>\$ 119,114</u>	<u>\$ 54,069</u>	<u>\$ 147,859</u>	<u>\$ -</u>	<u>\$ 4,630</u>

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

	<u>Inheritance Tax</u>	<u>Interstate Compact Fee</u>	<u>State Fines and Forfeitures</u>	<u>State Sales Disclosure</u>	<u>Surplus Tax</u>	<u>Surplus Tax Sale</u>
Additions:						
Agency fund additions	\$ 455,122	\$ 262	\$ 5,399	\$ 8,010	\$ 1,965	\$ -
Deductions:						
Agency fund deductions	<u>524,229</u>	<u>375</u>	<u>4,053</u>	<u>8,365</u>	<u>59,366</u>	<u>122,732</u>
Excess (deficiency) of total additions over total deductions	(69,107)	(113)	1,346	(355)	(57,401)	(122,732)
Cash and investment fund balance - beginning	<u>204,551</u>	<u>113</u>	<u>489</u>	<u>605</u>	<u>83,713</u>	<u>137,240</u>
Cash and investment fund balance - ending	<u>\$ 135,444</u>	<u>\$ -</u>	<u>\$ 1,835</u>	<u>\$ 250</u>	<u>\$ 26,312</u>	<u>\$ 14,508</u>

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

	Tax Distribution	Tax Sale Fee	Tax Sale Redemption	Community Correction	County Sheriff	County Recorder
Additions:						
Agency fund additions	\$ 24,088,185	\$ 820	\$ 19,722	\$ 267,101	\$ 176,657	\$ 173,065
Deductions:						
Agency fund deductions	24,084,900	-	18,747	273,054	176,657	176,216
Excess (deficiency) of total additions over total deductions	3,285	820	975	(5,953)	-	(3,151)
Cash and investment fund balance - beginning	-	4,755	41	25,456	-	14,571
Cash and investment fund balance - ending	<u>\$ 3,285</u>	<u>\$ 5,575</u>	<u>\$ 1,016</u>	<u>\$ 19,503</u>	<u>\$ -</u>	<u>\$ 11,420</u>

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

	County Treasurer	County Prosecutor	County Health	County Probation	Clerk of the Court
Additions:					
Agency fund additions	\$ 30,146,315	\$ 100	\$ 69,195	\$ 182,179	\$ 6,656,589
Deductions:					
Agency fund deductions	19,159,445	-	69,195	180,717	6,172,193
Excess (deficiency) of total additions over total deductions	10,986,870	100	-	1,462	484,396
Cash and investment fund balance - beginning	867,923	3,848	25	9,460	533,956
Cash and investment fund balance - ending	<u>\$ 11,854,793</u>	<u>\$ 3,948</u>	<u>\$ 25</u>	<u>\$ 10,922</u>	<u>\$ 1,018,352</u>

JASPER 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	Payroll Withholdings	Commissioners' Certified Tax Sale	Health Insurance	PP Judgment Collections
Additions:					
Agency fund additions	\$ 107,784	\$ 2,574,490	\$ -	\$ -	\$ 1,143
Deductions:					
Agency fund deductions	110,558	2,566,494	-	500	1,044
Excess (deficiency) of total additions over total deductions	(2,774)	7,996	-	(500)	99
Cash and investment fund balance - beginning	3,934	5,313	1,000	500	-
Cash and investment fund balance - ending	<u>\$ 1,160</u>	<u>\$ 13,309</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 99</u>

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

	Employee Benefits	Homestead Credit Rebate	Special Death Benefit	Warning Siren	Totals
Additions:					
Agency fund additions	\$ 2,320,495	\$ 1,154,234	\$ 3,740	\$ 22,625	\$ 68,591,128
Deductions:					
Agency fund deductions	2,259,003	-	3,740	-	56,059,098
Excess (deficiency) of total additions over total deductions	61,492	1,154,234	-	22,625	12,532,030
Cash and investment fund balance - beginning	85,796	-	390	-	2,256,324
Cash and investment fund balance - ending	<u>\$ 147,288</u>	<u>\$ 1,154,234</u>	<u>\$ 390</u>	<u>\$ 22,625</u>	<u>\$ 14,788,354</u>

JASPER COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2007

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

Retroactive reporting of general infrastructure assets will occur by January 1, 2008.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 625,381
Buildings	7,179,424
Improvements other than buildings	4,314,595
Machinery and equipment	8,393,498
Construction in progress	<u>3,646,980</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 24,159,878</u>

JASPER 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:		
2007 Jail Lease	\$ 8,600,000	\$ -
Total governmental activities debt	<u>\$ 8,600,000</u>	<u>\$ -</u>

JASPER COUNTY
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual County office listed below:

Sheriff

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

Compliance

We have audited the compliance of the Jasper County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
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(Continued)

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.

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 23, 2008

JASPER 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 TRANSPORTATION</u>			
Direct Grant			
Airport Improvement Taxiway Project	20.106	AIP 3-18-0070-02	\$ 489,286
Pass-Through Indiana Department of Homeland Security Hazardous Materials Emergency Preparedness	20.703	C44P-7-056	<u>1,080</u>
Total for federal grantor agency			<u>490,366</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Centers for Disease Control and Preventative Investigation	93.283	A70-7-053220	26,819
Pass-Through Indiana Family and Social Services Administration Child Support Enforcement	93.563	FY 2007	<u>91,585</u>
Total for federal grantor agency			<u>118,404</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grant	97.042	C44P-8-61A	<u>11,581</u>
Homeland Security Grant Program	97.073	C44P-7-360	<u>17,901</u>
Total for federal grantor agency			<u>29,482</u>
Total federal awards expended			<u>\$ 638,252</u>

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

JASPER COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

JASPER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies 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
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

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

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

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

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

Auditee qualified as low-risk auditee?	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.

JASPER COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

JASPER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 29, 2008, with Donya G. Jordan, Auditor; and James Walstra, County Commissioner. Our audit disclosed no material items that warrant comment at this time.