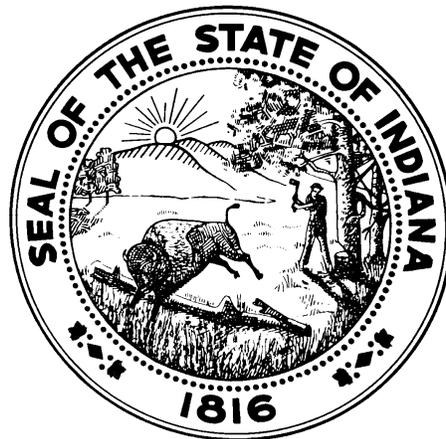


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2007

HOWARD COUNTY, INDIANA



FILED

09/30/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Ann Wells	01-01-05 to 12-31-08
Treasurer	Martha Lake	01-01-05 to 12-31-08
Clerk	Mona L. Myers	01-01-04 to 12-31-11
Sheriff	Marshall D. Talbert	01-01-03 to 12-31-10
Recorder	Linda Koontz	01-01-03 to 12-31-10
President of the Board of County Commissioners	Paul J. Raver	01-01-07 to 12-31-08
President of the County Council	Richard H. Miller	01-01-07 to 12-31-08



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

TO: THE OFFICIALS OF HOWARD COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Howard 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.

Except as discussed in the fifth paragraph, 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 September 4, 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 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.

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

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, 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 them.

STATE BOARD OF ACCOUNTS

September 4, 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 HOWARD COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Howard 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 September 4, 2008. The opinions to the financial statements were qualified due to the omission of a number of component units of the County, which should have been included to fairly present the financial position of the County. 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

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. We consider the deficiencies described in item 2007-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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. However, we believe that none of the significant deficiencies described above is a material weakness.

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.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

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

STATE BOARD OF ACCOUNTS

September 4, 2008

HOWARD 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>Capital Grants and Contributions</u>	Net (Disbursement) Receipt and Changes in Net Assets
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 25,144,054	\$ 2,695,848	\$ 3,300,656	\$ 17,901	\$ (19,129,649)
Public safety	11,984,461	3,243,263	1,475,213	-	(7,265,985)
Highways and streets	4,962,946	-	4,603,914	-	(359,032)
Health and welfare	5,684,652	5,262,005	1,805,134	-	1,382,487
Culture and recreation	170,314	-	-	-	(170,314)
Interest on indebtedness	333,203	-	-	-	(333,203)
Total primary government	<u>\$ 48,279,630</u>	<u>\$ 11,201,116</u>	<u>\$ 11,184,917</u>	<u>\$ 17,901</u>	<u>(25,875,696)</u>
General receipts:					
Property taxes					17,916,621
County option income tax					3,841,962
Auto excise tax					1,270,800
Other taxes					388,343
Riverboat revenue sharing					222,045
Refunds and reimbursements					811,031
Investment earnings					<u>1,940,055</u>
Total general receipts					<u>26,390,857</u>
Change in net assets					515,161
Net assets - beginning					<u>27,063,726</u>
Net assets - ending					<u>\$ 27,578,887</u>
 <u>Assets</u>					
Cash and investments					\$ 14,904,239
Restricted assets:					
Cash and investments					<u>12,674,648</u>
Total assets					<u>\$ 27,578,887</u>
 <u>Net Assets</u>					
Restricted for:					
General government					\$ 3,802,100
Public safety					203,468
Highways and streets					954,520
Health and welfare					3,245,447
Capital outlay					4,469,114
Unrestricted					<u>14,904,238</u>
Total net assets					<u>\$ 27,578,887</u>

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

HOWARD 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	Family and Children	Cumulative Capital Development	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 16,769,746	\$ 2,538,093	\$ 1,025,470	\$ 2,773,629	\$ 23,106,938
Special assessments	-	-	-	455,463	455,463
Intergovernmental	2,294,040	125,666	104,650	9,014,816	11,539,172
Charges for services	1,861,813	-	-	1,523,752	3,385,565
Fines and forfeits	512,086	-	-	588,488	1,100,574
Other	<u>2,568,162</u>	<u>-</u>	<u>612,319</u>	<u>1,121,486</u>	<u>4,301,967</u>
Total receipts	<u>24,005,847</u>	<u>2,663,759</u>	<u>1,742,439</u>	<u>15,477,634</u>	<u>43,889,679</u>
Disbursements:					
General government	15,086,113	-	634,073	3,791,685	19,511,871
Public safety	7,724,687	-	-	2,400,584	10,125,271
Highways and streets	-	-	-	4,874,894	4,874,894
Health and welfare	842,836	3,804,127	-	997,245	5,644,208
Culture and recreation	170,314	-	-	-	170,314
Debt service:					
Principal	-	-	-	1,456,878	1,456,878
Interest	-	-	-	333,203	333,203
Capital outlay:					
General government	24,869	-	692,705	250,840	968,414
Public safety	3,338	-	-	345,204	348,542
Highways and streets	-	-	-	88,052	88,052
Health and welfare	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,098</u>	<u>39,098</u>
Total disbursements	<u>23,852,157</u>	<u>3,804,127</u>	<u>1,326,778</u>	<u>14,577,683</u>	<u>43,560,745</u>
Excess (deficiency) of receipts over disbursements	<u>153,690</u>	<u>(1,140,368)</u>	<u>415,661</u>	<u>899,951</u>	<u>328,934</u>
Other financing sources (uses):					
Transfers in	723,512	-	-	104,611	828,123
Transfers out	(21,160)	-	-	(806,963)	(828,123)
Other receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Total other financing sources (uses)	<u>702,352</u>	<u>-</u>	<u>-</u>	<u>(682,352)</u>	<u>20,000</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	856,042	(1,140,368)	415,661	217,599	348,934
Cash and investment fund balance - beginning	<u>5,980,396</u>	<u>4,286,734</u>	<u>1,995,985</u>	<u>11,250,191</u>	<u>23,513,306</u>
Cash and investment fund balance - ending	<u>\$ 6,836,438</u>	<u>\$ 3,146,366</u>	<u>\$ 2,411,646</u>	<u>\$ 11,467,790</u>	<u>23,862,240</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because: Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>3,716,647</u>
Net assets of governmental activities					<u>\$ 27,578,887</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 6,836,438	\$ -	\$ -	\$ 8,067,498	\$ 14,903,936
Restricted assets:					
Cash and investments	<u>-</u>	<u>3,146,366</u>	<u>2,411,646</u>	<u>3,400,292</u>	<u>8,958,304</u>
Total cash and investment assets - ending	<u>\$ 6,836,438</u>	<u>\$ 3,146,366</u>	<u>\$ 2,411,646</u>	<u>\$ 11,467,790</u>	<u>\$ 23,862,240</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 85,453	\$ 85,453
Public safety	-	-	-	203,772	203,772
Highways and streets	-	-	-	954,520	954,520
Health and welfare	-	3,146,366	-	99,080	3,245,446
Capital outlay	-	-	2,411,646	2,057,467	4,469,113
Unrestricted	<u>6,836,438</u>	<u>-</u>	<u>-</u>	<u>8,067,498</u>	<u>14,903,936</u>
Total cash and investment fund balance - ending	<u>\$ 6,836,438</u>	<u>\$ 3,146,366</u>	<u>\$ 2,411,646</u>	<u>\$ 11,467,790</u>	<u>\$ 23,862,240</u>

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

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

	Internal Service Fund
Operating receipts:	
Interest	\$ 195,510
Other	4,689,602
Total operating receipts	4,885,112
Operating disbursements:	
Insurance claims and premiums	4,718,886
Excess of operating receipts over operating disbursements	166,226
Cash and investments fund balance - beginning	3,550,421
Cash and investment fund balance - ending	\$ 3,716,647

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 297,316	\$ -	\$ -
Plan members	<u>83,942</u>	<u>-</u>	<u>-</u>
Total contributions	<u>381,258</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	522,734	-	-
Interest	<u>93,905</u>	<u>-</u>	<u>-</u>
Total investment earnings	<u>616,639</u>	<u>-</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>416,333,541</u>
Total additions	<u>997,897</u>	<u>-</u>	<u>416,333,541</u>
Deductions:			
Benefits	391,469	-	-
Administrative and general	151,058	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>408,611,670</u>
Total deductions	<u>542,527</u>	<u>-</u>	<u>408,611,670</u>
Excess of total additions over total deductions	455,370	-	7,721,871
Cash and investment fund balance - beginning	<u>8,690,739</u>	<u>22,478</u>	<u>8,024,303</u>
Cash and investment fund balance - ending	<u>\$ 9,146,109</u>	<u>\$ 22,478</u>	<u>\$ 15,746,174</u>

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

HOWARD 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:	Howard County
Discretely Presented Component Units:	Howard County Hospital Howard County Redevelopment Authority

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

The Howard County Hospital and the Howard County Redevelopment Authority, component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

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 Howard County Hospital, Howard County Economic Development Commission, Howard County Solid Waste Management District, Kokomo Howard County Emergency Management Advisory Board, Howard County Alcoholic Beverage Commission, Howard County Convention and Visitors Commission, and the Kokomo/Howard County Governmental Coordinating Council.

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. The County does not have business type activities.

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 family and children fund accounts for expenses incurred in providing public welfare assistance. Financing is provided by a specific property tax levy and Federal and State assistance.

The cumulative capital development fund accounts for expenditures related to capital improvements for the City. Financing is provided by a specific property tax levy.

Additionally, the County reports the following fund types:

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

The pension trust funds account for the activities of the Howard County Sheriff Retirement and Benefit Plans, which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the local school corporations.

The agency fund accounts for assets held by the primary government as an agent for the federal government, state government, various organizations, and employee insurance companies.

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.

HOWARD 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.

HOWARD 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.

HOWARD 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
Stop Domestic Violence Grant	\$ <u>38,620</u>

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

for custodial credit risk. At December 31, 2007, 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:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
Mutual funds	\$ 10,598,485

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.

HOWARD 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.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments.

The following investments held by the Sheriff's Retirement and Benefit Pension Plans were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Sheriff's Retirement and Benefit Pension Plans:

<u>Investment Type</u>	<u>2007 Not in the Government's Name</u>
Mutual funds	<u>\$ 10,598,485</u>

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. The Sheriff's Merit Board for the Sheriff's Retirement and Benefit Pension Plans manages interest rate risk by authorizing investments with stated final maturities of less than one year.

Sheriff's Retirement and Benefit Pension Plans:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>		
	<u>Less Than 1</u>	<u>1-2</u>	<u>More Than 2</u>
Mutual bond funds	<u>\$ 10,598,485</u>	<u>\$ -</u>	<u>\$ -</u>

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Count does not have a formal investment policy for credit risk for investments.)

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
Unrated	Unrated	Mutual Funds
		\$ 10,598,485

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 held the following investments that were exposed to concentration of credit risk:

Sheriff's Retirement and Benefit Pension Plans:

Issuer	2007
Federated Prime Obligations	\$ 59,979
American Mutual Fund	1,310,956
Bond Fund of America	2,671,253
Capital Income Builders	1,402,734
Capital World Growth & Income	1,192,202
Fundamental Investors	1,392,036
Growth Fund of America	1,351,749
Washington Mutual Investments	1,217,576
Total	\$ 10,598,485

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Foreign Currency Risk

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

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

B. Interfund Transfers

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

Transfer From	Transfer To	2007
General Fund	Other governmental funds	\$ 21,160
Other governmental funds	General Fund	723,512
	Other governmental funds	83,451
Total		\$ 828,123

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 (excluding postemployment benefits); 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; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); 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 and Dental Benefits

The County has chosen to establish a risk financing fund for risks associated with medical and dental benefits. The risk financing fund is accounted for in the Self Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Illnesses or Injuries to Employees

During 1990, the County joined with other governmental entities to form the Indiana Public Employees' Plan, Inc. , a public entity risk pool currently operating as a common risk management and insurance program for 515 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 benefits for job related illnesses or injuries to employees. The County pays an annual premium to the risk pool for its 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. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Holding Corporation

The County has entered into a capital lease with the Howard County Jail and Detention Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$1,645,000.

C. Conduit Debt Obligation

From time to time, the County has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying notes to the financial statements.

D. Postemployment Benefits

In addition to the pension benefits described below, the County provides postemployment insurance benefits, as authorized by Indiana Code 5-10-8, to retired merit officers of the Howard County Sheriff's Department who have retired from the County on or after attaining age 50 with at least 20 years of service. Currently, three retirees meet these eligibility requirements. The County provides \$150 each month towards these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended December 31, 2007, disbursements of \$5,400 were recognized for postemployment benefits.

E. Administration of Welfare Programs

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. 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.

Information to segregate the assets/liabilities and the actuarial study figures between the County and the Utilities is not available.

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.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 814,078	\$ 107,162	\$ 15,840
Interest on net pension obligation	(39,770)	(2,258)	-
Adjustment to annual required contribution	<u>45,321</u>	<u>5,178</u>	<u>-</u>
Annual pension cost	819,629	110,082	15,840
Contributions made	<u>814,331</u>	<u>347,684</u>	<u>15,840</u>
Increase (decrease) in net pension obligation	5,298	(237,602)	-
Net pension obligation, beginning of year	<u>(548,554)</u>	<u>(32,262)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (543,256)</u>	<u>\$ (269,864)</u>	<u>\$ -</u>

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5.5%	16%	1%
Plan members	3%	6%	0%
Actuarial valuation date	07-01-07	01-01-07	01-01-07
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	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	06-30-05	\$ 633,585	113%	\$ (622,065)
	06-30-06	808,597	116%	(548,554)
	06-30-07	819,629	99%	(543,256)
County Police				
Retirement Plan	12-31-05	247,712	99%	44,261
	12-31-06	202,608	138%	(32,262)
	12-31-07	110,082	32%	(269,864)
County Police				
Benefit Plan	12-31-05	15,565	100%	-
	12-31-06	16,574	100%	-
	12-31-07	15,840	100%	-

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HOWARD 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)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 10,076,129	\$ 12,361,166	\$ (2,285,037)	82%	\$ 12,436,298	(18%)
07-01-06	11,618,160	12,571,685	(953,525)	92%	12,651,113	(8%)
07-01-07	13,097,802	13,780,335	(682,533)	95%	13,178,541	(5%)

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)
01-01-02	\$ 6,750,688	\$ 6,961,435	\$ (210,747)	97%	\$ 1,314,601	(16%)
01-01-03	7,020,522	7,225,977	(205,455)	97%	1,344,660	(15%)
01-01-04	7,275,816	7,902,132	(626,316)	92%	1,310,088	(48%)
01-01-05	7,624,745	8,300,150	(675,405)	92%	1,344,325	(50%)
01-01-06	8,337,828	9,033,471	(695,643)	92%	1,288,104	(54%)
01-01-07	9,188,758	9,796,813	(608,055)	94%	1,403,763	(43%)
01-01-08	10,062,977	10,062,977	-	100%	1,465,901	0%

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

	Local Road and Street	Accident Report	Firearms Training	Health	Alcohol and Drug Services	Donations
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 411,904	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	598,417	-	-	42,035	-	-
Charges for services	-	8,363	23,094	-	-	-
Fines and forfeits	-	-	-	-	231,126	-
Other	11,066	-	-	144,922	-	-
Total receipts	609,483	8,363	23,094	598,861	231,126	-
Disbursements:						
General government	-	-	-	-	-	77
Public safety	-	13,119	11,905	-	189,847	-
Highways and streets	384,311	-	-	-	-	-
Health and welfare	-	-	-	685,923	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	7,915	-	-
Total disbursements	384,311	13,119	11,905	693,838	189,847	77
Excess (deficiency) of receipts over disbursements	225,172	(4,756)	11,189	(94,977)	41,279	(77)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	225,172	(4,756)	11,189	(94,977)	41,279	(77)
Cash and investment fund balance - beginning	37,632	9,109	17,719	194,057	232,688	83
Cash and investment fund balance - ending	\$ 262,804	\$ 4,353	\$ 28,908	\$ 99,080	\$ 273,967	\$ 6
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 4,353	\$ 28,908	\$ -	\$ 273,967	\$ 6
Restricted assets:						
Cash and investments	262,804	-	-	99,080	-	-
Total cash and investment assets - ending	\$ 262,804	\$ 4,353	\$ 28,908	\$ 99,080	\$ 273,967	\$ 6
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	262,804	-	-	-	-	-
Health and welfare	-	-	-	99,080	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	4,353	28,908	-	273,967	6
Total cash and investment fund balance - ending	\$ 262,804	\$ 4,353	\$ 28,908	\$ 99,080	\$ 273,967	\$ 6

HOWARD 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	Electronic Map Generation	Emergency Telephone System (E911)	Drug Free Community	Drainage Maintenance	Emergency Planning/Right to Know
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	455,463	-
Intergovernmental	-	-	-	-	-	5,802
Charges for services	24,545	609	-	-	-	-
Fines and forfeits	-	-	-	88,999	-	-
Other	-	-	634,865	-	-	-
Total receipts	24,545	609	634,865	88,999	455,463	5,802
Disbursements:						
General government	6,569	-	-	-	262,876	-
Public safety	-	-	602,668	56,978	-	748
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	4,997	-	-	-	-	-
Public safety	-	-	143,822	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	11,566	-	746,490	56,978	262,876	748
Excess (deficiency) of receipts over disbursements	12,979	609	(111,625)	32,021	192,587	5,054
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(208,000)	-	(4,451)	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(208,000)	-	(4,451)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,979	609	(319,625)	32,021	188,136	5,054
Cash and investment fund balance - beginning	66,725	5,753	488,494	130,286	1,420,528	1,403
Cash and investment fund balance - ending	\$ 79,704	\$ 6,362	\$ 168,869	\$ 162,307	\$ 1,608,664	\$ 6,457
Cash and Investment Assets - Ending						
Cash and investments	\$ 79,704	\$ 6,362	\$ -	\$ 162,307	\$ 1,608,664	\$ 6,457
Restricted assets:						
Cash and investments	-	-	168,869	-	-	-
Total cash and investment assets - ending	\$ 79,704	\$ 6,362	\$ 168,869	\$ 162,307	\$ 1,608,664	\$ 6,457
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	168,869	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	79,704	6,362	-	162,307	1,608,664	6,457
Total cash and investment fund balance - ending	\$ 79,704	\$ 6,362	\$ 168,869	\$ 162,307	\$ 1,608,664	\$ 6,457

HOWARD 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)

	Highway	Property Reassessment	Juvenile Probation Service	Adult Probation Service	Probation Users Fees
Receipts:					
Taxes	\$ 41,684	\$ 399,032	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	3,850,000	40,722	-	-	-
Charges for services	-	-	30,244	181,418	79,834
Fines and forfeits	-	-	-	-	-
Other	85,494	90,807	-	-	-
	<u>3,977,178</u>	<u>530,561</u>	<u>30,244</u>	<u>181,418</u>	<u>79,834</u>
Total receipts					
Disbursements:					
General government	-	696,633	-	-	-
Public safety	-	-	32,604	239,979	76,468
Highways and streets	3,783,503	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	3,307	-	-	-
Public safety	-	-	1,359	11,239	-
Highways and streets	88,052	-	-	-	-
Health and welfare	-	-	-	-	-
	<u>3,871,555</u>	<u>699,940</u>	<u>33,963</u>	<u>251,218</u>	<u>76,468</u>
Total disbursements					
Excess (deficiency) of receipts over disbursements	<u>105,623</u>	<u>(169,379)</u>	<u>(3,719)</u>	<u>(69,800)</u>	<u>3,366</u>
Other financing sources (uses):					
Transfers in	-	-	4,000	75,000	-
Transfers out	-	-	-	-	-
Other receipts	20,000	-	-	-	-
	<u>20,000</u>	<u>-</u>	<u>4,000</u>	<u>75,000</u>	<u>-</u>
Total other financing sources (uses)					
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	125,623	(169,379)	281	5,200	3,366
Cash and investment fund balance - beginning	<u>566,093</u>	<u>1,940,863</u>	<u>28,397</u>	<u>319,165</u>	<u>25,911</u>
Cash and investment fund balance - ending	<u>\$ 691,716</u>	<u>\$ 1,771,484</u>	<u>\$ 28,678</u>	<u>\$ 324,365</u>	<u>\$ 29,277</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 1,771,484	\$ 28,678	\$ 324,365	\$ 29,277
Restricted assets:					
Cash and investments	691,716	-	-	-	-
	<u>\$ 691,716</u>	<u>\$ 1,771,484</u>	<u>\$ 28,678</u>	<u>\$ 324,365</u>	<u>\$ 29,277</u>
Total cash and investment assets - ending					
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	691,716	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	1,771,484	28,678	324,365	29,277
	<u>\$ 691,716</u>	<u>\$ 1,771,484</u>	<u>\$ 28,678</u>	<u>\$ 324,365</u>	<u>\$ 29,277</u>
Total cash and investment fund balance - ending					

HOWARD 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)

	Recorder's Records Perpetuation	Health Maintenance	Community Corrections Home Detention	Pretrial Diversion	Court Appointed Special Advocate
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	61,073	253,610	-	-
Charges for services	143,251	-	-	-	-
Fines and forfeits	-	-	-	136,144	61,825
Other	-	-	-	-	-
Total receipts	143,251	61,073	253,610	136,144	61,825
Disbursements:					
General government	227,541	-	-	-	-
Public safety	-	-	219,992	90,836	87,530
Highways and streets	-	-	-	-	-
Health and welfare	-	50,154	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	6,377	-	-	-	-
Public safety	-	-	-	2,963	-
Highways and streets	-	-	-	-	-
Health and welfare	-	19,850	-	-	-
Total disbursements	233,918	70,004	219,992	93,799	87,530
Excess (deficiency) of receipts over disbursements	(90,667)	(8,931)	33,618	42,345	(25,705)
Other financing sources (uses):					
Transfers in	-	-	-	-	21,160
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	21,160
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(90,667)	(8,931)	33,618	42,345	(4,545)
Cash and investment fund balance - beginning	367,054	67,163	(29,308)	179,296	5,959
Cash and investment fund balance - ending	<u>\$ 276,387</u>	<u>\$ 58,232</u>	<u>\$ 4,310</u>	<u>\$ 221,641</u>	<u>\$ 1,414</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 276,387	\$ 58,232	\$ 4,310	\$ 221,641	\$ 1,414
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 276,387</u>	<u>\$ 58,232</u>	<u>\$ 4,310</u>	<u>\$ 221,641</u>	<u>\$ 1,414</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	276,387	58,232	4,310	221,641	1,414
Total cash and investment fund balance - ending	<u>\$ 276,387</u>	<u>\$ 58,232</u>	<u>\$ 4,310</u>	<u>\$ 221,641</u>	<u>\$ 1,414</u>

HOWARD 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)

	Plat Book	Misdemeanant Grant	Supplemental Public Defender Services	Clerk's Title IV-D #1	Surveyor's Corner Perpetuation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	67,228	-	-	-
Charges for services	20,775	-	80,488	-	17,515
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	20,775	67,228	80,488	-	17,515
Disbursements:					
General government	979	-	-	7,618	13,911
Public safety	-	4,000	66,911	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	2,880	-
Public safety	-	76,233	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	979	80,233	66,911	10,498	13,911
Excess (deficiency) of receipts over disbursements	19,796	(13,005)	13,577	(10,498)	3,604
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,796	(13,005)	13,577	(10,498)	3,604
Cash and investment fund balance - beginning	69,249	72,299	168,158	65,882	25,884
Cash and investment fund balance - ending	<u>\$ 89,045</u>	<u>\$ 59,294</u>	<u>\$ 181,735</u>	<u>\$ 55,384</u>	<u>\$ 29,488</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 89,045	\$ 59,294	\$ 181,735	\$ 55,384	\$ 29,488
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 89,045</u>	<u>\$ 59,294</u>	<u>\$ 181,735</u>	<u>\$ 55,384</u>	<u>\$ 29,488</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	89,045	59,294	181,735	55,384	29,488
Total cash and investment fund balance - ending	<u>\$ 89,045</u>	<u>\$ 59,294</u>	<u>\$ 181,735</u>	<u>\$ 55,384</u>	<u>\$ 29,488</u>

HOWARD 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)

	Drug Task Force	Bond Forfeitures	Coroner's Education	Commissary Fund - Kinsey Center	Juvenile Restitution
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	76,010	-	-	-	-
Charges for services	-	-	-	617	13,104
Fines and forfeits	-	36,678	6,573	-	-
Other	-	-	-	-	-
Total receipts	76,010	36,678	6,573	617	13,104
Disbursements:					
General government	-	36,678	8,163	1,310	15,308
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	-	36,678	8,163	1,310	15,308
Excess (deficiency) of receipts over disbursements	76,010	-	(1,590)	(693)	(2,204)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	76,010	-	(1,590)	(693)	(2,204)
Cash and investment fund balance - beginning	(19,540)	-	1,590	693	38,597
Cash and investment fund balance - ending	<u>\$ 56,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,393</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 56,470	\$ -	\$ -	\$ -	\$ 36,393
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 56,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,393</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	56,470	-	-	-	36,393
Total cash and investment fund balance - ending	<u>\$ 56,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,393</u>

HOWARD 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)

	Heritage Museum/Con. Center	Kinsey Center Food Service	Kinsey Youth Center - Inmate Medical	Sheriff Work Program	Prosecutor Title IV-D
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	192,621	57,805	-	-	-
Charges for services	-	-	162	6,213	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	192,621	57,805	162	6,213	-
Disbursements:					
General government	-	-	-	1,394	9,048
Public safety	-	57,487	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	162	-	-
Principal	116,878	-	-	-	-
Interest	28,203	-	-	-	-
Capital outlay:					
General government	-	-	-	780	7,885
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	145,081	57,487	162	2,174	16,933
Excess (deficiency) of receipts over disbursements	47,540	318	-	4,039	(16,933)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	47,540	318	-	4,039	(16,933)
Cash and investment fund balance - beginning	366,518	5,471	73	7,530	78,813
Cash and investment fund balance - ending	\$ 414,058	\$ 5,789	\$ 73	\$ 11,569	\$ 61,880
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 414,058	\$ 5,789	\$ 73	\$ 11,569	\$ 61,880
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 414,058	\$ 5,789	\$ 73	\$ 11,569	\$ 61,880
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	414,058	5,789	73	11,569	61,880
Total cash and investment fund balance - ending	\$ 414,058	\$ 5,789	\$ 73	\$ 11,569	\$ 61,880

HOWARD 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)

	Concession - Co General	Indiana Aids Fund Grant	FEMA Community Emergency Response	Juvenile Probation Admin Fee	Walmart Grant - Sheriff Department
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	12,500	-	-	-
Charges for services	-	-	-	8,348	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	12,500	-	8,348	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	1,028
Highways and streets	-	-	-	-	-
Health and welfare	-	12,502	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	-	12,502	-	-	1,028
Excess (deficiency) of receipts over disbursements	-	(2)	-	8,348	(1,028)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(10,000)	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(10,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2)	-	(1,652)	(1,028)
Cash and investment fund balance - beginning	2,774	531	420	13,814	1,028
Cash and investment fund balance - ending	\$ 2,774	\$ 529	\$ 420	\$ 12,162	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 2,774	\$ 529	\$ 420	\$ 12,162	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 2,774	\$ 529	\$ 420	\$ 12,162	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	2,774	529	420	12,162	-
Total cash and investment fund balance - ending	\$ 2,774	\$ 529	\$ 420	\$ 12,162	\$ -

HOWARD 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)

	Juvenile Informal Probation Fees	Juvenile Drug Court Grant	Howard Co Law Enforcement	Inmate Medical Care - Sheriff	Bioterrorism Grant
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	2,325	-	-	683	-
Fines and forfeits	-	-	27,143	-	-
Other	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	2,325	-	27,143	683	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	6,010	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	24,659	1,576
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	45,413	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	10,745
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total disbursements	-	-	51,423	24,659	12,321
Excess (deficiency) of receipts over disbursements	2,325	-	(24,280)	(23,976)	(12,321)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	(4,000)	-	-	-	-
Other receipts	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(4,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,675)	-	(24,280)	(23,976)	(12,321)
Cash and investment fund balance - beginning	3,146	471	66,000	23,993	13,025
Cash and investment fund balance - ending	<u>\$ 1,471</u>	<u>\$ 471</u>	<u>\$ 41,720</u>	<u>\$ 17</u>	<u>\$ 704</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 1,471	\$ 471	\$ 41,720	\$ 17	\$ 704
Restricted assets:					
Cash and investments	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total cash and investment assets - ending	<u>\$ 1,471</u>	<u>\$ 471</u>	<u>\$ 41,720</u>	<u>\$ 17</u>	<u>\$ 704</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	1,471	471	41,720	17	704
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total cash and investment fund balance - ending	<u>\$ 1,471</u>	<u>\$ 471</u>	<u>\$ 41,720</u>	<u>\$ 17</u>	<u>\$ 704</u>

HOWARD 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)

	Master Tobacco - Health Dept	Children Psychiatric Residential	Bio Pub Health Coordinator Grant	Flood Mitigation Assistance Grant	I.D. Protection - Recorder
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	38,894	198,598	-	-	-
Charges for services	-	-	-	-	36,628
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	38,894	198,598	-	-	36,628
Disbursements:					
General government	-	-	-	-	26,128
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	18,045	199,312	4,912	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	588	-	-	-	-
Total disbursements	18,633	199,312	4,912	-	26,128
Excess (deficiency) of receipts over disbursements	20,261	(714)	(4,912)	-	10,500
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,261	(714)	(4,912)	-	10,500
Cash and investment fund balance - beginning	44,584	148,003	4,912	26,393	41,850
Cash and investment fund balance - ending	\$ 64,845	\$ 147,289	\$ -	\$ 26,393	\$ 52,350
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 64,845	\$ 147,289	\$ -	\$ 26,393	\$ 52,350
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 64,845	\$ 147,289	\$ -	\$ 26,393	\$ 52,350
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	64,845	147,289	-	26,393	52,350
Total cash and investment fund balance - ending	\$ 64,845	\$ 147,289	\$ -	\$ 26,393	\$ 52,350

HOWARD 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)

	Drug Free Community Donation	Miscellaneous Clearing	Homeland Security - CBRNE Court Security	Ms4 Fees Collected	Multi Hazard Mitigation Plan
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	69,759	11,250	-	-
Charges for services	-	-	-	12,400	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	69,759	11,250	12,400	-
Disbursements:					
General government	-	69,759	-	1,640	-
Public safety	396	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	396	69,759	-	1,640	-
Excess (deficiency) of receipts over disbursements	(396)	-	11,250	10,760	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(396)	-	11,250	10,760	-
Cash and investment fund balance - beginning	1,324	-	(11,250)	150	2,500
Cash and investment fund balance - ending	<u>\$ 928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,910</u>	<u>\$ 2,500</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 928	\$ -	\$ -	\$ 10,910	\$ 2,500
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,910</u>	<u>\$ 2,500</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	928	-	-	10,910	2,500
Total cash and investment fund balance - ending	<u>\$ 928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,910</u>	<u>\$ 2,500</u>

HOWARD 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)

	Step Ahead Discretionary	Impaired and Dangerous Driving	Stop Domestic Violence Grant	Shocap-920	Shocap-921
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	12,000	68,541	32,806	42,753
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	<u>-</u>	<u>12,000</u>	<u>68,541</u>	<u>32,806</u>	<u>42,753</u>
Disbursements:					
General government	-	-	-	-	-
Public safety	-	15,941	76,676	48,316	25,016
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	<u>-</u>	<u>15,941</u>	<u>76,676</u>	<u>48,316</u>	<u>25,016</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(3,941)</u>	<u>(8,135)</u>	<u>(15,510)</u>	<u>17,737</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,941)	(8,135)	(15,510)	17,737
Cash and investment fund balance - beginning	<u>1,368</u>	<u>4,992</u>	<u>(30,485)</u>	<u>15,510</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 1,368</u>	<u>\$ 1,051</u>	<u>\$ (38,620)</u>	<u>\$ -</u>	<u>\$ 17,737</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 1,368	\$ 1,051	\$ (38,620)	\$ -	\$ 17,737
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,368</u>	<u>\$ 1,051</u>	<u>\$ (38,620)</u>	<u>\$ -</u>	<u>\$ 17,737</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	<u>1,368</u>	<u>1,051</u>	<u>(38,620)</u>	<u>-</u>	<u>17,737</u>
Total cash and investment fund balance - ending	<u>\$ 1,368</u>	<u>\$ 1,051</u>	<u>\$ (38,620)</u>	<u>\$ -</u>	<u>\$ 17,737</u>

HOWARD 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)

	Shocap-922	Community Corrections Per Diem	Project Income - Community Correction	Local Law Enforcement Block Grant	Flood Mitigation Assistance Gr-#B
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	131,884	-	-	-
Charges for services	-	-	393,068	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	131,884	393,068	-	-
Disbursements:					
General government	-	82,738	-	-	7,232
Public safety	10,441	-	385,842	41	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	10,912	-	-	-
Public safety	-	-	64,175	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	10,441	93,650	450,017	41	7,232
Excess (deficiency) of receipts over disbursements	(10,441)	38,234	(56,949)	(41)	(7,232)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,441)	38,234	(56,949)	(41)	(7,232)
Cash and investment fund balance - beginning	10,441	101,242	556,985	41	10,090
Cash and investment fund balance - ending	\$ -	\$ 139,476	\$ 500,036	\$ -	\$ 2,858
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 139,476	\$ 500,036	\$ -	\$ 2,858
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 139,476	\$ 500,036	\$ -	\$ 2,858
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	139,476	500,036	-	2,858
Total cash and investment fund balance - ending	\$ -	\$ 139,476	\$ 500,036	\$ -	\$ 2,858

HOWARD 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)

	Bio Public Health Coordinator Gr-2	Juvenile Probation Grant	Hainlen Orchard Migrant Housing Gr	2006 Shsp Laptop Computers	Mosquito Control Grant
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	56,474	20,000	188,250	17,901	483
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	56,474	20,000	188,250	17,901	483
Disbursements:					
General government	-	-	188,250	17,901	483
Public safety	38,005	20,000	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	38,005	20,000	188,250	17,901	483
Excess (deficiency) of receipts over disbursements	18,469	-	-	-	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	18,469	-	-	-	-
Cash and investment fund balance - beginning	(17,768)	-	-	-	-
Cash and investment fund balance - ending	\$ 701	\$ -	\$ -	\$ -	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 701	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 701	\$ -	\$ -	\$ -	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	701	-	-	-	-
Total cash and investment fund balance - ending	\$ 701	\$ -	\$ -	\$ -	\$ -

HOWARD 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)

	Howard Haven Donation	State Rainy Day Loan - Delphi	Prosecutor Bad Check and Copy	Rainy Day Fund Loan - Howard Co	Homeland Security Bzpp Grant
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	1,406,328	-	389,946	47,864
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	4,775	-	10,000	-	-
Total receipts	4,775	1,406,328	10,000	389,946	47,864
Disbursements:					
General government	108	1,406,328	-	-	47,864
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	108	1,406,328	-	-	47,864
Excess (deficiency) of receipts over disbursements	4,667	-	10,000	389,946	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,667	-	10,000	389,946	-
Cash and investment fund balance - beginning	-	-	-	-	-
Cash and investment fund balance - ending	\$ 4,667	\$ -	\$ 10,000	\$ 389,946	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 4,667	\$ -	\$ 10,000	\$ 389,946	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	-
Total cash and investment assets - ending	\$ 4,667	\$ -	\$ 10,000	\$ 389,946	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	4,667	-	10,000	389,946	-
Total cash and investment fund balance - ending	\$ 4,667	\$ -	\$ 10,000	\$ 389,946	\$ -

HOWARD 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)

	Radio Rebanding	Drug Court Grant	Ho Co Courthouse Security	Building Bond Redemption	Jail Lease
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,367,513
Special assessments	-	-	-	-	-
Intergovernmental	17,000	4,982	400	-	136,159
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
	<u>17,000</u>	<u>4,982</u>	<u>400</u>	<u>-</u>	<u>1,503,672</u>
Total receipts					
Disbursements:					
General government	-	2,888	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	1,340,000
Interest	-	-	-	-	305,000
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
	<u>-</u>	<u>2,888</u>	<u>-</u>	<u>-</u>	<u>1,645,000</u>
Total disbursements					
Excess (deficiency) of receipts over disbursements	<u>17,000</u>	<u>2,094</u>	<u>400</u>	<u>-</u>	<u>(141,328)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(5,512)	-
Other receipts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,512)</u>	<u>-</u>
Total other financing sources (uses)					
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>17,000</u>	<u>2,094</u>	<u>400</u>	<u>(5,512)</u>	<u>(141,328)</u>
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,512</u>	<u>906,935</u>
Cash and investment fund balance - ending	<u>\$ 17,000</u>	<u>\$ 2,094</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 765,607</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 17,000	\$ 2,094	\$ 400	\$ -	\$ 765,607
Restricted assets:					
Cash and investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - ending	<u>\$ 17,000</u>	<u>\$ 2,094</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 765,607</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	<u>17,000</u>	<u>2,094</u>	<u>400</u>	<u>-</u>	<u>765,607</u>
Total cash and investment fund balance - ending	<u>\$ 17,000</u>	<u>\$ 2,094</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 765,607</u>

HOWARD 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)

	Cumulative Bridge	County Economic Development Income Tax	General Drain Improvement	Highway Safety DUI Taskforce	Controlled Substance Excise Tax
Receipts:					
Taxes	\$ 553,496	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	55,228	789,323	-	20,170	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	39,440	-	100,117	-	-
Total receipts	648,164	789,323	100,117	20,170	-
Disbursements:					
General government	-	290,912	-	-	-
Public safety	-	-	-	21,800	-
Highways and streets	707,080	-	-	-	-
Health and welfare	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	14,595	199,107	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	707,080	305,507	199,107	21,800	-
Excess (deficiency) of receipts over disbursements	(58,916)	483,816	(98,990)	(1,630)	-
Other financing sources (uses):					
Transfers in	-	-	4,451	-	-
Transfers out	-	(500,000)	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	(500,000)	4,451	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(58,916)	(16,184)	(94,539)	(1,630)	-
Cash and investment fund balance - beginning	239,878	1,429,351	557,877	6,650	188
Cash and investment fund balance - ending	\$ 180,962	\$ 1,413,167	\$ 463,338	\$ 5,020	\$ 188
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	180,962	1,413,167	463,338	5,020	188
Total cash and investment assets - ending	\$ 180,962	\$ 1,413,167	\$ 463,338	\$ 5,020	\$ 188
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	5,020	188
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	180,962	1,413,167	463,338	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 180,962	\$ 1,413,167	\$ 463,338	\$ 5,020	\$ 188

HOWARD 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)

	Juvenile Drug Court Program Fee	Adult Probation Administration Fee	Sheriff's Commissary	Kinsey Youth Center Commissary	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,773,629
Special assessments	-	-	-	-	455,463
Intergovernmental	-	-	-	-	9,014,816
Charges for services	-	92,618	344,503	2,947	1,523,752
Fines and forfeits	-	-	-	-	588,488
Other	-	-	-	-	1,121,486
Total receipts	-	92,618	344,503	2,947	15,477,634
Disbursements:					
General government	-	20,000	338,707	2,642	3,791,685
Public safety	-	-	-	-	2,400,584
Highways and streets	-	-	-	-	4,874,894
Health and welfare	-	-	-	-	997,245
Principal	-	-	-	-	1,456,878
Interest	-	-	-	-	333,203
Capital outlay:					
General government	-	-	-	-	250,840
Public safety	-	-	-	-	345,204
Highways and streets	-	-	-	-	88,052
Health and welfare	-	-	-	-	39,098
Total disbursements	-	20,000	338,707	2,642	14,577,683
Excess (deficiency) of receipts over disbursements	-	72,618	5,796	305	899,951
Other financing sources (uses):					
Transfers in	-	-	-	-	104,611
Transfers out	-	(75,000)	-	-	(806,963)
Other receipts	-	-	-	-	20,000
Total other financing sources (uses)	-	(75,000)	-	-	(682,352)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,382)	5,796	305	217,599
Cash and investment fund balance - beginning	175	87,835	23,419	-	11,250,191
Cash and investment fund balance - ending	\$ 175	\$ 85,453	\$ 29,215	\$ 305	\$ 11,467,790
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	-	\$ 8,067,498
Restricted assets:					
Cash and investments	175	85,453	29,215	305	3,400,292
Total cash and investment assets - ending	\$ 175	\$ 85,453	\$ 29,215	\$ 305	\$ 11,467,790
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ 85,453	\$ -	\$ -	\$ 85,453
Public safety	175	-	29,215	305	203,772
Highways and streets	-	-	-	-	954,520
Health and welfare	-	-	-	-	99,080
Capital outlay	-	-	-	-	2,057,467
Unrestricted	-	-	-	-	8,067,498
Total cash and investment fund balance - ending	\$ 175	\$ 85,453	\$ 29,215	\$ 305	\$ 11,467,790

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

	Sheriff's Retirement Plan	Sheriff's Benefit Plan	Totals
Additions:			
Contributions:			
Employer	\$ 281,476	\$ 15,840	\$ 297,316
Plan members	83,942	-	83,942
Total contributions	365,418	15,840	381,258
Investment receipts:			
Net increase in investments	518,537	4,197	522,734
Interest	89,596	4,309	93,905
Total investment receipts	608,133	8,506	616,639
Total additions	973,551	24,346	997,897
Deductions:			
Benefits	378,679	12,790	391,469
Administrative and general	143,011	8,047	151,058
Total deductions	521,690	20,837	542,527
Excess of total additions over total deductions	451,861	3,509	455,370
Cash and investment fund balance - beginning	8,403,314	287,425	8,690,739
Cash and investment fund balance - ending	\$ 8,855,175	\$ 290,934	\$ 9,146,109

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

	State Sale Disclosure	Adult Offender	Congressional School Interest	Surplus Tax Sale	Tax Sale Redemption	Inheritance Tax
Additions:						
Agency fund additions	\$ 10,860	\$ 1,125	\$ 899	\$ 1,877,926	\$ 364,906	\$ 4,092,493
Deductions:						
Agency fund deductions	11,110	1,200	899	1,943,914	345,248	3,724,185
Excess (deficiency) of total additions over total deductions	(250)	(75)	-	(65,988)	19,658	368,308
Cash and investment fund balance - beginning	960	75	-	1,876,359	16,218	226,627
Cash and investment fund balance - ending	<u>\$ 710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,810,371</u>	<u>\$ 35,876</u>	<u>\$ 594,935</u>

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

	Welfare Trust	Township Assistance	Property Tax Collections	Excess Tax	Personal Property Overpayments	County Sales Disclosure Fees
Additions:						
Agency fund additions	\$ 34,648	\$ 771,429	\$ 12,800	\$ 66,882	\$ 66,179	\$ 10,865
Deductions:						
Agency fund deductions	54,460	771,429	12,800	147,090	70,482	-
Excess (deficiency) of total additions over total deductions	(19,812)	-	-	(80,208)	(4,303)	10,865
Cash and investment fund balance - beginning	65,511	-	-	224,898	26,384	34,576
Cash and investment fund balance - ending	<u>\$ 45,699</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,690</u>	<u>\$ 22,081</u>	<u>\$ 45,441</u>

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

	<u>Homestead Credit Rebate</u>	<u>Payroll</u>	<u>Court Fees</u>	<u>User and Law Fees</u>	<u>Tax Clearing Accounts</u>
Additions:					
Agency fund additions	\$ 3,135,722	\$ 6,476,116	\$ 262,279	\$ 24,100	\$ 135,618,751
Deductions:					
Agency fund deductions	<u>-</u>	<u>6,444,324</u>	<u>262,849</u>	<u>17,832</u>	<u>135,616,608</u>
Excess (deficiency) of total additions over total deductions	3,135,722	31,792	(570)	6,268	2,143
Cash and investment fund balance - beginning	<u>-</u>	<u>317,125</u>	<u>19,722</u>	<u>22,308</u>	<u>23,409</u>
Cash and investment fund balance - ending	<u>\$ 3,135,722</u>	<u>\$ 348,917</u>	<u>\$ 19,152</u>	<u>\$ 28,576</u>	<u>\$ 25,552</u>

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

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>Sheriff's Civil Office</u>	<u>Other Departments</u>	<u>Totals</u>
Additions:					
Agency fund additions	<u>\$ 144,988,840</u>	<u>\$ 113,420,852</u>	<u>\$ 2,453,300</u>	<u>\$ 2,642,569</u>	<u>\$ 416,333,541</u>
Deductions:					
Agency fund deductions	<u>140,920,127</u>	<u>113,461,772</u>	<u>2,312,266</u>	<u>2,493,075</u>	<u>408,611,670</u>
Excess (deficiency) of total additions over total deductions	4,068,713	(40,920)	141,034	149,494	7,721,871
Cash and investment fund balance - beginning	<u>1,020,323</u>	<u>4,068,143</u>	<u>27,763</u>	<u>53,902</u>	<u>8,024,303</u>
Cash and investment fund balance - ending	<u>\$ 5,089,036</u>	<u>\$ 4,027,223</u>	<u>\$ 168,797</u>	<u>\$ 203,396</u>	<u>\$ 15,746,174</u>

HOWARD 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:		
Civic Center	\$ 757,360	\$ 127,121
Jail and Juvenile Detention Center	<u>5,925,000</u>	<u>1,648,000</u>
Total governmental activities debt	<u>\$ 6,682,360</u>	<u>\$ 1,775,121</u>

Note: Howard County has received loans from the Indiana Rainy Day fund totaling \$3,592,569, as of December 31, 2007. A repayment schedule has not yet been determined for this loan.

HOWARD 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 Sheriff
Clerk of the Circuit Court

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 HOWARD COUNTY, INDIANA

Compliance

We have audited the compliance of Howard 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2007-2.

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. We consider the deficiencies in internal control over compliance described in 2007-2 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

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. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

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.

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan section of the report. We did not audit the County's response and, accordingly, we express no opinion on it.

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

STATE BOARD OF ACCOUNTS

September 4, 2008

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	FY 2007	\$ 22,844
National School Lunch Program	10.555	FY 2007	<u>34,729</u>
Total for cluster			<u>57,573</u>
Total for federal grantor agency			<u>57,573</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs			
Community Development Block Grants/State's Program	14.228	HD-006-006	<u>188,250</u>
Total for program			<u>188,250</u>
Total for federal grantor agency			<u>188,250</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grant	16.523	05-JB009	<u>20,000</u>
Total for program			<u>20,000</u>
Violence Against Women Formula Grants	16.588	06-ST-025	<u>28,540</u>
Total for program			<u>28,540</u>
Total for federal grantor agency			<u>48,540</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute			
State and Community Highway Safety	20.600	PT-07-04-01-11 PT-08-04-04-10	9,063 <u>3,449</u>
Total for program			<u>12,512</u>
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	K8-07-03-01-07 K8-2008-02-0-12	17,579 <u>4,221</u>
Total for program			<u>21,800</u>
Total for federal grantor agency			<u>34,312</u>

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

HOWARD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2007
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/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 State Department of Health Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	BPRS 133-5 BPRS 133-5 2007 HCCR 14	4,912 38,005 <u>12,321</u>
Total for program			<u>55,238</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563	FY 2007	<u>596,314</u>
Total for program			<u>596,314</u>
Pass-Through Family and Social Services Administration Preventive Health and Health Services Block Grant	93.991	EMC-2003-GR-7040	<u>483</u>
Total for program			<u>483</u>
Total for federal grantor agency			<u>652,035</u>
Pass-Through Indiana Department of Homeland Security Homeland Security Cluster Homeland Security Grant Program	97.067	2005 BZPP 2006 EMPG	47,864 <u>69,759</u>
Total for program			<u>117,623</u>
State Homeland Security Program	97.073	2006 SHSP	<u>17,901</u>
Total for program			<u>17,901</u>
Total for cluster			<u>135,524</u>
Flood Mitigation Assistance	97.029		<u>7,231</u>
Total for program			<u>7,231</u>
Total for federal grantor agency			<u>142,755</u>
Total federal awards expended			<u>\$ 1,123,465</u>

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

HOWARD 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 Howard 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.

HOWARD 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?	yes

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	yes

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? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2007-1, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Howard County, in conjunction with the Indiana Department of Child Services, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2007. The following deficiency was identified:

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion to system implementation, computer application processing and user errors. The errors are currently being corrected on a case by case basis as they are identified.

HOWARD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper control. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts, Chapter 14)

We recommended that action be expedited to ensure that all subaccount balances are re-searched and corrected in a timely manner.

Section III – Federal Award Findings and Questioned Costs

FINDING 2007-2, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA No.: 93.563
Federal Award Number: N/A
Pass-Through Entity: Indiana Department of Child Services

Howard County, in conjunction with the Indiana Department of Child Services, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2007. The following deficiency was identified.

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion to system implementation, computer application processing errors and user errors. The errors are currently being corrected on a case by case basis as they are identified.

45 CRF section 303.6 states in part: "IV-D agency must maintain and use an effective system for: (a) Monitoring compliance with the support obligation; (b) identifying on the date the parent fails to make payments in an amount equal to the support payable . . ."

45 CFR section 303.6 states in part: "Enforcement of support obligations. For all cases referred to the IV-D agency or applying for services under Sec. 302.33 in which the obligation to support and the amount of the obligation have been established, the IV-D agency must maintain and use an effective system for: (a) monitoring compliance with the support obligation . . ."

45 CFR section 303.11 Case closure criteria: "(a) The IV-D agency shall establish a system for case closure. (b) In order to be eligible for closure, the case must meet at least one of the following criteria: (1) There is no longer a current support order and arrearages are under \$500 or unenforceable under State law; (2) The noncustodial parent or putative father is deceased and no further action, including a levy against the estate, can be taken; (3) Paternity cannot be established because (i) The child is at least 18 years old and action to establish paternity is barred by statute or limitations which meets the requirements of SS 302.70 a)(5) of this chapter. . . ."

As a result of inaccurate balances, enforcement actions may be initiated improperly or may not be initiated when required.

We recommended that action be expedited to ensure that all subaccount balances are re-searched and corrected in a timely manner.



JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

September 3, 2008

Summary Schedule Of Prior Audit Findings

Finding 2005-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
Contact Phone Number: (765) 456-2230

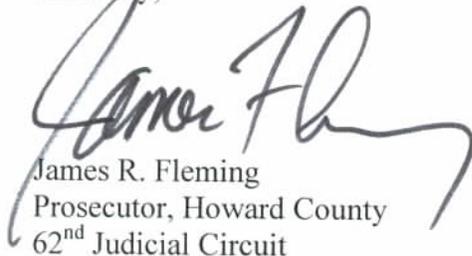
The purpose of this communication is to provide an update regarding the ongoing corrective action plan for Howard County's Title IV-D Child Support Program.

To the extent that the balance finding of the audit does not match up with the State Board of Accounts is due to the individual case balances and information that was input into the computer originally by an outside agency provided by the State was incorrect.

Howard County Title IV-D Child Support Program continues to strive to make every effort to comply with the federally mandated standards for data reliability. The IV-D Child Support office is required to maintain accurate and updated case activity and court order information with the ISETS database in order to meet the federal standard for 95% accuracy.

Our plan for corrective action is on an individual case by case basis. We will review each case, input information as far as court orders and participant data, correct account balances and make sure they are current.

Sincerely,



James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit



JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

September 3, 2008

Summary Schedule Of Prior Audit Findings

Finding 2006-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
Contact Phone Number: (765) 456-2230

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Sincerely,

James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit



JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

September 3, 2008

Corrective Action Plan

Finding 2006-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
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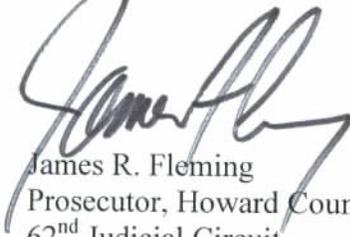
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Sincerely,



James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit

ENFORCEMENT DIVISION
Howard County Courthouse
Kokomo, IN 46901
765-456-2230 Office
765-456-2505 Fax

IV-D/CHILD SUPPORT
Howard County Courthouse
Kokomo, IN 46901
765-456-2231 Office
765-456-2235 Fax



JAMES R. FLEMING

PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

September 3, 2008

Corrective Action Plan

Finding 2007-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
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CFDA Number: 93.563
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Auditee Contact Person: James R. Fleming
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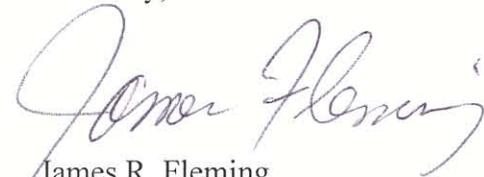
The purpose of this communication is to provide an update regarding the ongoing corrective action plan for Howard County's Title IV-D Child Support Program.

To the extent that the balance finding of the audit does not match up with the State Board of Accounts is due to the individual case balances and information that was input into the computer originally by an outside agency provided by the State was incorrect.

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Sincerely,



James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit

ENFORCEMENT DIVISION
Howard County Courthouse
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765-456-2230 Office
765-456-2505 Fax

IV-D/CHILD SUPPORT
Howard County Courthouse
Kokomo, IN 46901
765-456-2231 Office
765-456-2235 Fax

HOWARD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 3, 2008, with Ann Wells, Auditor; Paul J. Raver, President of the Board of County Commissioners; and Richard H. Miller, President of the County Council. Our audit disclosed no material items that warrant comment at this time.