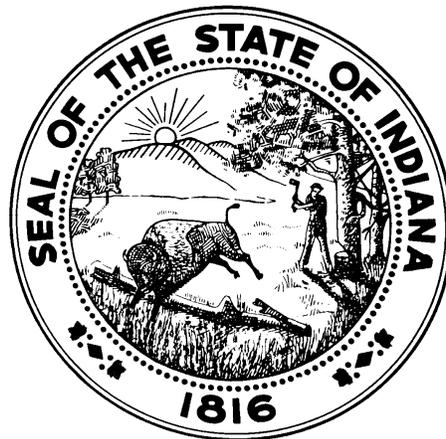


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

ANNUAL FINANCIAL REPORT

2007

ORANGE COUNTY, INDIANA



**FILED**

11/06/2008



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Diann Mathers	01-01-05 to 12-31-08
Treasurer	Barbara J. Hall	01-01-05 to 12-31-08
Clerk	Beth A. Jones	01-01-05 to 12-31-08
Sheriff	Richard W. Dixon	01-01-07 to 12-31-10
Recorder	Stacie L. Owens	01-01-05 to 12-31-08
President of the Board of County Commissioners	James L. Springer Donald R. Crockett	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the County Council	Greg A. Farlow Alan Waynick	01-01-07 to 12-31-07 01-01-08 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 ORANGE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orange County (County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2007, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated October 7, 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, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

October 7, 2008



**STATE OF INDIANA**  
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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 ORANGE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orange 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 October 7, 2008. The opinions to the financial statements were qualified due to the County not including a number of component units 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.

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

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management in a separate letter dated October 7, 2008.

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

STATE BOARD OF ACCOUNTS

October 7, 2008

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 3,816,094	\$ 1,297,167	\$ -	\$ -	\$ (2,518,927)
Public safety	2,106,353	686,479	-	-	(1,419,874)
Highways and streets	4,284,747	-	1,994,984	184,684	(2,105,079)
Sanitation	117,118	401	-	-	(116,717)
Health and welfare	791,548	18,189	57,991	-	(715,368)
Economic development	448,003	-	-	-	(448,003)
Culture and recreation	173,297	162,164	-	-	(11,133)
Urban redevelopment and housing	258,964	-	258,964	-	-
Principal and interest on indebtedness	336,791	-	-	-	(336,791)
 Total primary government	 <u>\$ 12,332,915</u>	 <u>\$ 2,164,400</u>	 <u>\$ 2,311,939</u>	 <u>\$ 184,684</u>	 <u>(7,671,892)</u>
 General receipts:					
Property taxes					2,043,873
Intergovernmental					955,363
Other local sources					3,109,452
Grants and contributions not restricted to specific programs					92,508
Investment earnings					431,158
 Total general receipts					 <u>6,632,354</u>
 Change in net assets					 (1,039,538)
 Net assets - beginning					 <u>5,854,550</u>
 Net assets - ending					 <u>\$ 4,815,012</u>
 <u>Assets</u>					
Cash and investments					\$ 1,824,689
Restricted assets:					
Cash and investments					<u>2,990,323</u>
 Total assets					 <u>\$ 4,815,012</u>
 <u>Net Assets</u>					
Restricted for:					
General government					\$ 859,834
Public safety					601,119
Highways and streets					232,709
Health and welfare					593,140
Culture and recreation					24,759
Capital outlay					678,762
Unrestricted					<u>1,824,689</u>
 Total net assets					 <u>\$ 4,815,012</u>

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

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

	General	Highway	Property Reassessment	County French Lick Casino Wagering and Admission	Cumulative Bridge	Other Governmental Funds	Totals
<b>Receipts:</b>							
Taxes	\$ 2,536,175	\$ -	\$ 85,092	\$ -	\$ 393,316	\$ 322,721	\$ 3,337,304
Licenses and permits	-	-	-	-	-	18,189	18,189
Intergovernmental	297,009	1,994,984	18,731	-	86,576	1,230,372	3,627,672
Charges for services	708,507	39,577	-	-	47,529	792,085	1,587,698
Fines and forfeits	115,786	-	-	-	-	362,874	478,660
Interfund loans	-	255,000	-	-	456,583	201,583	913,166
Other	561,787	27,717	30,444	1,555,608	14,458	53,840	2,243,854
<b>Total receipts</b>	<b>4,219,264</b>	<b>2,317,278</b>	<b>134,267</b>	<b>1,555,608</b>	<b>998,462</b>	<b>2,981,664</b>	<b>12,206,543</b>
<b>Disbursements:</b>							
General government	2,967,738	-	115,770	-	-	168,589	3,252,097
Public safety	1,156,858	-	-	-	-	909,517	2,066,375
Highways and streets	-	1,836,466	-	-	996,749	166,786	3,000,001
Sanitation	117,118	-	-	-	-	-	117,118
Health and welfare	-	-	-	-	-	791,548	791,548
Economic development	-	-	-	-	-	448,003	448,003
Culture and recreation	136,976	-	-	-	-	25,974	162,950
Urban redevelopment and housing	-	-	-	-	-	258,964	258,964
Interfund loans	-	255,000	-	-	456,583	201,583	913,166
Debt service:							
Principal	-	142,560	-	-	-	125,437	267,997
Interest	-	28,745	-	-	-	40,049	68,794
Capital outlay:							
General government	484,871	-	4,995	48,300	-	25,831	563,997
Public safety	39,978	-	-	-	-	-	39,978
Highways and streets	-	670,119	-	524,910	89,717	-	1,284,746
Culture and recreation	528	-	-	9,819	-	-	10,347
<b>Total disbursements</b>	<b>4,904,067</b>	<b>2,932,890</b>	<b>120,765</b>	<b>583,029</b>	<b>1,543,049</b>	<b>3,162,281</b>	<b>13,246,081</b>
Excess (deficiency) of receipts over disbursements	(684,803)	(615,612)	13,502	972,579	(544,587)	(180,617)	(1,039,538)
<b>Other financing sources (uses):</b>							
Transfers in	135,175	-	-	-	-	15,636	150,811
Transfers out	-	-	-	-	-	(150,811)	(150,811)
<b>Total other financing sources (uses)</b>	<b>135,175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(135,175)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(549,628)	(615,612)	13,502	972,579	(544,587)	(315,792)	(1,039,538)
Cash and investment fund balance - beginning	1,337,415	768,069	763,180	-	1,067,496	1,918,390	5,854,550
Cash and investment fund balance - ending	\$ 787,787	\$ 152,457	\$ 776,682	\$ 972,579	\$ 522,909	\$ 1,602,598	\$ 4,815,012
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 787,787	\$ -	\$ -	\$ 972,579	\$ -	\$ 64,323	\$ 1,824,689
Restricted assets:							
Cash and investments	-	152,457	776,682	-	522,909	1,538,275	2,990,323
<b>Total cash and investment assets - ending</b>	<b>\$ 787,787</b>	<b>\$ 152,457</b>	<b>\$ 776,682</b>	<b>\$ 972,579</b>	<b>\$ 522,909</b>	<b>\$ 1,602,598</b>	<b>\$ 4,815,012</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ -	\$ 776,682	\$ -	\$ -	\$ 83,152	\$ 859,834
Public safety	-	-	-	-	-	601,119	601,119
Highways and streets	-	152,457	-	-	-	80,252	232,709
Health and welfare	-	-	-	-	-	593,140	593,140
Culture and recreation	-	-	-	-	-	24,759	24,759
Capital outlay	-	-	-	-	522,909	155,853	678,762
Unrestricted	787,787	-	-	972,579	-	64,323	1,824,689
<b>Total cash and investment fund balance - ending</b>	<b>\$ 787,787</b>	<b>\$ 152,457</b>	<b>\$ 776,682</b>	<b>\$ 972,579</b>	<b>\$ 522,909</b>	<b>\$ 1,602,598</b>	<b>\$ 4,815,012</b>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 18,778	\$ -	\$ -
Plan members	702	-	-
	19,480	-	-
Total contributions	19,480	-	-
Investment earnings:			
Interest	12,637	242	-
Dividends	21,593	-	-
	34,230	242	-
Total investment earnings	34,230	242	-
Agency fund additions	-	-	43,919,352
Total additions	53,710	242	43,919,352
Deductions:			
Benefits	23,325	-	-
Administrative and general	12,901	479	-
Agency fund deductions	-	-	42,919,148
	36,226	479	42,919,148
Total deductions	36,226	479	42,919,148
Excess (deficiency) of total additions over total deductions	17,484	(237)	1,000,204
Cash and investment fund balance - beginning	746,463	23,868	1,645,581
Cash and investment fund balance - ending	\$ 763,947	\$ 23,631	\$ 2,645,785

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

ORANGE 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:	Orange County
Discretely Presented Component Units:	Orange County Solid Waste Management District Orange County Fire Protection District

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

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

Joint Venture

The County is a participant with Crawford, Dubois, Perry, Pike, and Spencer Counties in a joint venture to operate Region 15 Planning Commission which was created to help units improve economic conditions. The County is obligated by contract to support the Planning Commission. County funds are raised by a local tax levy. The Planning Commission's continued existence depends on continued funding by the Counties. Complete financial statements for the Planning Commission can be obtained from the Region 15 Planning Commission Office at 610 Main Street, Jasper, IN 47546-0786.

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 Orange County Economic Development Partnership. The County provides 10% of EDIT funds to the partnership.

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 has no business-type activities.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Fund Financial Statements

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

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

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

The cumulative bridge fund is used for the cost of construction, maintenance, and repair of bridges, approaches, and grade separations as authorized by Indiana Code 8-16-3-1.

The county french lick casino wagering and admission fund is the county's share of casino revenue. The revenue is miscellaneous revenue and may be used for any legal and corporate purpose of the County.

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the Sheriff's Pension Trust which accumulates resources for pension benefit payments.

The private-purpose trust funds report trust arrangements under which principal and income benefit the school corporations in the County, and Wolfe Cemetery.

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

C. Measurement Focus and Basis of Accounting

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

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed on or prior to December 31 of the year collected.

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Program Receipts

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

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.

ORANGE 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
Clerk's Records Perpetuation	\$ 238
Criminal Justice - Federal	802
Road Grant	36,805
ADA Courthouse Grant	12,986

Cash and investment deficits arose primarily from disbursements exceeding receipts due to 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

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2007, the County had deposit balances in the amount of \$8,306,002.

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 County and the Sheriff's Retirement and Benefit Plan had the following investments:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 25,791
U.S. agencies	128,667
Mutual funds	189,954
Corporate bonds	20,226
Corporate stock	427,167
Total	\$ 791,805

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.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

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 County and 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:

Investment Type	2007 Not in the Government's Name
U.S. treasuries and securities	\$ 25,791
U.S. agencies	128,667
Mutual funds	189,954
Corporate bonds	20,226
Corporate stock	427,167
Total	\$ 791,805

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.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ -	\$ -	\$ 25,791
U.S. agencies	14,944	-	113,723
Corporate bonds	10,040	10,186	-
Mutual bond funds*	-	-	39,801
Totals	<u>\$ 24,984</u>	<u>\$ 10,186</u>	<u>\$ 179,315</u>

\*The mutual bond funds had a weighted average maturity of 2.9 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The County 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		
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise
AAA	Aaa	\$ -	\$ -	\$ 128,667
A	A	-	20,226	-
Unrated	Unrated	39,801	-	-
Totals		<u>\$ 39,801</u>	<u>\$ 20,226</u>	<u>\$ 128,667</u>

Concentration of Credit Risk

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

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

The County and 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
Goldman Sachs	<u>\$ 119,493</u>

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
Other governmental funds	General Fund	\$ 135,175
Other governmental funds	Other governmental funds	<u>15,636</u>
Total		<u>\$ 150,811</u>

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

C. Restatements and Reclassifications

For the year ended December 31, 2007, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The names of some funds have been changed. The following schedule presents a summary of restated beginning balances by opinion unit and changes to fund names from 2006 to 2007.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Opinion Unit	Prior Fund Name	Current Fund Name	Balance as Reported December 31, 2006	Fund Reclassification	Balance as Restated January 1, 2007
Governmental Activities			\$ 5,703,661	\$ 150,889	\$ 5,854,550
Agency Funds			1,796,470	(150,889)	1,645,581
Other Governmental			1,767,501	150,889	1,918,390
Fiduciary Funds	Ley Excess		150,811	(150,811)	-
Governmental Funds		Excess Levy Fund Welfare	-	1,574	1,574
Governmental Funds		County Excess Levy	-	149,237	149,237
Fiduciary Funds	Coroner's Training		78	(78)	-
Governmental Funds		Coroner's Education	-	78	78
Agency	Welfare Administration		-	-	-
Governmental Funds		Welfare Administration	-	-	-
Funds Renamed:					
Governmental Funds	County Corrections	Misdemeanant			
Governmental Funds	ID Security Protection Fund	Identification Security Protection			
Governmental Funds	Donations Probation	Gift Fund Probation			
Agency	City and Town	City and Town Court Costs			
Agency	County Clerk	Clerk's Trust			
Agency	Tax Sale Surplus	Surplus Tax Sale			
Agency	State Fines and Fees	State Fines and Forfeitures			
Agency	Sales Disclosure	State Sales Disclosure Fee			
Agency	State Mortgage Fees	Mortgage Fees State Share			
Agency	Riverboat Revenue Sharing Tax	Riverboat Tax Distributions			

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Torts, Theft of, Damage to and Destruction of Assets, and Errors and Omissions

During 1985, the County joined together with other governmental entities to form the Governmental Interinsurance Exchange (GIE), a public entity risk pool currently operating as a common risk management and insurance program for more than 400 member governmental entities. This risk pool was formed in 1978. The purpose of the risk pool is to provide a medium for the funding and administration of group insurance plans for the benefit of the member's employees. 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.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Job Related Illnesses or Injuries to Employees

During 1993, the County joined a public entity risk pool, the Indiana Public Employer's Plan, Inc., currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989 for the purpose of providing a medium for the funding and administration of worker's compensation claims. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Related Party Transactions

During the period in which financial statements are presented, the County had material transactions with Kermit Lamb, member of the County Council and branch manager of Mid-Southern Savings and Loan Inc., in relation to financing arrangements for highway equipment, an ambulance, and a community building owned by the County in the amount of \$214,465. As of December 31, 2007, the amount of outstanding loans due to Mid-Southern Savings and Loan Inc., was \$993,275.

During the period in which financial statements are presented, the County had material transactions with Thomas Lamb, member of the Board of County Commissioners and Vice President of Old National Bank of Paoli, in relation to financing arrangements for highway equipment owned by the County in the amount of \$51,034. As of December 31, 2007, the amount of outstanding loans due to Old National Bank was \$162,682.

C. Subsequent Events

On February 21, 2008, the Cumulative Bridge Fund made a temporary loan of \$100,000 to the Highway Fund.

On May 13, 2008, the County awarded a courthouse renovation bid to Lindsey's Construction. The base bid was for \$1,972,000.

On August 13, 2008, the County entered into a loan with the Springs Valley Bank and Trust for highway equipment. The \$600,000 loan was for five years and had a 3.75% interest rate.

D. 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.

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

E. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

2. County Police Retirement Plan

Plan Description

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

ORANGE 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	\$ 167,159	\$ 26,291	\$ 5,115
Interest on net pension obligation	(8,260)	(536)	-
Adjustment to annual required contribution	<u>9,413</u>	<u>2,058</u>	<u>-</u>
Annual pension cost	168,312	27,813	5,115
Contributions made	<u>144,182</u>	<u>27,576</u>	<u>5,115</u>
Increase in net pension obligation	24,130	237	-
Net pension obligation, beginning of year	<u>(113,931)</u>	<u>(7,656)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (89,801)</u>	<u>\$ (7,419)</u>	<u>\$ -</u>

ORANGE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6%	9%	2%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-07	01-01-08	01-01-08
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-05	\$ 111,900	117%	\$ (120,683)
	06-30-06	142,896	95%	(113,931)
	06-30-07	168,312	86%	(89,801)
County Police Retirement Plan	12-31-05	55,977	157%	(2,305)
	12-31-06	70,820	109%	(7,656)
	12-31-07	27,813	105%	(7,419)
County Police Benefit Plan	12-31-05	2,296	100%	-
	12-31-06	2,674	100%	-
	12-31-07	5,115	100%	-

ORANGE COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 1,833,974	\$ 2,149,697	\$ (315,723)	85%	\$ 2,393,919	(13%)
07-01-06	1,855,068	2,213,971	(358,903)	84%	2,311,451	(16%)
07-01-07	2,004,392	2,439,056	(434,664)	82%	2,530,094	(17%)

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 427,978	\$ 459,240	\$ (31,262)	93%	\$ 218,250	(14%)
01-01-04	488,024	650,895	(162,871)	75%	222,600	(73%)
01-01-05	499,121	693,356	(194,235)	72%	232,625	(83%)
01-01-06	618,213	742,383	(124,170)	83%	253,500	(49%)
01-01-07	726,884	840,555	(113,671)	86%	232,000	(49%)
01-01-08	798,697	803,345	(4,648)	99%	306,400	(2%)

ORANGE 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	Law Enforcement Continuing Education	Clerk's Records Perpetuation	Emergency Telephone System
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 24,582	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	16,977	-	-	-
Intergovernmental	184,684	-	-	21,977	-	-	-
Charges for services	-	1,653	6,965	57,602	-	-	318,095
Fines and forfeits	-	-	-	-	2,966	41,630	-
Interfund loans	-	-	-	-	-	-	-
Other	8,668	-	2,620	32	-	-	3,229
<b>Total receipts</b>	<b>193,352</b>	<b>1,653</b>	<b>9,585</b>	<b>121,170</b>	<b>2,966</b>	<b>41,630</b>	<b>321,324</b>
Disbursements:							
General government	-	-	-	-	-	41,868	-
Public safety	-	2,532	9,388	-	1,758	-	296,168
Highways and streets	129,981	-	-	-	-	-	-
Health and welfare	-	-	-	153,657	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>129,981</b>	<b>2,532</b>	<b>9,388</b>	<b>153,657</b>	<b>1,758</b>	<b>41,868</b>	<b>296,168</b>
Excess (deficiency) of receipts over disbursements	63,371	(879)	197	(32,487)	1,208	(238)	25,156
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	63,371	(879)	197	(32,487)	1,208	(238)	25,156
Cash and investment fund balance - beginning	16,881	1,621	4,414	40,352	2,691	-	218,375
Cash and investment fund balance - ending	\$ 80,252	\$ 742	\$ 4,611	\$ 7,865	\$ 3,899	\$ (238)	\$ 243,531
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (238)	\$ -
Restricted assets:							
Cash and investments	80,252	742	4,611	7,865	3,899	-	243,531
<b>Total cash and investment assets - ending</b>	<b>\$ 80,252</b>	<b>\$ 742</b>	<b>\$ 4,611</b>	<b>\$ 7,865</b>	<b>\$ 3,899</b>	<b>\$ (238)</b>	<b>\$ 243,531</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	742	4,611	-	3,899	-	243,531
Highways and streets	80,252	-	-	-	-	-	-
Health and welfare	-	-	-	7,865	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	(238)	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 80,252</b>	<b>\$ 742</b>	<b>\$ 4,611</b>	<b>\$ 7,865</b>	<b>\$ 3,899</b>	<b>\$ (238)</b>	<b>\$ 243,531</b>

ORANGE 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	Emergency Planning/ Right to Know	Parks and Recreation	Juvenile Probation Service	Adult Probation Service	Criminal Justice - Federal	Recorder's Records Perpetuation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	3,325	1,176	2,802	-	-	15,334
Fines and forfeits	24,403	-	-	-	147,250	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	1,005	-	-	-	-
<b>Total receipts</b>	<b>24,403</b>	<b>3,325</b>	<b>2,181</b>	<b>2,802</b>	<b>147,250</b>	<b>-</b>	<b>15,334</b>
Disbursements:							
General government	-	-	-	-	-	-	2,031
Public safety	22,449	-	-	4,876	122,627	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	6,514	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>22,449</b>	<b>-</b>	<b>6,514</b>	<b>4,876</b>	<b>122,627</b>	<b>-</b>	<b>2,031</b>
Excess (deficiency) of receipts over disbursements	1,954	3,325	(4,333)	(2,074)	24,623	-	13,303
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,954	3,325	(4,333)	(2,074)	24,623	-	13,303
Cash and investment fund balance - beginning	-	7,214	29,092	9,021	121,965	(802)	14,217
<b>Cash and investment fund balance - ending</b>	<b>\$ 1,954</b>	<b>\$ 10,539</b>	<b>\$ 24,759</b>	<b>\$ 6,947</b>	<b>\$ 146,588</b>	<b>\$ (802)</b>	<b>\$ 27,520</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (802)	\$ -
Restricted assets:							
Cash and investments	1,954	10,539	24,759	6,947	146,588	-	27,520
<b>Total cash and investment assets - ending</b>	<b>\$ 1,954</b>	<b>\$ 10,539</b>	<b>\$ 24,759</b>	<b>\$ 6,947</b>	<b>\$ 146,588</b>	<b>\$ (802)</b>	<b>\$ 27,520</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,520
Public safety	1,954	10,539	-	6,947	146,588	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	24,759	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	(802)	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 1,954</b>	<b>\$ 10,539</b>	<b>\$ 24,759</b>	<b>\$ 6,947</b>	<b>\$ 146,588</b>	<b>\$ (802)</b>	<b>\$ 27,520</b>

ORANGE 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)

	Welfare Administration	Family and Children	Health Maintenance	Guardian Ad Litem /Court	Plat Book	Misdemeanant	Surveyor's Corner Perpetuation
Receipts:							
Taxes	\$ -	\$ 132,366	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	34,048	29,136	41,425	-	-	13,387	-
Charges for services	-	217,508	-	-	2,720	-	6,435
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	505	-	-	731	-	-
<b>Total receipts</b>	<b>34,048</b>	<b>379,515</b>	<b>41,425</b>	<b>-</b>	<b>3,451</b>	<b>13,387</b>	<b>6,435</b>
Disbursements:							
General government	-	-	-	150	-	-	12,950
Public safety	-	-	-	-	-	15,172	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	34,048	491,066	27,750	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>34,048</b>	<b>491,066</b>	<b>27,750</b>	<b>150</b>	<b>-</b>	<b>15,172</b>	<b>12,950</b>
Excess (deficiency) of receipts over disbursements	-	(111,551)	13,675	(150)	3,451	(1,785)	(6,515)
Other financing sources (uses):							
Transfers in	-	15,636	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>15,636</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(95,915)	13,675	(150)	3,451	(1,785)	(6,515)
Cash and investment fund balance - beginning	-	484,194	42,096	230	23,446	32,526	25,260
Cash and investment fund balance - ending	\$ -	\$ 388,279	\$ 55,771	\$ 80	\$ 26,897	\$ 30,741	\$ 18,745
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	388,279	55,771	80	26,897	30,741	18,745
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 388,279</b>	<b>\$ 55,771</b>	<b>\$ 80</b>	<b>\$ 26,897</b>	<b>\$ 30,741</b>	<b>\$ 18,745</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 26,897	\$ -	\$ 18,745
Public safety	-	-	-	80	-	30,741	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	388,279	55,771	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 388,279</b>	<b>\$ 55,771</b>	<b>\$ 80</b>	<b>\$ 26,897</b>	<b>\$ 30,741</b>	<b>\$ 18,745</b>

ORANGE 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)

	Rainy Day	Sheriff's Commissary	Coroner's Education	Identification Security Protection	Operation Pullover	Children's Psychiatric Residential Treatment Service	Homeland Security
<b>Receipts:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,431	\$ -
Licenses and permits	-	-	1,212	-	-	-	-
Intergovernmental	-	-	-	-	5,795	4,716	74,121
Charges for services	-	121,411	-	9,596	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>121,411</b>	<b>1,212</b>	<b>9,596</b>	<b>5,795</b>	<b>26,147</b>	<b>74,121</b>
<b>Disbursements:</b>							
General government	-	-	-	-	-	-	-
Public safety	-	130,748	1,235	1,429	5,774	-	74,121
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	11,979	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>130,748</b>	<b>1,235</b>	<b>1,429</b>	<b>5,774</b>	<b>11,979</b>	<b>74,121</b>
Excess (deficiency) of receipts over disbursements	-	(9,337)	(23)	8,167	21	14,168	-
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(9,337)	(23)	8,167	21	14,168	-
Cash and investment fund balance - beginning	25,284	48,499	78	9,874	1,412	46,969	-
Cash and investment fund balance - ending	\$ 25,284	\$ 39,162	\$ 55	\$ 18,041	\$ 1,433	\$ 61,137	\$ -
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 25,284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	39,162	55	18,041	1,433	61,137	-
<b>Total cash and investment assets - ending</b>	<b>\$ 25,284</b>	<b>\$ 39,162</b>	<b>\$ 55</b>	<b>\$ 18,041</b>	<b>\$ 1,433</b>	<b>\$ 61,137</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	39,162	55	18,041	1,433	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	61,137	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	25,284	-	-	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 25,284</b>	<b>\$ 39,162</b>	<b>\$ 55</b>	<b>\$ 18,041</b>	<b>\$ 1,433</b>	<b>\$ 61,137</b>	<b>\$ -</b>

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

	County Drug Fund Probation	Lease Rental	Special Vehicle Inspection	Truck Hauling Permits	Gift Fund Probation	Impact	Emergency Management Assistance Donation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	4,660	-	505	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	300	-	-	-
<b>Total receipts</b>	<b>4,660</b>	<b>-</b>	<b>505</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>
Disbursements:							
General government	1,233	37,526	556	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,233</b>	<b>37,526</b>	<b>556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	3,427	(37,526)	(51)	300	-	-	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,427	(37,526)	(51)	300	-	-	-
Cash and investment fund balance - beginning	16,007	43,049	342	1,907	1,573	2	154
Cash and investment fund balance - ending	<u>\$ 19,434</u>	<u>\$ 5,523</u>	<u>\$ 291</u>	<u>\$ 2,207</u>	<u>\$ 1,573</u>	<u>\$ 2</u>	<u>\$ 154</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	19,434	5,523	291	2,207	1,573	2	154
<b>Total cash and investment assets - ending</b>	<u>\$ 19,434</u>	<u>\$ 5,523</u>	<u>\$ 291</u>	<u>\$ 2,207</u>	<u>\$ 1,573</u>	<u>\$ 2</u>	<u>\$ 154</u>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ -	\$ 5,523	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	19,434	-	291	2,207	1,573	-	154
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	2	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<u>\$ 19,434</u>	<u>\$ 5,523</u>	<u>\$ 291</u>	<u>\$ 2,207</u>	<u>\$ 1,573</u>	<u>\$ 2</u>	<u>\$ 154</u>

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

	Indiana Region 15	Drug Treatment Program	Pre-Trial Diversion	Law Enforcement Education	Jury Duty	Prosecutor's Drug Investigation	Testing Fund Probation
Receipts:							
Taxes	\$ 6,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	1,388	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	77,566	62,431	192	3,036	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	1,599	-	-	-	2,500
<b>Total receipts</b>	<b>7,691</b>	<b>77,566</b>	<b>64,030</b>	<b>192</b>	<b>3,036</b>	<b>-</b>	<b>2,500</b>
Disbursements:							
General government	7,635	-	-	-	-	-	-
Public safety	-	-	89,884	519	11,551	38,956	835
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	73,048	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>7,635</b>	<b>73,048</b>	<b>89,884</b>	<b>519</b>	<b>11,551</b>	<b>38,956</b>	<b>835</b>
Excess (deficiency) of receipts over disbursements	56	4,518	(25,854)	(327)	(8,515)	(38,956)	1,665
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	56	4,518	(25,854)	(327)	(8,515)	(38,956)	1,665
Cash and investment fund balance - beginning	4,211	75,567	52,408	29,488	8,969	38,979	90
Cash and investment fund balance - ending	\$ 4,267	\$ 80,085	\$ 26,554	\$ 29,161	\$ 454	\$ 23	\$ 1,755
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	4,267	80,085	26,554	29,161	454	23	1,755
<b>Total cash and investment assets - ending</b>	<b>\$ 4,267</b>	<b>\$ 80,085</b>	<b>\$ 26,554</b>	<b>\$ 29,161</b>	<b>\$ 454</b>	<b>\$ 23</b>	<b>\$ 1,755</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ 4,267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	26,554	29,161	454	23	1,755
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	80,085	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 4,267</b>	<b>\$ 80,085</b>	<b>\$ 26,554</b>	<b>\$ 29,161</b>	<b>\$ 454</b>	<b>\$ 23</b>	<b>\$ 1,755</b>

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

	Indiana Railway Grant	Interstate Compact Fee	Road Grant	County Supplemental Public Defenders Services	Alternative Dispute Resolution	Administrative Fee Fund	Sheriff Donations
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	2,098	-	-	-
Fines and forfeits	-	-	-	-	3,400	-	-
Interfund loans	-	-	-	-	-	-	-
Other	30,455	150	-	-	-	-	750
<b>Total receipts</b>	<b>30,455</b>	<b>150</b>	<b>-</b>	<b>2,098</b>	<b>3,400</b>	<b>-</b>	<b>750</b>
Disbursements:							
General government	30,455	150	-	-	-	-	-
Public safety	-	-	-	-	2,112	-	-
Highways and streets	-	-	36,805	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>30,455</b>	<b>150</b>	<b>36,805</b>	<b>-</b>	<b>2,112</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	-	-	(36,805)	2,098	1,288	-	750
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(36,805)	2,098	1,288	-	750
Cash and investment fund balance - beginning	100	-	-	438	2,568	100	4,048
Cash and investment fund balance - ending	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ (36,805)</u>	<u>\$ 2,536</u>	<u>\$ 3,856</u>	<u>\$ 100</u>	<u>\$ 4,798</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ -	\$ -	\$ (36,805)	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	100	-	-	2,536	3,856	100	4,798
<b>Total cash and investment assets - ending</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ (36,805)</b>	<b>\$ 2,536</b>	<b>\$ 3,856</b>	<b>\$ 100</b>	<b>\$ 4,798</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
General government	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -
Public safety	-	-	-	2,536	3,856	-	4,798
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	(36,805)	-	-	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ (36,805)</b>	<b>\$ 2,536</b>	<b>\$ 3,856</b>	<b>\$ 100</b>	<b>\$ 4,798</b>

ORANGE 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)

	Hoosier Hills Pact	GED Grant Fund	Excess Levy Fund Welfare	County Excess Levy	Riverboat Tax Revenue	Indiana Housing Authority
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	77,383	-	-	-	-	5,000
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>77,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
Disbursements:						
General government	-	-	-	-	-	5,000
Public safety	77,383	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
<b>Total disbursements</b>	<b>77,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(1,574)	(149,237)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,574)</b>	<b>(149,237)</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(1,574)	(149,237)	-	-
Cash and investment fund balance - beginning	-	1	1,574	149,237	89,870	-
Cash and investment fund balance - ending	\$ -	\$ 1	\$ -	\$ -	\$ 89,870	\$ -
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 89,870	\$ -
Restricted assets:						
Cash and investments	-	1	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,870</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	1	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	89,870	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,870</b>	<b>\$ -</b>

ORANGE 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)

	ADA Courthouse Grant Fund	Cumulative Capital Development	Economic Development Income	Community Building	Community Development Block	Totals
<b>Receipts:</b>						
Taxes	\$ -	\$ 138,039	\$ -	\$ -	\$ -	\$ 322,721
Licenses and permits	-	-	-	-	-	18,189
Intergovernmental	-	30,384	447,964	-	258,964	1,230,372
Charges for services	-	-	-	20,200	-	792,085
Fines and forfeits	-	-	-	-	-	362,874
Interfund loans	-	-	201,583	-	-	201,583
Other	-	-	1,296	-	-	53,840
<b>Total receipts</b>	<b>-</b>	<b>168,423</b>	<b>650,843</b>	<b>20,200</b>	<b>258,964</b>	<b>2,981,664</b>
<b>Disbursements:</b>						
General government	12,986	16,049	-	-	-	168,589
Public safety	-	-	-	-	-	909,517
Highways and streets	-	-	-	-	-	166,786
Health and welfare	-	-	-	-	-	791,548
Economic development	-	-	448,003	-	-	448,003
Culture and recreation	-	-	-	19,460	-	25,974
Urban redevelopment and housing	-	-	-	-	258,964	258,964
Interfund loans	-	-	201,583	-	-	201,583
Debt service:						
Principal	-	112,568	-	12,869	-	125,437
Interest	-	26,863	-	13,186	-	40,049
Capital outlay:						
General government	-	25,831	-	-	-	25,831
<b>Total disbursements</b>	<b>12,986</b>	<b>181,311</b>	<b>649,586</b>	<b>45,515</b>	<b>258,964</b>	<b>3,162,281</b>
Excess (deficiency) of receipts over disbursements	(12,986)	(12,888)	1,257	(25,315)	-	(180,617)
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	15,636
Transfers out	-	-	-	-	-	(150,811)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(135,175)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(12,986)	(12,888)	1,257	(25,315)	-	(315,792)
Cash and investment fund balance - beginning	-	146,293	5,831	40,675	-	1,918,390
Cash and investment fund balance - ending	\$ (12,986)	\$ 133,405	\$ 7,088	\$ 15,360	\$ -	\$ 1,602,598
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (12,986)	\$ -	\$ -	\$ -	\$ -	\$ 64,323
Restricted assets:						
Cash and investments	-	133,405	7,088	15,360	-	1,538,275
<b>Total cash and investment assets - ending</b>	<b>\$ (12,986)</b>	<b>\$ 133,405</b>	<b>\$ 7,088</b>	<b>\$ 15,360</b>	<b>\$ -</b>	<b>\$ 1,602,598</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,152
Public safety	-	-	-	-	-	601,119
Highways and streets	-	-	-	-	-	80,252
Health and welfare	-	-	-	-	-	593,140
Culture and recreation	-	-	-	-	-	24,759
Capital outlay	-	133,405	7,088	15,360	-	155,853
Unrestricted	(12,986)	-	-	-	-	64,323
<b>Total cash and investment fund balance - ending</b>	<b>\$ (12,986)</b>	<b>\$ 133,405</b>	<b>\$ 7,088</b>	<b>\$ 15,360</b>	<b>\$ -</b>	<b>\$ 1,602,598</b>

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

	<u>County Police Benefit Pension</u>	<u>County Police Retirement Pension</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ -	\$ 18,778	\$ 18,778
Plan members	-	702	702
	<u>-</u>	<u>19,480</u>	<u>19,480</u>
Total contributions	-	19,480	19,480
Investment earnings:			
Interest	419	12,218	12,637
Dividends	-	21,593	21,593
	<u>419</u>	<u>33,811</u>	<u>34,230</u>
Total investment earnings	419	33,811	34,230
Total additions	<u>419</u>	<u>53,291</u>	<u>53,710</u>
Deductions:			
Benefits	-	23,325	23,325
Administrative and general	1,978	10,923	12,901
	<u>1,978</u>	<u>34,248</u>	<u>36,226</u>
Total deductions	1,978	34,248	36,226
Excess (deficiency) of total additions over total deductions	(1,559)	19,043	17,484
Cash and investment fund balance - beginning	<u>9,837</u>	<u>736,626</u>	<u>746,463</u>
Cash and investment fund balance - ending	<u>\$ 8,278</u>	<u>\$ 755,669</u>	<u>\$ 763,947</u>

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

	<u>Congressional School Principal</u>	<u>Wolfe Cemetery</u>	<u>Totals</u>
Additions:			
Investment earnings:			
Interest	\$ -	\$ 242	\$ 242
Deductions:			
Administrative and general	-	479	479
Deficiency of total additions over total deductions	-	(237)	(237)
Cash and investment fund balance - beginning	<u>13,631</u>	<u>10,237</u>	<u>23,868</u>
Cash and investment fund balance - ending	<u>\$ 13,631</u>	<u>\$ 10,000</u>	<u>\$ 23,631</u>

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

	City and Town Court Costs	Congressional School Interest	Clerk's Trust	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax
Additions:						
Agency fund additions	\$ 6,865	\$ 2,202	\$ 3,153,123	\$ 276,034	\$ 41,573	\$ 23,533
Deductions:						
Agency fund deductions	-	818	2,968,531	211,734	43,945	39,090
Excess (deficiency) of total additions over total deductions	6,865	1,384	184,592	64,300	(2,372)	(15,557)
Cash and investment fund balance - beginning	<u>28,323</u>	<u>26,007</u>	<u>441,215</u>	<u>163,748</u>	<u>2,372</u>	<u>41,284</u>
Cash and investment fund balance - ending	<u>\$ 35,188</u>	<u>\$ 27,391</u>	<u>\$ 625,807</u>	<u>\$ 228,048</u>	<u>\$ -</u>	<u>\$ 25,727</u>

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

	State Fines and Forfeitures	State Sales Disclosure Fee	Sewage Collections	Recorder	Sheriff	Inheritance Tax
Additions:						
Agency fund additions	\$ 5,217	\$ 6,340	\$ 4,682	\$ 96,198	\$ 18,214	\$ 233,499
Deductions:						
Agency fund deductions	<u>3,679</u>	<u>3,260</u>	<u>7,193</u>	<u>97,596</u>	<u>18,614</u>	<u>249,450</u>
Excess (deficiency) of total additions over total deductions	1,538	3,080	(2,511)	(1,398)	(400)	(15,951)
Cash and investment fund balance - beginning	<u>424</u>	<u>11,962</u>	<u>4,587</u>	<u>7,928</u>	<u>1,300</u>	<u>114,075</u>
Cash and investment fund balance - ending	<u>\$ 1,962</u>	<u>\$ 15,042</u>	<u>\$ 2,076</u>	<u>\$ 6,530</u>	<u>\$ 900</u>	<u>\$ 98,124</u>

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

	Probation Department	Sheriff's Inmate Trust	Payroll	Special Death Benefit	Convention and Tourism Agency	Mortgage Fees State Share
Additions:						
Agency fund additions	\$ 78,937	\$ 170,287	\$ 2,401,318	\$ 2,455	\$ 783,427	\$ 2,883
Deductions:						
Agency fund deductions	79,067	168,097	2,394,789	2,515	542,500	2,895
Excess (deficiency) of total additions over total deductions	(130)	2,190	6,529	(60)	240,927	(12)
Cash and investment fund balance - beginning	415	16,929	59,666	1,878	55,141	3,387
Cash and investment fund balance - ending	<u>\$ 285</u>	<u>\$ 19,119</u>	<u>\$ 66,195</u>	<u>\$ 1,818</u>	<u>\$ 296,068</u>	<u>\$ 3,375</u>

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

	Riverboat Tax Distribution	Children With Special Health Needs	Health Care for the Indigent	Medical Assistance to Wards	Welfare Trust	Homestead Credit Rebate
Additions:						
Agency fund additions	\$ 1,896,257	\$ 46,911	\$ 108,436	\$ 4,615	\$ 1,805	\$ 375,030
Deductions:						
Agency fund deductions	<u>1,700,660</u>	<u>23,990</u>	<u>55,452</u>	<u>2,360</u>	<u>1,805</u>	<u>5,228</u>
Excess (deficiency) of total additions over total deductions	195,597	22,921	52,984	2,255	-	369,802
Cash and investment fund balance - beginning	<u>128,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,898</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 323,920</u>	<u>\$ 22,921</u>	<u>\$ 52,984</u>	<u>\$ 2,255</u>	<u>\$ 3,898</u>	<u>\$ 369,802</u>

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

	Tax Distribution	After Settlement Collections	Education License Plate Fee	Prosecutor Drug Investigation	Riverboat Admissions Tax	Totals
Additions:						
Agency fund additions	\$ 17,157,042	\$ 15,674,791	\$ 1,913	\$ 4,850	\$ 1,340,915	\$ 43,919,352
Deductions:						
Agency fund deductions	<u>17,157,042</u>	<u>15,788,539</u>	<u>1,800</u>	<u>7,584</u>	<u>1,340,915</u>	<u>42,919,148</u>
Excess (deficiency) of total additions over total deductions	-	(113,748)	113	(2,734)	-	1,000,204
Cash and investment fund balance - beginning	<u>-</u>	<u>529,169</u>	<u>-</u>	<u>3,550</u>	<u>-</u>	<u>1,645,581</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 415,421</u>	<u>\$ 113</u>	<u>\$ 816</u>	<u>\$ -</u>	<u>\$ 2,645,785</u>

ORANGE COUNTY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

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

General infrastructure assets completed in the current year has been reported. Retroactive reporting of general infrastructure assets will occur by 2010.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 401,370
Infrastructure	546,093
Buildings	8,105,240
Machinery and equipment	<u>4,299,948</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 13,352,651</u>

ORANGE 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:		
Equipment	\$ 524,043	\$ 164,255
Notes and loans payable	458,142	142,799
Bonds payable:		
General obligation bonds:		
Community building	<u>594,925</u>	<u>52,110</u>
Total governmental activities debt	<u>\$ 1,577,110</u>	<u>\$ 359,164</u>

ORANGE COUNTY  
OTHER REPORTS

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

Clerk of the Circuit Court  
County Health Department  
County Sheriff  
Prosecuting Attorney

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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Fax: (317) 232-4711  
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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 ORANGE COUNTY, INDIANA

Compliance

We have audited the compliance of the Orange County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2007. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

STATE BOARD OF ACCOUNTS

October 7, 2008

ORANGE 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 HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Housing Community Development Authority Community Development Block Grants/State's Program	14.228	HD-005-007	\$ 5,000
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants	16.523	05-JB-019 05-JP-002 06-JB-019	19,564 46,419 <u>1,928</u>
Total for program			<u>67,911</u>
Title V-Delinquency Prevention Program	16.548	07-JP-002	<u>8,150</u>
Total for federal grantor agency			<u>76,061</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Bridge inspection Hazard Elimination Safety (HES)	20.205	BR-NBIS (562)	10,407 <u>36,805</u>
Total for cluster			<u>47,212</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants Operation Pullover (OPO) Seat Belt Enforcement	20.601	OP-07-01-01-92 OP-08-01-01-99	2,962 <u>816</u>
Total for cluster			<u>3,778</u>
Pass-Through Indiana Department of Transportation Formula Grants for Other Than Urbanized Areas	20.509	1802529O 182529C	127,471 <u>13,196</u>
Total for program			<u>140,667</u>
Total for federal grantor agency			<u>191,657</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Centers for Disease Control and Prevention-Investigations and Technical Assistance Bioterrorism Preparedness and Response Bioterrorism Preparedness and Response	93.283	U90/CCU517024-07 U90/CCU517024-08	49,386 <u>9,208</u>
Total for program			<u>58,594</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement Title IV-D Expenditures Title IV-D Indirect Costs	93.563		117,018 <u>10,018</u>
Total for program			<u>127,036</u>
Total for federal grantor agency			<u>185,630</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Homeland Security Grant Program (Fiscal Year 2003)	97.004	EDS C44P-7-132	<u>44,970</u>
Emergency Management Performance Grants	97.042	EDS C44P-8-81A	<u>2,598</u>
State Homeland Security Program (Fiscal Year 2004)	97.073	EDS C44P-7-132 EDS C44P-7-374	11,250 <u>17,901</u>
Total for program			<u>29,151</u>
Total for federal grantor agency			<u>76,719</u>
Total federal awards expended			<u>\$ 535,067</u>

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

ORANGE COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2007:

Program Title	Federal CFDA Number	2007
Community Development Block Grants/State's Program	14.228	\$ 5,000
Juvenile Accountability Block Grants	16.523	67,911
Title V-Delinquency Prevention Program	16.548	8,150
Formula Grants for Other Than Urbanized Areas	20.509	140,667

ORANGE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:  
 Material weaknesses identified? no  
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.509	Formula Grants for Other Than Urbanized Areas
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

ORANGE COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

ORANGE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 7, 2008, with Diann Mathers, Auditor; Donald R. Crockett, President of the Board of County Commissioners; and Alan Waynick, President of the County Council. Our audit disclosed no material items that warrant comment at this time.