

B33468

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

ANNUAL FINANCIAL REPORT

2007

BROWN COUNTY, INDIANA



FILED
12/12/2008

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mari H. Miller	01-01-07 to 12-31-10
Treasurer	Joe Wray	01-01-05 to 12-31-08
Clerk	Benita Fox Beth Mulry	01-01-04 to 12-31-07 01-01-08 to 12-31-11
Sheriff	Robert E. Stogsdill	01-01-07 to 12-31-10
Recorder	Glenda Stogsdill	01-01-05 to 12-31-08
President of the Board of County Commissioners	Stephanie R. Yager	01-01-07 to 12-31-08
President of the County Council	David Critser	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF BROWN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Brown 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 November 24, 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

November 24, 2008



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

TO: THE OFFICIALS OF BROWN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Brown 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 November 24, 2008. The opinions to the financial statements were qualified due to the omission of component units. 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 November 24, 2008.

This report is intended solely for the information and use of the County's management, commissioners and 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

November 24, 2008

BROWN 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	<u>Governmental Activities</u>
Governmental activities:					
General government	\$ 4,797,127	\$ 247,970	\$ 7,778	\$ -	\$ (4,541,379)
Public safety	2,855,420	479,050	-	693,400	(1,682,970)
Highways and streets	2,428,951	16,527	1,253,825	-	(1,158,599)
Health and welfare	1,912,935	7,610	265,662	-	(1,639,663)
Culture and recreation	805,843	66,401	-	-	(739,442)
Principal and interest on indebtedness	592,000	-	-	-	(592,000)
	<u>13,392,276</u>	<u>817,558</u>	<u>1,527,265</u>	<u>693,400</u>	<u>(10,354,053)</u>
General receipts:					
Property taxes					2,692,339
Intergovernmental					2,789,556
Other local sources					2,950,315
Grants and contributions not restricted to specific programs					146,074
Investment earnings					727,971
Total general receipts					<u>9,306,255</u>
Change in net assets					(1,047,798)
Net assets - beginning					3,023,141
Net assets - ending					<u>\$ 1,975,343</u>
<u>Assets</u>					
Cash and investments					\$ (3,082,453)
Restricted assets:					
Cash and investments					5,057,796
Total assets					<u>\$ 1,975,343</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 826,073
Public safety					511,821
Highways and streets					952,205
Health and welfare					561,401
Culture and recreation					227,542
Debt service					130,163
Capital outlay					1,848,591
Unrestricted					(3,082,453)
Total net assets					<u>\$ 1,975,343</u>

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

BROWN 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	Riverboat Wag. Tax Revenue Sharing	Cumulative Capital Development	Cumulative Bridge	Improvement Loan	Other Governmental Funds	Totals
Receipts:								
Taxes	\$ 3,099,129	\$ 457,371	\$ -	\$ 79,505	\$ 138,483	\$ -	\$ 1,216,410	\$ 4,990,898
Intergovernmental	421,555	1,358,562	94,315	21,154	36,824	-	3,209,036	5,141,446
Charges for services	121,280	16,527	-	-	-	-	360,084	497,891
Fines and forfeits	72,315	-	-	-	-	-	247,352	319,667
Interfund loan repayments	-	-	-	-	-	-	350,000	350,000
Other	803,401	27,179	-	25,374	8,466	64,949	115,207	1,044,576
Total receipts	4,517,680	1,859,639	94,315	126,033	183,773	64,949	5,498,089	12,344,478
Disbursements:								
General government	3,464,777	-	54,777	1,732	-	-	249,708	3,770,994
Public safety	1,419,773	-	-	-	-	-	1,381,285	2,801,058
Highways and streets	-	1,651,126	-	-	95,868	-	182,837	1,929,831
Health and welfare	132,735	-	-	-	-	-	1,778,803	1,911,538
Culture and recreation	78,118	-	-	-	-	-	727,725	805,843
Debt service:								
Principal	-	-	-	-	-	-	190,000	190,000
Interest	-	-	-	-	-	-	402,000	402,000
Capital outlay:								
General government	22,532	-	-	21,058	-	404,098	578,445	1,026,133
Public safety	33,672	-	-	-	-	-	20,690	54,362
Highways and streets	-	499,120	-	-	-	-	-	499,120
Health and welfare	1,397	-	-	-	-	-	-	1,397
Total disbursements	5,153,004	2,150,246	54,777	22,790	95,868	404,098	5,511,493	13,392,276
Excess (deficiency) of receipts over disbursements	(635,324)	(290,607)	39,538	103,243	87,905	(339,149)	(13,404)	(1,047,798)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	29,759	29,759
Transfers out	-	-	-	-	-	-	(29,759)	(29,759)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(635,324)	(290,607)	39,538	103,243	87,905	(339,149)	(13,404)	(1,047,798)
Cash and investment fund balance - beginning	(2,560,417)	1,154,596	185,313	117,774	502,828	1,375,990	2,247,057	3,023,141
Cash and investment fund balance - ending	\$ (3,195,741)	\$ 863,989	\$ 224,851	\$ 221,017	\$ 590,733	\$ 1,036,841	\$ 2,233,653	\$ 1,975,343
Cash and Investment Assets - Ending								
Cash and investments	\$ (3,195,741)	\$ -	\$ 224,851	\$ -	\$ -	\$ -	\$ (111,563)	\$ (3,082,453)
Restricted assets:								
Cash and investments	-	863,989	-	221,017	590,733	1,036,841	2,345,216	5,057,796
Total cash and investment assets - ending	\$ (3,195,741)	\$ 863,989	\$ 224,851	\$ 221,017	\$ 590,733	\$ 1,036,841	\$ 2,233,653	\$ 1,975,343
Cash and Investment Fund Balance - Ending								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 826,073	\$ 826,073
Public safety	-	-	-	-	-	-	511,821	511,821
Highways and streets	-	863,989	-	-	-	-	88,216	952,205
Health and welfare	-	-	-	-	-	-	561,401	561,401
Culture and recreation	-	-	-	-	-	-	227,542	227,542
Debt service	-	-	-	-	-	-	130,163	130,163
Capital outlay	-	-	-	221,017	590,733	1,036,841	-	1,848,591
Unrestricted	(3,195,741)	-	224,851	-	-	-	(111,563)	(3,082,453)
Total cash and investment fund balance - ending	\$ (3,195,741)	\$ 863,989	\$ 224,851	\$ 221,017	\$ 590,733	\$ 1,036,841	\$ 2,233,653	\$ 1,975,343

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 109,996	\$ -	\$ -
Plan members	<u>26,371</u>	<u>-</u>	<u>-</u>
Total contributions	<u>136,367</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Interest	76,753	-	-
Dividends	<u>45,013</u>	<u>-</u>	<u>-</u>
Total investment earnings	121,766	-	-
Less fiduciary fees	<u>(40,937)</u>	<u>-</u>	<u>-</u>
Net investment earnings	<u>80,829</u>	<u>-</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>57,108,599</u>
Total additions	<u>217,196</u>	<u>-</u>	<u>57,108,599</u>
Deductions:			
Benefits	109,108	-	-
Administrative and general	3,859	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>59,795,943</u>
Total deductions	<u>112,967</u>	<u>-</u>	<u>59,795,943</u>
Excess (deficiency) of total additions over total deductions	104,229	-	(2,687,344)
Cash and investment fund balance - beginning	<u>1,414,848</u>	<u>8,496</u>	<u>11,906,178</u>
Cash and investment fund balance - ending	<u>\$ 1,519,077</u>	<u>\$ 8,496</u>	<u>\$ 9,218,834</u>

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

BROWN 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.

These financial statements present the County (primary government).

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

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

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, 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.

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County reports the following major governmental funds:

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

The motor vehicle highway fund accounts for the costs of maintaining the County roads. Revenues are monthly distributions from the State of Indiana for highway use taxes.

The riverboat wagering tax revenue sharing fund accounts for distributions from the State of Indiana for riverboat revenue tax. The funds are unrestricted and are used to supplement the general fund.

The cumulative bridge fund accounts for construction and maintenance of County bridges. Revenues are taxes and state distributions.

The cumulative capital development fund accounts for capital project expenditures. Revenues are taxes and state distributions.

The improvements loan fund accounts for capital expenditures for improvement projects. Revenues are proceeds from a loan and interest earnings.

Additionally, the County reports the following fund types:

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

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. 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). Brown County billed, collected, and distributed property taxes for 2005 pay 2006 during the current audit period.

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:

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."

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

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.

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance. However, the Indiana Department of Local Government Finance did not approve a budget for Brown County in 2007.

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
General	\$ (3,195,741)
Health	(73,536)
Family Access	(38,027)
County Treasurer	(406,139)

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the delay in billing property taxes because of continuing problems related to the 2002 reassessment. These deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. This investment policy outlines parameters for investment activity for the Sheriff's Pension Plan. As of December 31, 2007, the Sheriff's Retirement and Benefit Plan had the following investments:

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriffs Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 205,062
Mutual funds	128,317
U.S. agencies	96,739
Corporate bonds	68,370
Common stocks	1,160,868
Total	\$ 1,659,356

Statutory Authorization for Investments

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the County to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

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

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Sheriff's Pension Plan is not subject to the same investment laws as the County. The investment policy, disclosed in the Trust Agreement, for the Sheriff's Retirement and Benefit Pension Plans was adopted by the Sheriff's Merit Board on April 1, 2005. Authorized investments include common or preferred stock, options to purchase stocks, bonds, debentures, notes or other evidences of indebtedness or ownership, or other securities, in any corporation, mutual investment fund, investment company, association or business trust; bonds or other obligations or securities issued by the United States of America or any State or governmental subdivision or instrumentality thereof.

Investment Custodial Credit Risk

The Sheriff's Merit Board has adopted an investment policy for custodial credit risk for investments on April 1, 2005. The policy states the Trustee shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. At December 31, 2007, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Treasuries and Securities, Mutual funds, U.S. Agencies, Corporate Bonds, and Common Stock in the total amount of \$1,659,356.

Interest Rate Risk

The Sheriff's Merit Board for the Sheriff's Retirement and Benefit Pension Plans manages interest rate risk by authorizing investments with stated final maturities of up to seven years.

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	\$ -	\$ 88,723	\$ 116,339
U.S. agencies	7,974	-	88,765
Corporate bonds	-	6,907	61,463
Totals	<u>\$ 7,974</u>	<u>\$ 95,630</u>	<u>\$ 266,567</u>

Credit Risk

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

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	Sheriff's Pension Investments		
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise
AAA Unrated	Aaa Unrated	\$ - 128,317	\$ 68,370 -	\$ 96,739 -
Totals		<u>\$ 128,317</u>	<u>\$ 68,370</u>	<u>\$ 96,739</u>

B. Interfund Transfers

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

Transfer From	Transfer To	2007
Other governmental funds	Other governmental funds	<u>\$ 29,759</u>

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

IV. Other Information

A. Risk Management

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

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

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

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

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Illnesses or Injuries to Employees

During 1990, the County joined with other governmental entities in the Indiana Public Employers' Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The 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. Holding Corporation

The County has entered into a capital lease with Brown County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$592,000.

C. Pending Litigation

The County has pending litigation for the interest earnings on the local tax distributions that were being held by the County because of the delay of property tax settlement. The suit is based on the statutory obligation of the County to reimburse the entities to whom tax funds should have been distributed for interest the County earned on the undistributed funds. The matter is expected to be resolved by Court Trial or Summary Judgment in the next four months. The case has a potential risk of liability for the County in the range of approximately \$130,000 to \$400,000.

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.

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.

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

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.

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 149,877	\$ 99,410	\$ 11,727
Interest on net pension obligation	(8,678)	2,601	-
Adjustment to annual required contribution	9,889	(5,293)	-
Annual pension cost	151,088	96,718	11,727
Contributions made	141,505	98,269	11,727
Increase (decrease) in net pension obligation	9,583	(1,551)	-
Net pension obligation, beginning of year	(119,691)	37,160	-
Net pension obligation, end of year	<u>\$ (110,108)</u>	<u>\$ 35,609</u>	<u>\$ -</u>
Contribution rates:			
County	5.25%	21.42%	2.53%
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%

BROWN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-05	\$ 111,078	115%	\$ (113,382)
	06-30-06	129,405	122%	(119,691)
	06-30-07	151,088	94%	(110,108)
County Police Retirement Plan	12-31-05	106,294	91%	39,464
	12-31-06	96,600	100%	37,160
	12-31-07	96,718	99%	35,609
County Police Benefit Plan	12-31-05	12,615	100%	-
	12-31-06	11,241	100%	-
	12-31-07	11,727	100%	-

BROWN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 2,349,812	\$ 2,486,422	\$ (136,610)	95%	\$ 2,385,694	(6%)
07-01-06	2,615,151	2,515,976	99,175	104%	2,638,348	4%
07-01-07	2,662,788	2,388,259	274,529	111%	2,730,827	10%

County Police Retirement Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 1,082,963	\$ 1,082,963	\$ -	100%	\$ 392,031	0%
01-01-04	1,175,670	1,175,670	-	100%	427,127	0%
01-01-05	1,300,516	1,300,516	-	100%	427,780	0%
01-01-06	1,385,712	1,385,712	-	100%	422,859	0%
01-01-07	1,485,071	1,485,071	-	100%	422,809	0%
01-01-08	1,598,579	1,813,958	(215,379)	88%	464,129	(46%)

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

	Local Road and Street	Accident Report	Firearms Training	Health	Donations	Law Enforcement Continuing Education	Clerk's Records Perpetuation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 215,423	\$ -	\$ -	\$ -
Intergovernmental	185,332	-	-	55,626	-	-	-
Charges for services	-	1,738	12,950	-	-	-	3,394
Fines and forfeits	-	-	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	5,365	-	-	56,784	-	-	-
Total receipts	190,697	1,738	12,950	327,833	-	-	3,394
Disbursements:							
General government	-	-	-	-	1,037	-	519
Public safety	-	-	9,809	-	-	199	-
Highways and streets	170,629	-	-	-	-	-	-
Health and welfare	-	-	-	296,518	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	4,120
Public safety	-	-	-	-	-	-	-
Total disbursements	170,629	-	9,809	296,518	1,037	199	4,639
Excess (deficiency) of receipts over disbursements	20,068	1,738	3,141	31,315	(1,037)	(199)	(1,245)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,068	1,738	3,141	31,315	(1,037)	(199)	(1,245)
Cash and investment fund balance - beginning	55,572	7,794	10,212	(104,851)	1,037	5,302	19,069
Cash and investment fund balance - ending	<u>\$ 75,640</u>	<u>\$ 9,532</u>	<u>\$ 13,353</u>	<u>\$ (73,536)</u>	<u>\$ -</u>	<u>\$ 5,103</u>	<u>\$ 17,824</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ (73,536)	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	75,640	9,532	13,353	-	-	5,103	17,824
Total cash and investment assets - ending	\$ 75,640	\$ 9,532	\$ 13,353	\$ (73,536)	\$ -	\$ 5,103	\$ 17,824
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,824
Public safety	-	9,532	13,353	-	-	5,103	-
Highways and streets	75,640	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	(73,536)	-	-	-
Total cash and investment fund balance - ending	\$ 75,640	\$ 9,532	\$ 13,353	\$ (73,536)	\$ -	\$ 5,103	\$ 17,824

BROWN 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)

	Electronic Map Generation	Emergency Telephone System	Drug Free Community	Emergency Planning /Right to Know	Convention and Tourism	Parks and Recreation	Property Reassessment
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,157
Intergovernmental	-	87,156	18,517	-	617,510	-	15,081
Charges for services	3,053	-	-	-	-	66,401	-
Fines and forfeits	-	186,240	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	35	-	-	-	302	-
Total receipts	3,053	273,431	18,517	-	617,510	66,703	66,238
Disbursements:							
General government	5,030	-	-	-	-	-	63,900
Public safety	-	255,132	14,300	2,998	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	570,000	86,122	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	5,030	255,132	14,300	2,998	570,000	86,122	63,900
Excess (deficiency) of receipts over disbursements	(1,977)	18,299	4,217	(2,998)	47,510	(19,419)	2,338
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,977)	18,299	4,217	(2,998)	47,510	(19,419)	2,338
Cash and investment fund balance - beginning	2,485	37,404	6,360	5,688	131,757	66,808	35,978
Cash and investment fund balance - ending	\$ 508	\$ 55,703	\$ 10,577	\$ 2,690	\$ 179,267	\$ 47,389	\$ 38,316
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	508	55,703	10,577	2,690	179,267	47,389	38,316
Total cash and investment assets - ending	\$ 508	\$ 55,703	\$ 10,577	\$ 2,690	\$ 179,267	\$ 47,389	\$ 38,316
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,316
Public safety	-	55,703	10,577	2,690	-	-	-
Highways and streets	508	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	179,267	47,389	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 508	\$ 55,703	\$ 10,577	\$ 2,690	\$ 179,267	\$ 47,389	\$ 38,316

BROWN 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)

	Extradition	Juvenile Probation Service	Adult Probation Service	Criminal Justice - Federal	Recorder's Records Perpetuation	User Fee	Covered Bridge
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	1,850
Charges for services	-	-	35,763	-	38,052	1,750	-
Fines and forfeits	-	-	-	-	-	11,520	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	1,960	-	50	-	-	-
Total receipts	-	1,960	35,763	50	38,052	13,270	1,850
Disbursements:							
General government	-	-	-	-	25,880	861	-
Public safety	416	-	29,525	1,348	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	4,400	-
Public safety	-	-	1,620	-	-	-	-
Total disbursements	416	-	31,145	1,348	25,880	5,261	-
Excess (deficiency) of receipts over disbursements	(416)	1,960	4,618	(1,298)	12,172	8,009	1,850
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(416)	1,960	4,618	(1,298)	12,172	8,009	1,850
Cash and investment fund balance - beginning	1,309	6,772	22,869	1,348	126,364	66,640	8,721
Cash and investment fund balance - ending	<u>\$ 893</u>	<u>\$ 8,732</u>	<u>\$ 27,487</u>	<u>\$ 50</u>	<u>\$ 138,536</u>	<u>\$ 74,649</u>	<u>\$ 10,571</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	893	8,732	27,487	50	138,536	74,649	10,571
Total cash and investment assets - ending	<u>\$ 893</u>	<u>\$ 8,732</u>	<u>\$ 27,487</u>	<u>\$ 50</u>	<u>\$ 138,536</u>	<u>\$ 74,649</u>	<u>\$ 10,571</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	138,536	\$ -	\$ -
Public safety	893	8,732	27,487	50	-	74,649	-
Highways and streets	-	-	-	-	-	-	10,571
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 893</u>	<u>\$ 8,732</u>	<u>\$ 27,487</u>	<u>\$ 50</u>	<u>\$ 138,536</u>	<u>\$ 74,649</u>	<u>\$ 10,571</u>

BROWN 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)

	Family and Children	Health Maintenance	Community Corrections - Home Detention	Guardian Ad Litem /Court	Misdemeanant	Supplemental Public Defender Service	Surveyor's Corner Perpetuation
Receipts:							
Taxes	\$ 532,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	314,809	20,000	139,401	3,328	10,764	-	-
Charges for services	-	-	-	-	-	-	5,250
Fines and forfeits	-	-	-	900	-	6,477	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	64	-	480	-	-	-	-
Total receipts	847,146	20,000	139,881	4,228	10,764	6,477	5,250
Disbursements:							
General government	-	-	-	4,484	-	-	850
Public safety	-	-	162,210	-	-	10,879	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	1,387,686	20,627	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	15,051	-	-
Total disbursements	1,387,686	20,627	162,210	4,484	15,051	10,879	850
Excess (deficiency) of receipts over disbursements	(540,540)	(627)	(22,329)	(256)	(4,287)	(4,402)	4,400
Other financing sources (uses):							
Transfers in	-	-	29,759	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	29,759	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(540,540)	(627)	7,430	(256)	(4,287)	(4,402)	4,400
Cash and investment fund balance - beginning	1,005,870	14,022	4,442	7,155	17,371	7,385	32,248
Cash and investment fund balance - ending	\$ 465,330	\$ 13,395	\$ 11,872	\$ 6,899	\$ 13,084	\$ 2,983	\$ 36,648
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	465,330	13,395	11,872	6,899	13,084	2,983	36,648
Total cash and investment assets - ending	\$ 465,330	\$ 13,395	\$ 11,872	\$ 6,899	\$ 13,084	\$ 2,983	\$ 36,648
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ 6,899	\$ -	\$ -	\$ 36,648
Public safety	-	-	11,872	-	13,084	2,983	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	465,330	13,395	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 465,330	\$ 13,395	\$ 11,872	\$ 6,899	\$ 13,084	\$ 2,983	\$ 36,648

BROWN 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)

	Jury Pay	Project Income	Sheriffs Commissary	Local Government Grant 1	Probation User Fee Administrative	County Option Dog Tax	Tobacco III
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	15,087
Charges for services	-	58,721	88,544	-	10,805	7,610	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	58,721	88,544	-	10,805	7,610	15,087
Disbursements:							
General government	-	34,581	-	813	-	-	-
Public safety	-	-	95,682	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	3,135	7,756
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	3,321
Public safety	-	-	-	-	-	-	-
Total disbursements	-	34,581	95,682	813	-	3,135	11,077
Excess (deficiency) of receipts over disbursements	-	24,140	(7,138)	(813)	10,805	4,475	4,010
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(29,759)	-	-	-	-	-
Total other financing sources (uses)	-	(29,759)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(5,619)	(7,138)	(813)	10,805	4,475	4,010
Cash and investment fund balance - beginning	7,537	46,526	44,108	813	28,037	-	44,213
Cash and investment fund balance - ending	<u>\$ 7,537</u>	<u>\$ 40,907</u>	<u>\$ 36,970</u>	<u>\$ -</u>	<u>\$ 38,842</u>	<u>\$ 4,475</u>	<u>\$ 48,223</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	7,537	40,907	36,970	-	38,842	4,475	48,223
Total cash and investment assets - ending	\$ 7,537	\$ 40,907	\$ 36,970	\$ -	\$ 38,842	\$ 4,475	\$ 48,223
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ 7,537	\$ 40,907	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	36,970	-	38,842	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	4,475	48,223
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 7,537	\$ 40,907	\$ 36,970	\$ -	\$ 38,842	\$ 4,475	\$ 48,223

BROWN 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)

	Health Maintenance II	Urine Drug Screen	Recorders Redacted Version	Civil Service Fee	Race & Gender Interpreter	Emergency Gas Award	Document Fees
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	13,139	-	-	-	2,500	-	-
Charges for services	-	2,895	9,020	-	-	-	-
Fines and forfeits	-	-	-	2,130	-	-	4,127
Interfund loan repayments	-	-	-	-	-	-	-
Other	11	-	-	-	-	-	-
Total receipts	13,150	2,895	9,020	2,130	2,500	-	4,127
Disbursements:							
General government	-	-	2,083	-	1,377	450	-
Public safety	-	2,921	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	10,945	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	10,945	2,921	2,083	-	1,377	450	-
Excess (deficiency) of receipts over disbursements	2,205	(26)	6,937	2,130	1,123	(450)	4,127
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,205	(26)	6,937	2,130	1,123	(450)	4,127
Cash and investment fund balance - beginning	20,475	1,698	9,944	3,360	441	450	6,648
Cash and investment fund balance - ending	<u>\$ 22,680</u>	<u>\$ 1,672</u>	<u>\$ 16,881</u>	<u>\$ 5,490</u>	<u>\$ 1,564</u>	<u>\$ -</u>	<u>\$ 10,775</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	22,680	1,672	16,881	5,490	1,564	-	10,775
Total cash and investment assets - ending	<u>\$ 22,680</u>	<u>\$ 1,672</u>	<u>\$ 16,881</u>	<u>\$ 5,490</u>	<u>\$ 1,564</u>	<u>\$ -</u>	<u>\$ 10,775</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ 16,881	\$ -	\$ 1,564	\$ -	\$ 10,775
Public safety	-	1,672	-	5,490	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	22,680	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 22,680</u>	<u>\$ 1,672</u>	<u>\$ 16,881</u>	<u>\$ 5,490</u>	<u>\$ 1,564</u>	<u>\$ -</u>	<u>\$ 10,775</u>

BROWN 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 Child Advocacy Fund	Salt Creek Trail	Economic Dev Commission	Property Transfer Fee Fund	Sheriff Surety Bond	Small Claim Service Fee	Alternative Dispute Fee
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	25,151	-	-	-	-	-
Charges for services	-	-	-	6,360	-	-	-
Fines and forfeits	-	-	-	-	-	2,090	1,200
Interfund loan repayments	-	-	-	-	-	-	-
Other	250	40,000	-	-	5	-	-
Total receipts	250	65,151	-	6,360	5	2,090	1,200
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	71,603	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	-	71,603	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	250	(6,452)	-	6,360	5	2,090	1,200
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	250	(6,452)	-	6,360	5	2,090	1,200
Cash and investment fund balance - beginning	402	7,338	4,963	-	5	3,610	3,500
Cash and investment fund balance - ending	<u>\$ 652</u>	<u>\$ 886</u>	<u>\$ 4,963</u>	<u>\$ 6,360</u>	<u>\$ 10</u>	<u>\$ 5,700</u>	<u>\$ 4,700</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	652	886	4,963	6,360	10	5,700	4,700
Total cash and investment assets - ending	\$ 652	\$ 886	\$ 4,963	\$ 6,360	\$ 10	\$ 5,700	\$ 4,700
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ 4,963	\$ 6,360	\$ -	\$ -	\$ -
Public safety	652	-	-	-	10	5,700	4,700
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	886	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 652	\$ 886	\$ 4,963	\$ 6,360	\$ 10	\$ 5,700	\$ 4,700

BROWN 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)

	Probation Application Fee	Pros. Infraction Deferral	Family Access	Access Enhancement	Pros. Controlled Sub Tax	New Prosecutor Incentive	Eradication Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	75,157	-	-	6,970	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	23,300	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	150	932	40	423	-	-	-
Total receipts	150	24,232	75,197	423	-	6,970	-
Disbursements:							
General government	-	-	74,195	-	-	-	-
Public safety	-	27,155	-	-	-	11,743	59
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	4,019	-	-	-	-	-
Total disbursements	-	31,174	74,195	-	-	11,743	59
Excess (deficiency) of receipts over disbursements	150	(6,942)	1,002	423	-	(4,773)	(59)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	150	(6,942)	1,002	423	-	(4,773)	(59)
Cash and investment fund balance - beginning	900	45,521	(39,029)	182	549	30,066	59
Cash and investment fund balance - ending	<u>\$ 1,050</u>	<u>\$ 38,579</u>	<u>\$ (38,027)</u>	<u>\$ 605</u>	<u>\$ 549</u>	<u>\$ 25,293</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ (38,027)	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	1,050	38,579	-	605	549	25,293	-
Total cash and investment assets - ending	\$ 1,050	\$ 38,579	\$ (38,027)	\$ 605	\$ 549	\$ 25,293	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ 605	\$ -	\$ -	\$ -
Public safety	1,050	38,579	-	-	549	25,293	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	(38,027)	-	-	-	-
Total cash and investment fund balance - ending	\$ 1,050	\$ 38,579	\$ (38,027)	\$ 605	\$ 549	\$ 25,293	\$ -

BROWN 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)

	Animal Ordinance	Clerk Incentive	TRIAD	Substance Treat.	Comm Transition Prog CC	Bond Admin Fees	F.A.P. Local Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	6,495	-	-
Charges for services	-	-	7,478	-	-	-	-
Fines and forfeits	2,450	-	-	-	-	6,918	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	2,450	-	7,478	-	6,495	6,918	-
Disbursements:							
General government	-	365	-	-	-	-	175
Public safety	542	-	2,195	4,328	3,525	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	2,680	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	542	3,045	2,195	4,328	3,525	-	175
Excess (deficiency) of receipts over disbursements	1,908	(3,045)	5,283	(4,328)	2,970	6,918	(175)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,908	(3,045)	5,283	(4,328)	2,970	6,918	(175)
Cash and investment fund balance - beginning	5,795	22,178	9,681	4,328	30,288	4,938	175
Cash and investment fund balance - ending	\$ 7,703	\$ 19,133	\$ 14,964	\$ -	\$ 33,258	\$ 11,856	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	7,703	19,133	14,964	-	33,258	11,856	-
Total cash and investment assets - ending	\$ 7,703	\$ 19,133	\$ 14,964	\$ -	\$ 33,258	\$ 11,856	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ 19,133	\$ -	\$ -	\$ -	\$ 11,856	\$ -
Public safety	7,703	-	14,964	-	33,258	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 7,703	\$ 19,133	\$ 14,964	\$ -	\$ 33,258	\$ 11,856	\$ -

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

	Tobacco Free	Cities Readiness	Public Health Coordinator-Biot	Bioterrorism Cash Allow	Bioterrorism Supplemental	Homeland Security-LETPP	Homeland Security-Dist 8
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	22,853	13,700	51,854	-	-	-	664,249
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	691
Total receipts	22,853	13,700	51,854	-	-	-	664,940
Disbursements:							
General government	17,014	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	664,827
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	52,136	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	17,014	-	52,136	-	-	-	664,827
Excess (deficiency) of receipts over disbursements	5,839	13,700	(282)	-	-	-	113
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,839	13,700	(282)	-	-	-	113
Cash and investment fund balance - beginning	(1,303)	-	3,044	9,869	9,180	319	-
Cash and investment fund balance - ending	\$ 4,536	\$ 13,700	\$ 2,762	\$ 9,869	\$ 9,180	\$ 319	\$ 113
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	4,536	13,700	2,762	9,869	9,180	319	113
Total cash and investment assets - ending	\$ 4,536	\$ 13,700	\$ 2,762	\$ 9,869	\$ 9,180	\$ 319	\$ 113
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ 13,700	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	9,869	9,180	319	113
Highways and streets	-	-	-	-	-	-	-
Health and welfare	4,536	-	2,762	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 4,536	\$ 13,700	\$ 2,762	\$ 9,869	\$ 9,180	\$ 319	\$ 113

BROWN 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)

	EMA GIS Laptops	LCC Sheriff Hwy Safety EQ	Buckle Up	Emergency Planning Grant	Hwy Safety Plan- CA95-11	Sheriff DNR Distribution	Co. Sher. Law Enforcement Ed
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	29,151	-	-	-	7,778	1,720	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-	-
Other	-	-	-	-	21	-	-
Total receipts	29,151	-	-	-	7,799	1,720	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	29,151	205	21	145	-	1,663	117
Highways and streets	-	-	-	-	12,208	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total disbursements	29,151	205	21	145	12,208	1,663	117
Excess (deficiency) of receipts over disbursements	-	(205)	(21)	(145)	(4,409)	57	(117)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(205)	(21)	(145)	(4,409)	57	(117)
Cash and investment fund balance - beginning	-	205	21	145	5,906	145	117
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,497</u>	<u>\$ 202</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	1,497	202	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,497</u>	<u>\$ 202</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	202	-
Highways and streets	-	-	-	-	1,497	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,497</u>	<u>\$ 202</u>	<u>\$ -</u>

BROWN 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)

	Life Skills	Planning Council	Prosecutor Fed Forfeiture	IN Housing Develop. Fund	Impact Grant	Juvenile Ac Ability Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	9,900	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loan repayments	-	-	-	-	-	-
Other	-	-	-	-	263	-
Total receipts	-	-	-	9,900	263	-
Disbursements:						
General government	1,244	4,950	-	9,900	-	-
Public safety	-	-	4,600	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	1,244	4,950	4,600	9,900	-	-
Excess (deficiency) of receipts over disbursements	(1,244)	(4,950)	(4,600)	-	263	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,244)	(4,950)	(4,600)	-	263	-
Cash and investment fund balance - beginning	1,244	4,950	5,106	-	(263)	593
Cash and investment fund balance - ending	\$ -	\$ -	\$ 506	\$ -	\$ -	\$ 593
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	506	-	-	593
Total cash and investment assets - ending	\$ -	\$ -	\$ 506	\$ -	\$ -	\$ 593
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	506	-	-	593
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ -	\$ -	\$ 506	\$ -	\$ -	\$ 593

BROWN 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)

	Family Violence and Victim Asst	CEDIT Excess	Sheriff Buy Money	Sex/Violent Offender Fees	Jail Lease	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 417,557	\$ 1,216,410
Intergovernmental	48,907	634,975	-	-	110,076	3,209,036
Charges for services	-	-	-	300	-	360,084
Fines and forfeits	-	-	-	-	-	247,352
Interfund loan repayments	-	350,000	-	-	-	350,000
Other	-	-	7,381	-	-	115,207
Total receipts	48,907	984,975	7,381	300	527,633	5,498,089
Disbursements:						
General government	-	-	-	-	-	249,708
Public safety	40,648	-	4,942	-	-	1,381,285
Highways and streets	-	-	-	-	-	182,837
Health and welfare	-	-	-	-	-	1,778,803
Culture and recreation	-	-	-	-	-	727,725
Debt service:						
Principal	-	-	-	-	190,000	190,000
Interest	-	-	-	-	402,000	402,000
Capital outlay:						
General government	-	563,924	-	-	-	578,445
Public safety	-	-	-	-	-	20,690
Total disbursements	40,648	563,924	4,942	-	592,000	5,511,493
Excess (deficiency) of receipts over disbursements	8,259	421,051	2,439	300	(64,367)	(13,404)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	29,759
Transfers out	-	-	-	-	-	(29,759)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,259	421,051	2,439	300	(64,367)	(13,404)
Cash and investment fund balance - beginning	7,443	32,518	20,458	-	194,530	2,247,057
Cash and investment fund balance - ending	\$ 15,702	\$ 453,569	\$ 22,897	\$ 300	\$ 130,163	\$ 2,233,653
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (111,563)
Restricted assets:						
Cash and investments	15,702	453,569	22,897	300	130,163	2,345,216
Total cash and investment assets - ending	\$ 15,702	\$ 453,569	\$ 22,897	\$ 300	\$ 130,163	\$ 2,233,653
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ 453,569	\$ -	\$ -	\$ -	\$ 826,073
Public safety	15,702	-	22,897	300	-	511,821
Highways and streets	-	-	-	-	-	88,216
Health and welfare	-	-	-	-	-	561,401
Culture and recreation	-	-	-	-	-	227,542
Debt service	-	-	-	-	130,163	130,163
Unrestricted	-	-	-	-	-	(111,563)
Total cash and investment fund balance - ending	\$ 15,702	\$ 453,569	\$ 22,897	\$ 300	\$ 130,163	\$ 2,233,653

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

	City and Town Court Costs	Congressional School Interest	Surplus Tax	State Settlement	State Fines and Forfeitures	State Sales Disclosure Fee	Overweight Vehicle Fines
Additions:							
Agency fund additions	\$ 4,964	\$ 411	\$ 763,719	\$ 19,711,462	\$ 3,873	\$ 2,710	\$ 1,400
Deductions:							
Agency fund deductions	9,941	340	896,087	21,581,713	4,672	4,565	1,400
Excess (deficiency) of total additions over total deductions	(4,977)	71	(132,368)	(1,870,251)	(799)	(1,855)	-
Cash and investment fund balance - beginning	5,270	8,612	765,388	2,564,186	1,035	2,065	-
Cash and investment fund balance - ending	<u>\$ 293</u>	<u>\$ 8,683</u>	<u>\$ 633,020</u>	<u>\$ 693,935</u>	<u>\$ 236</u>	<u>\$ 210</u>	<u>\$ -</u>

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

	Infraction Judgements	Inheritance Tax	Property Replacement and Homestead Credit	Payroll	Education Plate Fees	Financial Institution Tax	Wheel Tax
Additions:							
Agency fund additions	\$ 33,763	\$ 309,658	\$ 3,951,987	\$ 1,505,741	\$ 1,088	\$ 43,220	\$ 62,948
Deductions:							
Agency fund deductions	51,006	244,474	4,592,556	1,430,424	1,088	43,220	62,948
Excess (deficiency) of total additions over total deductions	(17,243)	65,184	(640,569)	75,317	-	-	-
Cash and investment fund balance - beginning	21,587	35,693	4,592,556	(7,434)	-	-	-
Cash and investment fund balance - ending	<u>\$ 4,344</u>	<u>\$ 100,877</u>	<u>\$ 3,951,987</u>	<u>\$ 67,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Child Restraint Violation Fines	Medical Assistance to Wards	Welfare Trust	Homestead Credit Rebate	Coroner's Training Ed	Surtax
Additions:						
Agency fund additions	\$ 225	\$ 33,661	\$ 5,634	\$ 330,444	\$ 631	\$ 403,878
Deductions:						
Agency fund deductions	250	-	4,085	-	833	403,878
Excess (deficiency) of total additions over total deductions	(25)	33,661	1,549	330,444	(202)	-
Cash and investment fund balance - beginning	25	26,954	6,445	-	338	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 60,615</u>	<u>\$ 7,994</u>	<u>\$ 330,444</u>	<u>\$ 136</u>	<u>\$ -</u>

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

	Commercial Vehicle Tax	State Sales Tax	Local Option Tax Dist	Sheriff Service Fees-Retirement	County Economic Development Income Tax	County Treasurer
Additions:						
Agency fund additions	\$ 147,240	\$ 61	\$ 2,761,653	\$ 4,723	\$ 690,285	\$ 23,403,929
Deductions:						
Agency fund deductions	140,238	115	2,757,788	-	690,586	23,810,568
Excess (deficiency) of total additions over total deductions	7,002	(54)	3,865	4,723	(301)	(406,639)
Cash and investment fund balance - beginning	140,238	115	2,757,788	2,029	690,587	500
Cash and investment fund balance - ending	<u>\$ 147,240</u>	<u>\$ 61</u>	<u>\$ 2,761,653</u>	<u>\$ 6,752</u>	<u>\$ 690,286</u>	<u>\$ (406,139)</u>

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

	<u>County Clerk</u>	<u>County Recorder</u>	<u>County Plan Commission</u>	<u>County Probation Department</u>	<u>County Park and Recreation Department</u>	<u>County Sheriff</u>
Additions:						
Agency fund additions	\$ 2,343,772	\$ 119,706	\$ 46,959	\$ 53,483	\$ 82,236	\$ 101,599
Deductions:						
Agency fund deductions	<u>2,474,490</u>	<u>119,706</u>	<u>46,959</u>	<u>53,483</u>	<u>82,020</u>	<u>101,599</u>
Excess (deficiency) of total additions over total deductions	(130,718)	-	-	-	216	-
Cash and investment fund balance - beginning	<u>284,620</u>	<u>50</u>	<u>50</u>	<u>-</u>	<u>2,010</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 153,902</u>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 2,226</u>	<u>\$ -</u>

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

	County Sheriff Inmate Trust	County Health Dept	County Community Corrections	County Prosecutor's Bad Check	County Plat Book	Totals
Additions:						
Agency fund additions	\$ 45,779	\$ 55,241	\$ 56,502	\$ 24,014	\$ -	\$ 57,108,599
Deductions:						
Agency fund deductions	46,432	55,241	56,502	25,626	1,110	59,795,943
Excess (deficiency) of total additions over total deductions	(653)	-	-	(1,612)	(1,110)	(2,687,344)
Cash and investment fund balance - beginning	1,833	100	-	2,428	1,110	11,906,178
Cash and investment fund balance - ending	<u>\$ 1,180</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 816</u>	<u>\$ -</u>	<u>\$ 9,218,834</u>

BROWN 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 are included if acquired (purchased, constructed, or donated) after July 1, 1980, or if they received major renovations, restorations, or improvements after that date. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 4,718,560
Infrastructure	19,019,725
Buildings	1,595,800
Machinery and equipment	<u>2,256,921</u>
Total governmental activities, capital assets, not being depreciated	<u>\$ 27,591,006</u>

BROWN 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:		
E 911 Equipment	\$ 435,821	\$ 73,843
Savin Copier - Circuit Court	1,052	1,546
Jail Building	7,975,000	591,000
2007 Sheriff's Chevy Impala	10,502	5,776
3 Sheriff's Chrysler Vehicles	47,585	25,929
2007 Sheriff Ford Explorer	13,773	7,505
Notes and loans payable:		
2006 Lincoln Bank Loan	1,475,000	1,226,723
2006 Peoples Bank Loan	<u>250,000</u>	<u>255,625</u>
Total governmental activities debt	<u>\$ 10,208,733</u>	<u>\$ 2,187,947</u>

BROWN COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer
County Highway Department
Park and Recreation Department
County Sheriff
Prosecuting Attorney

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF BROWN COUNTY, INDIANA

Compliance

We have audited the compliance of the Brown 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 its major federal program 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, Board of County Commissioners, and 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

November 24, 2008

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Direct Grant			
Cooperative Forestry Assistance	10.664	07-CL-11091200-007	\$ <u>3,268</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Housing and Community Development Authority			
Community Development Block Grants/State's Program	14.228	PN-005-010	<u>9,900</u>
Housing Needs Assessment			
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute			
Crime Victim Assistance	16.575		26,013
2004 VOCA Crime Victim Assistance			9,227
2006 VOCA Grant		06VA016	34,277
2007 VOCA Grant		07VA013	<u>34,277</u>
Total for program			<u>69,517</u>
Pass-Through Indiana Criminal Justice Institute	16.607		
Bulletproof Vest Partnership Program		FY 2007 BVP	<u>3,578</u>
Total for federal grantor agency			<u>73,095</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Safety Cluster	20.601		
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants		OP-07-01-02-05	<u>7,000</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Grant			
Grants to States for Access and Visitation Programs	93.597	07-08-1C-0119	<u>49,144</u>
Pass-Through Indiana State Department of Health			
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	BPRS 106-2	<u>51,854</u>
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		71,600
Prosecutor's Expenditures			21,676
Clerk's Expenditures			26,387
Indirect Costs			<u>26,387</u>
Total for program			<u>119,663</u>
Total for federal grantor agency			<u>220,661</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Homeland Security Cluster			
Homeland Security Grant Program	97.067		373,525
Fiscal Year 2003 State Homeland Security Grant Program			17,901
2006 Homeland Security Grant Program			<u>17,901</u>
Total for federal grantor agency			<u>391,426</u>
Total federal awards expended			<u>\$ 705,350</u>

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

BROWN COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

BROWN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

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

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

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

Name of Federal Program or Cluster

Homeland Security Cluster

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

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

BROWN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BROWN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 24, 2008, with Stephanie R. Yager, President of the Board of County Commissioners; David Critser, President of the County Council; and Mari H. Miller, Auditor.

The contents of this report were also discussed on November 24, 2008, with Bill Austin, County Commissioner.