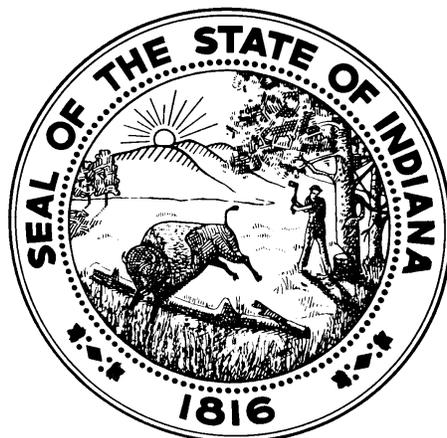


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

LAWRENCE COUNTY, INDIANA



FILED

08/17/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Billie J. Tumey	01-01-05 to 12-31-12
Treasurer	Debbie Thompson	01-01-05 to 12-31-12
Clerk	Myron D. Rainey	01-01-08 to 12-31-12
Sheriff	Samuel J. Craig	01-01-07 to 12-31-10
Recorder	Jessica Allen	01-01-08 to 12-31-12
President of the Board of County Commissioners	David A. Flinn Christopher May	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the County Council	Mike Branham Keith Dillman	01-01-08 to 12-31-08 01-01-09 to 12-31-09



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

TO: THE OFFICIALS OF LAWRENCE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lawrence County (County), as of and for the year ended December 31, 2008, 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, 2008, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 28, 2009, 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

July 28, 2009



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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 LAWRENCE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lawrence County (County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 28, 2009. The opinions to the financial statements were qualified due to omission of the component units of Lawrence County which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

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 July 28, 2009.

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

STATE BOARD OF ACCOUNTS

July 28, 2009

LAWRENCE COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 12,072,672	\$ 5,127,794	\$ 7,946	\$ 161,125	\$ (6,775,807)
Public safety	5,659,457	1,211,985	625,442	410,696	(3,411,334)
Highways and streets	4,860,029	12,648	1,787,466	62,220	(2,997,695)
Sanitation	23,699	-	-	-	(23,699)
Health and welfare	2,600,891	622,186	132,811	-	(1,845,894)
Principal and interest on indebtedness	41,189	-	-	-	(41,189)
	<u>\$ 25,257,937</u>	<u>\$ 6,974,613</u>	<u>\$ 2,553,665</u>	<u>\$ 634,041</u>	<u>(15,095,618)</u>
General receipts:					
Property taxes					8,513,307
Intergovernmental					1,356,328
Other local sources					5,399,107
Grants and contributions not restricted to specific programs					4,706
Investment earnings					290,974
Total general receipts					15,564,422
Change in net assets					468,804
Net assets - beginning					8,311,459
Net assets - ending					\$ 8,780,263
 <u>Assets</u>					
Cash and investments					\$ 1,328,210
Restricted assets:					
Cash and investments					7,452,053
Total assets					\$ 8,780,263
 <u>Net Assets</u>					
Restricted for:					
General government					\$ 702,231
Public safety					1,586,462
Highways and streets					836,633
Health and welfare					1,448,917
Debt service					313,540
Capital outlay					2,564,270
Unrestricted					1,328,210
Total net assets					\$ 8,780,263

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

LAWRENCE 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, 2008

	General	Highway	Family and Children	Cumulative Capital Development	Cumulative Bridge	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 7,268,085	\$ 968,991	\$ 1,903,297	\$ 149,418	\$ 948,170	\$ 1,619,814	\$ 12,857,775
Special assessments	615	-	-	-	-	-	615
Intergovernmental	829,230	1,787,466	11,043	17,653	52,319	1,851,029	4,548,740
Charges for services	4,235,031	12,648	523,819	-	-	556,359	5,327,857
Fines and forfeits	754,579	-	-	-	-	892,177	1,646,756
Interfund loans	-	-	-	-	-	67,000	67,000
Interfund loan repayments	-	-	-	67,000	-	-	67,000
Other	532,100	26,731	-	-	22,078	330,089	910,998
Total receipts	13,619,640	2,795,836	2,438,159	234,071	1,022,567	5,316,468	25,426,741
Disbursements:							
General government	9,683,782	-	-	209,222	-	2,125,078	12,018,082
Public safety	3,502,305	-	-	-	-	1,798,603	5,300,908
Highways and streets	-	3,487,720	-	-	658,183	211,081	4,356,984
Sanitation	655	-	-	-	-	-	655
Health and welfare	171,654	-	1,932,605	-	-	491,332	2,595,591
Debt service:							
Principal	-	-	-	-	-	37,996	37,996
Interest	-	-	-	-	-	3,193	3,193
Capital outlay:							
General government	44,635	-	-	-	-	9,955	54,590
Public safety	53,858	-	-	-	-	304,691	358,549
Highways and streets	-	16,797	-	-	368,488	117,760	503,045
Sanitation	23,044	-	-	-	-	-	23,044
Health and welfare	1,500	-	-	-	-	3,800	5,300
Total disbursements	13,481,433	3,504,517	1,932,605	209,222	1,026,671	5,103,489	25,257,937
Excess (deficiency) of receipts over disbursements	138,207	(708,681)	505,554	24,849	(4,104)	212,979	168,804
Other financing sources (uses):							
Transfers in	39,153	-	-	-	-	159,211	198,364
Transfers out	-	-	(115,360)	-	-	(83,004)	(198,364)
Other receipts	-	-	300,000	-	-	-	300,000
Total other financing sources (uses)	39,153	-	184,640	-	-	76,207	300,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	177,360	(708,681)	690,194	24,849	(4,104)	289,186	468,804
Cash and investment fund balance - beginning	1,069,947	1,458,710	456,039	934,694	1,608,831	2,783,238	8,311,459
Cash and investment fund balance - ending	\$ 1,247,307	\$ 750,029	\$ 1,146,233	\$ 959,543	\$ 1,604,727	\$ 3,072,424	\$ 8,780,263
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,247,307	\$ -	\$ -	\$ -	\$ -	\$ 80,903	\$ 1,328,210
Restricted assets:							
Cash and investments	-	750,029	1,146,233	959,543	1,604,727	2,991,521	7,452,053
Total cash and investment assets - ending	\$ 1,247,307	\$ 750,029	\$ 1,146,233	\$ 959,543	\$ 1,604,727	\$ 3,072,424	\$ 8,780,263
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 702,231	\$ 702,231
Public safety	-	-	-	-	-	1,586,462	1,586,462
Highways and streets	-	750,029	-	-	-	86,604	836,633
Health and welfare	-	-	1,146,233	-	-	302,684	1,448,917
Debt service	-	-	-	-	-	313,540	313,540
Capital outlay	-	-	-	959,543	1,604,727	-	2,564,270
Unrestricted	1,247,307	-	-	-	-	80,903	1,328,210
Total cash and investment fund balance - ending	\$ 1,247,307	\$ 750,029	\$ 1,146,233	\$ 959,543	\$ 1,604,727	\$ 3,072,424	\$ 8,780,263

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

LAWRENCE COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2008

	Pension Trust Funds	Private-Purpose Trust Fund	Agency Funds
Additions:			
Contributions:			
Employer	\$ 438,834	\$ -	
Investment earnings:			
Interest and dividends	79,212	-	
Gains (losses)	(115,521)	-	
Total investment earnings	(36,309)	-	
Agency fund additions	-	-	
Total additions	402,525	-	
Deductions:			
Benefits	215,646	-	
Administrative and general	41,436	-	
Agency fund deductions	-	-	
Total deductions	257,082	-	
Excess of total additions over total deductions	145,443	-	
Cash and investment fund balance - beginning	2,315,336	15,582	
Cash and investment fund balance - ending	\$ 2,460,779	\$ 15,582	\$ 3,604,811

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government:	Lawrence County
Blended Component Unit:	Lawrence County Detention Center Holding Corporation
Blended Component Unit:	Lawrence County Indiana Courthouse Annex Building Corporation
Discretely Presented Component Unit:	Dunn Memorial Hospital
Discretely Presented Component Unit:	Lawrence County Solid Waste Management District
Discretely Presented Component Unit:	Lawrence County Tourism Commission

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

Dunn Memorial Hospital, Lawrence County Solid Waste Management District, and Lawrence County Tourism Commission, discretely presented component units, and Lawrence County Detention Center Holding Corporation and the Lawrence County Indiana Courthouse Annex Building Corporation, blended component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

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

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. There are no business-type activities to report at this time.

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

The County reports the following major governmental funds:

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

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

The family and children fund provides services to children who are adjudicated CHINS or delinquents; families for which there is an informal adjustment; service referral agreement; or for individuals receiving assistance for adoption. Expenses for child welfare services, care of wards in foster homes, and care of wards in therapeutic homes are also made from this fund.

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

The cumulative capital development fund is used to account for receipts and disbursements authorized by IC 36-9-14.5-2 and IC 36-9-14.5-8.

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the sheriff pension trust and sheriff 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 County school corporations.

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

C. Measurement Focus and Basis of Accounting

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Program Receipts

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Disbursements in Excess of Appropriations

For the year ended December 31, 2008, disbursements exceeded budgeted appropriations in the following fund by the amount below:

Fund	2008
Courthouse Plaza Lease/Rental	\$ <u>681</u>

These disbursements were funded by available fund balances.

C. Cash and Investment Balance Deficits

At December 31, 2008, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2008
Health	\$ 10,059
National Forest Fund	2,263
Safe Haven NLCS Grant	2,713
JDAP	7,899
Victim Assistance	19,389
HEA State Homestead Credit	20,254

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

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

2. Investments

As of December 31, 2008, the County and the Sheriff's Retirement and Benefit Plan had the following investments:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 210,944
U.S. agencies	261,943
Mutual funds	169,640
Corporate bonds	376,140
Corporate stocks	1,339,082
Total	\$ 2,357,749

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.

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

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

Interest Rate Risk

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

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ 77,463	\$ 22,458	\$ 111,023
U.S. agencies	57,423	29,845	174,675
Corporate bonds	50,444	34,131	291,565
Totals	<u>\$ 185,330</u>	<u>\$ 86,434</u>	<u>\$ 577,263</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.

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	County's Investments
	Corporate Bonds
AAA	\$ 32,300
AA	88,593
A	180,319
BBB	51,134
Unrated	23,794
Total	<u>\$ 376,140</u>

Concentration of Credit Risk

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

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Foreign Currency Risk

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

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2008, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2008</u>
Family and Children	Other governmental funds	\$ 115,360
Other governmental funds	General Fund	39,153
Other governmental funds	Other governmental funds	<u>43,851</u>
Total		<u>\$ 198,364</u>

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

C. Restatements and Reclassifications

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

<u>Opinion Unit</u>	<u>Fund Name</u>	<u>Balance as Reported December 31, 2007</u>	<u>Fund Reclassification</u>	<u>Balance as Restated January 1, 2008</u>
Fiduciary funds	Clerk's Trust	\$ 650,545	\$ (627,752)	\$ 22,793
Fiduciary funds	Clerk's ISETS	22,793	627,752	650,545

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.

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Medical Benefits to Employees

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees. The risk financing fund is accounted for in a sub account in the Payroll Fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$50,000 per employee, per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

Job Related Illnesses or Injuries to Employees

During 2003, the County joined with other governmental entities in the Indiana Public Employer's 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 for the purpose of providing a medium for the funding and administration of workers' compensation claims. The County pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Holding Corporations

The County has entered into a capital lease with the Lawrence County Detention Center Holding 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 \$720,750.

The County has entered into a capital lease with Lawrence County Indiana Courthouse Annex 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 \$262,846.

C. Conduit Debt Obligation

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

As of December 31, 2008, there was one series of Economic Development Revenue Bonds outstanding with an aggregate principal amount payable of \$125,900.

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County has authorized the issue of Tax Increment Revenue Bonds for the purpose of raising money for property acquisition, economic development and redevelopment in the Lawrence County Economic Development Area, Allocation Area No.1. The bonds were subsequently sold by private negotiated sale at a price of 100%. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

As of December 31, 2008, there was one series of Tax Increment Revenue Bonds outstanding with an aggregate principal amount payable of \$21,873.

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.

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

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

LAWRENCE 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	\$ 367,960	\$ 284,573	\$ 65,402
Interest on net pension obligation	3,541	5,828	-
Adjustment to annual required contribution	<u>(4,036)</u>	<u>(9,002)</u>	<u>-</u>
Annual pension cost	367,465	281,399	65,402
Contributions made	<u>366,449</u>	<u>294,217</u>	<u>65,402</u>
Increase (decrease) in net pension obligation	1,016	(12,818)	-
Net pension obligation, beginning of year	<u>48,846</u>	<u>83,264</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ 49,862</u>	<u>\$ 70,446</u>	<u>\$ -</u>

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Contribution rates:			
County	6%	30%	7%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	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

<u>Actuarial Assumptions</u>	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
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%

LAWRENCE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 330,799	84%	\$ (14,224)
	06-30-07	362,943	83%	48,846
	06-30-08	367,465	100%	49,862
County Police Retirement Plan	12-31-06	178,629	85%	57,155
	12-31-07	181,478	86%	83,264
	12-31-08	281,399	91%	70,446
County Police Benefit Plan	12-31-06	72,507	100%	-
	12-31-07	69,749	100%	-
	12-31-08	65,402	100%	-

LAWRENCE COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 5,105,098	\$ 5,484,610	\$ (379,512)	93%	\$ 5,642,594	(7%)
07-01-07	5,825,682	6,263,426	(437,744)	93%	5,527,906	(8%)
07-01-08	6,508,608	7,127,728	(619,120)	91%	5,868,303	(11%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
10-01-02	\$ 1,657,949	\$ 1,657,949	\$ -	100%	\$ 882,345	0%
10-01-03	1,641,095	1,641,095	-	100%	881,157	0%
10-01-04	1,690,515	1,690,515	-	100%	949,796	0%
10-01-05	1,925,196	1,925,196	-	100%	965,015	0%
10-01-06	2,174,864	2,919,918	(745,054)	74%	1,000,987	(74%)
01-01-08	2,624,181	3,420,604	(796,423)	77%	947,656	(84%)

LAWRENCE 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, 2008

	Local Road and Street	Aviation	Sheriff Accident Reports	Sheriff Firearms Licenses	Health	ADAPT User Fees	Sheriff Donations
Receipts:							
Taxes	\$ -	\$ 91,133	\$ -	\$ -	\$ 149,053	\$ -	\$ -
Intergovernmental	359,799	4,873	-	-	-	-	-
Charges for services	-	-	2,290	23,435	73,275	-	-
Fines and forfeits	-	-	-	-	-	143,120	-
Interfund loans	-	-	-	-	-	-	-
Other	10,000	41,196	-	-	26,835	-	4,175
Total receipts	369,799	137,202	2,290	23,435	249,163	143,120	4,175
Disbursements:							
General government	-	115,876	-	-	-	-	2,396
Public safety	-	-	1,034	3,584	-	113,157	-
Highways and streets	211,081	-	-	-	-	-	-
Health and welfare	-	-	-	-	339,920	-	-
Debt service:							
Principal	-	34,197	-	-	-	-	-
Interest	-	3,193	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	117,760	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	328,841	153,266	1,034	3,584	339,920	113,157	2,396
Excess (deficiency) of receipts over disbursements	40,958	(16,064)	1,256	19,851	(90,757)	29,963	1,779
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(25,000)	-	-	(153)	-	-
Total other financing sources (uses)	-	(25,000)	-	-	(153)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	40,958	(41,064)	1,256	19,851	(90,910)	29,963	1,779
Cash and investment fund balance - beginning	25,598	87,854	8,462	16,918	80,851	22	24
Cash and investment fund balance - ending	<u>\$ 66,556</u>	<u>\$ 46,790</u>	<u>\$ 9,718</u>	<u>\$ 36,769</u>	<u>\$ (10,059)</u>	<u>\$ 29,985</u>	<u>\$ 1,803</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (10,059)	\$ -	\$ -
Restricted assets:							
Cash and investments	66,556	46,790	9,718	36,769	-	29,985	1,803
Total cash and investment assets - ending	\$ 66,556	\$ 46,790	\$ 9,718	\$ 36,769	\$ (10,059)	\$ 29,985	\$ 1,803
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ 46,790	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	9,718	36,769	-	29,985	1,803
Highways and streets	66,556	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	(10,059)	-	-
Total cash and investment fund balance - ending	\$ 66,556	\$ 46,790	\$ 9,718	\$ 36,769	\$ (10,059)	\$ 29,985	\$ 1,803

LAWRENCE 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, 2008
 (Continued)

	Crime Control	Law Enforcement Continuing Education	Clerk's Perpetuation Fund	Deferral Program Fees	LEP Subgrant FEMA Planning	Emergency Telephone System	Drug Free Community Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	319,682	-
Fines and forfeits	28,544	1,341	21,076	54,014	-	-	59,878
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	500	-	-	-
Total receipts	28,544	1,341	21,076	54,514	-	319,682	59,878
Disbursements:							
General government	-	-	14,123	-	-	-	-
Public safety	18,646	-	-	47,136	-	323,070	45,566
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	8,681	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	18,646	-	14,123	55,817	-	323,070	45,566
Excess (deficiency) of receipts over disbursements	9,898	1,341	6,953	(1,303)	-	(3,388)	14,312
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(4,300)
Total other financing sources (uses)	-	-	-	-	-	-	(4,300)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,898	1,341	6,953	(1,303)	-	(3,388)	10,012
Cash and investment fund balance - beginning	787	542	1,054	19,611	16	201,690	75,757
Cash and investment fund balance - ending	\$ 10,685	\$ 1,883	\$ 8,007	\$ 18,308	\$ 16	\$ 198,302	\$ 85,769
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	10,685	1,883	8,007	18,308	16	198,302	85,769
Total cash and investment assets - ending	\$ 10,685	\$ 1,883	\$ 8,007	\$ 18,308	\$ 16	\$ 198,302	\$ 85,769
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ 8,007	\$ -	\$ -	\$ -	\$ -
Public safety	10,685	1,883	-	18,308	16	198,302	85,769
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 10,685	\$ 1,883	\$ 8,007	\$ 18,308	\$ 16	\$ 198,302	\$ 85,769

LAWRENCE 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, 2008
 (Continued)

	Emergency Management	Juvenile Probation	Adult Probation	Recorder Perpetuation Fund	Lawrence County Health Maintenance Fund	Community Corrections	Pretrial Diversion
Receipts:							
Taxes	\$ 30,763	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,635	-	-	-	24,854	225,458	-
Charges for services	-	-	-	48,216	-	-	-
Fines and forfeits	-	24,219	112,136	-	-	-	31,046
Interfund loans	-	-	-	-	-	-	-
Other	32,908	-	-	-	-	-	-
Total receipts	67,306	24,219	112,136	48,216	24,854	225,458	31,046
Disbursements:							
General government	-	-	-	43,256	-	-	-
Public safety	42,806	22,120	-	-	-	238,752	12,766
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	14,136	-	-
Debt service:							
Principal	3,799	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	109,457	-	-	-	3,249
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	46,605	22,120	109,457	43,256	14,136	238,752	16,015
Excess (deficiency) of receipts over disbursements	20,701	2,099	2,679	4,960	10,718	(13,294)	15,031
Other financing sources (uses):							
Transfers in	-	-	-	-	-	148	-
Transfers out	-	-	-	-	(300)	-	-
Total other financing sources (uses)	-	-	-	-	(300)	148	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,701	2,099	2,679	4,960	10,418	(13,146)	15,031
Cash and investment fund balance - beginning	40,802	-	2,539	66,695	47,342	34,648	3,973
Cash and investment fund balance - ending	\$ 61,503	\$ 2,099	\$ 5,218	\$ 71,655	\$ 57,760	\$ 21,502	\$ 19,004
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	61,503	2,099	5,218	71,655	57,760	21,502	19,004
Total cash and investment assets - ending	\$ 61,503	\$ 2,099	\$ 5,218	\$ 71,655	\$ 57,760	\$ 21,502	\$ 19,004
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	71,655	\$ -	\$ -	\$ -
Public safety	61,503	2,099	5,218	-	-	21,502	19,004
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	57,760	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 61,503	\$ 2,099	\$ 5,218	\$ 71,655	\$ 57,760	\$ 21,502	\$ 19,004

LAWRENCE 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, 2008
 (Continued)

	Guardian Ad Litem User Fee	Auditor Transfer Fees	Community Corrections (Misdemeanant)	Surveyor Corner Fund	Jury Fee Fund	HAVA Title III	Bio Terrorism District Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	7,946	-	52,550	-	-	-	-
Charges for services	-	10,135	-	9,226	-	-	-
Fines and forfeits	-	-	-	-	8,141	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>7,946</u>	<u>10,135</u>	<u>52,550</u>	<u>9,226</u>	<u>8,141</u>	<u>-</u>	<u>-</u>
Disbursements:							
General government	6,505	5,130	-	166	7,873	-	-
Public safety	-	-	48,787	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	22,461	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	<u>6,505</u>	<u>5,130</u>	<u>71,248</u>	<u>166</u>	<u>7,873</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,441</u>	<u>5,005</u>	<u>(18,698)</u>	<u>9,060</u>	<u>268</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,441</u>	<u>5,005</u>	<u>(18,698)</u>	<u>9,060</u>	<u>268</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>8,604</u>	<u>9,080</u>	<u>43,375</u>	<u>15,530</u>	<u>4,896</u>	<u>4,839</u>	<u>66</u>
Cash and investment fund balance - ending	<u>\$ 10,045</u>	<u>\$ 14,085</u>	<u>\$ 24,677</u>	<u>\$ 24,590</u>	<u>\$ 5,164</u>	<u>\$ 4,839</u>	<u>\$ 66</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>10,045</u>	<u>14,085</u>	<u>24,677</u>	<u>24,590</u>	<u>5,164</u>	<u>4,839</u>	<u>66</u>
Total cash and investment assets - ending	<u>\$ 10,045</u>	<u>\$ 14,085</u>	<u>\$ 24,677</u>	<u>\$ 24,590</u>	<u>\$ 5,164</u>	<u>\$ 4,839</u>	<u>\$ 66</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ 10,045	\$ 14,085	\$ -	\$ 24,590	\$ -	\$ 4,839	\$ -
Public safety	-	-	24,677	-	5,164	-	66
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 10,045</u>	<u>\$ 14,085</u>	<u>\$ 24,677</u>	<u>\$ 24,590</u>	<u>\$ 5,164</u>	<u>\$ 4,839</u>	<u>\$ 66</u>

LAWRENCE 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, 2008
 (Continued)

	Bio Terrorism District Part 2	Homeland Security 2006	Rainy Day	Work Release Fund	Project Income	Tobacco Settlement	Coroners Education Fund
Receipts:							
Taxes	\$ -	\$ -	\$ 280,966	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	4,348
Fines and forfeits	-	-	-	-	203,450	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	280,966	-	203,450	-	4,348
Disbursements:							
General government	-	-	200,943	-	204,701	-	-
Public safety	-	-	-	-	-	-	4,348
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	8,205	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	3,800	-
Total disbursements	-	-	200,943	-	204,701	12,005	4,348
Excess (deficiency) of receipts over disbursements	-	-	80,023	-	(1,251)	(12,005)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	13,950	153	-
Transfers out	-	-	-	-	(148)	-	-
Total other financing sources (uses)	-	-	-	-	13,802	153	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	80,023	-	12,551	(11,852)	-
Cash and investment fund balance - beginning	1,092	72	43,203	63,144	177,210	16,122	-
Cash and investment fund balance - ending	<u>\$ 1,092</u>	<u>\$ 72</u>	<u>\$ 123,226</u>	<u>\$ 63,144</u>	<u>\$ 189,761</u>	<u>\$ 4,270</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ 123,226	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	1,092	72	-	63,144	189,761	4,270	-
Total cash and investment assets - ending	\$ 1,092	\$ 72	\$ 123,226	\$ 63,144	\$ 189,761	\$ 4,270	\$ -
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	1,092	72	-	63,144	189,761	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	4,270	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	123,226	-	-	-	-
Total cash and investment fund balance - ending	\$ 1,092	\$ 72	\$ 123,226	\$ 63,144	\$ 189,761	\$ 4,270	\$ -

LAWRENCE 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, 2008
 (Continued)

	Operation Pullover	Children Psychiatric Residential Treatment	County Adult Offender Interstate	Public Defender Services Fund	Wireless 911 Fund	Circuit Court Bail and Pretrial Services Agency	Superior Court I Bail and Pretrial Services Agency
Receipts:							
Taxes	\$ -	\$ 20,508	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,412	2,422	-	-	161,713	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	76	-	2,260	8,520
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	6,412	22,930	-	76	161,713	2,260	8,520
Disbursements:							
General government	-	-	-	-	-	1,400	8,113
Public safety	7,684	-	-	-	74,039	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	123,509	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	160,843	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	7,684	123,509	-	-	234,882	1,400	8,113
Excess (deficiency) of receipts over disbursements	(1,272)	(100,579)	-	76	(73,169)	860	407
Other financing sources (uses):							
Transfers in	-	115,360	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	115,360	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,272)	14,781	-	76	(73,169)	860	407
Cash and investment fund balance - beginning	6,760	128,881	450	21,233	265,063	9,004	5,298
Cash and investment fund balance - ending	\$ 5,488	\$ 143,662	\$ 450	\$ 21,309	\$ 191,894	\$ 9,864	\$ 5,705
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	5,488	143,662	450	21,309	191,894	9,864	5,705
Total cash and investment assets - ending	\$ 5,488	\$ 143,662	\$ 450	\$ 21,309	\$ 191,894	\$ 9,864	\$ 5,705
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	5,488	-	450	21,309	191,894	9,864	5,705
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	143,662	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 5,488	\$ 143,662	\$ 450	\$ 21,309	\$ 191,894	\$ 9,864	\$ 5,705

LAWRENCE 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, 2008
 (Continued)

	Superior Court II Bail and Pretrial Services Agency	Probation Administrative Fee	Extension Office Donation	County Bonds	Bio Terrorism Preparedness	Runway Paving Grant	Family Relations Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	95,859	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	27,399	35,062	-	-	-	-	11,850
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	27,399	35,062	-	-	-	95,859	11,850
Disbursements:							
General government	16,840	-	-	-	-	120,168	12,615
Public safety	-	14,241	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	16,840	14,241	-	-	-	120,168	12,615
Excess (deficiency) of receipts over disbursements	10,559	20,821	-	-	-	(24,309)	(765)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	25,000	-
Transfers out	(10,602)	(20,821)	-	-	-	-	-
Total other financing sources (uses)	(10,602)	(20,821)	-	-	-	25,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(43)	-	-	-	-	691	(765)
Cash and investment fund balance - beginning	1,889	-	424	141	1,240	768	4,138
Cash and investment fund balance - ending	<u>\$ 1,846</u>	<u>\$ -</u>	<u>\$ 424</u>	<u>\$ 141</u>	<u>\$ 1,240</u>	<u>\$ 1,459</u>	<u>\$ 3,373</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	1,846	-	424	141	1,240	1,459	3,373
Total cash and investment assets - ending	<u>\$ 1,846</u>	<u>\$ -</u>	<u>\$ 424</u>	<u>\$ 141</u>	<u>\$ 1,240</u>	<u>\$ 1,459</u>	<u>\$ 3,373</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ 424	\$ -	\$ -	\$ 1,459	\$ -
Public safety	1,846	-	-	-	1,240	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	3,373
Debt service	-	-	-	141	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 1,846</u>	<u>\$ -</u>	<u>\$ 424</u>	<u>\$ 141</u>	<u>\$ 1,240</u>	<u>\$ 1,459</u>	<u>\$ 3,373</u>

LAWRENCE 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, 2008
 (Continued)

	Reassessment	Investigator's Cash Fund	Local Emergency Planning	Accident Investigation Fund	Lawrence County Police Training Fund	Community Transitional Program	Non Violence Program Probation
Receipts:							
Taxes	\$ 161,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	19,037	-	5,366	-	-	12,790	-
Charges for services	-	-	-	1,600	-	-	-
Fines and forfeits	-	-	-	-	-	-	16,954
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	180,174	-	5,366	1,600	-	12,790	16,954
Disbursements:							
General government	181,839	-	3,221	1,559	-	-	3,633
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	7,709	-	246	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	189,548	-	3,467	1,559	-	-	3,633
Excess (deficiency) of receipts over disbursements	(9,374)	-	1,899	41	-	12,790	13,321
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(13,950)	(7,730)
Total other financing sources (uses)	-	-	-	-	-	(13,950)	(7,730)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,374)	-	1,899	41	-	(1,160)	5,591
Cash and investment fund balance - beginning	371,535	572	17,665	3,024	10,927	4,355	3
Cash and investment fund balance - ending	<u>\$ 362,161</u>	<u>\$ 572</u>	<u>\$ 19,564</u>	<u>\$ 3,065</u>	<u>\$ 10,927</u>	<u>\$ 3,195</u>	<u>\$ 5,594</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	362,161	572	19,564	3,065	10,927	3,195	5,594
Total cash and investment assets - ending	\$ 362,161	\$ 572	\$ 19,564	\$ 3,065	\$ 10,927	\$ 3,195	\$ 5,594
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ 362,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	572	19,564	3,065	10,927	3,195	5,594
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 362,161	\$ 572	\$ 19,564	\$ 3,065	\$ 10,927	\$ 3,195	\$ 5,594

LAWRENCE 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, 2008
 (Continued)

	OVWI Drug Court	Alternative Dispute Resolution	JCS Juvenile Community Service	Public Health Coordinator Grant	JADAP	Compass	National Forest Fund
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	80,000	-	-	42,500	26,031	-	12,470
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	26,943	6,200	5,325	-	-	2,840	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	106,943	6,200	5,325	42,500	26,031	2,840	12,470
Disbursements:							
General government	106,776	8,800	-	39,051	21,135	-	13,470
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	106,776	8,800	-	39,051	21,135	-	13,470
Excess (deficiency) of receipts over disbursements	167	(2,600)	5,325	3,449	4,896	2,840	(1,000)
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	167	(2,600)	5,325	3,449	4,896	2,840	(1,000)
Cash and investment fund balance - beginning	191	20,700	9,900	3,784	806	2,190	(1,263)
Cash and investment fund balance - ending	<u>\$ 358</u>	<u>\$ 18,100</u>	<u>\$ 15,225</u>	<u>\$ 7,233</u>	<u>\$ 5,702</u>	<u>\$ 5,030</u>	<u>\$ (2,263)</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,263)
Restricted assets:							
Cash and investments	358	18,100	15,225	7,233	5,702	5,030	-
Total cash and investment assets - ending	\$ 358	\$ 18,100	\$ 15,225	\$ 7,233	\$ 5,702	\$ 5,030	\$ (2,263)
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,030	\$ -
Public safety	358	18,100	15,225	-	5,702	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	7,233	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	(2,263)
Total cash and investment fund balance - ending	\$ 358	\$ 18,100	\$ 15,225	\$ 7,233	\$ 5,702	\$ 5,030	\$ (2,263)

LAWRENCE 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, 2008
 (Continued)

	Drug Seizure Fund	ISP Marijuana Extrication	Pathways To Recovery	Stop Violence Grant	Police Office Equipment	Family Court Grant	Drug Court-Redirect
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	100,290	-	-	10,000	-
Charges for services	-	-	-	-	985	-	-
Fines and forfeits	35,650	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	59
Total receipts	35,650	-	100,290	-	985	10,000	59
Disbursements:							
General government	4,727	-	94,172	-	-	33,200	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	2,000	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	4,727	-	96,172	-	-	33,200	-
Excess (deficiency) of receipts over disbursements	30,923	-	4,118	-	985	(23,200)	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	30,923	-	4,118	-	985	(23,200)	59
Cash and investment fund balance - beginning	1,116	77	19	3	2,975	35,925	25,933
Cash and investment fund balance - ending	<u>\$ 32,039</u>	<u>\$ 77</u>	<u>\$ 4,137</u>	<u>\$ 3</u>	<u>\$ 3,960</u>	<u>\$ 12,725</u>	<u>\$ 25,992</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	32,039	77	4,137	3	3,960	12,725	25,992
Total cash and investment assets - ending	<u>\$ 32,039</u>	<u>\$ 77</u>	<u>\$ 4,137</u>	<u>\$ 3</u>	<u>\$ 3,960</u>	<u>\$ 12,725</u>	<u>\$ 25,992</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	32,039	77	4,137	3	3,960	12,725	25,992
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 32,039</u>	<u>\$ 77</u>	<u>\$ 4,137</u>	<u>\$ 3</u>	<u>\$ 3,960</u>	<u>\$ 12,725</u>	<u>\$ 25,992</u>

LAWRENCE 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, 2008
 (Continued)

	Boot Camp	OVWI Trust Fee Fund	Tobacco Settlement Grant	Immunization Fund	Mortgage Fraud Fund	Redacting Fee	Pandemic Flu
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	25,598	-	-	-	-
Charges for services	-	-	-	13,242	4,810	16,210	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	25,598	13,242	4,810	16,210	-
Disbursements:							
General government	4,896	-	16,064	-	4,810	12,897	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	5,562	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	4,896	-	16,064	5,562	4,810	12,897	-
Excess (deficiency) of receipts over disbursements	(4,896)	-	9,534	7,680	-	3,313	-
Other financing sources (uses):							
Transfers in	4,300	-	300	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	4,300	-	300	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(596)	-	9,834	7,680	-	3,313	-
Cash and investment fund balance - beginning	1,902	118	23,480	43,166	-	35,894	2,226
Cash and investment fund balance - ending	<u>\$ 1,306</u>	<u>\$ 118</u>	<u>\$ 33,314</u>	<u>\$ 50,846</u>	<u>\$ -</u>	<u>\$ 39,207</u>	<u>\$ 2,226</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	1,306	118	33,314	50,846	-	39,207	2,226
Total cash and investment assets - ending	<u>\$ 1,306</u>	<u>\$ 118</u>	<u>\$ 33,314</u>	<u>\$ 50,846</u>	<u>\$ -</u>	<u>\$ 39,207</u>	<u>\$ 2,226</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	39,207	\$ -
Public safety	1,306	118	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	33,314	50,846	-	-	2,226
Debt service	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 1,306</u>	<u>\$ 118</u>	<u>\$ 33,314</u>	<u>\$ 50,846</u>	<u>\$ -</u>	<u>\$ 39,207</u>	<u>\$ 2,226</u>

LAWRENCE 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, 2008
 (Continued)

	Safe Haven NLCS Grant	JDAP	Prosecutor CEF	PCA Child Support Enforcement	I-69 Planning Grant	Law Enforcement Radios	Sheriff Commissary
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	18,678	36,563	-	-	62,220	315,330	-
Charges for services	-	-	23,767	5,138	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	214,416
Total receipts	<u>18,678</u>	<u>36,563</u>	<u>23,767</u>	<u>5,138</u>	<u>62,220</u>	<u>315,330</u>	<u>214,416</u>
Disbursements:							
General government	-	44,462	1,806	3,083	62,220	-	221,189
Public safety	21,391	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	<u>21,391</u>	<u>44,462</u>	<u>1,806</u>	<u>3,083</u>	<u>62,220</u>	<u>-</u>	<u>221,189</u>
Excess (deficiency) of receipts over disbursements	<u>(2,713)</u>	<u>(7,899)</u>	<u>21,961</u>	<u>2,055</u>	<u>-</u>	<u>315,330</u>	<u>(6,773)</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,713)</u>	<u>(7,899)</u>	<u>21,961</u>	<u>2,055</u>	<u>-</u>	<u>315,330</u>	<u>(6,773)</u>
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,894</u>
Cash and investment fund balance - ending	<u>\$ (2,713)</u>	<u>\$ (7,899)</u>	<u>\$ 21,961</u>	<u>\$ 2,055</u>	<u>\$ -</u>	<u>\$ 315,330</u>	<u>\$ 60,121</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ (2,713)	\$ (7,899)	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	21,961	2,055	-	315,330	60,121
Total cash and investment assets - ending	<u>\$ (2,713)</u>	<u>\$ (7,899)</u>	<u>\$ 21,961</u>	<u>\$ 2,055</u>	<u>\$ -</u>	<u>\$ 315,330</u>	<u>\$ 60,121</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	21,961	2,055	-	315,330	60,121
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unrestricted	<u>(2,713)</u>	<u>(7,899)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u>\$ (2,713)</u>	<u>\$ (7,899)</u>	<u>\$ 21,961</u>	<u>\$ 2,055</u>	<u>\$ -</u>	<u>\$ 315,330</u>	<u>\$ 60,121</u>

LAWRENCE 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, 2008
 (Continued)

	Jail Lease Rental	Courthouse Plaza Lease/Rental	Sofaland Lease/Rent	Cumulative Covered Bridge	Victim Assistance	User Fee	Totals
Receipts:							
Taxes	\$ 644,549	\$ 121,585	\$ 120,120	\$ -	\$ -	\$ -	\$ 1,619,814
Intergovernmental	76,149	14,366	14,192	1,850	32,078	-	1,851,029
Charges for services	-	-	-	-	-	-	556,359
Fines and forfeits	-	-	-	-	-	26,133	892,177
Interfund loans	40,000	-	27,000	-	-	-	67,000
Other	-	-	-	-	-	-	330,089
Total receipts	<u>760,698</u>	<u>135,951</u>	<u>161,312</u>	<u>1,850</u>	<u>32,078</u>	<u>26,133</u>	<u>5,316,468</u>
Disbursements:							
General government	-	262,846	212,541	-	-	6,576	2,125,078
Public safety	720,750	-	-	-	38,726	-	1,798,603
Highways and streets	-	-	-	-	-	-	211,081
Health and welfare	-	-	-	-	-	-	491,332
Debt service:							
Principal	-	-	-	-	-	-	37,996
Interest	-	-	-	-	-	-	3,193
Capital outlay:							
General government	-	-	-	-	-	-	9,955
Public safety	-	-	-	-	-	-	304,691
Highways and streets	-	-	-	-	-	-	117,760
Health and welfare	-	-	-	-	-	-	3,800
Total disbursements	<u>720,750</u>	<u>262,846</u>	<u>212,541</u>	<u>-</u>	<u>38,726</u>	<u>6,576</u>	<u>5,103,489</u>
Excess (deficiency) of receipts over disbursements	<u>39,948</u>	<u>(126,895)</u>	<u>(51,229)</u>	<u>1,850</u>	<u>(6,648)</u>	<u>19,557</u>	<u>212,979</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	159,211
Transfers out	-	-	-	-	-	-	(83,004)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,207</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>39,948</u>	<u>(126,895)</u>	<u>(51,229)</u>	<u>1,850</u>	<u>(6,648)</u>	<u>19,557</u>	<u>289,186</u>
Cash and investment fund balance - beginning	<u>187,149</u>	<u>127,378</u>	<u>137,048</u>	<u>18,198</u>	<u>(12,741)</u>	<u>94,382</u>	<u>2,783,238</u>
Cash and investment fund balance - ending	<u>\$ 227,097</u>	<u>\$ 483</u>	<u>\$ 85,819</u>	<u>\$ 20,048</u>	<u>\$ (19,389)</u>	<u>\$ 113,939</u>	<u>\$ 3,072,424</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (19,389)	\$ -	\$ 80,903
Restricted assets:							
Cash and investments	<u>227,097</u>	<u>483</u>	<u>85,819</u>	<u>20,048</u>	<u>-</u>	<u>113,939</u>	<u>2,991,521</u>
Total cash and investment assets - ending	<u>\$ 227,097</u>	<u>\$ 483</u>	<u>\$ 85,819</u>	<u>\$ 20,048</u>	<u>\$ (19,389)</u>	<u>\$ 113,939</u>	<u>\$ 3,072,424</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,939	\$ 702,231
Public safety	-	-	-	-	-	-	1,586,462
Highways and streets	-	-	-	20,048	-	-	86,604
Health and welfare	-	-	-	-	-	-	302,684
Debt service	227,097	483	85,819	-	-	-	313,540
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,389)</u>	<u>-</u>	<u>80,903</u>
Total cash and investment fund balance - ending	<u>\$ 227,097</u>	<u>\$ 483</u>	<u>\$ 85,819</u>	<u>\$ 20,048</u>	<u>\$ (19,389)</u>	<u>\$ 113,939</u>	<u>\$ 3,072,424</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2008

	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 359,792	\$ 79,042	\$ 438,834
Investment receipts:			
Interest and dividends	75,874	3,338	79,212
Gains (losses)	<u>(116,572)</u>	<u>1,051</u>	<u>(115,521)</u>
Total investment receipts	<u>(40,698)</u>	<u>4,389</u>	<u>(36,309)</u>
Total additions	<u>319,094</u>	<u>83,431</u>	<u>402,525</u>
Deductions:			
Benefits	162,339	53,307	215,646
Administrative and general	<u>38,489</u>	<u>2,947</u>	<u>41,436</u>
Total deductions	<u>200,828</u>	<u>56,254</u>	<u>257,082</u>
Excess of total additions over total deductions	118,266	27,177	145,443
Cash and investment fund balance - beginning	<u>2,148,229</u>	<u>167,107</u>	<u>2,315,336</u>
Cash and investment fund balance - ending	<u>\$ 2,266,495</u>	<u>\$ 194,284</u>	<u>\$ 2,460,779</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008

	City/Town Court Cost Fund	Interest Congressional	Weed Lien	Tax Sale Redemption	Surplus Tax (Excess)	State Fair Board	State Forestry
Additions:							
Agency fund additions	\$ 16,663	\$ -	\$ 203	\$ -	\$ 82,194	\$ 12,943	\$ 25,885
Deductions:							
Agency fund deductions	2,003	1,246	203	-	177,938	12,943	25,885
Excess (deficiency) of total additions over total deductions	14,660	(1,246)	-	-	(95,744)	-	-
Cash and investment fund balance - beginning	7,484	9,977	-	1,210	152,631	-	-
Cash and investment fund balance - ending	<u>\$ 22,144</u>	<u>\$ 8,731</u>	<u>\$ -</u>	<u>\$ 1,210</u>	<u>\$ 56,887</u>	<u>\$ -</u>	<u>\$ -</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Infraction Judgements	Inheritance Tax	Payroll	Education Plate Fees	Tax Sale Surplus	Riverboat Wagering Tax Revenue Sharing	Children with Special Health Needs
Additions:							
Agency fund additions	\$ 75,645	\$ 1,011,190	\$ 5,123,845	\$ 1,950	\$ -	\$ 288,072	\$ 52,414
Deductions:							
Agency fund deductions	75,645	854,729	4,704,162	1,800	34,628	288,072	52,001
Excess (deficiency) of total additions over total deductions	-	156,461	419,683	150	(34,628)	-	413
Cash and investment fund balance - beginning	-	169,099	10,533	423	52,781	2,002	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 325,560</u>	<u>\$ 430,216</u>	<u>\$ 573</u>	<u>\$ 18,153</u>	<u>\$ 2,002</u>	<u>\$ 413</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Welfare Hospital Care	Medical Assistance To Wards	Welfare Trust	Homestead Credit Rebate	Tax Distribution	2006 Tax Sale Redemption	2006 Tax Sale Surplus
Additions:							
Agency fund additions	\$ 501,212	\$ 8,190	\$ 4,876	\$ 334	\$ 53,210,020	\$ 7,424	\$ -
Deductions:							
Agency fund deductions	497,258	8,125	41,319	1,629,633	53,298,566	7,424	38,334
Excess (deficiency) of total additions over total deductions	3,954	65	(36,443)	(1,629,299)	(88,546)	-	(38,334)
Cash and investment fund balance - beginning	-	-	81,078	1,629,380	94,946	-	57,106
Cash and investment fund balance - ending	<u>\$ 3,954</u>	<u>\$ 65</u>	<u>\$ 44,635</u>	<u>\$ 81</u>	<u>\$ 6,400</u>	<u>\$ -</u>	<u>\$ 18,772</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Tax Sale Reimbursement 2007	Fines Forfeitures	Tourism Commission	State Welfare Excise Tax Allocation	State Disclosure Fee Fund	Child Restraints Violations
Additions:						
Agency fund additions	\$ 20,338	\$ 675	\$ 212,320	\$ 34,497	\$ 5,248	\$ 875
Deductions:						
Agency fund deductions	36,068	628	212,320	51,149	5,128	875
Excess (deficiency) of total additions over total deductions	(15,730)	47	-	(16,652)	120	-
Cash and investment fund balance - beginning	28,203	72	-	16,652	15	-
Cash and investment fund balance - ending	<u>\$ 12,473</u>	<u>\$ 119</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ -</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	<u>County Sales Disclosures Fees</u>	<u>Sheriff Pension Fund</u>	<u>Probation Dept Gifts/Trust</u>	<u>PERF Death Benefit</u>	<u>Payroll Excess</u>	<u>2007 Tax Sale Redemption</u>
Additions:						
Agency fund additions	<u>\$ 5,232</u>	<u>\$ 23,532</u>	<u>\$ -</u>	<u>\$ 4,240</u>	<u>\$ -</u>	<u>\$ 59,197</u>
Deductions:						
Agency fund deductions	<u>4,446</u>	<u>23,532</u>	<u>-</u>	<u>4,240</u>	<u>-</u>	<u>59,197</u>
Excess (deficiency) of total additions over total deductions	786	-	-	-	-	-
Cash and investment fund balance - beginning	<u>9,350</u>	<u>-</u>	<u>228</u>	<u>-</u>	<u>124,988</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 10,136</u>	<u>\$ -</u>	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ 124,988</u>	<u>\$ -</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	2007 Tax Sale Surplus	Surplus/Excess 2007 Plus	Excess CAGIT 2007	Tax Sale Redemption 2008	Tax Sale Surplus 2008	Homestead Uncashed 2007
Additions:						
Agency fund additions	\$ 1,297	\$ 291,660	\$ 200,943	\$ 14,841	\$ 588,621	\$ 30,044
Deductions:						
Agency fund deductions	338,977	89,299	200,940	9,575	32,096	-
Excess (deficiency) of total additions over total deductions	(337,680)	202,361	3	5,266	556,525	30,044
Cash and investment fund balance - beginning	373,444	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 35,764</u>	<u>\$ 202,361</u>	<u>\$ 3</u>	<u>\$ 5,266</u>	<u>\$ 556,525</u>	<u>\$ 30,044</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Prosecutor's Bad Check Collections	Recorder Collections	Health Department Collections	Sheriff Public Funds	Sheriff Evidence Fund	Sheriff Inmate Trust
Additions:						
Agency fund additions	\$ 77,848	\$ 182,466	\$ 114,023	\$ 838,478	\$ -	\$ 269,682
Deductions:						
Agency fund deductions	79,144	186,049	116,281	836,006	-	271,212
Excess (deficiency) of total additions over total deductions	(1,296)	(3,583)	(2,258)	2,472	-	(1,530)
Cash and investment fund balance - beginning	6,631	16,374	12,686	8,008	15,575	7,649
Cash and investment fund balance - ending	<u>\$ 5,335</u>	<u>\$ 12,791</u>	<u>\$ 10,428</u>	<u>\$ 10,480</u>	<u>\$ 15,575</u>	<u>\$ 6,119</u>

LAWRENCE COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	<u>Treasurer's Department</u>	<u>Clerk's Trust</u>	<u>Clerk's ISETS</u>	<u>Violent Sex Offender Fees</u>	<u>HEA State Homestead Credit</u>	<u>Totals</u>
Additions:						
Agency fund additions	<u>\$ 55,386,781</u>	<u>\$ 3,047,646</u>	<u>\$ 2,119,945</u>	<u>\$ 2,560</u>	<u>\$ 3,395,974</u>	<u>\$ 127,352,023</u>
Deductions:						
Agency fund deductions	<u>55,110,974</u>	<u>3,113,175</u>	<u>2,133,984</u>	<u>2,560</u>	<u>3,416,228</u>	<u>128,085,997</u>
Excess (deficiency) of total additions over total deductions	275,807	(65,529)	(14,039)	-	(20,254)	(733,974)
Cash and investment fund balance - beginning	<u>776,922</u>	<u>650,545</u>	<u>22,793</u>	-	-	<u>4,338,785</u>
Cash and investment fund balance - ending	<u>\$ 1,052,729</u>	<u>\$ 585,016</u>	<u>\$ 8,754</u>	<u>\$ -</u>	<u>\$ (20,254)</u>	<u>\$ 3,604,811</u>

LAWRENCE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2008

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 (those reported by governmental activities) are included regardless of their acquisition date or amount. 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	\$ 1,418,400
Infrastructure	22,880,356
Buildings	20,837,600
Machinery and equipment	<u>6,033,146</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 51,169,502</u>

LAWRENCE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

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:		
Courthouse Annex	\$ 2,550,000	\$ 384,204
Detention Center	407,692	675,000
Notes and loans payable:		
2008 Aviation Hangar Loan	75,455	17,920
Bonds payable:		
General obligation bonds:		
2004 Sofaland building bonds	1,050,000	184,525
Total governmental activities debt	<u>\$ 4,083,147</u>	<u>\$ 1,261,649</u>

LAWRENCE 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
Clerk of the Circuit Court
County Board of Aviation

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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 LAWRENCE COUNTY, INDIANA

Compliance

We have audited the compliance of Lawrence 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, 2008. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

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

STATE BOARD OF ACCOUNTS

July 28, 2009

LAWRENCE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2008

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 Justice</u>			
Pass-Through Indiana Criminal Justice Institute			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540		
Juvenile Detention Alternative Program		06-JF-017	\$ 15,769
		07-JF-013	26,872
		08-JF-013	<u>12,320</u>
Total for program			<u>54,961</u>
Crime Victim Assistance	16.575		
Victim Assistance Program		07-VA-065	20,177
		07-VA-223	<u>14,227</u>
Total for program			<u>34,404</u>
Residential Substance Abuse Treatment for State Prisoners	16.593		
Pathways to Recovery		06-RT-002	31,360
		07-RT-001	<u>64,812</u>
Total for program			<u>96,172</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738		
		07-DJ-011	<u>106,776</u>
Total for federal grantor agency			<u>292,313</u>
<u>U.S. Department of Transportation</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
Bridge Inspections		BR-NBIS (571) DES No. 0600239	31,204
I-69 Corridor Planning			<u>62,220</u>
Total for cluster			<u>93,424</u>
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
State and Community Highway Safety	20.600		
Operation Pullover		OP-08-01-02-21	4,275
		OP-09-01-02-20	<u>2,421</u>
Total for cluster			<u>6,696</u>
Direct Grant			
Airport Improvement Program	20.106		
Terminal Security Fence - Phase I		AIP 3-18-0005-06	<u>93,990</u>
Total for federal grantor agency			<u>194,110</u>
<u>U.S. Department of Health and Human Services</u>			
Pass-Through Indiana State Department of Health			
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		
Public Health Director		BPRS 146-2	<u>36,544</u>
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
Child Support - Prosecutor			143,876
Child Support - Clerk			64,488
Child Support - Court Costs			51,429
Child Support - Collection Agency			2,196
Child Support - Indirect Costs			<u>79,648</u>
Total for program			<u>341,637</u>
Total for federal grantor agency			<u>378,181</u>
<u>U.S. Department of Homeland Security</u>			
Pass-Through Indiana Department of Homeland Security			
Disaster Grants - Public Assistance	97.036		
Disaster Assistance		PW-00134	1,551
		PW-00195	<u>21,770</u>
Total for program			<u>23,321</u>
Interoperable Communications Equipment	97.055		
Law Enforcement Radios		2007-GS-H7-0041	<u>315,330</u>
Total for federal grantor agency			<u>338,651</u>
Total federal awards expended			<u>\$ 1,203,255</u>

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

LAWRENCE 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 Lawrence 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.

LAWRENCE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.563	Child Support Enforcement
97.055	Interoperable Communications Equipment

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

LAWRENCE COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

LAWRENCE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 28, 2009, with Billie J. Tumey, Auditor; and Christopher May, President of the Board of County Commissioners.