

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

ANNUAL FINANCIAL REPORT

2008

WHITLEY COUNTY, INDIANA



FILED

08/18/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Linda J. Gerig	01-01-07 to 12-31-10
Treasurer	Lisa A. Richmond	01-01-05 to 12-31-12
Clerk	Cindy Greer	01-01-08 to 12-31-10
Sheriff	Mark E. Hodges	01-01-07 to 12-31-10
Recorder	Rosemary Brown	01-01-08 to 12-31-10
President of the Board of County Commissioners	Tom Rethlake	01-01-08 to 12-31-09
President of the County Council	Thomas Western	01-01-08 to 12-31-09



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 FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF WHITLEY COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Whitley 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 component unit 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 unit 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 22, 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 22, 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 WHITLEY COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Whitley 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 22, 2009. The opinion to the financial statements was qualified due to the omission of a component unit of the 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.

This report is intended solely for the information and use of the County's management, the Board of County Commissioners, 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 22, 2009

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

<u>Functions/Programs</u>	Program Receipts				Net (Disbursements) Receipts and Changes in Net Assets
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Totals
Governmental activities:					
General government	\$ 7,303,422	\$ 930,457	\$ 1,162,234	\$ -	\$ (5,210,731)
Public safety	5,259,010	1,845,505	675,476	-	(2,738,029)
Highways and streets	4,302,065	629,827	1,834,290	338,849	(1,499,099)
Sanitation	182,341	-	-	-	(182,341)
Health and welfare	1,770,176	-	853,473	-	(916,703)
Economic development	2,100,420	-	-	-	(2,100,420)
Culture and recreation	907,129	-	-	-	(907,129)
Principal and interest on indebtedness	1,032,790	-	-	-	(1,032,790)
 Total governmental activities	 <u>\$ 22,857,353</u>	 <u>\$ 3,405,789</u>	 <u>\$ 4,525,473</u>	 <u>\$ 338,849</u>	 <u>(14,587,242)</u>
General receipts:					
Property taxes					6,785,686
Income taxes					1,415,173
Intergovernmental					789,210
Other local sources					4,888,301
Grants and contributions not restricted to specific programs					147,157
Investment earnings					<u>645,717</u>
 Total general receipts					 <u>14,671,244</u>
 Change in net assets					 84,002
 Net assets - beginning					 <u>13,175,947</u>
 Net assets - ending					 <u>\$ 13,259,949</u>
 <u>Assets</u>					
Cash and investments					\$ 8,833,247
Cash with fiscal agent					362,504
Restricted assets:					
Cash and investments					<u>4,064,198</u>
 Total assets					 <u>\$ 13,259,949</u>
 <u>Net Assets</u>					
Restricted for:					
Public safety					\$ 308,109
Highways and streets					613,860
Health and welfare					627,678
Debt service					94,705
Capital outlay					2,419,846
Unrestricted					<u>9,195,751</u>
 Total net assets					 <u>\$ 13,259,949</u>

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

WHITLEY 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	Drainage Maintenance	County Highway	Property Reassessment	Redevelopment Commission	Cumulative Bridge	Other Governmental Funds	Totals
Receipts:								
Taxes	\$ 6,222,946	\$ -	\$ 165,233	\$ 114,379	\$ 1,525,716	\$ 526,201	\$ 3,464,420	\$ 12,018,895
Special assessments	-	354,569	-	-	-	-	27,285	381,854
Licenses and permits	-	-	2,895	-	-	-	17,774	20,669
Intergovernmental	958,783	-	2,034,126	8,470	-	83,569	2,568,584	5,653,532
Charges for services	372,822	-	629,827	-	-	-	1,405,408	2,408,057
Fines and forfeits	238,452	-	-	-	-	-	172,531	410,983
Other	691,258	73,119	-	30,260	27,204	39,160	406,784	1,267,785
Total receipts	8,484,261	427,688	2,832,081	153,109	1,552,920	648,930	8,062,786	22,161,775
Disbursements:								
General government	5,674,436	477,322	-	52,750	-	-	723,658	6,928,166
Public safety	3,107,629	-	-	-	-	-	2,151,131	5,258,760
Highways and streets	-	-	3,399,686	-	-	408,376	362,126	4,170,188
Sanitation	4,380	-	-	-	-	-	177,961	182,341
Health and welfare	245,493	-	-	-	-	-	1,523,620	1,769,113
Economic development	-	-	-	-	744,412	-	1,356,008	2,100,420
Culture and recreation	58,843	-	-	-	-	-	848,286	907,129
Debt service:								
Principal	-	-	-	-	16,000	-	280,000	296,000
Interest	-	-	-	-	469,790	-	267,000	736,790
Capital outlay:								
General government	4,818	-	-	-	-	-	370,438	375,256
Public safety	-	-	-	-	-	-	250	250
Highways and streets	-	-	131,877	-	-	-	-	131,877
Health and welfare	-	-	-	-	-	-	1,063	1,063
Total disbursements	9,095,599	477,322	3,531,563	52,750	1,230,202	408,376	8,061,541	22,857,353
Excess (deficiency) of receipts over disbursements	(611,338)	(49,634)	(699,482)	100,359	322,718	240,554	1,245	(695,578)
Other financing sources (uses):								
Transfers in	2,000	-	-	-	-	-	384,153	386,153
Transfers out	(5,000)	-	-	-	-	-	(381,153)	(386,153)
Other receipts	64,047	-	39,704	-	110,409	-	386,065	600,225
Total other financing sources	61,047	-	39,704	-	110,409	-	389,065	600,225
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(550,291)	(49,634)	(659,778)	100,359	433,127	240,554	390,310	(95,353)
Cash and investment fund balance - beginning	39,651	2,907,078	1,067,953	1,237,795	2,097,032	1,353,880	4,289,409	12,992,798
Cash and investment fund balance - ending	\$ (510,640)	\$ 2,857,444	\$ 408,175	\$ 1,338,154	\$ 2,530,159	\$ 1,594,434	\$ 4,679,719	12,897,445
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:								
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.								
								362,504
Net assets of governmental activities								\$ 13,259,949
Cash and Investment Assets - Ending								
Cash and investments	\$ (510,640)	\$ 2,857,444	\$ -	\$ 1,338,154	\$ 2,530,159	\$ -	\$ 2,618,130	\$ 8,833,247
Restricted assets:								
Cash and investments	-	-	408,175	-	-	1,594,434	2,061,589	4,064,198
Total cash and investment assets - ending	\$ (510,640)	\$ 2,857,444	\$ 408,175	\$ 1,338,154	\$ 2,530,159	\$ 1,594,434	\$ 4,679,719	\$ 12,897,445
Cash and Investment Fund Balance - Ending								
Restricted for:								
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 308,109	\$ 308,109
Highways and streets	-	-	408,175	-	-	-	205,685	613,860
Health and welfare	-	-	-	-	-	-	627,678	627,678
Debt service	-	-	-	-	-	-	94,705	94,705
Capital outlay	-	-	-	-	-	1,594,434	825,412	2,419,846
Unrestricted	(510,640)	2,857,444	-	1,338,154	2,530,159	-	2,618,130	8,833,247
Total cash and investment fund balance - ending	\$ (510,640)	\$ 2,857,444	\$ 408,175	\$ 1,338,154	\$ 2,530,159	\$ 1,594,434	\$ 4,679,719	\$ 12,897,445

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

WHITLEY COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
As of and for the Year Ended December 31, 2008

	Internal Service Fund
Operating receipts:	
Employee contributions	\$ 120,755
Employer contributions	<u>1,015,522</u>
Total operating receipts	<u>1,136,277</u>
Operating disbursements:	
Administration and general	450
Insurance claims and premiums	<u>963,228</u>
Total operating disbursements	<u>963,678</u>
Excess of operating receipts over operating disbursements	<u>172,599</u>
Nonoperating receipts:	
Interest	6,547
Other	<u>209</u>
Total nonoperating receipts	<u>6,756</u>
Excess of receipts over disbursements and nonoperating receipts	179,355
Cash and investment fund balance - beginning	<u>183,149</u>
Cash and investment fund balance - ending	<u><u>\$ 362,504</u></u>
<u>Cash and Investment Assets - December 31</u>	
Cash with fiscal agent	<u><u>\$ 362,504</u></u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u><u>\$ 362,504</u></u>

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

WHITLEY 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 Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 137,136	\$ -	
Plan members	20,989	-	
Other	1,890	87,663	
Total contributions	160,015	87,663	
Investment earnings:			
Interest	101,888	-	
Agency fund additions	-	-	
Total additions	261,903	87,663	
Deductions:			
Benefits	98,879	-	
Administrative and general	22,404	73,318	
Agency fund deductions	-	-	
Total deductions	121,283	73,318	
Excess (deficiency) of total additions over total deductions	140,620	14,345	
Cash and investment fund balance - beginning	2,384,773	32,626	
Cash and investment fund balance - ending	\$ 2,525,393	\$ 46,971	\$ 1,830,731

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

WHITLEY 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 primary government.

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

The Whitley County Solid Waste Management District, a discretely presented component unit, has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

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 drainage maintenance fund is used to account for the collection of special assessments and other related fees associated with the maintenance and repair of the county drainage system.

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The county highway fund accounts for the collection of state motor vehicle highway distributions and other related taxes and fees. The principal uses are for the maintenance, repair, and preservation of County highways.

The property reassessment fund accounts for the collection of taxes and other related fees. The principal uses are for the maintenance and updating of property tax records.

The redevelopment commission fund is used for the collection of tax increment financing revenue (TIF) and other grants intended for the purpose of economic development and redevelopment within the County.

The cumulative bridge fund accounts for the collection of taxes and other related fees. The principal uses are for the maintenance, repair, and preservation of County bridges.

Additionally, the County reports the following fund types:

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

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

The private-purpose trust funds report trust arrangements under which principal and income benefit the sheriff's department, schools, and other uses restricted by the donor.

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements. Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

WHITLEY 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
County Highway	\$ <u>28,001</u>

These disbursements were funded by cash in the fund that had not been adequately appropriated.

C. Cash and Investment Balance Deficits

At December 31, 2008, the following fund reported a deficit in cash and investments, which is a violation of the Uniform Compliance Guidelines and state statute:

Fund	2008
General	\$ <u>510,640</u>

The cash and investment deficit arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; this deficit is to be repaid from future receipts.

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2008, the County's 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	Primary Government Market Value	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ -	\$ 583,860
U.S. agencies	-	1,232,805
Trust Indiana - Local Government Investment Pool	553,969	-
Totals	<u>\$ 553,969</u>	<u>\$ 1,816,665</u>

Statutory Authorization for Investments

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

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 County has invested in the Trust Indiana - Local Government Investment Pool. Indiana Code 5-13-9-11 established the local government investment pool within the office and custody of the Indiana Treasurer of State. The Indiana Treasurer of State shall invest the funds in the same manner, in the same type of instruments and subject to the same limitations provided for the deposit and investment of state funds under Indiana Code 5-13-10.5.

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

Investment Custodial Credit Risk

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

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

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

Primary Government:

Investment Type	2008	
	In the Government's Name	Not in the Government's Name
Trust Indiana - Local Government Investment Pool	\$ -	\$ 553,969

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	2008	
	In the Government's Name	Not in the Government's Name
U.S. treasuries and securities	\$ -	\$ 583,860
U.S. agencies	-	1,232,805
Totals	<u>\$ -</u>	<u>\$ 1,816,665</u>

Interest Rate Risk

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

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

Primary Government:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Trust Indiana - Local Government Investment Pool	<u>\$ 553,969</u>	<u>\$ -</u>	<u>\$ -</u>

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	\$ 168,647	\$ -	\$ 415,213
U.S. agencies	598,885	-	633,920
Totals	<u>\$ 767,532</u>	<u>\$ -</u>	<u>\$ 1,049,133</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 County does not have a formal investment policy for credit risk for investments.

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

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Primary Government:

Standard and Poor's Rating	Moody's Rating	County's Investments Investment Pools
Unrated	Unrated	\$ 553,969

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County's Investments Government Sponsored Enterprise
AAA	Aaa	\$ 1,232,805

Concentration of Credit Risk

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

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

The County and the Sheriff's Retirement and Benefit Pension Plan held the following investments that were exposed to concentration of credit risk:

Sheriff's Retirement and Benefit Pension Plans:

Issuer	2008
Federal Home Loan Bank	\$ 255,391
Federal National Mortgage Association	304,853
Federated U.S. Government Securities	461,140
Federal Farm Credit Bank	211,421
Total	\$ 1,232,805

Foreign Currency Risk

The County and the Sheriff's Merit Board do not have a formal policy in regards to foreign currency risk.

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Transfers

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

Transfer From	Transfer To	2008
General Fund	Other governmental funds	\$ 5,000
Other governmental funds	General Fund	2,000
	Other governmental funds	379,153
Total		\$ 386,153

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, 2008, 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.

Opinion Unit	Balance as Reported December 31, 2007	Fund Reclassification	Balance as Restated January 1, 2008
Governmental activities	\$ 13,170,880	\$ 5,067	\$ 13,175,947
Aggregate remaining fund information	3,906,004	(5,067)	3,900,937

IV. Other Information

A. Risk Management

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

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

Medical Benefits to Employees, Retirees and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents (excluding postemployment benefits). The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$60,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Holding Corporation

The County has entered into a capital lease with Whitley County 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 \$547,000.

C. 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.

D. Economic Development Revenue Bonds of 2008

The County issued Economic Development Revenue Bonds in 2008. These bonds were issued on behalf of Steel Dynamics Incorporated (SDI). SDI purchased all of the bonds. The debt is being serviced by a Tax Increment Financing (TIF) district. The County has no liability for these bonds other than to make semiannual payments to SDI based upon TIF payments collected.

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:

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 263,945	\$ 122,192	\$ 10,613
Interest on net pension obligation	(18,802)	(1,260)	-
Adjustment to annual required contribution	21,426	2,564	-
Annual pension cost	266,569	123,496	10,613
Contributions made	275,032	126,523	10,613
Decrease in net pension obligation	(8,463)	(3,027)	-
Net pension obligation, beginning of year	(259,332)	(18,002)	-
Net pension obligation, end of year	\$ (267,795)	\$ (21,029)	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6.25%	18%	2%
Plan members	3%	3%	none
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

Actuarial Assumptions	PERF	County Police Retirement Plan	County Police Benefit Plan
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%

WHITLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-06	\$ 243,654	85%	\$ (262,308)
	06-30-07	238,944	99%	(259,332)
	06-30-08	266,569	103%	(267,795)
County Police Retirement Plan	12-31-06	151,912	81%	9,969
	12-31-07	148,127	118%	(18,002)
	12-31-08	123,496	104%	(21,029)
County Police Benefit Plan	12-31-06	8,784	100%	-
	12-31-07	12,017	100%	-
	12-31-08	10,613	100%	-

WHITLEY 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	\$ 3,928,261	\$ 4,077,606	\$ (149,345)	96%	\$ 3,831,783	(4%)
07-01-07	4,389,327	4,622,569	(233,242)	95%	4,123,376	(6%)
07-01-08	4,835,054	5,440,997	(605,943)	89%	4,521,521	(13%)

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)
01-01-04	\$ 1,632,382	\$ 1,632,382	\$ -	100%	\$ 547,990	0%
01-01-05	1,865,655	1,865,655	-	100%	548,066	0%
01-01-06	1,882,878	1,882,878	-	100%	576,279	0%
01-01-07	2,058,809	2,058,809	-	100%	604,171	0%
01-01-08	2,300,228	2,613,950	(313,722)	88%	617,430	(51%)
01-01-09	2,477,673	2,796,818	(319,145)	89%	674,306	(47%)

WHITLEY 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	Accident Report	Firearms Training	County Health	Alcohol and Drug Services	Child Psychiatric Residential Treatment	Law Enforcement Continuing Education
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 212,653	\$ -	\$ 29,492	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	17,774	-	-	-	-
Intergovernmental	338,849	-	-	56,483	-	3,853	-
Charges for services	-	2,657	-	31,329	171,522	-	4,184
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	70	-	-	-
Total receipts	338,849	2,657	17,774	300,535	171,522	33,345	4,184
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	2,920	8,513	-	152,213	-	1,396
Highways and streets	362,126	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	340,278	-	59,824	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	250	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	362,126	2,920	8,513	340,278	152,463	59,824	1,396
Excess (deficiency) of receipts over disbursements	(23,277)	(263)	9,261	(39,743)	19,059	(26,479)	2,788
Other financing sources (uses):							
Transfers in	-	-	-	20,443	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	20,443	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(23,277)	(263)	9,261	(19,300)	19,059	(26,479)	2,788
Cash and investment fund balance - beginning	228,962	2,056	7,390	81,257	(50,079)	54,451	462
Cash and investment fund balance - ending	\$ 205,685	\$ 1,793	\$ 16,651	\$ 61,957	\$ (31,020)	\$ 27,972	\$ 3,250
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 1,793	\$ 16,651	\$ -	\$ (31,020)	\$ 27,972	\$ 3,250
Restricted assets:							
Cash and investments	205,685	-	-	61,957	-	-	-
Total cash and investment assets - ending	\$ 205,685	\$ 1,793	\$ 16,651	\$ 61,957	\$ (31,020)	\$ 27,972	\$ 3,250
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	205,685	-	-	-	-	-	-
Health and welfare	-	-	-	61,957	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	1,793	16,651	-	(31,020)	27,972	3,250
Total cash and investment fund balance - ending	\$ 205,685	\$ 1,793	\$ 16,651	\$ 61,957	\$ (31,020)	\$ 27,972	\$ 3,250

WHITLEY 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)

	Clerk's Records Perpetuation	Unsafe Building	Emergency Telephone System	County Drug Free Community	Emergency Planning and Right to Know	Supplemental Juvenile Probation Service	Supplemental Adult Probation Service
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	115,935	-	7,768	-	-
Charges for services	15,502	3,300	270,553	63,149	-	22,271	76,551
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	645	-	-	-
Total receipts	15,502	3,300	386,488	63,794	7,768	22,271	76,551
Disbursements:							
General government	7,994	-	-	-	-	-	-
Public safety	-	5,900	412,790	59,825	3,067	20,711	91,701
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	7,994	5,900	412,790	59,825	3,067	20,711	91,701
Excess (deficiency) of receipts over disbursements	7,508	(2,600)	(26,302)	3,969	4,701	1,560	(15,150)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,508	(2,600)	(26,302)	3,969	4,701	1,560	(15,150)
Cash and investment fund balance - beginning	33,799	5,850	334,411	61,081	825	17,395	46,418
Cash and investment fund balance - ending	<u>\$ 41,307</u>	<u>\$ 3,250</u>	<u>\$ 308,109</u>	<u>\$ 65,050</u>	<u>\$ 5,526</u>	<u>\$ 18,955</u>	<u>\$ 31,268</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 41,307	\$ 3,250	\$ -	\$ 65,050	\$ 5,526	\$ 18,955	\$ 31,268
Restricted assets:							
Cash and investments	-	-	308,109	-	-	-	-
Total cash and investment assets - ending	\$ 41,307	\$ 3,250	\$ 308,109	\$ 65,050	\$ 5,526	\$ 18,955	\$ 31,268
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ 308,109	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	41,307	3,250	-	65,050	5,526	18,955	31,268
Total cash and investment fund balance - ending	\$ 41,307	\$ 3,250	\$ 308,109	\$ 65,050	\$ 5,526	\$ 18,955	\$ 31,268

WHITLEY 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)

	Recorder's Records Perpetuation	County User Fee	Family And Children	Local Health Maintenance	Guardian Ad Litem	County Misdemeanant	Supplemental Public Defender Service
Receipts:							
Taxes	\$ -	\$ -	\$ 370,979	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	269,063	15,000	6,798	20,749	-
Charges for services	41,697	-	-	-	-	-	4,145
Fines and forfeits	-	172,531	-	-	-	-	-
Other	-	-	111,425	200	-	-	-
Total receipts	41,697	172,531	751,467	15,200	6,798	20,749	4,145
Disbursements:							
General government	33,031	171,163	-	-	-	-	-
Public safety	-	-	-	-	5,498	4,235	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	897,644	16,990	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	33,031	171,163	897,644	16,990	5,498	4,235	-
Excess (deficiency) of receipts over disbursements	8,666	1,368	(146,177)	(1,790)	1,300	16,514	4,145
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,666	1,368	(146,177)	(1,790)	1,300	16,514	4,145
Cash and investment fund balance - beginning	20,552	318,502	711,898	9,623	-	4,336	71,447
Cash and investment fund balance - ending	<u>\$ 29,218</u>	<u>\$ 319,870</u>	<u>\$ 565,721</u>	<u>\$ 7,833</u>	<u>\$ 1,300</u>	<u>\$ 20,850</u>	<u>\$ 75,592</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 29,218	\$ 319,870	\$ -	\$ 7,833	\$ 1,300	\$ 20,850	\$ 75,592
Restricted assets:							
Cash and investments	-	-	565,721	-	-	-	-
Total cash and investment assets - ending	\$ 29,218	\$ 319,870	\$ 565,721	\$ 7,833	\$ 1,300	\$ 20,850	\$ 75,592
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	565,721	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	29,218	319,870	-	7,833	1,300	20,850	75,592
Total cash and investment fund balance - ending	\$ 29,218	\$ 319,870	\$ 565,721	\$ 7,833	\$ 1,300	\$ 20,850	\$ 75,592

WHITLEY 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)

	Surveyor's Corner Perpetuation	Jury Pay	Rainy Day	Sales Disclosure	Riverboat Revenue Sharing	Project Income
Receipts:						
Taxes	\$ -	\$ -	\$ 672,433	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	124,834	-	192,627	-
Charges for services	7,155	122	-	3,515	-	481,921
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	72,503
Total receipts	7,155	122	797,267	3,515	192,627	554,424
Disbursements:						
General government	34,139	10,044	134,516	-	192,627	-
Public safety	-	-	-	-	-	558,764
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	34,139	10,044	134,516	-	192,627	558,764
Excess (deficiency) of receipts over disbursements	(26,984)	(9,922)	662,751	3,515	-	(4,340)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(2,000)	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(2,000)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(26,984)	(9,922)	660,751	3,515	-	(4,340)
Cash and investment fund balance - beginning	73,740	8,515	471,997	25,206	-	157,377
Cash and investment fund balance - ending	\$ 46,756	\$ (1,407)	\$ 1,132,748	\$ 28,721	\$ -	\$ 153,037
Cash and Investment Assets - Ending						
Cash and investments	\$ 46,756	\$ (1,407)	\$ 1,132,748	\$ 28,721	\$ -	\$ 153,037
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 46,756	\$ (1,407)	\$ 1,132,748	\$ 28,721	\$ -	\$ 153,037
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	46,756	(1,407)	1,132,748	28,721	-	153,037
Total cash and investment fund balance - ending	\$ 46,756	\$ (1,407)	\$ 1,132,748	\$ 28,721	\$ -	\$ 153,037

WHITLEY 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)

	Sheriff's Commissary	Council On Aging	Community Corrections	Identification Security Protection	Homeland Security	Economic Development Commission
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	442,154	402,273	-	131,012	-
Charges for services	178,447	-	-	12,366	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	15,000	-	-	-	-
Total receipts	178,447	457,154	402,273	12,366	131,012	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	194,999	-	335,962	14,000	131,012	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	848,286	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	194,999	848,286	335,962	14,000	131,012	-
Excess (deficiency) of receipts over disbursements	(16,552)	(391,132)	66,311	(1,634)	-	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	386,065	-	-	-	-
Total other financing sources (uses)	-	386,065	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(16,552)	(5,067)	66,311	(1,634)	-	-
Cash and investment fund balance - beginning	55,500	5,067	(39,181)	8,228	5,000	8,702
Cash and investment fund balance - ending	<u>\$ 38,948</u>	<u>\$ -</u>	<u>\$ 27,130</u>	<u>\$ 6,594</u>	<u>\$ 5,000</u>	<u>\$ 8,702</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 38,948	\$ -	\$ 27,130	\$ 6,594	\$ 5,000	\$ 8,702
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 38,948</u>	<u>\$ -</u>	<u>\$ 27,130</u>	<u>\$ 6,594</u>	<u>\$ 5,000</u>	<u>\$ 8,702</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	38,948	-	27,130	6,594	5,000	8,702
Total cash and investment fund balance - ending	<u>\$ 38,948</u>	<u>\$ -</u>	<u>\$ 27,130</u>	<u>\$ 6,594</u>	<u>\$ 5,000</u>	<u>\$ 8,702</u>

WHITLEY 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)

	Senior Citizen Transportation Grant	Victim Assistance	EMPG Grant	Tobacco Settlement	Operation Pull-Over	WIC Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	76,300	12,768	25,334	9,854	10,290	84,345
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	12,777	-	20	-	262
Total receipts	76,300	25,545	25,334	9,874	10,290	84,607
Disbursements:						
General government	-	-	45,567	-	-	-
Public safety	-	29,614	-	-	9,501	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	76,300	-	-	10,759	-	81,476
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	1,063	-	-
Total disbursements	76,300	29,614	45,567	11,822	9,501	81,476
Excess (deficiency) of receipts over disbursements	-	(4,069)	(20,233)	(1,948)	789	3,131
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,069)	(20,233)	(1,948)	789	3,131
Cash and investment fund balance - beginning	-	(4,031)	20,233	13,150	(5,073)	(5,531)
Cash and investment fund balance - ending	\$ -	\$ (8,100)	\$ -	\$ 11,202	\$ (4,284)	\$ (2,400)
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ (8,100)	\$ -	\$ 11,202	\$ (4,284)	\$ (2,400)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ (8,100)	\$ -	\$ 11,202	\$ (4,284)	\$ (2,400)
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	(8,100)	-	11,202	(4,284)	(2,400)
Total cash and investment fund balance - ending	\$ -	\$ (8,100)	\$ -	\$ 11,202	\$ (4,284)	\$ (2,400)

WHITLEY 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)

	TGF II	Drug Enforcement	Tri-Lakes Park	Youth Improvement	ITPC Grant	Community Transition
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	20,443	10,500	-	-	15,374	11,660
Charges for services	-	15,022	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	20,396	-	-	63,949	-	-
Total receipts	40,839	25,522	-	63,949	15,374	11,660
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	20,866	-	63,738	-	23,906
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	20,443	-	-	-	17,682	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	20,443	20,866	-	63,738	17,682	23,906
Excess (deficiency) of receipts over disbursements	20,396	4,656	-	211	(2,308)	(12,246)
Other financing sources (uses):						
Transfers in	-	5,000	-	-	-	-
Transfers out	(20,443)	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	(20,443)	5,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(47)	9,656	-	211	(2,308)	(12,246)
Cash and investment fund balance - beginning	20,443	7,703	1,208	21,626	40,000	17,434
Cash and investment fund balance - ending	<u>\$ 20,396</u>	<u>\$ 17,359</u>	<u>\$ 1,208</u>	<u>\$ 21,837</u>	<u>\$ 37,692</u>	<u>\$ 5,188</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 20,396	\$ 17,359	\$ 1,208	\$ 21,837	\$ 37,692	\$ 5,188
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 20,396</u>	<u>\$ 17,359</u>	<u>\$ 1,208</u>	<u>\$ 21,837</u>	<u>\$ 37,692</u>	<u>\$ 5,188</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	20,396	17,359	1,208	21,837	37,692	5,188
Total cash and investment fund balance - ending	<u>\$ 20,396</u>	<u>\$ 17,359</u>	<u>\$ 1,208</u>	<u>\$ 21,837</u>	<u>\$ 37,692</u>	<u>\$ 5,188</u>

WHITLEY 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)

	Employee Disability	Personal Property Tax Recovery	Tobacco Cessation	Public Health Coordinator	Credit Card Fees	Micropulse Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	9,129	-	55,417
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	2,328	3,276	-	-	82,150
Total receipts	-	2,328	3,276	9,129	-	137,567
Disbursements:						
General government	4,277	2,193	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	177,961
Health and welfare	-	-	-	2,224	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	4,277	2,193	-	2,224	-	177,961
Excess (deficiency) of receipts over disbursements	(4,277)	135	3,276	6,905	-	(40,394)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,277)	135	3,276	6,905	-	(40,394)
Cash and investment fund balance - beginning	6,603	201	10,165	(2,211)	435	40,394
Cash and investment fund balance - ending	<u>\$ 2,326</u>	<u>\$ 336</u>	<u>\$ 13,441</u>	<u>\$ 4,694</u>	<u>\$ 435</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,326	\$ 336	\$ 13,441	\$ 4,694	\$ 435	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 2,326</u>	<u>\$ 336</u>	<u>\$ 13,441</u>	<u>\$ 4,694</u>	<u>\$ 435</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	2,326	336	13,441	4,694	435	-
Total cash and investment fund balance - ending	<u>\$ 2,326</u>	<u>\$ 336</u>	<u>\$ 13,441</u>	<u>\$ 4,694</u>	<u>\$ 435</u>	<u>\$ -</u>

WHITLEY 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)

	Medical Care For Inmates	Government Center Lease	Cumulative Capital Development	General Drain Improvement	County Economic Development Income Tax	Totals
Receipts:						
Taxes	\$ -	\$ 484,291	\$ 279,399	\$ -	\$ 1,415,173	\$ 3,464,420
Special assessments	-	-	-	27,285	-	27,285
Licenses and permits	-	-	-	-	-	17,774
Intergovernmental	-	63,270	36,502	-	-	2,568,584
Charges for services	-	-	-	-	-	1,405,408
Fines and forfeits	-	-	-	-	-	172,531
Other	1,815	-	19,968	-	-	406,784
Total receipts	1,815	547,561	335,869	27,285	1,415,173	8,062,786
Disbursements:						
General government	-	-	1,250	86,857	-	723,658
Public safety	-	-	-	-	-	2,151,131
Highways and streets	-	-	-	-	-	362,126
Sanitation	-	-	-	-	-	177,961
Health and welfare	-	-	-	-	-	1,523,620
Economic development	-	-	-	-	1,356,008	1,356,008
Culture and recreation	-	-	-	-	-	848,286
Debt service:						
Principal	-	280,000	-	-	-	280,000
Interest	-	267,000	-	-	-	267,000
Capital outlay:						
General government	-	-	370,438	-	-	370,438
Public safety	-	-	-	-	-	250
Health and welfare	-	-	-	-	-	1,063
Total disbursements	-	547,000	371,688	86,857	1,356,008	8,061,541
Excess (deficiency) of receipts over disbursements	1,815	561	(35,819)	(59,572)	59,165	1,245
Other financing sources (uses):						
Transfers in	-	179,355	179,355	-	-	384,153
Transfers out	-	(179,355)	(179,355)	-	-	(381,153)
Other receipts	-	-	-	-	-	386,065
Total other financing sources (uses)	-	-	-	-	-	389,065
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,815	561	(35,819)	(59,572)	59,165	390,310
Cash and investment fund balance - beginning	-	94,144	861,231	250,833	159,665	4,289,409
Cash and investment fund balance - ending	\$ 1,815	\$ 94,705	\$ 825,412	\$ 191,261	\$ 218,830	\$ 4,679,719
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,815	\$ -	\$ -	\$ 191,261	\$ 218,830	\$ 2,618,130
Restricted assets:						
Cash and investments	-	94,705	825,412	-	-	2,061,589
Total cash and investment assets - ending	\$ 1,815	\$ 94,705	\$ 825,412	\$ 191,261	\$ 218,830	\$ 4,679,719
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 308,109
Highways and streets	-	-	-	-	-	205,685
Health and welfare	-	-	-	-	-	627,678
Debt service	-	94,705	-	-	-	94,705
Capital outlay	-	-	825,412	-	-	825,412
Unrestricted	1,815	-	-	191,261	218,830	2,618,130
Total cash and investment fund balance - ending	\$ 1,815	\$ 94,705	\$ 825,412	\$ 191,261	\$ 218,830	\$ 4,679,719

WHITLEY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2008

	Congressional School Principal	EMS Donation	Sheriff Donations	Health Donations	Totals
Additions:					
Contributions:					
Other	\$ -	\$ -	\$ 24,790	\$ 62,873	\$ 87,663
Deductions:					
Administrative and general	-	980	11,358	60,980	73,318
Excess (deficiency) of total additions over total deductions	-	(980)	13,432	1,893	14,345
Cash and investment fund balance - beginning	17,776	3,487	1,187	10,176	32,626
Cash and investment fund balance - ending	<u>\$ 17,776</u>	<u>\$ 2,507</u>	<u>\$ 14,619</u>	<u>\$ 12,069</u>	<u>\$ 46,971</u>

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

	City and Town Court Cost	Congressional School Interest	Clerk of the Circuit Court	Tax Sale Surplus	Tax Sale Redemption	Surplus Tax	State Fines and Forfeitures
Additions:							
Agency fund additions	\$ 19,040	\$ 509	\$ 4,718,474	\$ 219,501	\$ 39,165	\$ 106,666	\$ 94,794
Deductions:							
Agency fund deductions	<u>46,962</u>	<u>711</u>	<u>4,832,723</u>	<u>253,846</u>	<u>39,165</u>	<u>107,424</u>	<u>96,014</u>
Excess (deficiency) of total additions over total deductions	(27,922)	(202)	(114,249)	(34,345)	-	(758)	(1,220)
Cash and investment fund balance - beginning	<u>27,922</u>	<u>6,832</u>	<u>445,813</u>	<u>193,453</u>	<u>-</u>	<u>143,952</u>	<u>15,155</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 6,630</u>	<u>\$ 331,564</u>	<u>\$ 159,108</u>	<u>\$ -</u>	<u>\$ 143,194</u>	<u>\$ 13,935</u>

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

	State Sales Disclosure Fee	Infraction Judgements	Inheritance Tax	Probation Department	Payroll	Sheriff's Inmate Trust	Special Death Benefit
Additions:							
Agency fund additions	\$ 3,515	\$ 174,710	\$ 551,830	\$ 84,535	\$ 8,223,844	\$ 165,935	\$ 3,000
Deductions:							
Agency fund deductions	3,555	177,259	719,804	83,272	8,223,844	168,206	3,055
Excess (deficiency) of total additions over total deductions	(40)	(2,549)	(167,974)	1,263	-	(2,271)	(55)
Cash and investment fund balance - beginning	330	14,169	490,720	6,512	44,846	4,667	230
Cash and investment fund balance - ending	<u>\$ 290</u>	<u>\$ 11,620</u>	<u>\$ 322,746</u>	<u>\$ 7,775</u>	<u>\$ 44,846</u>	<u>\$ 2,396</u>	<u>\$ 175</u>

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

	Education License Plate Fees	Mortgage Fees State Share	Child Restraint Violation Fines	Welfare Trust	Homestead Credit Rebate	HEA 1001-2008 State Homestead	Tax Distributions
Additions:							
Agency fund additions	\$ 1,238	\$ 4,308	\$ 363	\$ 12,059	\$ 2,749	\$ 2,706,336	\$ 44,379,864
Deductions:							
Agency fund deductions	<u>1,238</u>	<u>4,153</u>	<u>338</u>	<u>16,837</u>	<u>1,306,374</u>	<u>2,710,300</u>	<u>44,998,141</u>
Excess (deficiency) of total additions over total deductions	-	155	25	(4,778)	(1,303,625)	(3,964)	(618,277)
Cash and investment fund balance - beginning	<u>-</u>	<u>360</u>	<u>25</u>	<u>4,777</u>	<u>1,303,625</u>	<u>-</u>	<u>618,278</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ 50</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (3,964)</u>	<u>\$ 1</u>

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

	County Treasurer	Coroner's Training and Continuing Education	Seat Belt Violation	Adult Offender Interstate	Increment Tax	Hospital Care for the Indigent	Medical Assistance to Wards
Additions:							
Agency fund additions	\$ 42,902,680	\$ 3,122	\$ 28,450	\$ 113	\$ -	\$ 277,492	\$ 34,258
Deductions:							
Agency fund deductions	<u>42,718,691</u>	<u>2,751</u>	<u>-</u>	<u>75</u>	<u>-</u>	<u>277,492</u>	<u>34,258</u>
Excess (deficiency) of total additions over total deductions	183,989	371	28,450	38	-	-	-
Cash and investment fund balance - beginning	<u>450,171</u>	<u>68</u>	<u>37,300</u>	<u>-</u>	<u>358</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 634,160</u>	<u>\$ 439</u>	<u>\$ 65,750</u>	<u>\$ 38</u>	<u>\$ 358</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Children with Special Health Care Needs	CEDIT Homestead Credit	Planning and Building Department	Health Department	County Recorder	Prosecutor Restitution
Additions:						
Agency fund additions	\$ 25,694	\$ 225,422	\$ 69,024	\$ 97,182	\$ 142,826	\$ 127,412
Deductions:						
Agency fund deductions	<u>25,694</u>	<u>225,336</u>	<u>68,899</u>	<u>97,182</u>	<u>143,225</u>	<u>134,798</u>
Excess (deficiency) of total additions over total deductions	-	86	125	-	(399)	(7,386)
Cash and investment fund balance - beginning	<u>-</u>	<u>4,176</u>	<u>6,210</u>	<u>-</u>	<u>11,318</u>	<u>19,261</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 4,262</u>	<u>\$ 6,335</u>	<u>\$ -</u>	<u>\$ 10,919</u>	<u>\$ 11,875</u>

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

	Prosecutor Check Deception	Prosecutor Office Account	County Sheriff	Community Corrections Department	Bioterrorism Preparedness	Totals
Additions:						
Agency fund additions	\$ 149,731	\$ 25,232	\$ 1,201,612	\$ 476,103	\$ 6,130	\$ 107,304,918
Deductions:						
Agency fund deductions	150,172	24,923	1,200,405	478,002	-	109,375,124
Excess (deficiency) of total additions over total deductions	(441)	309	1,207	(1,899)	6,130	(2,070,206)
Cash and investment fund balance - beginning	3,370	2,500	4,429	40,110	-	3,900,937
Cash and investment fund balance - ending	<u>\$ 2,929</u>	<u>\$ 2,809</u>	<u>\$ 5,636</u>	<u>\$ 38,211</u>	<u>\$ 6,130</u>	<u>\$ 1,830,731</u>

WHITLEY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 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 back trending (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	\$ 146,521
Infrastructure	26,285,582
Buildings	10,975,925
Improvements other than buildings	129,180
Machinery and equipment	<u>4,159,144</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 41,696,352</u></u>

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Government Center	<u>\$ 5,815,000</u>	<u>\$ 274,000</u>

WHITLEY COUNTY
OTHER REPORT

The annual report presented herein was prepared in addition to the official report prepared for the County Auditor.

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 WHITLEY COUNTY, INDIANA

Compliance

We have audited the compliance of Whitley 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, the Board of County Commissioners, 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 22, 2009

WHITLEY 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 AGRICULTURE</u>			
Pass-Through Indiana State Department of Health Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	WIC 192-1	\$ 79,712
Total for federal grantor agency			<u>79,712</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	CF-06-116	464,926
Total for federal grantor agency			<u>464,926</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	07VA146 07VA299	8,506 4,262
Total for federal grantor agency			<u>12,768</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	OP-08-01-01-59	10,290
Pass-Through Indiana Department of Transportation Formula Grants for Other Than Urbanized Areas	20.509		76,300
Total for federal grantor agency			<u>86,590</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Public Health Emergency Preparedness	93.069	BPRS 192-4	34,830
Pass-Through Indiana Department of Child Services Child Support Enforcement County Prosecutor's Expenditures Incentive Payment Indirect Costs County Clerk's Expenditures	93.563		220,912 63,347 35,435 14,984
Total for program			<u>334,678</u>
Total for federal grantor agency			<u>369,508</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grants	97.042	FY 2008	25,334
State Homeland Security Program	97.073	FY 2008	131,012
Total for federal grantor agency			<u>156,346</u>
Total federal awards expended			<u>\$ 1,169,850</u>

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

WHITLEY COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2008:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>2008</u>
Formula Grants for Other Than Urbanized Areas	20.509	<u>\$ 76,300</u>

WHITLEY 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
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

WHITLEY COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

WHITLEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 22, 2009, with Linda J. Gerig, Auditor; Tom Rethlake, President of the Board of County Commissioners; and Thomas Western, President of the County Council.