

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

ANNUAL FINANCIAL REPORT

2008

ST. JOSEPH COUNTY, INDIANA



FILED

11/03/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Peter H. Mullen	01-01-08 to 12-31-11
Treasurer	Sean J. Coleman	01-01-05 to 12-31-12
Clerk	Rita L. Glenn	01-01-07 to 12-31-10
Recorder	Teri J. Rethlake Phillip G. Dotson	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the Board of County Commissioners	Mark A. Dobson Robert Kovach	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the County Council	Rafael Morton	01-01-08 to 12-31-09



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

TO: THE OFFICIALS OF ST. JOSEPH COUNTY, INDIANA

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

We were unable to audit the trust balance amount for the Office of the Clerk of the Circuit Court at December 31, 2008, because detailed information from the Clerk's Trust Register was not available or reconciled to the Clerk's Cash Book totals. This amount is \$8,357,784 of the total agency fund's cash and investment balances at December 31, 2008. We were unable to apply alternative procedures to satisfy ourselves of the amounts of this balance.

In our opinion, except for the effects of such adjustments as might have been determined to be necessary had we been able to verify the trust balance for the Office of the Clerk of the Circuit Court, and except that the omission of the component units of the County referred to in the two preceding paragraphs 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.

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

In accordance with Government Auditing Standards, we have also issued a report dated September 9, 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.

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

September 9, 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 ST. JOSEPH COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Joseph 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 September 9, 2009. The opinions to the financial statements were qualified because we were unable to verify the trust payable for the Office of the Clerk of the Circuit Court and due to the omission of component units. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2008-1 and 2008-2.

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

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

September 9, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts			Net (Disbursement) Receipt and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
		Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:					
Governmental activities:					
General government	\$ 62,007,736	\$ 9,058,474	\$ 96,229	\$ 250,952	\$ (52,602,081)
Public safety	33,849,984	1,734,440	1,627,163	-	(30,488,381)
Highways and streets	16,029,420	-	6,375,320	137,956	(9,516,144)
Health and welfare	43,683,442	3,177,763	9,878,149	-	(30,627,530)
Economic development	353,845	-	-	-	(353,845)
Culture and recreation	6,083,266	273,384	152,318	-	(5,657,564)
Debt service payments	10,091,292	-	-	-	(10,091,292)
Total primary government	<u>\$ 172,098,985</u>	<u>\$ 14,244,061</u>	<u>\$ 18,129,179</u>	<u>\$ 388,908</u>	<u>(139,336,837)</u>
General receipts:					
Property taxes					18,963,487
Income taxes					32,709,411
Other local sources					7,543,928
Grants and contributions not restricted to specific programs					5,465,003
Unrestricted investment earnings					<u>6,107,306</u>
Total general receipts					<u>70,789,135</u>
Change in net assets					(68,547,702)
Net assets - beginning					<u>86,321,786</u>
Net assets - ending					<u>\$ 17,774,084</u>
<u>Assets</u>					
Cash and investments					\$ (21,549,347)
Restricted assets:					
Cash and investments					<u>39,323,431</u>
Total assets					<u>\$ 17,774,084</u>
<u>Net Assets</u>					
Restricted for:					
Public safety					\$ 2,198,305
Highways and streets					19,935,748
Health and welfare					5,205,228
Debt service					197,406
Capital outlay					10,731,664
Other purposes					1,055,080
Unrestricted					<u>(21,549,347)</u>
Total net assets					<u>\$ 17,774,084</u>

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

ST. JOSEPH 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	Family and Children	Major Moves Construction	C.E.D.I.T. Capital Projects	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 16,584,726	\$ 7,301,994	\$ -	\$ 13,167,107	\$ 14,619,071	\$ 51,672,898
Special assessments	-	-	-	-	6,091	6,091
Licenses and permits	56,067	-	-	-	1,118,619	1,174,686
Intergovernmental	6,962,872	6,807,748	23,804	-	10,188,666	23,983,090
Charges for services	7,668,367	-	-	-	3,563,161	11,231,528
Fines and forfeits	1,768,604	-	-	-	63,152	1,831,756
Other	7,360,737	536,993	523,058	37,551	5,192,895	13,651,234
Total receipts	40,401,373	14,646,735	546,862	13,204,658	34,751,655	103,551,283
Disbursements:						
General government	44,184,275	-	-	-	4,883,540	49,067,815
Public safety	30,156,512	-	-	-	4,245,797	34,402,309
Highways and streets	-	-	-	-	9,413,950	9,413,950
Health and welfare	-	39,331,042	-	-	5,065,175	44,396,217
Culture and recreation	93,058	-	-	-	6,089,468	6,182,526
Urban redevelopment and housing	-	-	-	-	359,619	359,619
Debt service:						
Principal	-	-	-	-	5,900,000	5,900,000
Interest	-	-	-	-	4,191,292	4,191,292
Capital outlay:						
General government	-	-	-	11,447,374	2,504,317	13,951,691
Highways and streets	-	-	2,706,997	-	4,170,022	6,877,019
Total disbursements	74,433,845	39,331,042	2,706,997	11,447,374	46,823,180	174,742,438
Excess (deficiency) of receipts over disbursements	(34,032,472)	(24,684,307)	(2,160,135)	1,757,284	(12,071,525)	(71,191,155)
Other financing sources (uses):						
Transfers in	2,091,360	-	-	-	1,167,384	3,258,744
Transfers out	-	-	-	-	(4,075,508)	(4,075,508)
Total other financing sources (uses)	2,091,360	-	-	-	(2,908,124)	(816,764)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(31,941,112)	(24,684,307)	(2,160,135)	1,757,284	(14,979,649)	(72,007,919)
Cash and investment fund balance - beginning	2,221,464	29,157,965	20,604,530	3,677,421	39,599,656	95,261,036
Cash and investment fund balance - ending	<u>\$ (29,719,648)</u>	<u>\$ 4,473,658</u>	<u>\$ 18,444,395</u>	<u>\$ 5,434,705</u>	<u>\$ 24,620,007</u>	23,253,117
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:						
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.						
						(5,479,033)
Net assets of governmental activities						<u>\$ 17,774,084</u>

Cash and Investment Assets - December 31

Cash and investments	\$ (29,719,648)	\$ -	\$ -	\$ -	\$ 14,671,098	\$ (15,048,550)
Restricted assets:						
Cash and investments	-	4,473,658	18,444,395	5,434,705	9,948,909	38,301,667
Total cash and investment assets - December 31	<u>\$ (29,719,648)</u>	<u>\$ 4,473,658</u>	<u>\$ 18,444,395</u>	<u>\$ 5,434,705</u>	<u>\$ 24,620,007</u>	<u>\$ 23,253,117</u>

Cash and Investment Fund Balance - December 31

Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 2,198,305	\$ 2,198,305
Highways and streets	-	-	18,444,395	-	1,491,353	19,935,748
Health and welfare	-	4,473,658	-	-	731,570	5,205,228
Debt service	-	-	-	-	197,406	197,406
Capital outlay	-	-	-	5,434,705	5,296,959	10,731,664
Other purposes	-	-	-	-	33,316	33,316
Unrestricted	(29,719,648)	-	-	-	14,671,098	(15,048,550)
Total cash and investment fund balance - December 31	<u>\$ (29,719,648)</u>	<u>\$ 4,473,658</u>	<u>\$ 18,444,395</u>	<u>\$ 5,434,705</u>	<u>\$ 24,620,007</u>	<u>\$ 23,253,117</u>

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

ST. JOSEPH COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As Of And For The Year Ended December 31, 2008

	Internal Service Funds
Operating receipts:	
Insurance proceeds	\$ 12,479,689
Other	<u>402,806</u>
Total operating receipts	12,882,495
Operating disbursements:	
Insurance claims and expense	<u>10,239,042</u>
Excess of operating receipts over operating disbursements	2,643,453
Transfers in	1,021,764
Transfers out	<u>(205,000)</u>
Excess of receipts and transfers in over disbursements and transfers out	3,460,217
Cash and investment fund balance - beginning	<u>(8,939,250)</u>
Cash and investment fund balance - ending	<u>\$ (5,479,033)</u>
<u>Cash and Investment Assets - December 31</u>	
Cash and investments	\$ (6,500,797)
Restricted assets:	
Cash and investments	<u>1,021,764</u>
Total cash and investment assets - December 31	<u>\$ (5,479,033)</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	1,021,764
Unrestricted	<u>(6,500,797)</u>
Total cash and investment fund balance - December 31	<u>\$ (5,479,033)</u>

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 1,569,928	\$ -	
Other	<u>76,237</u>	<u>-</u>	
Total contributions	<u>1,646,165</u>	<u>-</u>	
Investment earnings:			
Net increase in fair value of investments	134,751	-	
Interest	<u>1,316,496</u>	<u>-</u>	
Total investment earnings	1,451,247	-	
Less investment disbursements	<u>(52,061)</u>	<u>-</u>	
Net investment earnings	<u>1,399,186</u>	<u>-</u>	
Total additions	<u>3,045,351</u>	<u>-</u>	
Deductions:			
Benefits	1,414,069	-	
Administrative and general	<u>58,184</u>	<u>-</u>	
Total deductions	<u>1,472,253</u>	<u>-</u>	
Excess of total additions over total deductions	1,573,098	-	
Cash and investment fund balance - beginning	<u>35,383,709</u>	<u>37,665</u>	
Cash and investment fund balance - ending	<u>\$ 36,956,807</u>	<u>\$ 37,665</u>	<u>\$ 154,038,235</u>

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government:	St. Joseph County
Blended Component Units:	St. Joseph County Solid Waste Management District St. Joseph County Airport Authority

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

The St. Joseph County Solid Waste Management District and the St. Joseph County Airport Authority, component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County. The individual financial statements for the St. Joseph County Solid Waste Management District can be obtained at 621 East Jefferson Blvd., South Bend, Indiana, 46601. The individual financial statements for the St. Joseph County Airport Authority can be obtained at 4477 Progress Drive, South Bend, Indiana 46628.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County has no business-type activities.

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.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County reports the following major governmental funds:

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

The family and children fund accounts for expenditures related to care of wards of the State, child welfare services, and adoption services. Financing is provided by a specific property tax levy and state distributions.

The major moves construction fund accounts for the County's share of the proceeds received by the State of Indiana from the lease of the Indiana Toll Road and interest earned on these proceeds. Expenditures are made for the construction of highways, roads, and bridges.

The C.E.D.I.T. capital projects fund accounts for the County's share of the County Economic Development Tax. Expenditures include construction, acquisition, and related costs for economic development projects.

Additionally, the County reports the following fund types:

The internal service funds account for employee medical coverage and for general liability coverage 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 funds, which accumulate resources for pension benefit payments.

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

Agency funds account for assets held by the County as an agent for individuals, for the State, and for other governments.

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.

ST. JOSEPH 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. Final settlement of property taxes for 2008 was not completed until July 2009.

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 a liability in the basic financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are 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."

ST. JOSEPH 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 as follows:

ST. JOSEPH COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

<u>Fund</u>	
General Fund:	
Coroner	\$ <u>156,764</u>

These disbursements were funded by general fund reserves.

C. Cash and Investment Balance Deficits

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund	
General	\$ 29,719,648
Parks and Recreation	635,445
Redevelopment Bond	
2001 Payment	1,262,136
Debt Service Other	5,507,866
General Drain Improvement	95,401
Group Insurance	5,961,197
Liability Reserve	539,600
Tax Sale Redemption	203,673
Clearing	121,420

Cash and investment deficits arose primarily from reassessment problems causing property taxes to be collected late, and disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts. In 2009, the County received \$25,618,209 in the General Fund for property taxes.

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 had deposit balances in the amount of \$208,806,791. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

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

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 7,480,112
Mutual funds	20,808,402
Preferred stock	529,800
Corporate stock	190,000
Total	\$ 29,008,314

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Statutory Authorization for Investments

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

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

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

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:

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Not in the Government's Name
U.S. treasuries and securities	\$ 7,480,112
Mutual funds	20,808,402
Preferred stock	529,800
Corporate stock	190,000
Total	\$ 29,008,314

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.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The County does not have a formal investment policy for credit risk for investments.

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Mutual Funds	Preferred Stock	Corporate Stock
AA	\$ 3,832,002	\$ -	\$ -
BBB	-	234,800	-
BB	1,821,504	193,500	-
CCC	-	101,500	-
Unrated	15,154,896	-	190,000
Totals	\$ 20,808,402	\$ 529,800	\$ 190,000

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 had no investments that were exposed to concentration of credit risk:

Foreign Currency Risk

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

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

Investment Type	U.S. Dollars
Preferred stock in foreign banks	\$ 348,131

Investment Risk and Uncertainties

The Sheriff's Merit Board invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Subsequent to year-end, the credit and liquidity crisis in the United States and throughout the global financial system has resulted in substantial volatility in financial markets and the banking system. These and other economic events have had a significant adverse impact on investment portfolios. The Sheriff's pension cash and investments at cost and market at December 31, 2008, were \$36,956,807 and \$30,146,203, respectively. The Sheriff's pension cash and investments at cost and market at July 31, 2009, were \$36,057,249 and \$32,980,759, respectively.

B. Interfund Transfers

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

Transfer From	Transfer To	
Other governmental funds	General Fund	\$ 2,091,360
	Other governmental funds	962,384
	Internal Service Fund	1,021,764
Internal Service Fund	Other governmental funds	205,000
Total		\$ 4,280,508

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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; and natural disasters.

The risks of theft of, damage to, and destruction of assets 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.

Liability Insurance

The County has chosen to establish a risk financing fund for risks associated with general liability, equipment and vehicle losses, and job related illnesses or injuries to employees. The risk financing fund is accounted for in the Liability Reserve Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual job related illnesses or injuries to employees in excess of \$500,000 per year. Effective July 1, 2009, this decreased to \$450,000. 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.

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, their dependents, and qualified retirees. This risk financing fund is accounted for in the Group Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers medical benefits in excess of \$200,000 per year. A premium is charged to each fund and department that have nonproperty tax revenues based on the number of employees and the type of coverage and by the general fund for all other departments.

B. Holding Corporation

The County has entered into a capital lease with the St. Joseph County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$3,684,000.

C. Subsequent Events

The 2009 economic development income tax capital improvement plan includes \$2,016,000 to supplement the general fund's projected budget shortfall and \$1,000,000 to finance a portion of the costs to cap the Jackson Road landfill. An Economic Development Income Tax Revenue Bond for \$3,580,000 was issued on September 3, 2009, for these purposes.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

On August 17, 2009, the County sold bonds of \$5,255,000 to refinance a Major Cumulative Bridge Bond Issue from 2000.

D. Conduit Debt Obligation

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

The total amount of bonds outstanding at December 31, 2008, was not available.

E. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

The St. Joseph County Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by the County through the County's self-insurance fund. The plan provides for medical insurance benefits to eligible retirees and their families. Indiana Code 5-10-8 gives the unit the authority to establish the plan.

Funding Policy

The contribution requirements of plan members for the St. Joseph County Retiree Healthcare Plan are established by the County Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2007, the County contributed \$482,648 to the plan for current premiums. Retired elected officials and general employees contribute at monthly premium rates between \$96 and \$272. Retired merit and matron employees contribute at monthly premium rates between \$55 and \$272.

Annual OPEB and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the plan:

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Annual required contribution	\$ 4,630,633
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
	-
Annual OPEB cost	4,630,633
Contributions made	462,648
	-
Increase (decrease) in net OPEB obligation	4,167,985
Net OPEB obligation, beginning of year	-
	-
Net OPEB obligation, end of year	\$ 4,167,985

The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12-31-05	\$ *	*	\$ *
12-31-06	*	*	*
12-31-07	4,630,633	10.4%	4,167,985

*Information not available

Funded Status and Funding Progress

As of December 31, 2006, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$36,868,341, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$36,868,341. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. This schedule is not presented since it is the first valuation study.

Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

In the December 31, 2007, actuarial valuation, the projected unit credit cost method was used. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2007, was 30 years.

F. 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.

Beginning in 2009, the State will provide all funding for the Welfare programs. There will no longer be a local property tax to fund these programs. This includes the family and children fund, a major fund of the County.

G. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 1,342,562	\$ 1,302,616	\$ 68,234
Interest on net pension obligation	(149,492)	6,865	-
Adjustment to annual required contribution	170,358	(18,094)	-
Annual pension cost	1,363,428	1,291,387	68,234
Contributions made	1,225,415	1,501,690	68,234
Increase (decrease) in net pension obligation	138,013	(210,303)	-
Net pension obligation, beginning of year	(2,061,963)	98,070	-
Net pension obligation, end of year	\$ (1,923,950)	\$ (112,233)	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	4.38%	24.2%	1.2%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-09	01-01-09
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	75% of expected actuarial value plus 25% of actual market value	75% of expected actuarial value plus 25% of actual market value

Actuarial Assumptions

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

ST. JOSEPH 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	\$ 1,162,109	100%	\$ (2,481,585)
	06-30-07	1,507,124	72%	(2,061,963)
	06-30-08	1,363,428	90%	(1,923,950)
County Police Retirement Plan	12-31-06	1,777,227	100%	197,025
	12-31-07	1,355,692	106%	98,070
	12-31-08	1,291,387	115%	(112,233)
County Police Benefit Plan	12-31-06	68,764	100%	-
	12-31-07	70,131	100%	-
	12-31-08	68,234	100%	-

ST. JOSEPH COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 29,501,177	\$ 25,914,816	\$ 3,586,361	114%	\$ 29,852,133	12%
07-01-07	32,709,571	27,424,684	5,284,887	119%	28,908,942	18%
07-01-08	34,870,736	30,207,793	4,662,943	115%	29,342,010	16%

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-04	\$ 27,710,286	\$ 29,927,910	\$ (2,217,624)	93%	\$ 5,159,763	(43%)
01-01-05	28,354,546	33,096,347	(4,741,801)	86%	5,233,150	(91%)
01-01-06	30,621,155	34,947,720	(4,326,565)	88%	5,809,211	(74%)
01-01-07	33,406,053	37,658,777	(4,252,724)	89%	5,546,731	(77%)
01-01-08	36,031,421	38,629,376	(2,597,955)	93%	5,677,920	(46%)
01-01-09	35,090,061	40,047,464	(4,957,403)	88%	5,388,208	(92%)

ST. JOSEPH 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	Rainy Day	County User Fee	Accident Report	Firearms Training	Park Nonreverting Operating
Receipts:						
Taxes	\$ -	\$ 4,671,716	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,535,749	-	-	-	-	-
Charges for services	-	-	-	-	-	269,208
Fines and forfeits	-	-	-	-	-	-
Other	80,516	15,050	384,531	5,448	57,099	-
Total receipts	1,616,265	4,686,766	384,531	5,448	57,099	269,208
Disbursements:						
General government	-	1,128,079	14,942	-	-	-
Public safety	-	-	-	3,857	32,091	-
Highways and streets	2,313,517	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	182,014
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	2,313,517	1,128,079	14,942	3,857	32,091	182,014
Excess (deficiency) of receipts over disbursements	(697,252)	3,558,687	369,589	1,591	25,008	87,194
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(1,021,764)	(399,717)	-	-	-
Total other financing sources (uses)	-	(1,021,764)	(399,717)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(697,252)	2,536,923	(30,128)	1,591	25,008	87,194
Cash and investment fund balance - beginning	1,862,999	1,420,619	1,388,693	10,283	22,050	330,348
Cash and investment fund balance - ending	<u>\$ 1,165,747</u>	<u>\$ 3,957,542</u>	<u>\$ 1,358,565</u>	<u>\$ 11,874</u>	<u>\$ 47,058</u>	<u>\$ 417,542</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 3,957,542	\$ 1,358,565	\$ 11,874	\$ 47,058	\$ 417,542
Restricted assets:						
Cash and investments	1,165,747	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 1,165,747</u>	<u>\$ 3,957,542</u>	<u>\$ 1,358,565</u>	<u>\$ 11,874</u>	<u>\$ 47,058</u>	<u>\$ 417,542</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	1,165,747	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	3,957,542	1,358,565	11,874	47,058	417,542
Total cash and investment fund balance - December 31	<u>\$ 1,165,747</u>	<u>\$ 3,957,542</u>	<u>\$ 1,358,565</u>	<u>\$ 11,874</u>	<u>\$ 47,058</u>	<u>\$ 417,542</u>

ST. JOSEPH 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)

	Service of Process	Health	Federal Grant 1	Community Development	Housing Authority	Clerk's Records Perpetuation
Receipts:						
Taxes	\$ -	\$ 245,496	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	1,118,619	-	-	-	-
Intergovernmental	-	214,298	-	-	36,079	-
Charges for services	260,039	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	97,978	-	552	-	87,754
Total receipts	260,039	1,676,391	-	552	36,079	87,754
Disbursements:						
General government	-	-	-	-	-	32,944
Public safety	321,933	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	2,368,396	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	552	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	321,933	2,368,396	-	552	-	32,944
Excess (deficiency) of receipts over disbursements	(61,894)	(692,005)	-	-	36,079	54,810
Other financing sources (uses):						
Transfers in	-	227,296	-	-	-	-
Transfers out	-	(17,857)	-	-	-	(5,578)
Total other financing sources (uses)	-	209,439	-	-	-	(5,578)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(61,894)	(482,566)	-	-	36,079	49,232
Cash and investment fund balance - beginning	237,729	1,214,136	4,337	14,565	-	129,897
Cash and investment fund balance - ending	<u>\$ 175,835</u>	<u>\$ 731,570</u>	<u>\$ 4,337</u>	<u>\$ 14,565</u>	<u>\$ 36,079</u>	<u>\$ 179,129</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 175,835	\$ -	\$ 4,337	\$ 14,565	\$ 36,079	\$ 179,129
Restricted assets:						
Cash and investments	-	731,570	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 175,835</u>	<u>\$ 731,570</u>	<u>\$ 4,337</u>	<u>\$ 14,565</u>	<u>\$ 36,079</u>	<u>\$ 179,129</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	731,570	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	175,835	-	4,337	14,565	36,079	179,129
Total cash and investment fund balance - December 31	<u>\$ 175,835</u>	<u>\$ 731,570</u>	<u>\$ 4,337</u>	<u>\$ 14,565</u>	<u>\$ 36,079</u>	<u>\$ 179,129</u>

ST. JOSEPH 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)

	Enhanced Access	Health Diabetes Grant	Emergency Telephone System	Drug Free Community	Drainage Maintenance	Emergency Planning/ Right to Know
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	1,375	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	30,328	-	834,664	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	20,631	-	855,299	129,231	-	14,700
Total receipts	50,959	-	1,689,963	129,231	1,375	14,700
Disbursements:						
General government	16,662	-	-	-	358,937	-
Public safety	-	-	1,764,273	-	-	12,272
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	16,662	-	1,764,273	-	358,937	12,272
Excess (deficiency) of receipts over disbursements	34,297	-	(74,310)	129,231	(357,562)	2,428
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(142,319)	-
Total other financing sources (uses)	-	-	-	-	(142,319)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	34,297	-	(74,310)	129,231	(499,881)	2,428
Cash and investment fund balance - beginning	190,543	6,768	2,272,615	8,432	1,479,684	50,300
Cash and investment fund balance - ending	<u>\$ 224,840</u>	<u>\$ 6,768</u>	<u>\$ 2,198,305</u>	<u>\$ 137,663</u>	<u>\$ 979,803</u>	<u>\$ 52,728</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 224,840	\$ 6,768	\$ -	\$ 137,663	\$ 979,803	\$ 52,728
Restricted assets:						
Cash and investments	-	-	2,198,305	-	-	-
Total cash and investment assets - December 31	<u>\$ 224,840</u>	<u>\$ 6,768</u>	<u>\$ 2,198,305</u>	<u>\$ 137,663</u>	<u>\$ 979,803</u>	<u>\$ 52,728</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ 2,198,305	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	224,840	6,768	-	137,663	979,803	52,728
Total cash and investment fund balance - December 31	<u>\$ 224,840</u>	<u>\$ 6,768</u>	<u>\$ 2,198,305</u>	<u>\$ 137,663</u>	<u>\$ 979,803</u>	<u>\$ 52,728</u>

ST. JOSEPH 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)

	Convention and Tourism	Highway	Parks and Recreation	Property Reassessment	Juvenile Probation Service	Adult Probation Service
Receipts:						
Taxes	\$ 3,431,623	\$ -	\$ 376,894	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	4,839,571	132,318	-	-	-
Charges for services	-	-	4,176	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	72,162	764,982	3,034	29	146,672	105,546
Total receipts	3,503,785	5,604,553	516,422	29	146,672	105,546
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	45,571	1,350
Highways and streets	-	7,100,433	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	4,311,006	-	1,592,814	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	4,311,006	7,100,433	1,592,814	-	45,571	1,350
Excess (deficiency) of receipts over disbursements	(807,221)	(1,495,880)	(1,076,392)	29	101,101	104,196
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(25,988)	(100,000)
Total other financing sources (uses)	-	-	-	-	(25,988)	(100,000)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(807,221)	(1,495,880)	(1,076,392)	29	75,113	4,196
Cash and investment fund balance - beginning	2,159,043	1,821,486	440,947	(29)	456,386	302,950
Cash and investment fund balance - ending	<u>\$ 1,351,822</u>	<u>\$ 325,606</u>	<u>\$ (635,445)</u>	<u>\$ -</u>	<u>\$ 531,499</u>	<u>\$ 307,146</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 1,351,822	\$ -	\$ (635,445)	\$ -	\$ 531,499	\$ 307,146
Restricted assets:						
Cash and investments	-	325,606	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 1,351,822</u>	<u>\$ 325,606</u>	<u>\$ (635,445)</u>	<u>\$ -</u>	<u>\$ 531,499</u>	<u>\$ 307,146</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	325,606	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	1,351,822	-	(635,445)	-	531,499	307,146
Total cash and investment fund balance - December 31	<u>\$ 1,351,822</u>	<u>\$ 325,606</u>	<u>\$ (635,445)</u>	<u>\$ -</u>	<u>\$ 531,499</u>	<u>\$ 307,146</u>

ST. JOSEPH 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	Community Corrections - Home Detention	Plat Book	Dog	Surveyor's Corner Perpetuation	Sheriff's Continuing Education
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	1,000	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	1,034,376	-	-	-	-
Charges for services	21,156	-	-	-	-	-
Fines and forfeits	-	-	-	13,451	-	-
Other	228,555	424,907	27,872	-	53,571	-
Total receipts	249,711	1,459,283	27,872	13,451	54,571	-
Disbursements:						
General government	331,918	-	9,670	20,000	99,345	-
Public safety	-	1,228,343	-	-	-	12,846
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	331,918	1,228,343	9,670	20,000	99,345	12,846
Excess (deficiency) of receipts over disbursements	(82,207)	230,940	18,202	(6,549)	(44,774)	(12,846)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	16,275
Transfers out	-	(391,088)	(31,900)	-	-	-
Total other financing sources (uses)	-	(391,088)	(31,900)	-	-	16,275
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(82,207)	(160,148)	(13,698)	(6,549)	(44,774)	3,429
Cash and investment fund balance - beginning	822,374	1,408,556	55,603	10,729	53,742	897
Cash and investment fund balance - ending	740,167	1,248,408	41,905	4,180	8,968	4,326
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 740,167	\$ 1,248,408	\$ 41,905	\$ 4,180	\$ 8,968	\$ 4,326
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	740,167	1,248,408	41,905	4,180	8,968	4,326
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	740,167	1,248,408	41,905	4,180	8,968	4,326
Total cash and investment fund balance - December 31	740,167	1,248,408	41,905	4,180	8,968	4,326

ST. JOSEPH 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)

	Juvenile Justice Grant	Gift	Healthwin Special Gifts	Campaign Finance	Health Immunization	Health STD Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	244,029	-	-	-	-	50,194
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	6,178	-	-	-	-
	<u>244,029</u>	<u>6,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,194</u>
Total receipts	<u>244,029</u>	<u>6,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,194</u>
Disbursements:						
General government	-	5,173	-	25	-	-
Public safety	244,029	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	42,021
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
	<u>244,029</u>	<u>5,173</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>42,021</u>
Total disbursements	<u>244,029</u>	<u>5,173</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>42,021</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,005</u>	<u>-</u>	<u>(25)</u>	<u>-</u>	<u>8,173</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>1,005</u>	<u>-</u>	<u>(25)</u>	<u>-</u>	<u>8,173</u>
Cash and investment fund balance - beginning	<u>1</u>	<u>33,978</u>	<u>2,212</u>	<u>25</u>	<u>945</u>	<u>(13,749)</u>
Cash and investment fund balance - ending	<u>\$ 1</u>	<u>\$ 34,983</u>	<u>\$ 2,212</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ (5,576)</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 1	\$ 34,983	\$ 2,212	\$ -	\$ 945	\$ (5,576)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 1</u>	<u>\$ 34,983</u>	<u>\$ 2,212</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ (5,576)</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	<u>1</u>	<u>34,983</u>	<u>2,212</u>	<u>-</u>	<u>945</u>	<u>(5,576)</u>
Total cash and investment fund balance - December 31	<u>\$ 1</u>	<u>\$ 34,983</u>	<u>\$ 2,212</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ (5,576)</u>

ST. JOSEPH 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)

	Local Health Services Grant	Health AIDS Grant	Health Bioterrorism Grant	Health Lead Elimination Grant	Family Court Grant	Property Reassessment No. 2
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,148
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	54,504	70,021	38,575	91,547	22,500	73,729
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	204	17,857	4,439	-	-	80,684
Total receipts	54,708	87,878	43,014	91,547	22,500	358,561
Disbursements:						
General government	-	-	-	-	-	1,768,471
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	74,165	73,007	38,575	80,201	7,021	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	74,165	73,007	38,575	80,201	7,021	1,768,471
Excess (deficiency) of receipts over disbursements	(19,457)	14,871	4,439	11,346	15,479	(1,409,910)
Other financing sources (uses):						
Transfers in	-	17,857	-	-	-	-
Transfers out	-	(17,857)	(4,439)	-	(7,400)	-
Total other financing sources (uses)	-	-	(4,439)	-	(7,400)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(19,457)	14,871	-	11,346	8,079	(1,409,910)
Cash and investment fund balance - beginning	141,804	2,536	3,733	(14,615)	74,172	2,215,469
Cash and investment fund balance - ending	<u>\$ 122,347</u>	<u>\$ 17,407</u>	<u>\$ 3,733</u>	<u>\$ (3,269)</u>	<u>\$ 82,251</u>	<u>\$ 805,559</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 122,347	\$ 17,407	\$ 3,733	\$ (3,269)	\$ 82,251	\$ 805,559
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 122,347</u>	<u>\$ 17,407</u>	<u>\$ 3,733</u>	<u>\$ (3,269)</u>	<u>\$ 82,251</u>	<u>\$ 805,559</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	122,347	17,407	3,733	(3,269)	82,251	805,559
Total cash and investment fund balance - December 31	<u>\$ 122,347</u>	<u>\$ 17,407</u>	<u>\$ 3,733</u>	<u>\$ (3,269)</u>	<u>\$ 82,251</u>	<u>\$ 805,559</u>

ST. JOSEPH 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)

	HAVA/ Voting Machines	County Corrections	Identification Security Protection	Children's Psych Res Treatment Service	Public Defender	Probation User Fee Administrative
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 222,239	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	61,004	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	200
Other	-	183,422	83,476	-	63,660	101,911
Total receipts	-	183,422	83,476	283,243	63,660	102,111
Disbursements:						
General government	61,845	-	-	-	-	-
Public safety	-	-	-	-	88,677	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	300,639	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	61,845	-	-	300,639	88,677	-
Excess (deficiency) of receipts over disbursements	(61,845)	183,422	83,476	(17,396)	(25,017)	102,111
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(1,538,520)	-	-
Total other financing sources (uses)	-	-	-	(1,538,520)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(61,845)	183,422	83,476	(1,555,916)	(25,017)	102,111
Cash and investment fund balance - beginning	1,011,577	-	206,408	1,958,531	307,750	12,132
Cash and investment fund balance - ending	<u>\$ 949,732</u>	<u>\$ 183,422</u>	<u>\$ 289,884</u>	<u>\$ 402,615</u>	<u>\$ 282,733</u>	<u>\$ 114,243</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 183,422	\$ 289,884	\$ 402,615	\$ 282,733	\$ 114,243
Restricted assets:						
Cash and investments	949,732	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 949,732</u>	<u>\$ 183,422</u>	<u>\$ 289,884</u>	<u>\$ 402,615</u>	<u>\$ 282,733</u>	<u>\$ 114,243</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	949,732	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	183,422	289,884	402,615	282,733	114,243
Total cash and investment fund balance - December 31	<u>\$ 949,732</u>	<u>\$ 183,422</u>	<u>\$ 289,884</u>	<u>\$ 402,615</u>	<u>\$ 282,733</u>	<u>\$ 114,243</u>

ST. JOSEPH 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)

	Tax Increment Financing 1	Sex Offender Grant	Adult Drug Testing	Community Transition Program	Drug Testing	Emergency Management Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	129,567	-	-	-	219,191
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	49,501	-
Other	-	-	-	93,369	-	-
Total receipts	-	129,567	-	93,369	49,501	219,191
Disbursements:						
General government	-	-	-	595,343	-	-
Public safety	-	152,581	-	-	56,221	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	359,067	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	359,067	152,581	-	595,343	56,221	-
Excess (deficiency) of receipts over disbursements	(359,067)	(23,014)	-	(501,974)	(6,720)	219,191
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(154,494)	-	-
Total other financing sources (uses)	-	-	-	(154,494)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(359,067)	(23,014)	-	(656,468)	(6,720)	219,191
Cash and investment fund balance - beginning	2,424,209	30,708	12,844	679,767	107,346	(219,520)
Cash and investment fund balance - ending	<u>\$ 2,065,142</u>	<u>\$ 7,694</u>	<u>\$ 12,844</u>	<u>\$ 23,299</u>	<u>\$ 100,626</u>	<u>\$ (329)</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 2,065,142	\$ 7,694	\$ 12,844	\$ 23,299	\$ 100,626	\$ (329)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 2,065,142</u>	<u>\$ 7,694</u>	<u>\$ 12,844</u>	<u>\$ 23,299</u>	<u>\$ 100,626</u>	<u>\$ (329)</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	2,065,142	7,694	12,844	23,299	100,626	(329)
Total cash and investment fund balance - December 31	<u>\$ 2,065,142</u>	<u>\$ 7,694</u>	<u>\$ 12,844</u>	<u>\$ 23,299</u>	<u>\$ 100,626</u>	<u>\$ (329)</u>

ST. JOSEPH 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)

	Federal D.E.A.	Healthwin	Portage Manor	Portage Manor Farm Operation	Prosecutor's D.E.A.	Sheriff D.E.A.
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	2,059,144	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	15,884	120,000	88,402	3,500	-	33,476
Total receipts	15,884	120,000	2,147,546	3,500	-	33,476
Disbursements:						
General government	-	-	-	1,367	-	-
Public safety	12,055	-	-	-	-	8,283
Highways and streets	-	-	-	-	-	-
Health and welfare	-	90,000	1,990,391	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	12,055	90,000	1,990,391	1,367	-	8,283
Excess (deficiency) of receipts over disbursements	3,829	30,000	157,155	2,133	-	25,193
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,829	30,000	157,155	2,133	-	25,193
Cash and investment fund balance - beginning	30,306	103	2,242,198	12,513	14,208	8,243
Cash and investment fund balance - ending	<u>\$ 34,135</u>	<u>\$ 30,103</u>	<u>\$ 2,399,353</u>	<u>\$ 14,646</u>	<u>\$ 14,208</u>	<u>\$ 33,436</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 34,135	\$ 30,103	\$ 2,399,353	\$ 14,646	\$ 14,208	\$ 33,436
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 34,135</u>	<u>\$ 30,103</u>	<u>\$ 2,399,353</u>	<u>\$ 14,646</u>	<u>\$ 14,208</u>	<u>\$ 33,436</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	34,135	30,103	2,399,353	14,646	14,208	33,436
Total cash and investment fund balance - December 31	<u>\$ 34,135</u>	<u>\$ 30,103</u>	<u>\$ 2,399,353</u>	<u>\$ 14,646</u>	<u>\$ 14,208</u>	<u>\$ 33,436</u>

ST. JOSEPH 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)

	Small Town Survey	Special Vehicle Inspection	Emergency Command Center	Sex/Violent Offender Registration	Sex/Violent Address Change	Jail Commissary
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	84,446
Fines and forfeits	-	-	-	-	-	-
Other	-	4,850	317,926	12,900	5	-
	<u>-</u>	<u>4,850</u>	<u>317,926</u>	<u>12,900</u>	<u>5</u>	<u>84,446</u>
Total receipts	-	4,850	317,926	12,900	5	84,446
Disbursements:						
General government	-	8,543	-	-	-	-
Public safety	-	-	-	6,416	1	254,998
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	-	8,543	-	6,416	1	254,998
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(3,693)</u>	<u>317,926</u>	<u>6,484</u>	<u>4</u>	<u>(170,552)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,693)	317,926	6,484	4	(170,552)
Cash and investment fund balance - beginning	1,034	11,060	-	-	-	203,868
Cash and investment fund balance - ending	<u>\$ 1,034</u>	<u>\$ 7,367</u>	<u>\$ 317,926</u>	<u>\$ 6,484</u>	<u>\$ 4</u>	<u>\$ 33,316</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 1,034	\$ 7,367	\$ 317,926	\$ 6,484	\$ 4	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	33,316
Total cash and investment assets - December 31	<u>\$ 1,034</u>	<u>\$ 7,367</u>	<u>\$ 317,926</u>	<u>\$ 6,484</u>	<u>\$ 4</u>	<u>\$ 33,316</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other purposes	-	-	-	-	-	33,316
Unrestricted	1,034	7,367	317,926	6,484	4	-
Total cash and investment fund balance - December 31	<u>\$ 1,034</u>	<u>\$ 7,367</u>	<u>\$ 317,926</u>	<u>\$ 6,484</u>	<u>\$ 4</u>	<u>\$ 33,316</u>

ST. JOSEPH 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)

	Township Assistance Bond	Judgement Bond	Redevelopment Bond 2001 Payment	Debt Service Other	Cumulative Capital Development	Park Nonreverting Capital
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 1,349,441	\$ 500,461	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	605,748	175,281	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	109,327	-
Total receipts	-	-	-	1,955,189	785,069	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	759	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	545,000	4,630,000	-	-
Interest	-	-	836,538	2,818,935	-	-
Capital outlay:						
General government	-	-	-	-	2,170,682	-
Highways and streets	-	-	-	-	-	-
Total disbursements	759	-	1,381,538	7,448,935	2,170,682	-
Excess (deficiency) of receipts over disbursements	(759)	-	(1,381,538)	(5,493,746)	(1,385,613)	-
Other financing sources (uses):						
Transfers in	-	72,993	143,594	-	-	-
Transfers out	-	-	-	(72,993)	-	-
Total other financing sources (uses)	-	72,993	143,594	(72,993)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(759)	72,993	(1,237,944)	(5,566,739)	(1,385,613)	-
Cash and investment fund balance - beginning	198,165	(72,993)	(24,192)	58,873	3,599,591	11,635
Cash and investment fund balance - ending	<u>\$ 197,406</u>	<u>\$ -</u>	<u>\$ (1,262,136)</u>	<u>\$ (5,507,866)</u>	<u>\$ 2,213,978</u>	<u>\$ 11,635</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ (1,262,136)	\$ (5,507,866)	\$ -	\$ -
Restricted assets:						
Cash and investments	197,406	-	-	-	2,213,978	11,635
Total cash and investment assets - December 31	<u>\$ 197,406</u>	<u>\$ -</u>	<u>\$ (1,262,136)</u>	<u>\$ (5,507,866)</u>	<u>\$ 2,213,978</u>	<u>\$ 11,635</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	197,406	-	-	-	-	-
Capital outlay	-	-	-	-	2,213,978	11,635
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	(1,262,136)	(5,507,866)	-	-
Total cash and investment fund balance - December 31	<u>\$ 197,406</u>	<u>\$ -</u>	<u>\$ (1,262,136)</u>	<u>\$ (5,507,866)</u>	<u>\$ 2,213,978</u>	<u>\$ 11,635</u>

ST. JOSEPH 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)

	Cumulative Bridge	General Drain Improvement	Building	Park Donation	Tax Increment Financing 2	Major Cumulative Bridge
Receipts:						
Taxes	\$ 243,612	\$ -	\$ -	\$ -	\$ -	\$ 496,931
Special assessments	-	3,716	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	114,152	244,666	6,286	20,000	-	175,281
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	65,547	17,629	49,884	4,397	71,797	66,052
Total receipts	423,311	266,011	56,170	24,397	71,797	738,264
Disbursements:						
General government	-	430,276	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	3,634	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	725,000
Interest	-	-	-	-	-	535,819
Capital outlay:						
General government	-	-	333,635	-	-	-
Highways and streets	1,125,464	-	-	-	-	506,432
Total disbursements	1,125,464	430,276	333,635	3,634	-	1,767,251
Excess (deficiency) of receipts over disbursements	(702,153)	(164,265)	(277,465)	20,763	71,797	(1,028,987)
Other financing sources (uses):						
Transfers in	-	142,319	-	-	-	-
Transfers out	-	-	-	-	(143,594)	-
Total other financing sources (uses)	-	142,319	-	-	(143,594)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(702,153)	(21,946)	(277,465)	20,763	(71,797)	(1,028,987)
Cash and investment fund balance - beginning	1,993,152	(73,455)	1,108,080	10,437	71,797	2,582,439
Cash and investment fund balance - ending	\$ 1,290,999	\$ (95,401)	\$ 830,615	\$ 31,200	\$ -	\$ 1,553,452
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ (95,401)	\$ -	\$ 31,200	\$ -	\$ 1,553,452
Restricted assets:						
Cash and investments	1,290,999	-	830,615	-	-	-
Total cash and investment assets - December 31	\$ 1,290,999	\$ (95,401)	\$ 830,615	\$ 31,200	\$ -	\$ 1,553,452
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	1,290,999	-	830,615	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	(95,401)	-	31,200	-	1,553,452
Total cash and investment fund balance - December 31	\$ 1,290,999	\$ (95,401)	\$ 830,615	\$ 31,200	\$ -	\$ 1,553,452

ST. JOSEPH 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)

	2000 CREDIT Construction	Local Highway User Tax Projects	EDD #1 Capital	Community Corrections Building	Totals
Receipts:					
Taxes	\$ -	\$ 2,876,510	\$ -	\$ -	\$ 14,619,071
Special assessments	-	-	-	-	6,091
Licenses and permits	-	-	-	-	1,118,619
Intergovernmental	-	-	-	-	10,188,666
Charges for services	-	-	-	-	3,563,161
Fines and forfeits	-	-	-	-	63,152
Other	-	-	-	-	5,192,895
Total receipts	-	2,876,510	-	-	34,751,655
Disbursements:					
General government	-	-	-	-	4,883,540
Public safety	-	-	-	-	4,245,797
Highways and streets	-	-	-	-	9,413,950
Health and welfare	-	-	-	-	5,065,175
Culture and recreation	-	-	-	-	6,089,468
Urban redevelopment and housing	-	-	-	-	359,619
Debt service:					
Principal	-	-	-	-	5,900,000
Interest	-	-	-	-	4,191,292
Capital outlay:					
General government	-	-	-	-	2,504,317
Highways and streets	-	2,538,126	-	-	4,170,022
Total disbursements	-	2,538,126	-	-	46,823,180
Excess (deficiency) of receipts over disbursements	-	338,384	-	-	(12,071,525)
Other financing sources (uses):					
Transfers in	-	-	-	547,050	1,167,384
Transfers out	-	-	-	-	(4,075,508)
Total other financing sources (uses)	-	-	-	547,050	(2,908,124)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	338,384	-	547,050	(14,979,649)
Cash and investment fund balance - beginning	10,289	239,361	207,999	-	39,599,656
Cash and investment fund balance - ending	<u>\$ 10,289</u>	<u>\$ 577,745</u>	<u>\$ 207,999</u>	<u>\$ 547,050</u>	<u>\$ 24,620,007</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ 10,289	\$ 577,745	\$ 207,999	\$ 547,050	\$ 14,671,098
Restricted assets:					
Cash and investments	-	-	-	-	9,948,909
Total cash and investment assets - December 31	<u>\$ 10,289</u>	<u>\$ 577,745</u>	<u>\$ 207,999</u>	<u>\$ 547,050</u>	<u>\$ 24,620,007</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 2,198,305
Highways and streets	-	-	-	-	1,491,353
Health and welfare	-	-	-	-	731,570
Debt service	-	-	-	-	197,406
Capital outlay	-	-	-	-	5,296,959
Other purposes	-	-	-	-	33,316
Unrestricted	10,289	577,745	207,999	547,050	14,671,098
Total cash and investment fund balance - December 31	<u>\$ 10,289</u>	<u>\$ 577,745</u>	<u>\$ 207,999</u>	<u>\$ 547,050</u>	<u>\$ 24,620,007</u>

ST. JOSEPH COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 INTERNAL SERVICE FUNDS
 As Of And For The Year Ended December 31, 2008

	Liability Reserve	Group Insurance	Group Insurance Reserve	Totals
Operating receipts:				
Employee/employer contributions	\$ 732,602	\$ 11,747,087	\$ -	\$ 12,479,689
Other	<u>10,529</u>	<u>392,277</u>	-	<u>402,806</u>
Total operating receipts	<u>743,131</u>	<u>12,139,364</u>	-	<u>12,882,495</u>
Operating disbursements:				
Insurance claims and expense	<u>1,282,731</u>	<u>8,956,311</u>	-	<u>10,239,042</u>
Excess (deficiency) of receipts over disbursements	<u>(539,600)</u>	<u>3,183,053</u>	-	<u>2,643,453</u>
Transfers in	-	-	1,021,764	1,021,764
Transfers out	-	<u>(205,000)</u>	-	<u>(205,000)</u>
Excess (deficiency) of receipts and transfers in over disbursements and transfers out	(539,600)	2,978,053	1,021,764	3,460,217
Cash and investment fund balance - beginning	-	<u>(8,939,250)</u>	-	<u>(8,939,250)</u>
Cash and investment fund balance - ending	<u>\$ (539,600)</u>	<u>\$ (5,961,197)</u>	<u>\$ 1,021,764</u>	<u>\$ (5,479,033)</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	\$ (539,600)	\$ (5,961,197)	\$ -	\$ (6,500,797)
Restricted assets:				
Cash and investments	-	-	<u>1,021,764</u>	<u>1,021,764</u>
Cash and investments	<u>\$ (539,600)</u>	<u>\$ (5,961,197)</u>	<u>\$ 1,021,764</u>	<u>\$ (5,479,033)</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Restricted for:				
Other purposes	\$ -	\$ -	\$ 1,021,764	\$ 1,021,764
Unrestricted	<u>(539,600)</u>	<u>(5,961,197)</u>	-	<u>(6,500,797)</u>
Total cash and investment fund balance - December 31	<u>\$ (539,600)</u>	<u>\$ (5,961,197)</u>	<u>\$ 1,021,764</u>	<u>\$ (5,479,033)</u>

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

	<u>County Police Retirement</u>	<u>County Police Benefit</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 1,499,796	\$ 70,132	\$ 1,569,928
Other	74,944	1,293	76,237
Total contributions	<u>1,574,740</u>	<u>71,425</u>	<u>1,646,165</u>
Investment receipts:			
Net increase (decrease) in investments	131,673	3,078	134,751
Interest	<u>1,274,152</u>	<u>42,344</u>	<u>1,316,496</u>
Total investment receipts	1,405,825	45,422	1,451,247
Less investment disbursements	<u>(50,368)</u>	<u>(1,693)</u>	<u>(52,061)</u>
Net investment receipts	<u>1,355,457</u>	<u>43,729</u>	<u>1,399,186</u>
Total additions	<u>2,930,197</u>	<u>115,154</u>	<u>3,045,351</u>
Deductions:			
Benefits	1,284,210	129,859	1,414,069
Administrative and general	<u>58,184</u>	<u>-</u>	<u>58,184</u>
Total deductions	<u>1,342,394</u>	<u>129,859</u>	<u>1,472,253</u>
Excess (deficiency) of total additions over total deductions	1,587,803	(14,705)	1,573,098
Cash and investment fund balance - beginning	<u>34,187,251</u>	<u>1,196,458</u>	<u>35,383,709</u>
Cash and investment fund balance - ending	<u>\$ 35,775,054</u>	<u>\$ 1,181,753</u>	<u>\$ 36,956,807</u>

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

	<u>Town Court Costs</u>	<u>County Option Income Tax</u>	<u>Riverboat</u>	<u>Congressional School Interest</u>	<u>Surplus Tax Sale</u>	<u>Tax Sale Redemption</u>
Additions:						
Agency fund additions	<u>\$ 105,133</u>	<u>\$ 38,094,781</u>	<u>\$ 1,665,868</u>	<u>\$ 1,493</u>	<u>\$ 6,012,256</u>	<u>\$ 2,123,973</u>
Deductions:						
Agency fund deductions	<u>155,928</u>	<u>27,516,719</u>	<u>1,665,868</u>	<u>2,389</u>	<u>7,683,622</u>	<u>2,506,932</u>
Excess (deficiency) of total additions over total deductions	(50,795)	10,578,062	-	(896)	(1,671,366)	(382,959)
Cash and investment fund balance - beginning	<u>105,522</u>	<u>1,922,023</u>	<u>-</u>	<u>2,389</u>	<u>6,849,482</u>	<u>179,286</u>
Cash and investment fund balance - ending	<u>\$ 54,727</u>	<u>\$ 12,500,085</u>	<u>\$ -</u>	<u>\$ 1,493</u>	<u>\$ 5,178,116</u>	<u>\$ (203,673)</u>

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

	Surplus Tax	State Fines and Forfeitures	Coroners Education	County Sales Disclosure	State Sales Disclosure Fee	Sewage Collections
Additions:						
Agency fund additions	\$ 46,629	\$ 860,585	\$ 31,619	\$ 28,752	\$ 28,887	\$ 429
Deductions:						
Agency fund deductions	1,675,279	873,934	31,186	5	28,707	143,738
Excess (deficiency) of total additions over total deductions	(1,628,650)	(13,349)	433	28,747	180	(143,309)
Cash and investment fund balance - beginning	3,774,214	139,672	2,344	234,780	2,275	143,409
Cash and investment fund balance - ending	<u>\$ 2,145,564</u>	<u>\$ 126,323</u>	<u>\$ 2,777</u>	<u>\$ 263,527</u>	<u>\$ 2,455</u>	<u>\$ 100</u>

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

	Inheritance Tax	County Owned Tax Sale	Payroll	Employees Retirement Fund	Payroll Withholding Federal	Payroll Withholding State
Additions:						
Agency fund additions	\$ 6,023,227	\$ -	\$ 39,092,234	\$ 1,052,249	\$ 4,107,004	\$ 1,624,455
Deductions:						
Agency fund deductions	8,484,137	-	39,092,515	1,056,449	4,107,096	1,585,999
Excess (deficiency) of total additions over total deductions	(2,460,910)	-	(281)	(4,200)	(92)	38,456
Cash and investment fund balance - beginning	4,189,148	28,688	(271)	315,612	(22)	85,784
Cash and investment fund balance - ending	<u>\$ 1,728,238</u>	<u>\$ 28,688</u>	<u>\$ (552)</u>	<u>\$ 311,412</u>	<u>\$ (114)</u>	<u>\$ 124,240</u>

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

	Payroll Withholding OASI	Payroll Withholding Insurance	Special Death Benefit	Payroll Withholding US Bonds	Clearing	Education Plate Fees
Additions:						
Agency fund additions	\$ 5,814,464	\$ 160	\$ 27,530	\$ -	\$ 7,544,970	\$ 14,813
Deductions:						
Agency fund deductions	5,814,718	160	27,630	-	7,666,390	13,163
Excess (deficiency) of total additions over total deductions	(254)	-	(100)	-	(121,420)	1,650
Cash and investment fund balance - beginning	168	2,614	2,130	911	-	1,969
Cash and investment fund balance - ending	<u>\$ (86)</u>	<u>\$ 2,614</u>	<u>\$ 2,030</u>	<u>\$ 911</u>	<u>\$ (121,420)</u>	<u>\$ 3,619</u>

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

	Wheel Tax	Excise Sur Tax	Mortgage Recording Fee	Homestead Credit Rebate	Tax Distribution	Alternative Dispute Resolution
Additions:						
Agency fund additions	\$ 345,506	\$ 5,543,918	\$ 25,263	\$ 50,813	\$ 102,371,644	\$ 23,244
Deductions:						
Agency fund deductions	345,506	5,543,918	26,348	16,160,941	102,371,644	19,539
Excess (deficiency) of total additions over total deductions	-	-	(1,085)	(16,110,128)	-	3,705
Cash and investment fund balance - beginning	-	-	2,382	16,128,261	-	29,637
Cash and investment fund balance - ending	\$ -	\$ -	\$ 1,297	\$ 18,133	\$ -	\$ 33,342

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

	Domestic Relations Counseling Bureau	Miscellaneous State Money Trust	Surplus Drainage Collections	Surplus Replacement	Surplus Sewage Liens	Welfare Trust
Additions:						
Agency fund additions	\$ 7,850	\$ 485,650	\$ -	\$ -	\$ -	\$ 48,877
Deductions:						
Agency fund deductions	-	485,650	48	-	422	66,511
Excess (deficiency) of total additions over total deductions	7,850	-	(48)	-	(422)	(17,634)
Cash and investment fund balance - beginning	11,592	81	48	423	422	23,481
Cash and investment fund balance - ending	<u>\$ 19,442</u>	<u>\$ 81</u>	<u>\$ -</u>	<u>\$ 423</u>	<u>\$ -</u>	<u>\$ 5,847</u>

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

	Commissioners Certificate Sale	Employee Benefits Clearing	HEA 1001 Homestead Credit	Commercial Vehicle Excise Tax	Tax Incremental Replacement
Additions:					
Agency fund additions	\$ 368,223	\$ 7,038,400	\$ 33,250,902	\$ 3,493,822	\$ 310,346
Deductions:					
Agency fund deductions	58,334	7,035,340	32,326,192	3,493,822	97,214
Excess (deficiency) of total additions over total deductions	309,889	3,060	924,710	-	213,132
Cash and investment fund balance - beginning	-	(3,060)	-	11,722	-
Cash and investment fund balance - ending	<u>\$ 309,889</u>	<u>\$ -</u>	<u>\$ 924,710</u>	<u>\$ 11,722</u>	<u>\$ 213,132</u>

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

	County Home Resident Trust	Sheriff's Inmate Trust	County Sheriff	County Adult Probation	Circuit Court Clerk
Additions:					
Agency fund additions	\$ 1,046,427	\$ 1,072,581	\$ 3,876,730	\$ 247,573	\$ 35,508,099
Deductions:					
Agency fund deductions	1,025,606	1,043,175	3,911,123	230,960	34,517,095
Excess (deficiency) of total additions over total deductions	20,821	29,406	(34,393)	16,613	991,004
Cash and investment fund balance - beginning	37,547	71,040	36,999	-	8,502,431
Cash and investment fund balance - ending	<u>\$ 58,368</u>	<u>\$ 100,446</u>	<u>\$ 2,606</u>	<u>\$ 16,613</u>	<u>\$ 9,493,435</u>

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

	County Recorder	County Treasurer	Parkview Detention Center	Treasurer's Refund	Totals
Additions:					
Agency fund additions	\$ 979,259	\$ 120,589,107	\$ 192,549	\$ -	\$ 431,178,294
Deductions:					
Agency fund deductions	987,159	6,847,586	178,526	780	326,906,003
Excess (deficiency) of total additions over total deductions	(7,900)	113,741,521	14,023	(780)	104,272,291
Cash and investment fund balance - beginning	82,445	6,847,586	-	780	49,765,944
Cash and investment fund balance - ending	<u>\$ 74,545</u>	<u>\$ 120,589,107</u>	<u>\$ 14,023</u>	<u>\$ -</u>	<u>\$ 154,038,235</u>

ST. JOSEPH COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 As of December 31, 2008

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

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 21,497,065
Infrastructure	370,582,657
Buildings	75,558,092
Machinery and equipment	24,966,541
Construction in progress	<u>38,259</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 492,642,614</u>

ST. JOSEPH COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 As of December 31, 2008

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
County Jail	\$ 27,130,000	\$ 3,463,000
E-911 equipment	3,515,987	590,906
Bonds payable:		
General obligation bonds:		
2007 Judgment funding	2,325,000	1,231,500
Limited general obligation bonds:		
2000 Bridge bond construction	5,375,000	844,406
2005 Limited tax bridge funding	3,800,000	351,024
Revenue bonds:		
1998 Special tax refunding	1,230,000	352,575
2000 EDIT bonds (various capital/economic)	3,775,000	2,017,625
Capital appreciation bonds:		
1997 Redevelopment district bonds	1,700,737	235,000
TIF bonds:		
2001 TIF bonds	<u>16,365,000</u>	<u>1,045,034</u>
Total governmental activities debt	<u>\$ 65,216,724</u>	<u>\$ 10,131,070</u>

ST. JOSEPH COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
Thomas N. Frederick Juvenile Justice Center

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF ST. JOSEPH COUNTY, INDIANA

Compliance

We have audited the compliance of St. Joseph 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 non-compliance 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.

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

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

September 9, 2009

ST. JOSEPH 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 Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553		\$ 97,796
National School Lunch Program	10.555		53,527
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		<u>26,565</u>
Total for federal grantor agency			<u>177,888</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Housing Authority of South Bend			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		<u>89,902</u>
<u>U.S. DEPARTMENT OF INTERIOR</u>			
Pass-Through Indiana Department of Natural Resources			
Historic Preservation Fund Grants-In-Aid	15.904		<u>3,432</u>
Outdoor Recreation - Acquisition, Development and Planning	15.916		<u>20,000</u>
Total for federal grantor agency			<u>23,432</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	2004-WE-AX-K018	<u>249,915</u>
Pass-Through Indiana Criminal Justice Institute			
Crime Victim Assistance	16.575	06VA173	19,872
		07VA117	39,743
		08VA134	16,943
		08ST030	<u>82,119</u>
Total for program			<u>158,677</u>
Violence Against Women Formula Grants	16.588	07ST028	<u>91,244</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DD-BX-0013	57,722
		07-DJ-070	<u>51,789</u>
Total for program			<u>109,511</u>
Total for federal grantor agency			<u>609,347</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
State and Community Highway Safety	20.600	PT-08-04-01-25	50,000
		PT-09-04-01-27	<u>10,290</u>
Total for program			<u>60,290</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K4-2008-02-02-06	96,407
		K4-2009-03-02-06	<u>16,634</u>
Total for program			<u>113,041</u>
Total for federal grantor agency			<u>173,331</u>

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

ST. JOSEPH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2008
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. ELECTIONS ASSISTANCE COMMISSION</u>			
Pass-Through Indiana Secretary of State Help America Vote Act Requirements Payments	90.401		<u>61,845</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Public Health Emergency Preparedness	93.069	BPRS 170-14	<u>40,349</u>
Childhood Lead Poisoning Prevention Projects State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	CLP 170-1	<u>90,961</u>
Pass-Through Indiana Department of Children's Services Child Support Enforcement	93.563		
County Prosecutor's Expenditures			1,204,480
County Clerk's Expenditures			173,992
Probate Court Expenditures			113,464
Collection Incentives			303,820
Indirect Costs			<u>324,785</u>
Total for program			<u>2,120,541</u>
Pass-Through Indiana Department of Health Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups	93.943	AIDS 170-7	<u>73,007</u>
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	STD 170-5	<u>43,983</u>
Maternal and Child Health Services Block Grant to the States	93.994	MCH 170-3 MCH 170-10	5,527 <u>21,833</u>
Total for program			<u>27,360</u>
Total for federal grantor agency			<u>2,396,201</u>
Total federal awards expended			<u>\$ 3,531,946</u>

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

ST. JOSEPH 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 St. Joseph 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:

Program Title	Federal CFDA Number	
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	\$ <u>244,029</u>

ST. JOSEPH 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? yes

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2008-1, CIRCUIT COURT CLERK TRUST RECONCILEMENT

The County was unable to reconcile amounts from the office of the Clerk of Circuit Court Trust Registers with the Clerk's Cash Book record balances. No reconcilements of this kind have been done in many years.

Most of these records are maintained on a computer system, where receipts and disbursements for these items are posted by cause number. Officials in the computer department are unable to provide a detailed listing of outstanding items timely, and the Clerk's office does not have a system in place to reconcile the outstanding items to the amount of cash on hand at any given date.

ST. JOSEPH COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

The County is required by the Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Court, Chapter Eight, to reconcile the total of all trust items to the Clerk's Cash Book on a monthly basis.

Without trust records reconciled to the cash book, we are not able to verify that the cash on hand is sufficient to pay what is being held and owing to outside parties.

We recommended that the County design and implement procedures that would allow the trust records to be reconciled to the cash book on a continuous basis.

FINDING 2008-2, INSURANCE FUND NEGATIVE CASH BALANCES

At December 31, 2008, the Group Insurance Fund had a negative cash balance of \$5,961,198. At June 30, 2009, the negative cash balance was \$6,488,687. The following schedule shows this funds' negative cash balance at the end of recent years:

<u>Year Ending</u>	<u>Group Insurance</u>
12-31-02	\$ 2,091,125
12-31-03	4,183,554
12-31-04	5,524,952
12-31-05	9,149,596
12-31-06	12,052,239
12-31-07	8,939,250
12-31-08	5,961,198

The negative cash balances have occurred because County officials have not been sufficiently funding costs. This large negative cash balance is, in effect, reducing the available cash balance in other County funds.

The cash balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

We recommended that County officials review methods to eliminate the negative cash balances in the Group Insurance Fund. Cost allocation methods should be calculated in a manner to meet estimated expenditures and past deficiencies.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

ST. JOSEPH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

RITA L. GLENN

**St. Joseph Circuit Court Clerk
Ex-officio Clerk of the St. Joseph Superior & Probate Courts**

**101 South Main Street
South Bend, IN. 46601**

**Telephone: (574) 235-9635
Fax: (574) 235-9838**

Sept. 8, 2009

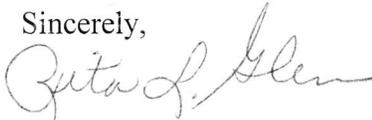
St. Joseph County
Action Plan to Correct Financial
Statement Findings

FINDINGS 2008-1

The St. Joseph County Clerk's office is finally moving in the direction of the implementation of the new court management system, JTAC. I realize this will not resolve the issues that I am currently having, but, it is a start. The bad news, we will have to continue to also use LOW & Associates. I am totally in debt to them for keeping this system alive for as long as they have and only hope and pray that it will continue until all implementation is done. We are now currently balancing 2 traffic systems and will be starting with Misdemeanor cases soon.

I thank you once again for your understanding.

Sincerely,



Rita L. Glenn
St. Joseph Circuit Court Clerk

ST. JOSEPH COUNTY AUDITOR

227 W. Jefferson Blvd. Second Floor
County City Building
South Bend, IN 46601
Telephone 574-235-9668
Fax 574-235-5024

Peter H. Mullen
Auditor

Cynthia A. Bodle
Chief Deputy Auditor

September 30, 2009

David Shearer
State Board of Accounts
227 W. Jefferson 9th Floor
South Bend, IN 46601

Re: Negative Balance in the St. Joseph County Health Insurance Fund

Dear Dave,

The large debt carried by the County's Health insurance fund has been an ongoing issue.

The negative balance from 12/31/07 to 12/31/08 was reduced by \$3,078,052.00 and, as we have notified the State Board of Accounts, we reduced this figure by an additional \$3,112,980.00, the prior year for a 2 year total of \$6,191,032.00. This is a 51 % reduction in two (2) years.

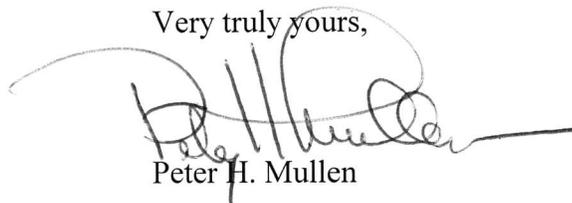
As of 9/29/09 the cash deficit has been reduced an additional \$500,000.00 with the account now indicating a deficit of approximately or a 56% decrease since 12/31/06, or \$20,200.00 per month.

The Commissioners and the Council are working on cost control and negotiating the best rates possible from our providers. In 2007, we initiated a spousal carve out that has been significant in reducing the deficit. We will continue to be vigilant in cost containment and overall management.

Operating under strict controls, initiated after the accrual of the deficit, we will work on a maximum effort, if funds are available, to reduce this shortfall within 10 years.

The Council and Commissioners are committed to reducing this debt.

Very truly yours,



Peter H. Mullen

cc: St. Joseph County Commissioners
St. Joseph County Council

ST. JOSEPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 9, 2009, with Peter H. Mullen, Auditor; and on September 22, 2009, with Dave Thomas and Andrew Kostielney, County Commissioners, and Raphael Morton, President of the County Council. Our audit disclosed no material items that warrant comment at this time.