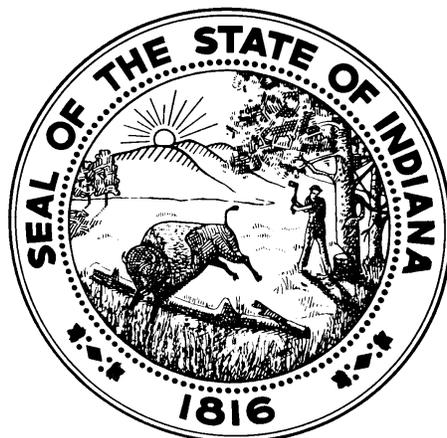


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

LAKE COUNTY, INDIANA



FILED
11/19/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Peggy Holinga Katona	01-01-07 to 12-31-10
Treasurer	John E. Petalas	01-01-07 to 12-31-10
Clerk of the Circuit Court	Thomas R. Philpot	01-01-08 to 12-31-11
Sheriff	Rogelio "Roy" Dominguez	01-01-07 to 12-31-10
Recorder	Michael A. Brown	01-01-05 to 12-31-12
President of the Board of County Commissioners	Gerry J. Scheub Roosevelt Allen, Jr.	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the County Council	Christine Cid Larry Blanchard	01-01-08 to 12-31-08 01-01-09 to 12-31-09



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

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake 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.

Except as discussed in the fourth paragraph, 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.

We were unable to obtain bank statements, bank reconciliations, cancelled checks, claims, and other records to audit several funds accounted for by the County Sheriff's Department. Due to the lack of sufficient audit documentation, the Commissary Fund, Inmate Medical Fees Fund, and Social Security Fund have not been reported in the financial statements. The amount by which receipts, disbursements, and cash balances would change if these funds were presented could not be determined.

In our opinion, except for the scope limitation referred to in the fourth paragraph which results in the omission of funds, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2008, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated September 24, 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

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

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 and Schedules of Contributions From the Employer and Other Contributing Entities, 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 24, 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 LAKE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake 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 24, 2009. Our report included a description of certain records not presented which limited our scope in expressing our opinion on the financial statements. 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

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. We consider the deficiencies described in items 2008-1 and 2008-2 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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.

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)

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. However, of the significant deficiencies described above, we consider items 2008-1 and 2008-2 to be material weaknesses.

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 item 2008-1.

We noted certain matters that we reported to management in a separate letter dated September 24, 2009.

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 Auditor, the County Council, the County Board of 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 24, 2009

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

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 129,446,413	\$ 9,899,162	\$ 7,163,300	\$ -	\$ (112,383,951)	\$ -	\$ (112,383,951)
Public safety	55,645,456	4,232,238	6,344,934	378,432	(44,689,852)	-	(44,689,852)
Highways and streets	13,621,295	-	5,164,386	917,222	(7,539,687)	-	(7,539,687)
Health and welfare	114,464,687	618,140	23,888,438	-	(89,958,109)	-	(89,958,109)
Culture and recreation	16,348,854	5,980,857	9,768	110,000	(10,248,229)	-	(10,248,229)
Urban redevelopment and housing	5,387,131	-	2,233,120	-	(3,154,011)	-	(3,154,011)
Interest on long-term debt	4,377,691	-	-	-	(4,377,691)	-	(4,377,691)
Total governmental activities	<u>339,291,527</u>	<u>20,730,397</u>	<u>44,803,946</u>	<u>1,405,654</u>	<u>(272,351,530)</u>	<u>-</u>	<u>(272,351,530)</u>
Business-type activities:							
Wastewater	76,241	166,014	-	-	-	89,773	89,773
Total primary government	<u>\$ 339,367,768</u>	<u>\$ 20,896,411</u>	<u>\$ 44,803,946</u>	<u>\$ 1,405,654</u>	<u>(272,351,530)</u>	<u>89,773</u>	<u>(272,261,757)</u>
General receipts:							
Property taxes					218,457,968	-	218,457,968
Inheritance taxes					879,022	-	879,022
Excise taxes					26,999,980	-	26,999,980
Franchise fees					235,453	-	235,453
Gaming taxes					13,894,802	-	13,894,802
Refunds and reimbursements					1,233,633	-	1,233,633
Other					474,272	-	474,272
Bonds and loans					7,585,975	-	7,585,975
Unrestricted investment earnings					8,000,548	-	8,000,548
Temporary loan proceeds from agency fund (Note III.C.)					12,000,000	-	12,000,000
Total general receipts					<u>289,761,653</u>	<u>-</u>	<u>289,761,653</u>
Change in net assets					17,410,123	89,773	17,499,896
Restated net assets - beginning (Note III.D.)					<u>120,471,379</u>	<u>127,685</u>	<u>120,599,064</u>
Net assets - ending					<u>\$ 137,881,502</u>	<u>\$ 217,458</u>	<u>\$ 138,098,960</u>
<u>Assets</u>							
Cash and investments					\$ 80,171,120	\$ 217,458	\$ 80,388,578
Cash with fiscal agent					1,041,811	-	1,041,811
Restricted assets:							
Cash and investments					<u>56,668,571</u>	<u>-</u>	<u>56,668,571</u>
Total assets					<u>\$ 137,881,502</u>	<u>\$ 217,458</u>	<u>\$ 138,098,960</u>
<u>Net Assets</u>							
Restricted for:							
Public safety					\$ 8,611,580	\$ -	\$ 8,611,580
Highways and streets					14,655,296	-	14,655,296
Health and welfare					2,291,111	-	2,291,111
Culture and recreation					1,261,806	-	1,261,806
Urban redevelopment and housing					2,662,861	-	2,662,861
Debt service					13,113,284	-	13,113,284
Other purposes					19,260,878	-	19,260,878
Unrestricted					<u>76,024,686</u>	<u>217,458</u>	<u>76,242,144</u>
Total net assets					<u>\$ 137,881,502</u>	<u>\$ 217,458</u>	<u>\$ 138,098,960</u>

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

LAKE 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	Welfare Family and Children	Other Governmental Funds	Totals
Receipts:				
Taxes	\$ 111,080,397	\$ 76,887,719	\$ 31,368,874	\$ 219,336,990
Licenses and permits	79,632	-	113,105	192,737
Intergovernmental	26,264,355	24,673,843	32,085,127	83,023,325
Charges for services	3,135,295	-	12,243,475	15,378,770
Fines and forfeits	3,273,518	-	2,655,893	5,929,411
Interfund loans	-	-	22,099,000	22,099,000
Other	<u>8,317,834</u>	<u>835,358</u>	<u>1,789,949</u>	<u>10,943,141</u>
Total receipts	<u>152,151,031</u>	<u>102,396,920</u>	<u>102,355,423</u>	<u>356,903,374</u>
Disbursements:				
General government	96,076,811	-	20,139,445	116,216,256
Public safety	38,510,245	-	8,366,709	46,876,954
Highways and streets	-	-	8,042,757	8,042,757
Health and welfare	1,640,046	110,472,983	2,245,918	114,358,947
Culture and recreation	170,435	-	10,197,169	10,367,604
Urban redevelopment and housing	-	-	3,806,537	3,806,537
Interfund loans	-	-	7,093,000	7,093,000
Debt service:				
Principal	176,991	-	12,654,381	12,831,372
Interest	16,411	-	3,754,242	3,770,653
Capital outlay:				
General government	-	-	7,715,732	7,715,732
Public safety	-	-	3,623,217	3,623,217
Highways and streets	-	-	5,090,967	5,090,967
Health and welfare	-	-	69,436	69,436
Culture and recreation	-	-	3,515,851	3,515,851
Urban redevelopment and housing	-	-	879,920	879,920
Total disbursements	<u>136,590,939</u>	<u>110,472,983</u>	<u>97,195,281</u>	<u>344,259,203</u>
Excess (deficiency) of receipts over disbursements	<u>15,560,092</u>	<u>(8,076,063)</u>	<u>5,160,142</u>	<u>12,644,171</u>
Other financing sources (uses):				
Bond proceeds	-	-	3,585,975	3,585,975
Tax anticipation warrants issued	80,000,000	30,000,000	-	110,000,000
Tax anticipation warrants repaid	(86,000,000)	(20,000,000)	-	(106,000,000)
Transfers in	1,114,571	-	4,943,916	6,058,487
Transfers out	<u>(500,000)</u>	<u>-</u>	<u>(8,347,381)</u>	<u>(8,847,381)</u>
Total other financing sources (uses)	<u>(5,385,429)</u>	<u>10,000,000</u>	<u>182,510</u>	<u>4,797,081</u>

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

LAKE 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,
(Continued)

	General	Welfare Family and Children	Other Governmental Funds	Totals
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,174,663	1,923,937	5,342,652	17,441,252
Restated cash and investment fund balance - beginning (Note III.D.)	14,226,662	25,072,744	71,591,538	110,890,944
Cash and investment fund balance - ending	\$ 24,401,325	\$ 26,996,681	\$ 76,934,190	128,332,196
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.				9,549,306
Net assets of governmental activities				\$ 137,881,502
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	\$ 24,401,325	\$ 26,996,681	\$ 20,265,619	\$ 71,663,625
Restricted assets:				
Cash and investments	-	-	56,668,571	56,668,571
Total cash and investment assets - December 31	\$ 24,401,325	\$ 26,996,681	\$ 76,934,190	\$ 128,332,196
<u>Cash and Investment Fund Balance - December 31</u>				
Restricted for:				
Public safety	\$ -	\$ -	\$ 8,611,580	\$ 8,611,580
Highways and streets	-	-	14,655,296	14,655,296
Health and welfare	-	-	2,291,111	2,291,111
Culture and recreation	-	-	1,261,806	1,261,806
Urban redevelopment and housing	-	-	2,662,861	2,662,861
Debt service	-	-	13,113,284	13,113,284
Other purposes	-	-	19,260,878	19,260,878
Unrestricted	24,401,325	26,996,681	15,077,374	66,475,380
Total cash and investment fund balance - December 31	\$ 24,401,325	\$ 26,996,681	\$ 76,934,190	\$ 128,332,196

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

LAKE 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

	Wastewater Utility	Internal Service Funds
Operating receipts:		
Flat rate receipts	\$ 166,014	\$ -
Insurance proceeds - employer	-	28,880,616
Insurance proceeds - employee	-	1,581,613
Rental receipts	-	2,603,000
Other	-	712,238
	<u>166,014</u>	<u>33,777,467</u>
Total operating receipts		
Operating disbursements:		
Cost of sales and services	76,241	1,911
Insurance disbursements	-	31,009,991
	<u>76,241</u>	<u>31,011,902</u>
Total operating disbursements		
Excess of operating receipts over operating disbursements	<u>89,773</u>	<u>2,765,565</u>
Nonoperating receipts (disbursements):		
Interest and investment receipts	-	17,450
Debt service of principal	-	(1,990,000)
Interest and investment disbursement	-	(607,038)
	<u>-</u>	<u>(2,579,588)</u>
Total nonoperating receipts (disbursements)		
Excess of receipts over disbursements and nonoperating receipts (disbursements)	89,773	185,977
Interfund loans received	-	6,000,000
Interfund loans repaid	-	(9,006,000)
Transfers in	-	3,094,394
Transfers out	-	(305,500)
	<u>-</u>	<u>(305,500)</u>
Excess (deficiency) of receipts over disbursements, temporary loans, and transfers out	89,773	(31,129)
Cash and investment fund balance - beginning	<u>127,685</u>	<u>9,580,435</u>
Cash and investment fund balance - ending	<u>\$ 217,458</u>	<u>\$ 9,549,306</u>
<u>Cash and Investment Assets - December 31</u>		
Cash and investments	\$ 217,458	\$ 8,507,495
Cash with fiscal agent	-	1,041,811
	<u>217,458</u>	<u>9,549,306</u>
Total cash and investment assets - December 31	<u>\$ 217,458</u>	<u>\$ 9,549,306</u>
<u>Cash and Investment Fund Balance - December 31</u>		
Unrestricted	<u>\$ 217,458</u>	<u>\$ 9,549,306</u>
Total unrestricted cash and investment fund balance - December 31	<u>\$ 217,458</u>	<u>\$ 9,549,306</u>

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

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

	Pension Trust Fund	Private-Purpose Trust Fund	Agency Funds
Additions:			
Contributions:			
Employer	\$ 2,980,000	\$ -	
Plan members	331,341	-	
	3,311,341	-	
Total contributions	3,311,341	-	
Investment earnings:			
Net (decrease) in fair value of investments	(3,516,099)	-	
Interest	-	3,230	
	(3,516,099)	3,230	
Total investment earnings	(3,516,099)	3,230	
Total additions	(204,758)	3,230	
Deductions:			
Benefits	2,986,163	-	
Administrative and general	37,930	-	
	3,024,093	-	
Total deductions	3,024,093	-	
Excess (deficiency) of total additions over total deductions	(3,228,851)	3,230	
Cash and investment fund balance - beginning	25,173,047	35,000	
Cash and investment fund balance - ending	\$ 21,944,196	\$ 38,230	\$ 303,002,349

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

LAKE 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, wastewater treatment, planning and zoning, and general administrative services.

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

Primary Government:	Lake County
Blended Component Units:	Lake County Redevelopment Authority Lake County 2000 Building Corporation

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

Blended Component Units

A blended component unit is a separate legal entity that meets the component unit criteria. In addition, the blended component unit's governing body is the same or substantially the same as the County's governing body or the component unit provides services entirely to the County. The component unit's funds are blended into those of the County by appropriate fund type to constitute the primary government presentation. The blended component units are presented below:

Component Unit	Description/Inclusion Criteria	Fund Included In
Lake County Redevelopment Authority (Redevelopment Authority)	The primary government appoints a voting majority of the Redevelopment Authority's board and a financial benefit/burden relationship exists between the County and the Redevelopment Authority. Although it is legally separate from the County, the Redevelopment Authority's is reported as if it were a part of the County because it provides services entirely or almost entirely to the County.	Other Governmental
Lake County 2000 Building Corporation (Building Corporation)	The primary government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the County and the Building Corporation. Although it is legally separate from the County, the Building Corporation is reported as if it were a part of the County because it provides services entirely or almost entirely to the County.	Internal Service

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Joint Venture

The County is a participant with Porter and LaPorte Counties in a joint venture to operate the Northwestern Indiana Regional Planning Commission (NIRPC) which was created as a multipurpose area wide planning agency. NIRPC assists with planning economic development, transportation, environmental protection, and comprehensive planning. NIRPC's enabling legislation, Indiana Code 36-7-7, provides that participating counties must provide an annual appropriation at a minimum level of thirty cents per capita. Complete financial statements for NIRPC can be obtained from the Northwestern Indiana Regional Planning Commission office at 6100 Southport Road, Portage, IN 46368.

The County is a participant with the cities and towns in Lake County in a joint venture to operate the Lake County Solid Waste Management District, which was created to assist with recycling and environmental projects. Complete financial statements for Lake County Solid Waste Management District can be obtained from the Lake County Solid Waste Management District Office at 7820 Broadway, Merrillville, IN 46410.

The County is a participant with the State of Indiana, Porter County, certain cities in Lake and Porter Counties, and federal agencies in a joint venture to operate the Regional Development Authority (RDA). The RDA was created to assist in funding and developing of all transportation services including the Gary/Chicago International Airport expansion and other airport authority projects, commuter transportation districts, rail projects and services, bus projects and services, shoreline development projects and activities, and economic development projects. Complete financial statements for the RDA can be obtained from their administrative offices at 9800 Connecticut Drive, Crown Point, IN 46307.

The County is a participant with Porter County and certain cities in Lake and Porter Counties in a joint venture to operate the Regional Bus Authority (RBA), which was created to enhance the quality of life in Northwest Indiana by assuring the availability of a customer responsive regional bus transportation system. Complete financial statements for the RBA can be obtained from their administrative offices at 6100 Southport Road, Portage, IN 46368.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Lake County Public Library and the Lake County Convention and Visitor's Bureau.

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 welfare family and children fund is a special revenue fund. It accounts for the financial resources of the County which are restricted for welfare programs.

The County reports the following major proprietary fund:

The wastewater utility fund accounts for the operation of the county's wastewater treatment plant.

Additionally, the County reports the following fund types:

The internal service fund accounts for group health insurance, workman's compensation, and general liability disbursements provided to other departments on a cost-reimbursement basis, as well as the juvenile center building financing.

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

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

Agency funds account for assets held by the County as an agent for federal, state, and other local governmental entities and payroll withholding remittances

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds).

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.

3. Capital Assets

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

4. Long-Term Debt

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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."

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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:

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Cash and Investment Balance Deficits

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

Fund	2008
Circuit Breaker	\$ 191,096
County Recorder	14,146

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2008, the County (including the Sheriff's Police Retirement and Benefit Plan) had deposit balances in the amount of \$442,672,209. Of this amount, the following was exposed to custodial credit risk:

	2008
Uninsured and uncollateralized deposits	\$ 12,629,736

The remaining 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 Police Retirement and Benefit Plan had the following investments:

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. agencies	\$ 535,341
Mutual funds	7,549,395
Guaranteed income account	10,090,512
Corporate bonds	1,348,212
Preferred stock	446,263
Stock and options	135,487
Total	\$ 20,105,210

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Sheriff's Police Pension Plan is not subject to the same investment laws as the County. The powers of the Sheriff's Police Pension Plan's Trustee to invest are defined under Indiana Code 30-4-3-3. The Sheriff's Merit Board and the Trustee have 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 and the Trustee have not adopted an investment policy for custodial credit risk for investments for the Pension Plan.

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	2008 Not in the Government's Name
U.S. agencies	\$ 535,341
Mutual funds	86,685
Guaranteed income account	10,090,512
Corporate bonds	1,348,212
Preferred stock	446,263
Stock and options	135,487
 Total	 <u>\$ 12,642,500</u>

Interest Rate Risk

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

The Sheriff's Merit Board and the Trustee have not adopted a formal investment policy for interest rate risk.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. agencies	\$ 221,954	\$ 10,335	\$ 303,052
Mutual funds	-	-	227,362
Corporate bonds	53,520	97,157	1,023,639
Totals	<u>\$ 275,474</u>	<u>\$ 107,492</u>	<u>\$ 1,554,053</u>

Credit Risk

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

The Sheriff's Merit Board and the Trustee have not adopted a policy for credit risk.

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Mutual Funds	Corporate Bonds	U.S. Agencies
AAA	\$ 227,362	\$ -	\$ 535,341
AA	-	163,023	-
A	-	513,839	-
BBB	-	380,241	-
BB	-	117,207	-
Unrated	-	6	-
Totals	<u>\$ 227,362</u>	<u>\$ 1,174,316</u>	<u>\$ 535,341</u>

Concentration of Credit Risk

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

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

<u>Issuer</u>	<u>2008</u>
Securian	<u>\$ 10,090,512</u>

Foreign Currency Risk

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

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

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>2008</u>
General Fund	Other governmental funds	\$ 500,000
Other governmental funds	General Fund	1,114,571
	Other governmental funds	4,138,416
	Internal Service Fund	3,094,394
Internal Service Fund	Other governmental funds	<u>305,500</u>
Total		<u>\$ 9,152,881</u>

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

C. Interfund Loans

The government had to use interfund loans to fund ongoing operation in advance of property tax collections. The loans were necessary because the government had cash flow needs before property taxes were collected and distributed. Unpaid interfund loans as of December 31, 2008, were as follows:

<u>Loan From</u>	<u>Loan To</u>	<u>2008</u>
Other governmental	Other governmental	\$ 1,093,000
Internal service	Other governmental	9,006,000
Other governmental	Internal service	6,000,000
Agency funds	Other governmental	<u>12,000,000</u>
Total		<u>\$ 28,099,000</u>

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Of interfund loans repaid in 2008, \$16,000,000 was paid by the Circuit Breaker Repository Fund, an agency fund to other governmental funds (\$6,000,000), internal service funds (\$6,000,000) and agency funds (\$4,000,000).

D. Restatements and Reclassifications

For the year ended December 31, 2008, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by opinion unit. Funds not presented represent funds accounted for by the Sheriff's Department, which were removed from the financial statements beginning balances due to insufficient financial records.

Opinion Unit	Balance as Reported December 31, 2007	Funds Not Presented	Balance as Restated January 1, 2008
Governmental activities	\$ 120,638,734	\$ (167,355)	\$ 120,471,379
Governmental funds	111,058,299	(167,355)	110,890,944

IV. Other Information

A. Risk Management

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

The risks of 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.

Group Health Insurance and Workmen's Compensation

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents and job related illnesses. The risk financing fund is accounted for in the Health Insurance Reserve Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$275,000, but not more than \$2,000,000 per year, per employee. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon fixed amount per employee paid from an affected fund, and are reported as quasi-external interfund transactions.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

General Liability

The County has chosen to establish a risk financing fund for risks associated with torts, general liability claims, and errors and omissions. The risk financing fund is accounted for in the Non-reverting Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$300,000 per incident, up to \$1,000,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund from an appropriation in the County Council's General Fund budget and are available to pay claims, claim reserves, and administrative costs of the program.

Park and Recreation Department's Judgments, Settlements, Claims, and Damages for Uninsured Liability Claims

The County has chosen to establish a risk financing fund for risks associated with the park and recreation department's judgments, settlements, claims, and damages for uninsured liability claims. The risk financing fund is accounted for in the Park and Recreation Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. Amounts are paid into the fund by an appropriation in the Park and Recreation Operating Fund's budget and are available to pay claims, claim reserves, and administrative costs of the program.

B. Holding Corporation

The County has entered into a capital lease with Lake County 2000 Building Corporation (the lessor), a blended component unit of the government. 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 term of the lease is 12 years with annual lease payments of \$2,512,000 to \$2,618,000. Lease payments during the year totaled \$2,603,000. The Building Corporation is a blended component unit as described in Note I.A. and is presented as an internal service fund on the proprietary fund statements and as a governmental fund on the government-wide statements.

C. Subsequent Events

On August 20, 2009, Lake County issued \$12,000,000 in General Obligation Bonds. The bonds were issued for costs of energy conservation measures in various county buildings. Semiannual principal and interest payments on the bonds begin January 15, 2010.

Due to delays caused by trending of assessments, the assessed valuations of Lake County were not finalized by February 15, 2009, as required. Therefore, the 2008 pay 2009 property tax rates and levies, as well as related budget orders for 2009, were not established until July 31, 2009. Currently, the County is anticipating billing the 2008 pay 2009 taxes in two installments with due dates of October 29 and November 30, 2009.

Ordinance 1285B-10 was approved by the council on July 14, 2009. The ordinance, effective upon passage, would provide termination benefits, as described in Note IV.E., for those employees who apply no later than November 1, 2009, and retire by December 31, 2009. These benefits would be effective for five years, beginning January 1, 2010.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Contingent Liabilities

The County is a defendant in various lawsuits and other litigations. The County estimates the potential liability for these litigations at approximately \$2,950,000. Additionally, United States Steel (USX) has a tax appeal for 2001 in which the amount due and owing from Lake County and the various Calumet Township taxing units. This appeal could exceed \$16,000,000, including interest. The County had requested the Indiana Supreme Court to accept this case on transfer, which the Court denied. The County is negotiating a payment agreement with USX for their share, which is approximately 10%.

E. Termination Benefits

During the current year, the County offered termination benefits to employees 65 and older, who would retire by December 31, 2008. Beginning January 1, 2009, those employees who chose to retire under the offer in 2008 could receive a stipend equal to the cost of Medicare, or return in a part-time status equal to their full-time hourly compensation, not to exceed 24 hours/week. Under either option, the retiree will receive health benefits at the same cost as active employees for 5 years. Twenty-nine employees accepted the stipend, which is not to exceed \$96.40 a month. Three employees chose to return to work in a part-time status, under a full-time hourly rate.

F. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Lake County's Healthcare Plan is a single-employer defined benefit healthcare plan administered by the County. The plan provides post retirement health coverage to eligible retirees and their dependants. Indiana Code 5-10-8-2.6 assigns the authority to establish and amend benefit provisions to the County. The plan, which is a part of the County's Health Insurance Reserve fund, an internal service fund, is included within these financial statements.

Funding Policy

The contribution requirements of plan members for the Lake County Healthcare Plan are established by the County's Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2008, the County contributed \$25,903,966, which is for health benefits for both employees and retirees (approximately 99% of total premiums). The contribution cannot be segregated between health benefits for employees and postemployment benefits for retirees. Plan members receiving benefits contributed \$336,597, or approximately 1% of the total premiums, through their required contribution of \$65.19 or \$90 per month for retiree-only coverage and \$130.38 or \$165 for retiree and spouse coverage. Retiree premiums are based upon whether or not the retiree is Medicare eligible.

Annual OPEB Cost 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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 estimated to be contributed to the plan, and changes in the County's net OPEB obligation to the plan:

Annual required contribution	\$ 8,215,968
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
	-
Annual OPEB cost	8,215,968
Assumed Contributions	3,759,789
	-
Estimated decrease in net OPEB obligation	4,456,179
Net OPEB obligation, beginning of year	-
	-
Estimated Net OPEB obligation, end of year	\$ 4,456,179

The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed (Estimated)**	Net OPEB Obligation (Estimated)**
12-31-08	\$ 8,215,968	46%	\$ 4,456,179
12-31-07	*	*	*
12-31-06	*	*	*

*Information for the prior two years is not available.

**The amounts are estimated since the contribution cannot be segregated between health benefits for employees and postemployment benefits for retirees.

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$105,943,348, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$105,943,348. The covered payroll (annual payroll of active employees covered by the plan) was \$56,947,969, and the ratio of the UAAL to covered payroll was 186%.

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 Schedules of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

In the July 1, 2007, actuarial valuation, the projected unit credit method was used. An annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after 8 years, was used. The UAAL is being amortized as a level percentage of projected payrolls on a closed basis. A salary scale of 3% and R-P2000 combined mortality table were used as part of the actuarial assumptions. The remaining amortization period at July 1, 2007, was 30 years.

G. 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.

H. 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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

PERF members are required to contribute 3% of their annual covered salary, which the County contributes on-behalf of the members. The County is required to contribute at an actuarially determined rate; the current rate is 6.5% of annual covered payroll. The contribution requirements of plan members and the County are established and may be amended by the PERF Board of Trustees.

Annual Pension Cost

For 2008, the County's annual pension cost of \$3,670,589 for PERF was less than the County's required and actual contributions of \$3,677,083.

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

Plan member's contributions are authorized by state statute (IC 36-8-10-12) and may not exceed 6% of the employee's average monthly wages. The County is required to make a minimum annual contribution that is sufficient to prevent deterioration in the actuarial status of the trust fund during that year; the amount contributed for 2008 is \$2,421,284. The contribution requirements of plan members and the County are established and can be amended by state statute.

Annual Pension Cost

For 2008, the County's annual pension cost of \$2,132,167 for the County Police Retirement Plan was less than the County's required and actual contributions.

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

The contribution requirements of plan members and the County are established and can be amended by the County Council. The amount contributed by the County for 2008 is \$558,716. Plan members are not required to contribute to the plan.

Annual Pension Cost

For 2008, the County's annual pension cost of \$558,716 for the County Police Benefit Plan was equal to the County's required and actual contributions.

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 3,677,083	\$ 2,090,605	\$ 558,716
Interest on net pension obligation	46,523	(95,382)	-
Adjustment to annual required contribution	(53,017)	136,944	-
Annual pension cost	3,670,589	2,132,167	558,716
Contributions made	3,701,880	2,421,284	558,716
Increase (decrease) in net pension obligation	(31,291)	(289,117)	-
Net pension obligation, beginning of year	641,693	(1,362,595)	-
Net pension obligation, end of year	\$ 610,402	\$ (1,651,712)	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6.5%	30%	7.4%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-09	01-01-09
Actuarial cost method	Entry age normal cost	Entry age	Entry age
Amortization method	Level dollar, closed amortization period	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-07	12-31-07	12-31-07
Asset valuation method	Level dollar, closed amortization period	75% of expected actuarial value plus 25% of actual market value	75% of expected actuarial value plus 25% of actual market value

LAKE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions	PERF	County Police Retirement Plan	County Police Benefit Plan
Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	4%	4%	4%
Attributed to inflation		3%	3%
Attributed to merit/seniority		1%	1%
Cost-of-living adjustments	1.5%	3%	0%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 3,342,288	81%	\$ 344,357
	06-30-07	3,444,958	91%	641,696
	06-30-08	3,670,589	101%	610,405
County Police Retirement Plan	12-31-06	1,877,255	105%	(1,183,370)
	12-31-07	2,077,334	109%	(1,362,595)
	12-31-08	2,132,167	114%	(1,651,712)
County Police Benefit Plan	12-31-06	547,027	100%	-
	12-31-07	568,202	100%	-
	12-31-08	558,716	100%	-

Funded Status and Funding Progress for the Above Plans

The funded status of each plan as of July 1, 2008, the most recent actuarial valuation date (except the county police pension funds which is as of January 1, 2009), is as follows:

Retirement Plan	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL or (Funding Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL or (Funding Excess) as a Percentage of Covered Payroll ((b-a)/c)
PERF	\$ 70,375,684	\$ 74,451,061	\$ (4,075,377)	95%	\$ 54,413,105	7%
County Police Retirement Plan	19,898,077	30,642,059	(10,743,982)	65%	7,571,742	142%
County Police Benefit Plan	6,419,822	6,419,822	-	100%	7,571,742	0%

The schedule of funding progress, presented as RSI for the above plans 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 liability for benefits.

LAKE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 59,140,086	\$ 63,089,796	\$ (3,949,710)	94%	\$ 52,202,874	(8%)
07-01-07	65,023,260	68,940,535	(3,917,275)	94%	54,568,239	(7%)
07-01-08	70,375,684	74,451,061	(4,075,377)	95%	54,413,105	(7%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-04	\$ 20,005,163	\$ 23,062,964	\$ (3,057,801)	87%	\$ 6,455,841	(47%)
01-01-05	17,564,286	20,440,346	(2,876,060)	86%	6,197,724	(46%)
01-01-06	17,114,527	24,641,653	(7,527,126)	69%	6,417,006	(117%)
01-01-07	18,633,434	25,906,572	(7,273,138)	72%	7,025,720	(104%)
01-01-08	19,860,389	28,746,660	(8,886,271)	69%	7,349,496	(121%)
01-01-09	19,898,077	30,642,059	(10,743,982)	65%	7,571,742	(142%)

County Police Benefit 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	\$ 5,706,352	\$ 5,706,352	\$ -	100%	\$ 6,455,841	0%
01-01-05	5,865,995	5,865,995	-	100%	6,197,724	0%
01-01-06	6,087,047	6,087,047	-	100%	6,417,006	0%
01-01-07	6,342,800	6,342,800	-	100%	7,025,720	0%
01-01-08	6,628,793	6,628,793	-	100%	7,349,496	0%
01-01-09	6,419,882	6,419,882	-	100%	7,571,742	0%

Other Post Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	**	**	**	**	**	**
07-01-07	**	**	**	**	**	**
07-01-08	\$ -	\$ 105,943,348	\$ (105,943,348)	0%	\$ 56,947,969	(186%)

**Information not available

LAKE COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CONTRIBUTIONS FROM THE
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

	Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
			County	State
County Police Retirement Plan	12-31-03	\$ 1,314,061	112%	0%
	12-31-04	1,388,702	108%	0%
	12-31-05	1,518,153	104%	0%
	12-31-06	1,844,052	107%	0%
	12-31-07	2,041,238	111%	0%
	12-31-08	2,090,605	116%	0%
County Police Benefit Plan	12-31-03	426,332	100%	0%
	12-31-04	488,319	100%	0%
	12-31-05	519,392	100%	0%
	12-31-06	547,027	100%	0%
	12-31-07	568,202	100%	0%
	12-31-08	558,716	100%	0%

LAKE 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

	County Highway	Infraction Deferral Program	County Health	Unsafe Building	Parks and Recreation Operating	County Drug Free Community
Receipts:						
Taxes	\$ -	\$ -	\$ 1,507,469	\$ -	\$ 4,977,283	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	5,164,386	-	220,638	-	336,677	-
Charges for services	-	-	597,288	13,800	2,353,035	-
Fines and forfeits	-	913,318	-	-	-	390,174
Interfund loans	-	-	500,000	-	578,000	-
Other	50,592	-	28	1,531	6,568	8,253
Total receipts	5,214,978	913,318	2,825,423	15,331	8,251,563	398,427
Disbursements:						
General government	-	705,671	-	-	-	-
Public safety	-	-	-	6,457	-	356,648
Highways and streets	6,255,653	-	-	-	-	-
Health and welfare	-	-	2,201,321	-	-	-
Culture and recreation	-	-	-	-	6,793,375	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	1,618,000	-
Debt service:						
Principal	145,453	-	-	-	-	-
Interest	12,803	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	6,413,909	705,671	2,201,321	6,457	8,411,375	356,648
Excess (deficiency) of receipts over disbursements	(1,198,931)	207,647	624,102	8,874	(159,812)	41,779
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	500,000	-	-	-	-	-
Transfers out	-	-	(663,071)	-	(205,000)	-
Total other financing sources (uses)	500,000	-	(663,071)	-	(205,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(698,931)	207,647	(38,969)	8,874	(364,812)	41,779
Restated cash and investment fund balance - beginning (Note III.D.)	2,319,114	1,112,085	1,316,237	160,991	2,342,721	284,406
Cash and investment fund balance - ending	\$ 1,620,183	\$ 1,319,732	\$ 1,277,268	\$ 169,865	\$ 1,977,909	\$ 326,185
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 1,319,732	\$ -	\$ -	\$ 1,977,909	\$ -
Restricted assets:						
Cash and investments	1,620,183	-	1,277,268	169,865	-	326,185
Total cash and investment assets - December 31	\$ 1,620,183	\$ 1,319,732	\$ 1,277,268	\$ 169,865	\$ 1,977,909	\$ 326,185
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 169,865	\$ -	\$ 326,185
Highways and streets	1,620,183	-	-	-	-	-
Health and welfare	-	-	1,277,268	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	1,319,732	-	-	1,977,909	-
Total cash and investment fund balance - December 31	\$ 1,620,183	\$ 1,319,732	\$ 1,277,268	\$ 169,865	\$ 1,977,909	\$ 326,185

LAKE 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)

	NSF Service Fee Charge	Local Road and Street	Park Nonreverting Operating	Park Gift	Accident Report	Firearms Training
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	31,730
Intergovernmental	-	730,316	-	-	-	-
Charges for services	-	-	3,573,637	-	6,795	-
Fines and forfeits	6,130	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	24	14,439	2,548	4,782	-	-
Total receipts	6,154	744,755	3,576,185	4,782	6,795	31,730
Disbursements:						
General government	666	-	-	-	-	-
Public safety	-	-	-	-	-	36,341
Highways and streets	-	1,326,585	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	3,339,374	1,826	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	666	1,326,585	3,339,374	1,826	-	36,341
Excess (deficiency) of receipts over disbursements	5,488	(581,830)	236,811	2,956	6,795	(4,611)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,488	(581,830)	236,811	2,956	6,795	(4,611)
Restated cash and investment fund balance - beginning (Note III.D.)	26,663	2,011,280	315,870	48,414	78,495	26,930
Cash and investment fund balance - ending	\$ 32,151	\$ 1,429,450	\$ 552,681	\$ 51,370	\$ 85,290	\$ 22,319
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 32,151	\$ -	\$ 552,681	\$ 51,370	\$ 85,290	\$ -
Restricted assets:						
Cash and investments	-	1,429,450	-	-	-	22,319
Total cash and investment assets - December 31	\$ 32,151	\$ 1,429,450	\$ 552,681	\$ 51,370	\$ 85,290	\$ 22,319
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,319
Highways and streets	-	1,429,450	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	32,151	-	552,681	51,370	85,290	-
Total cash and investment fund balance - December 31	\$ 32,151	\$ 1,429,450	\$ 552,681	\$ 51,370	\$ 85,290	\$ 22,319

LAKE 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)

	State Drunk Driving Fees	Elderly Abuse Program	Nonreverting Operating Fairgrounds	1999 Reassessment	Pretrial Diversion	Community Corrections Fair Share
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	13,500	159,193	4,987	-	-	-
Charges for services	-	-	54,185	-	-	438,726
Fines and forfeits	-	-	-	-	203,818	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	11,295
Total receipts	13,500	159,193	59,172	-	203,818	450,021
Disbursements:						
General government	-	-	-	-	85,602	-
Public safety	13,405	172,218	-	-	-	230,908
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	50,508	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	13,405	172,218	50,508	-	85,602	230,908
Excess (deficiency) of receipts over disbursements	95	(13,025)	8,664	-	118,216	219,113
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(232,684)
Total other financing sources (uses)	-	-	-	-	-	(232,684)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	95	(13,025)	8,664	-	118,216	(13,571)
Restated cash and investment fund balance - beginning (Note III.D.)	14,739	44,172	44,674	1,041	618,663	273,329
Cash and investment fund balance - ending	\$ 14,834	\$ 31,147	\$ 53,338	\$ 1,041	\$ 736,879	\$ 259,758
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ 53,338	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	14,834	31,147	-	1,041	736,879	259,758
Total cash and investment assets - December 31	\$ 14,834	\$ 31,147	\$ 53,338	\$ 1,041	\$ 736,879	\$ 259,758
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ 14,834	\$ 31,147	\$ -	\$ -	\$ -	\$ 259,758
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	1,041	736,879	-
Unrestricted	-	-	53,338	-	-	-
Total cash and investment fund balance - December 31	\$ 14,834	\$ 31,147	\$ 53,338	\$ 1,041	\$ 736,879	\$ 259,758

LAKE 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)

	Community Corrections	Nonreverting RICO Seizure	DAG 71 Prosecutor's Nonreverting Federal	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Nonreverting Property Seizure
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	882,420	-	-	-	-	-
Charges for services	-	-	-	755,283	35,816	-
Fines and forfeits	-	346,689	206	-	-	124,401
Interfund loans	-	-	-	-	-	-
Other	-	3,907	-	253	775	31,271
Total receipts	882,420	350,596	206	755,536	36,591	155,672
Disbursements:						
General government	-	-	-	-	-	-
Public safety	1,152,236	326,495	14,067	550,172	28,562	139,177
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	1,152,236	326,495	14,067	550,172	28,562	139,177
Excess (deficiency) of receipts over disbursements	(269,816)	24,101	(13,861)	205,364	8,029	16,495
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	232,684	-	-	-	-	-
Transfers out	-	(41,082)	-	-	-	(35,000)
Total other financing sources (uses)	232,684	(41,082)	-	-	-	(35,000)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(37,132)	(16,981)	(13,861)	205,364	8,029	(18,505)
Restated cash and investment fund balance - beginning (Note III.D.)	211,776	434,090	14,067	1,905,375	241,808	497,373
Cash and investment fund balance - ending	\$ 174,644	\$ 417,109	\$ 206	\$ 2,110,739	\$ 249,837	\$ 478,868
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 478,868
Restricted assets:						
Cash and investments	174,644	417,109	206	2,110,739	249,837	-
Total cash and investment assets - December 31	\$ 174,644	\$ 417,109	\$ 206	\$ 2,110,739	\$ 249,837	\$ 478,868
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 174,644	\$ 417,109	\$ 206	\$ 2,110,739	\$ 249,837	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	478,868
Total cash and investment fund balance - December 31	\$ 174,644	\$ 417,109	\$ 206	\$ 2,110,739	\$ 249,837	\$ 478,868

LAKE COUNTY
 COMBINING SCHEDULE OF ASSETS AND
 FUND BALANCES AND RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Sheriff's Law Enforcement Continuing Education	Misdemeanant Jail Housing	Health Maintenance	Sheriff's Alarms, Permits, and Fines	Spay and Neuter Assistance Program	Juvenile Home Detention Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	743,901	42,415	-	-	101,424
Charges for services	-	-	-	-	13,470	-
Fines and forfeits	4,884	-	-	13,080	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	77
Total receipts	4,884	743,901	42,415	13,080	13,470	101,501
Disbursements:						
General government	-	-	-	-	10,135	-
Public safety	-	893,037	-	-	-	129,726
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	30,475	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	-	893,037	30,475	-	10,135	129,726
Excess (deficiency) of receipts over disbursements	4,884	(149,136)	11,940	13,080	3,335	(28,225)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	221,582	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	221,582	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,884	72,446	11,940	13,080	3,335	(28,225)
Restated cash and investment fund balance - beginning (Note III.D.)	21,314	747,199	178,266	11,754	6,251	82,978
Cash and investment fund balance - ending	\$ 26,198	\$ 819,645	\$ 190,206	\$ 24,834	\$ 9,586	\$ 54,753
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 819,645	\$ -	\$ 24,834	\$ 9,586	\$ -
Restricted assets:						
Cash and investments	26,198	-	190,206	-	-	54,753
Total cash and investment assets - December 31	\$ 26,198	\$ 819,645	\$ 190,206	\$ 24,834	\$ 9,586	\$ 54,753
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 26,198	\$ -	\$ -	\$ -	\$ -	\$ 54,753
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	190,206	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	819,645	-	24,834	9,586	-
Total cash and investment fund balance - December 31	\$ 26,198	\$ 819,645	\$ 190,206	\$ 24,834	\$ 9,586	\$ 54,753

LAKE 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 Home Detention Project Income	Lake County Animal Shelter Nonreverting	Surveyor's Corner Perpetuation	Stop Violence Against Women	Community Development Administration	Community Development County Home Program
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	413,625	352,817
Charges for services	6,480	5,880	78,118	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	18,769	-	-	95,587	276,083
Total receipts	6,480	24,649	78,118	-	509,212	628,900
Disbursements:						
General government	-	-	64,965	-	-	-
Public safety	55	19,465	-	398	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	514,805	635,361
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	55	19,465	64,965	398	514,805	635,361
Excess (deficiency) of receipts over disbursements	6,425	5,184	13,153	(398)	(5,593)	(6,461)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,425	5,184	13,153	(398)	(5,593)	(6,461)
Restated cash and investment fund balance - beginning (Note III.D.)	28,935	4,514	93,457	398	6,776	6,461
Cash and investment fund balance - ending	\$ 35,360	\$ 9,698	\$ 106,610	\$ -	\$ 1,183	\$ -
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 9,698	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	35,360	-	106,610	-	1,183	-
Total cash and investment assets - December 31	\$ 35,360	\$ 9,698	\$ 106,610	\$ -	\$ 1,183	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ 35,360	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	1,183	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	106,610	-	-	-
Unrestricted	-	9,698	-	-	-	-
Total cash and investment fund balance - December 31	\$ 35,360	\$ 9,698	\$ 106,610	\$ -	\$ 1,183	\$ -

LAKE 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)

	Community Development Cities and Towns	Community Development Rehabilitation	Community Development REMP	Community Development FMHA	Recorder's Records Perpetuation	County Economic Revolving Loan
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	719,197	303,112	-	-	-	-
Charges for services	-	-	-	-	442,006	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	25,734	6,944	-	1,015	107,356
Total receipts	719,197	328,846	6,944	-	443,021	107,356
Disbursements:						
General government	-	-	-	-	560,845	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	719,197	328,846	244,772	-	-	750,008
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	719,197	328,846	244,772	-	560,845	750,008
Excess (deficiency) of receipts over disbursements	-	-	(237,828)	-	(117,824)	(642,652)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(237,828)	-	(117,824)	(642,652)
Restated cash and investment fund balance - beginning (Note III.D.)	-	-	330,832	45,238	351,826	646,314
Cash and investment fund balance - ending	\$ -	\$ -	\$ 93,004	\$ 45,238	\$ 234,002	\$ 3,662
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ 93,004	\$ 45,238	\$ -	\$ 3,662
Restricted assets:						
Cash and investments	-	-	-	-	234,002	-
Total cash and investment assets - December 31	\$ -	\$ -	\$ 93,004	\$ 45,238	\$ 234,002	\$ 3,662
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	234,002	-
Unrestricted	-	-	93,004	45,238	-	3,662
Total cash and investment fund balance - December 31	\$ -	\$ -	\$ 93,004	\$ 45,238	\$ 234,002	\$ 3,662

LAKE 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)

	Nonreverting Sheriff's Federal Forfeiture	County Multi-Agency Task Force	State and County Nonreverting Fund (Sheriff)	Hazardous Substance Response Training	Special Vehicle Inspection	CDBG Recapture Loans
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	22,234	-	-
Charges for services	-	242,154	-	-	1,211	-
Fines and forfeits	29,813	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	7,156	-	2,320	-	48,764
Total receipts	29,813	249,310	-	24,554	1,211	48,764
Disbursements:						
General government	-	-	-	-	-	-
Public safety	25,400	298,504	-	24,245	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	570,909
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	25,400	298,504	-	24,245	-	570,909
Excess (deficiency) of receipts over disbursements	4,413	(49,194)	-	309	1,211	(522,145)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	35,000	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	35,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,413	(14,194)	-	309	1,211	(522,145)
Restated cash and investment fund balance - beginning (Note III.D.)	8,638	52,925	4,995	137,078	19,304	586,307
Cash and investment fund balance - ending	\$ 13,051	\$ 38,731	\$ 4,995	\$ 137,387	\$ 20,515	\$ 64,162
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ 4,995	\$ -	\$ 20,515	\$ 64,162
Restricted assets:						
Cash and investments	13,051	38,731	-	137,387	-	-
Total cash and investment assets - December 31	\$ 13,051	\$ 38,731	\$ 4,995	\$ 137,387	\$ 20,515	\$ 64,162
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 13,051	\$ 38,731	\$ -	\$ 137,387	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	4,995	-	20,515	64,162
Total cash and investment fund balance - December 31	\$ 13,051	\$ 38,731	\$ 4,995	\$ 137,387	\$ 20,515	\$ 64,162

LAKE 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)

	Public Works Tax Incentive	Auditor's Tax Incentive	Clerk's Record Perpetuation	Gambling Admission Tax Fund	Emergency Telephone System	Lake County HIDTA
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	13,894,803	1,480,168	-
Charges for services	-	249,513	114,643	-	1,002,711	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	2,000,000	-	-
Other	-	-	-	101,345	13,045	435
Total receipts	-	249,513	114,643	15,996,148	2,495,924	435
Disbursements:						
General government	-	74,167	129,240	10,177,025	-	-
Public safety	-	-	-	-	1,649,774	4,352
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	26,999	-	-
Interest	-	-	-	10,798	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	-	74,167	129,240	10,214,822	1,649,774	4,352
Excess (deficiency) of receipts over disbursements	-	175,346	(14,597)	5,781,326	846,150	(3,917)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(1,507,676)	-	-
Total other financing sources (uses)	-	-	-	(1,507,676)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	175,346	(14,597)	4,273,650	846,150	(3,917)
Restated cash and investment fund balance - beginning (Note III.D.)	7	98,516	248,807	2,083,112	3,518,458	3,917
Cash and investment fund balance - ending	\$ 7	\$ 273,862	\$ 234,210	\$ 6,356,762	\$ 4,364,608	\$ -
Cash and Investment Assets - December 31						
Cash and investments	\$ 7	\$ 273,862	\$ -	\$ 6,356,762	\$ 4,364,608	\$ -
Restricted assets:						
Cash and investments	-	-	234,210	-	-	-
Total cash and investment assets - December 31	\$ 7	\$ 273,862	\$ 234,210	\$ 6,356,762	\$ 4,364,608	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 4,364,608	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	234,210	-	-	-
Unrestricted	7	273,862	-	6,356,762	-	-
Total cash and investment fund balance - December 31	\$ 7	\$ 273,862	\$ 234,210	\$ 6,356,762	\$ 4,364,608	\$ -

LAKE 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)

	Storm Water Maintenance and Sediment Control	Campaign Finance Enforcement	Division III Addiction Abuse	Jury Fees	County Police DARE	Division I LADOS
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	2,500
Charges for services	19,993	-	595	-	-	-
Fines and forfeits	-	2,174	400	115,303	-	175,845
Interfund loans	-	-	-	-	-	-
Other	-	-	-	2,216	-	597
Total receipts	19,993	2,174	995	117,519	-	178,942
Disbursements:						
General government	-	-	9,556	-	-	170,412
Public safety	25,145	-	-	-	1,750	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	25,145	-	9,556	-	1,750	170,412
Excess (deficiency) of receipts over disbursements	(5,152)	2,174	(8,561)	117,519	(1,750)	8,530
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,152)	2,174	(8,561)	117,519	(1,750)	8,530
Restated cash and investment fund balance - beginning (Note III.D.)	20,855	32,697	32,555	22,730	3,461	122,175
Cash and investment fund balance - ending	\$ 15,703	\$ 34,871	\$ 23,994	\$ 140,249	\$ 1,711	\$ 130,705
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 15,703	\$ -	\$ 23,994	\$ -	\$ 1,711	\$ -
Restricted assets:						
Cash and investments	-	34,871	-	140,249	-	130,705
Total cash and investment assets - December 31	\$ 15,703	\$ 34,871	\$ 23,994	\$ 140,249	\$ 1,711	\$ 130,705
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	34,871	-	140,249	-	130,705
Unrestricted	15,703	-	23,994	-	1,711	-
Total cash and investment fund balance - December 31	\$ 15,703	\$ 34,871	\$ 23,994	\$ 140,249	\$ 1,711	\$ 130,705

LAKE 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)

	Division II LADOS	County Child Advocacy	Court Improvement Grant	Local Rd and St 5% Riverboat Nonreverting Gambling	JAIBG Block Grant	Lake County CASA Program Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,500	-	3,000	-	8,899	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	205,016	441	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	597	-	-	-	100	-
Total receipts	208,113	441	3,000	-	8,999	-
Disbursements:						
General government	153,123	-	885	-	-	-
Public safety	-	-	-	-	8,549	-
Highways and streets	-	-	-	460,519	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	153,123	-	885	460,519	8,549	-
Excess (deficiency) of receipts over disbursements	54,990	441	2,115	(460,519)	450	-
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	694,740	-	-
Transfers out	-	-	(78)	-	-	-
Total other financing sources (uses)	-	-	(78)	694,740	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	54,990	441	2,037	234,221	450	-
Restated cash and investment fund balance - beginning (Note III.D.)	151,067	7,538	78	421,901	2,996	1,790
Cash and investment fund balance - ending	\$ 206,057	\$ 7,979	\$ 2,115	\$ 656,122	\$ 3,446	\$ 1,790
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ 656,122	\$ -	\$ -
Restricted assets:						
Cash and investments	206,057	7,979	2,115	-	3,446	1,790
Total cash and investment assets - December 31	\$ 206,057	\$ 7,979	\$ 2,115	\$ 656,122	\$ 3,446	\$ 1,790
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 3,446	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	206,057	7,979	2,115	-	-	1,790
Unrestricted	-	-	-	656,122	-	-
Total cash and investment fund balance - December 31	\$ 206,057	\$ 7,979	\$ 2,115	\$ 656,122	\$ 3,446	\$ 1,790

LAKE 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)

	Domestic Relations Counseling	Nonreverting Delinquent Collection Fees	2005 Reassessment	Sheriff's Grants	Rainy Day	Emergency Planning Subgrant
Receipts:						
Taxes	\$ -	\$ -	\$ 1,670,443	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	16,800	-	102,267	28,053	-	-
Charges for services	16,010	-	-	-	-	-
Fines and forfeits	-	8,011	-	-	-	-
Interfund loans	-	-	2,200,000	-	-	-
Other	7,669	-	-	-	-	-
Total receipts	40,479	8,011	3,972,710	28,053	-	-
Disbursements:						
General government	30,071	6,798	1,847,937	-	163,061	-
Public safety	-	-	-	24,937	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	30,071	6,798	1,847,937	24,937	163,061	-
Excess (deficiency) of receipts over disbursements	10,408	1,213	2,124,773	3,116	(163,061)	-
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	500,000	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	500,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	10,408	1,213	2,124,773	3,116	336,939	-
Restated cash and investment fund balance - beginning (Note III.D.)	59,519	458	2,821,975	11,765	178,442	29
Cash and investment fund balance - ending	\$ 69,927	\$ 1,671	\$ 4,946,748	\$ 14,881	\$ 515,381	\$ 29
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 69,927	\$ 1,671	\$ -	\$ -	\$ 515,381	\$ -
Restricted assets:						
Cash and investments	-	-	4,946,748	14,881	-	29
Total cash and investment assets - December 31	\$ 69,927	\$ 1,671	\$ 4,946,748	\$ 14,881	\$ 515,381	\$ 29
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 14,881	\$ -	\$ 29
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	4,946,748	-	-	-
Unrestricted	69,927	1,671	-	-	515,381	-
Total cash and investment fund balance - December 31	\$ 69,927	\$ 1,671	\$ 4,946,748	\$ 14,881	\$ 515,381	\$ 29

LAKE 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)

	Commissioner's Incentive	Children Psychiatric Treatment	Community Corrections Program	Adult Probation Administration	Juvenile Probation Administration	Sheriff's Community Foundation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	1,073,557	-	-	-
Charges for services	249,514	-	-	170,280	58,586	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	4,000,000	-	-	-	-
Other	-	9,634	2,000	-	-	-
Total receipts	249,514	4,009,634	1,075,557	170,280	58,586	-
Disbursements:						
General government	224,342	2,125,714	-	-	-	-
Public safety	-	-	1,036,456	171,900	84,206	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	224,342	2,125,714	1,036,456	171,900	84,206	-
Excess (deficiency) of receipts over disbursements	25,172	1,883,920	39,101	(1,620)	(25,620)	-
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,172	1,883,920	39,101	(1,620)	(25,620)	-
Restated cash and investment fund balance - beginning (Note III.D.)	164,535	1,664,487	-	155,892	80,247	12
Cash and investment fund balance - ending	\$ 189,707	\$ 3,548,407	\$ 39,101	\$ 154,272	\$ 54,627	\$ 12
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 189,707	\$ -	\$ -	\$ 154,272	\$ 54,627	\$ 12
Restricted assets:						
Cash and investments	-	3,548,407	39,101	-	-	-
Total cash and investment assets - December 31	\$ 189,707	\$ 3,548,407	\$ 39,101	\$ 154,272	\$ 54,627	\$ 12
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ 39,101	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	3,548,407	-	-	-	-
Unrestricted	189,707	-	-	154,272	54,627	12
Total cash and investment fund balance - December 31	\$ 189,707	\$ 3,548,407	\$ 39,101	\$ 154,272	\$ 54,627	\$ 12

LAKE 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)

	Homeland Security Grant	Surveyor's Electronic Mapping	Family Court Initiative Grant	Anti-Bioterrorism	Weights and Measures User Fees	Website Maintenance
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	81,375	-
Intergovernmental	378,432	-	11,000	2,500	-	-
Charges for services	-	14,433	-	-	-	220,916
Fines and forfeits	-	-	-	-	-	-
Interfund loans	500,000	-	-	-	-	-
Other	-	-	-	-	1,491	-
Total receipts	878,432	14,433	11,000	2,500	82,866	220,916
Disbursements:						
General government	-	25,503	20,337	-	98,948	100,925
Public safety	378,535	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	500,000	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	878,535	25,503	20,337	-	98,948	100,925
Excess (deficiency) of receipts over disbursements	(103)	(11,070)	(9,337)	2,500	(16,082)	119,991
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(103)	(11,070)	(9,337)	2,500	(16,082)	119,991
Restated cash and investment fund balance - beginning (Note III.D.)	78,528	15,355	52,091	(1,479)	19,556	245,358
Cash and investment fund balance - ending	\$ 78,425	\$ 4,285	\$ 42,754	\$ 1,021	\$ 3,474	\$ 365,349
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 4,285	\$ -	\$ 1,021	\$ -	\$ 365,349
Restricted assets:						
Cash and investments	78,425	-	42,754	-	3,474	-
Total cash and investment assets - December 31	\$ 78,425	\$ 4,285	\$ 42,754	\$ 1,021	\$ 3,474	\$ 365,349
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 78,425	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	42,754	-	3,474	-
Unrestricted	-	4,285	-	1,021	-	365,349
Total cash and investment fund balance - December 31	\$ 78,425	\$ 4,285	\$ 42,754	\$ 1,021	\$ 3,474	\$ 365,349

LAKE 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)

	Community Emergency Response Team (CERT)	Interpreter Services Grant	Recorder's Incentive	Justice Assistance Grant	HAVA Title III Voting System	MS4
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 790,247
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	17,500	-	347,739	-	-
Charges for services	-	-	100,000	-	-	225
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	17,500	100,000	347,739	-	790,472
Disbursements:						
General government	-	14,246	-	-	1,617,059	185,066
Public safety	-	-	-	324,051	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	-	14,246	-	324,051	1,617,059	185,066
Excess (deficiency) of receipts over disbursements	-	3,254	100,000	23,688	(1,617,059)	605,406
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,254	100,000	23,688	(1,617,059)	605,406
Restated cash and investment fund balance - beginning (Note III.D.)	348	257	118,857	-	2,081,397	964
Cash and investment fund balance - ending	\$ 348	\$ 3,511	\$ 218,857	\$ 23,688	\$ 464,338	\$ 606,370
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ 218,857	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	348	3,511	-	23,688	464,338	606,370
Total cash and investment assets - December 31	\$ 348	\$ 3,511	\$ 218,857	\$ 23,688	\$ 464,338	\$ 606,370
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 348	\$ -	\$ -	\$ 23,688	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	3,511	-	-	464,338	606,370
Unrestricted	-	-	218,857	-	-	-
Total cash and investment fund balance - December 31	\$ 348	\$ 3,511	\$ 218,857	\$ 23,688	\$ 464,338	\$ 606,370

LAKE 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)

	Identification Security Protection	Sheriff's Aviation Grant	Public Works Recycling Grant	Juvenile Center Grants	Sheriff's SIG Grant	Cumulative Helicopter Improvement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	5,750	181,380	-
Charges for services	161,150	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	161,150	-	-	5,750	181,380	-
Disbursements:						
General government	-	-	150	-	-	-
Public safety	-	-	-	5,746	173,628	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	-	-	150	5,746	173,628	-
Excess (deficiency) of receipts over disbursements	161,150	-	(150)	4	7,752	-
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	680,500
Transfers out	-	-	-	-	-	(180,500)
Total other financing sources (uses)	-	-	-	-	-	500,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	161,150	-	(150)	4	7,752	500,000
Restated cash and investment fund balance - beginning (Note III.D.)	273,380	180,500	159	-	13,296	-
Cash and investment fund balance - ending	\$ 434,530	\$ 180,500	\$ 9	\$ 4	\$ 21,048	\$ 500,000
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 180,500	\$ 9	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	434,530	-	-	4	21,048	500,000
Total cash and investment assets - December 31	\$ 434,530	\$ 180,500	\$ 9	\$ 4	\$ 21,048	\$ 500,000
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	434,530	-	-	4	21,048	500,000
Unrestricted	-	180,500	9	-	-	-
Total cash and investment fund balance - December 31	\$ 434,530	\$ 180,500	\$ 9	\$ 4	\$ 21,048	\$ 500,000

LAKE 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)

	Auditor's Endorsement Fees	Child Support PCA Fees	Health Department Tobacco Settlement	Supplemental Public Defenders Services	Alternative Dispute Resolution	Alternative Dispute Resolution Co-Payment
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	25,166	174,688	42,062	-	-
Charges for services	104,795	-	-	-	35,040	16,570
Fines and forfeits	-	-	-	88,763	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	4,910
Total receipts	104,795	25,166	174,688	130,825	35,040	21,480
Disbursements:						
General government	102,606	20,189	-	166,593	25,636	13,415
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	14,122	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	102,606	20,189	14,122	166,593	25,636	13,415
Excess (deficiency) of receipts over disbursements	2,189	4,977	160,566	(35,768)	9,404	8,065
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	663,071	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	663,071	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,189	4,977	823,637	(35,768)	9,404	8,065
Restated cash and investment fund balance - beginning (Note III.D.)	37,476	-	-	134,466	98,974	13,848
Cash and investment fund balance - ending	\$ 39,665	\$ 4,977	\$ 823,637	\$ 98,698	\$ 108,378	\$ 21,913
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 39,665	\$ 4,977	\$ 823,637	\$ -	\$ -	\$ 21,913
Restricted assets:						
Cash and investments	-	-	-	98,698	108,378	-
Total cash and investment assets - December 31	\$ 39,665	\$ 4,977	\$ 823,637	\$ 98,698	\$ 108,378	\$ 21,913
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	823,637	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	98,698	108,378	-
Unrestricted	39,665	4,977	-	-	-	21,913
Total cash and investment fund balance - December 31	\$ 39,665	\$ 4,977	\$ 823,637	\$ 98,698	\$ 108,378	\$ 21,913

LAKE 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)

	Treasurer's Incentive	Payroll Court Judgment	Environmental Task Force	Title Search Fees	Sheriff's Sale	Bail Bonds Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	249,514	-	-	301,033	496,400	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	6,990
Total receipts	249,514	-	-	301,033	496,400	6,990
Disbursements:						
General government	29,978	491,582	-	332,997	-	3,940
Public safety	-	-	210	-	15,507	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	29,978	491,582	210	332,997	15,507	3,940
Excess (deficiency) of receipts over disbursements	219,536	(491,582)	(210)	(31,964)	480,893	3,050
Other financing sources (uses):						
Bond proceeds	-	491,582	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(1,114,493)	-
Total other financing sources (uses)	-	491,582	-	-	(1,114,493)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	219,536	-	(210)	(31,964)	(633,600)	3,050
Restated cash and investment fund balance - beginning (Note III.D.)	123,128	-	36,612	39,232	633,600	14,704
Cash and investment fund balance - ending	\$ 342,664	\$ -	\$ 36,402	\$ 7,268	\$ -	\$ 17,754
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 342,664	\$ -	\$ 36,402	\$ 7,268	\$ -	\$ 17,754
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 342,664	\$ -	\$ 36,402	\$ 7,268	\$ -	\$ 17,754
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	342,664	-	36,402	7,268	-	17,754
Total cash and investment fund balance - December 31	\$ 342,664	\$ -	\$ 36,402	\$ 7,268	\$ -	\$ 17,754

LAKE 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)

	Court Appointed Special Advocate	Nonreverting Property Seizure	DUI Task Force Grant	Sales Disclosure	Community Economic Development	Park Bond Redemption
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,570,704
Licenses and permits	-	-	-	-	-	-
Intergovernmental	245,077	-	7,022	-	43,050	133,853
Charges for services	-	-	-	43,670	-	-
Fines and forfeits	-	27,427	-	-	-	-
Interfund loans	-	-	-	-	-	377,000
Other	-	-	-	-	-	1,548
Total receipts	245,077	27,427	7,022	43,670	43,050	3,083,105
Disbursements:						
General government	252,465	-	-	68,270	-	-
Public safety	-	38,100	6,347	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	8,265
Urban redevelopment and housing	-	-	-	-	42,606	-
Interfund loans	-	-	-	-	-	1,100,000
Debt service:						
Principal	-	-	-	-	-	2,395,000
Interest	-	-	-	-	-	153,150
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	252,465	38,100	6,347	68,270	42,606	3,656,415
Excess (deficiency) of receipts over disbursements	(7,388)	(10,673)	675	(24,600)	444	(573,310)
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,388)	(10,673)	675	(24,600)	444	(573,310)
Restated cash and investment fund balance - beginning (Note III.D.)	197,194	14,790	4,256	87,853	3,557	1,075,904
Cash and investment fund balance - ending	\$ 189,806	\$ 4,117	\$ 4,931	\$ 63,253	\$ 4,001	\$ 502,594
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ 4,117	\$ -	\$ 63,253	\$ -	\$ -
Restricted assets:						
Cash and investments	189,806	-	4,931	-	4,001	502,594
Total cash and investment assets - December 31	\$ 189,806	\$ 4,117	\$ 4,931	\$ 63,253	\$ 4,001	\$ 502,594
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ 4,931	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	4,001	-
Debt service	-	-	-	-	-	502,594
Other purposes	189,806	-	-	-	-	-
Unrestricted	-	4,117	-	63,253	-	-
Total cash and investment fund balance - December 31	\$ 189,806	\$ 4,117	\$ 4,931	\$ 63,253	\$ 4,001	\$ 502,594

LAKE 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)

	Park Revenue Bond Redemption	County Bond Redemption	Circuit Breaker Debt Service	Lake County Redevelopment Commission	Lake County Redevelopment Authority	Park Nonreverting Capital
Receipts:						
Taxes	\$ 1,650,303	\$ 8,827,379	\$ -	\$ 2,169,466	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	192,139	660,900	1,998,230	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	5,206,000	-	-	-	370,000
Other	5,288	-	-	92,849	-	322,568
Total receipts	1,847,730	14,694,279	1,998,230	2,262,315	-	692,568
Disbursements:						
General government	-	29,325	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	3,821	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	1	-
Interfund loans	560,000	1,700,000	-	-	-	80,000
Debt service:						
Principal	-	6,925,000	2,461,929	700,000	-	-
Interest	1,294,319	2,009,190	144,645	129,337	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	506,732
Urban redevelopment and housing	-	-	-	538,661	-	-
Total disbursements	1,858,140	10,663,515	2,606,574	1,367,998	1	586,732
Excess (deficiency) of receipts over disbursements	(10,410)	4,030,764	(608,344)	894,317	(1)	105,836
Other financing sources (uses):						
Bond proceeds	-	3,094,393	-	-	-	-
Transfers in	-	773,403	312,936	-	-	330,000
Transfers out	-	(3,094,394)	-	-	-	-
Total other financing sources (uses)	-	773,402	312,936	-	-	330,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,410)	4,804,166	(295,408)	894,317	(1)	435,836
Restated cash and investment fund balance - beginning (Note III.D.)	495,852	2,880,310	104,312	3,546,455	1	167,873
Cash and investment fund balance - ending	\$ 485,442	\$ 7,684,476	\$ (191,096)	\$ 4,440,772	\$ -	\$ 603,709
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ (191,096)	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	485,442	7,684,476	-	4,440,772	-	603,709
Total cash and investment assets - December 31	\$ 485,442	\$ 7,684,476	\$ (191,096)	\$ 4,440,772	\$ -	\$ 603,709
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	603,709
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	485,442	7,684,476	-	4,440,772	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	(191,096)	-	-	-
Total cash and investment fund balance - December 31	\$ 485,442	\$ 7,684,476	\$ (191,096)	\$ 4,440,772	\$ -	\$ 603,709

LAKE 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	Park District Bonds 1993	Major Moves	Cumulative Capital Development	Lake County Voting System Cumulative
Receipts:					
Taxes	\$ 2,795,188	\$ -	\$ -	\$ 2,513,503	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	344,097	-	-	154,264	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Interfund loans	500,000	3,068,000	-	1,400,000	-
Other	120,852	80,865	84,596	-	-
Total receipts	3,760,137	3,148,865	84,596	4,067,767	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-
Interfund loans	500,000	535,000	-	500,000	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	1,633,914	2,560
Public safety	-	-	-	458,518	-
Highways and streets	3,308,930	-	1,289,217	-	-
Health and welfare	-	-	-	69,436	-
Culture and recreation	-	2,957,126	-	51,993	-
Urban redevelopment and housing	-	-	-	-	-
Total disbursements	3,808,930	3,492,126	1,289,217	2,713,861	2,560
Excess (deficiency) of receipts over disbursements	(48,793)	(343,261)	(1,204,621)	1,353,906	(2,560)
Other financing sources (uses):					
Bond proceeds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(500,000)	-	-	-	-
Total other financing sources (uses)	(500,000)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(548,793)	(343,261)	(1,204,621)	1,353,906	(2,560)
Restated cash and investment fund balance - beginning (Note III.D.)	6,984,898	1,001,358	4,289,006	1,112,064	1,281,501
Cash and investment fund balance - ending	\$ 6,436,105	\$ 658,097	\$ 3,084,385	\$ 2,465,970	\$ 1,278,941
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	6,436,105	658,097	3,084,385	2,465,970	1,278,941
Total cash and investment assets - December 31	\$ 6,436,105	\$ 658,097	\$ 3,084,385	\$ 2,465,970	\$ 1,278,941
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	6,436,105	-	3,084,385	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	658,097	-	-	-
Urban redevelopment and housing	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	2,465,970	1,278,941
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 6,436,105	\$ 658,097	\$ 3,084,385	\$ 2,465,970	\$ 1,278,941

LAKE 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)

	Drainage Improvements	Lake County Highway Garage	County Bond Improvements	Lake County Redevelopment Authority	Totals
Receipts:					
Taxes	\$ 1,896,889	\$ -	\$ -	\$ -	\$ 31,368,874
Licenses and permits	-	-	-	-	113,105
Intergovernmental	296,889	-	-	-	32,085,127
Charges for services	-	-	-	-	12,243,475
Fines and forfeits	-	-	-	-	2,655,893
Interfund loans	1,400,000	-	-	-	22,099,000
Other	-	22,529	140,083	41,671	1,789,949
	<u>3,593,778</u>	<u>22,529</u>	<u>140,083</u>	<u>41,671</u>	<u>102,355,423</u>
Total receipts					
Disbursements:					
General government	-	-	-	-	20,139,445
Public safety	-	-	-	-	8,366,709
Highways and streets	-	-	-	-	8,042,757
Health and welfare	-	-	-	-	2,245,918
Culture and recreation	-	-	-	-	10,197,169
Urban redevelopment and housing	-	-	-	32	3,806,537
Interfund loans	-	-	-	-	7,093,000
Debt service:					
Principal	-	-	-	-	12,654,381
Interest	-	-	-	-	3,754,242
Capital outlay:					
General government	-	-	6,079,258	-	7,715,732
Public safety	3,164,699	-	-	-	3,623,217
Highways and streets	-	492,820	-	-	5,090,967
Health and welfare	-	-	-	-	69,436
Culture and recreation	-	-	-	-	3,515,851
Urban redevelopment and housing	-	-	-	341,259	879,920
	<u>3,164,699</u>	<u>492,820</u>	<u>6,079,258</u>	<u>341,291</u>	<u>97,195,281</u>
Total disbursements					
Excess (deficiency) of receipts over disbursements	<u>429,079</u>	<u>(470,291)</u>	<u>(5,939,175)</u>	<u>(299,620)</u>	<u>5,160,142</u>
Other financing sources (uses):					
Bond proceeds	-	-	-	-	3,585,975
Transfers in	-	-	-	-	4,943,916
Transfers out	-	-	(773,403)	-	(8,347,381)
	<u>-</u>	<u>-</u>	<u>(773,403)</u>	<u>-</u>	<u>182,510</u>
Total other financing sources (uses)					
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>429,079</u>	<u>(470,291)</u>	<u>(6,712,578)</u>	<u>(299,620)</u>	<u>5,342,652</u>
Restated cash and investment fund balance - beginning (Note III.D.)	<u>856,400</u>	<u>1,269,985</u>	<u>9,423,971</u>	<u>2,957,297</u>	<u>71,591,538</u>
Cash and investment fund balance - ending	<u>\$ 1,285,479</u>	<u>\$ 799,694</u>	<u>\$ 2,711,393</u>	<u>\$ 2,657,677</u>	<u>\$ 76,934,190</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 20,265,619
Restricted assets:					
Cash and investments	<u>1,285,479</u>	<u>799,694</u>	<u>2,711,393</u>	<u>2,657,677</u>	<u>56,668,571</u>
Total cash and investment assets - December 31	<u>\$ 1,285,479</u>	<u>\$ 799,694</u>	<u>\$ 2,711,393</u>	<u>\$ 2,657,677</u>	<u>\$ 76,934,190</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 8,611,580
Highways and streets	1,285,479	799,694	-	-	14,655,296
Health and welfare	-	-	-	-	2,291,111
Culture and recreation	-	-	-	-	1,261,806
Urban redevelopment and housing	-	-	-	2,657,677	2,662,861
Debt service	-	-	-	-	13,113,284
Other purposes	-	-	2,711,393	-	19,260,878
Unrestricted	-	-	-	-	15,077,374
Total cash and investment fund balance - December 31	<u>\$ 1,285,479</u>	<u>\$ 799,694</u>	<u>\$ 2,711,393</u>	<u>\$ 2,657,677</u>	<u>\$ 76,934,190</u>

LAKE 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

	Park and Recreation Self-Insurance	Nonreverting Self-Insurance	Health Insurance Reserve	Lake County 2000 Building Corporation	Totals
Operating receipts:					
Insurance proceeds - employer	\$ 100,000	\$ 3,034,500	\$ 25,746,116	\$ -	\$ 28,880,616
Insurance proceeds - employee	-	-	1,581,613	-	1,581,613
Rental revenue	-	-	-	2,603,000	2,603,000
Other	99,896	454,492	157,850	-	712,238
Total operating receipts	199,896	3,488,992	27,485,579	2,603,000	33,777,467
Operating disbursements:					
Other supplies and expenses	-	-	-	1,911	1,911
Insurance disbursements	146,916	4,921,007	25,942,068	-	31,009,991
Total operating disbursements	146,916	4,921,007	25,942,068	1,911	31,011,902
Excess (deficiency) of receipts over disbursements	52,980	(1,432,015)	1,543,511	2,601,089	2,765,565
Nonoperating receipts (disbursements):					
Interest and investment receipts	4,279	554	-	12,617	17,450
Debt service of principal	-	-	-	(1,990,000)	(1,990,000)
Interest disbursements	-	-	-	(607,038)	(607,038)
Total nonoperating receipts (disbursements)	4,279	554	-	(2,584,421)	(2,579,588)
Excess (deficiency) of receipts over disbursements and nonoperating receipts (disbursements)	57,259	(1,431,461)	1,543,511	16,668	185,977
Interfund loans received	-	-	6,000,000	-	6,000,000
Interfund loans repaid	(500,000)	-	(8,506,000)	-	(9,006,000)
Transfers in	-	3,094,394	-	-	3,094,394
Transfers out	(125,000)	(180,500)	-	-	(305,500)
Excess (deficiency) of receipts over disbursements, temporary loans and transfers out	(567,741)	1,482,433	(962,489)	16,668	(31,129)
Cash and investment fund balance - beginning	772,430	3,607,729	5,032,898	167,378	9,580,435
Cash and investment fund balance - ending	<u>\$ 204,689</u>	<u>\$ 5,090,162</u>	<u>\$ 4,070,409</u>	<u>\$ 184,046</u>	<u>\$ 9,549,306</u>
Cash and Investment Assets - December 31					
Cash and investments	\$ 204,689	\$ 5,090,162	\$ 3,028,598	\$ 184,046	\$ 8,507,495
Cash with fiscal agent	-	-	1,041,811	-	1,041,811
Total cash and investment assets - December 31	\$ 204,689	\$ 5,090,162	\$ 4,070,409	\$ 184,046	\$ 9,549,306
Cash and Investment Fund Balance - December 31					
Unrestricted	\$ 204,689	\$ 5,090,162	\$ 4,070,409	\$ 184,046	\$ 9,549,306
Total cash and investment fund balance - December 31	\$ 204,689	\$ 5,090,162	\$ 4,070,409	\$ 184,046	\$ 9,549,306

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

	Financial Institution Tax	Convention and Visitor's Bureau	National Park System Reimbursement	County Innkeepers Tax	County User Fees	Educational Plate Fee	Doctors and Merchants
Additions:							
Agency fund additions	\$ 2,879,293	\$ 4,786,624	\$ 8,919	\$ 2,809,035	\$ 1,371,769	\$ 44,288	\$ 198
Deductions:							
Agency fund deductions	2,879,293	4,786,624	5,926	2,908,256	1,409,378	35,138	-
Excess (deficiency) of total additions over total deductions	-	-	2,993	(99,221)	(37,609)	9,150	198
Cash and investment fund balance - beginning	-	220,322	6,100	113,092	650,984	7,966	353
Cash and investment fund balance - ending	\$ -	\$ 220,322	\$ 9,093	\$ 13,871	\$ 613,375	\$ 17,116	\$ 551

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

	Ordinance Deferral Program	US Research Consultants - Personal Property	Interstate Compact Fee	Circuit Breaker Repository	State Mortgage	Child Restraint System Fees	Homestead Credit Refund
Additions:							
Agency fund additions	\$ 331,193	\$ -	\$ 3,098	\$ 15,808,066	\$ 46,020	\$ 1,050	\$ 9,787,759
Deductions:							
Agency fund deductions	326,346	-	3,638	16,054,079	87,878	2,465	50,438,994
Excess (deficiency) of total additions over total deductions	4,847	-	(540)	(246,013)	(41,858)	(1,415)	(40,651,235)
Cash and investment fund balance - beginning	13,024	3,473	1,725	246,013	44,768	1,525	40,656,743
Cash and investment fund balance - ending	<u>\$ 17,871</u>	<u>\$ 3,473</u>	<u>\$ 1,185</u>	<u>\$ -</u>	<u>\$ 2,910</u>	<u>\$ 110</u>	<u>\$ 5,508</u>

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

	HEA 1001 State Homestead	Commissioner's Tax Certificate Sale	Payment Error - Refunds	Tax Sale Cancellation	Subdivision Escrow Bonds	Refund Overpayment
Additions:						
Agency fund additions	<u>\$ 82,841,504</u>	<u>\$ 2,317,955</u>	<u>\$ 1,597,518</u>	<u>\$ -</u>	<u>\$ 4,278</u>	<u>\$ 7,435,954</u>
Deductions:						
Agency fund deductions	<u>82,841,504</u>	<u>3,120,336</u>	<u>621,568</u>	<u>4,267</u>	<u>16,566</u>	<u>1,594,166</u>
Excess (deficiency) of total additions over total deductions	-	(802,381)	975,950	(4,267)	(12,288)	5,841,788
Cash and investment fund balance - beginning	-	<u>3,324,805</u>	<u>349,507</u>	<u>18,510</u>	<u>87,744</u>	<u>394,551</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 2,522,424</u>	<u>\$ 1,325,457</u>	<u>\$ 14,243</u>	<u>\$ 75,456</u>	<u>\$ 6,236,339</u>

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

	Northwest Indiana Regional Planning Commission	Property Replacement Homestead	Park Sales Tax	Payroll Withholding	County Welfare Trust	Tax Sale SRI Fees, Inc.
Additions:						
Agency fund additions	<u>\$ 288,405</u>	<u>\$ 9,641,052</u>	<u>\$ 116,412</u>	<u>\$ 33,071,051</u>	<u>\$ 69,142</u>	<u>\$ 43,948</u>
Deductions:						
Agency fund deductions	<u>383,066</u>	<u>9,641,052</u>	<u>118,233</u>	<u>33,202,519</u>	<u>98,655</u>	<u>-</u>
Excess (deficiency) of total additions over total deductions	(94,661)	-	(1,821)	(131,468)	(29,513)	43,948
Cash and investment fund balance - beginning	<u>221,361</u>	<u>95,030</u>	<u>3,325</u>	<u>1,523,940</u>	<u>47,321</u>	<u>19,837</u>
Cash and investment fund balance - ending	<u>\$ 126,700</u>	<u>\$ 95,030</u>	<u>\$ 1,504</u>	<u>\$ 1,392,472</u>	<u>\$ 17,808</u>	<u>\$ 63,785</u>

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

	City and Town Court Costs	Infraction Judgment	State Fair Board	Supplemental Countywide School	State Forestry	Congressional School Interest
Additions:						
Agency fund additions	<u>\$ 139,045</u>	<u>\$ 881,284</u>	<u>\$ 274,577</u>	<u>\$ 4,351,692</u>	<u>\$ 549,153</u>	<u>\$ -</u>
Deductions:						
Agency fund deductions	<u>231,063</u>	<u>1,391,562</u>	<u>274,577</u>	<u>3,465,034</u>	<u>549,153</u>	<u>-</u>
Excess (deficiency) of total additions over total deductions	(92,018)	(510,278)	-	886,658	-	-
Cash and investment fund balance - beginning	<u>101,807</u>	<u>562,616</u>	<u>-</u>	<u>1,933,463</u>	<u>-</u>	<u>21,425</u>
Cash and investment fund balance - ending	<u><u>\$ 9,789</u></u>	<u><u>\$ 52,338</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,820,121</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,425</u></u>

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

	Coroner's Training and Continuing Education	County Treasurer	Tax Sale Redemption	Tax Sale Surplus	State Fines and Forfeitures	Inheritance Tax
Additions:						
Agency fund additions	<u>\$ 70,127</u>	<u>\$ 1,277,302,096</u>	<u>\$ 5,410,313</u>	<u>\$ -</u>	<u>\$ 493,225</u>	<u>\$ 12,110,815</u>
Deductions:						
Agency fund deductions	<u>91,697</u>	<u>1,333,444,435</u>	<u>6,065,806</u>	<u>9,531,493</u>	<u>436,188</u>	<u>12,863,374</u>
Excess (deficiency) of total additions over total deductions	(21,570)	(56,142,339)	(655,493)	(9,531,493)	57,037	(752,559)
Cash and investment fund balance - beginning	<u>27,692</u>	<u>312,889,737</u>	<u>767,958</u>	<u>12,400,841</u>	<u>63,009</u>	<u>3,455,192</u>
Cash and investment fund balance - ending	<u><u>\$ 6,122</u></u>	<u><u>\$ 256,747,398</u></u>	<u><u>\$ 112,465</u></u>	<u><u>\$ 2,869,348</u></u>	<u><u>\$ 120,046</u></u>	<u><u>\$ 2,702,633</u></u>

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

	<u>State Sale Disclosure Fee</u>	<u>Treasurer's Tax Sale</u>	<u>Delinquent Sewage Collections</u>	<u>Barrett Law Collections</u>	<u>Overweight Vehicle</u>	<u>Commissioner's Sale Surplus</u>
Additions:						
Agency fund additions	<u>\$ 43,670</u>	<u>\$ 201,318</u>	<u>\$ 706,866</u>	<u>\$ 56,405</u>	<u>\$ 3,210</u>	<u>\$ -</u>
Deductions:						
Agency fund deductions	<u>72,995</u>	<u>-</u>	<u>706,866</u>	<u>54,445</u>	<u>37,586</u>	<u>5,881</u>
Excess (deficiency) of total additions over total deductions	(29,325)	201,318	-	1,960	(34,376)	(5,881)
Cash and investment fund balance - beginning	<u>33,230</u>	<u>(169,526)</u>	<u>2,956</u>	<u>1,220</u>	<u>34,376</u>	<u>5,881</u>
Cash and investment fund balance - ending	<u>\$ 3,905</u>	<u>\$ 31,792</u>	<u>\$ 2,956</u>	<u>\$ 3,180</u>	<u>\$ -</u>	<u>\$ -</u>

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

	US Steel Property Tax Settlement	Indiana Common School	Miscellaneous Settlement Accounts	Special Death Benefit	Vehicle License Additional Tax	Excess Monies - Settlement 2001
Additions:						
Agency fund additions	\$ 10,922	\$ 23,787	\$ 945,999,357	\$ 63,170	\$ -	\$ -
Deductions:						
Agency fund deductions	-	13,535	960,246,520	100,471	-	-
Excess (deficiency) of total additions over total deductions	10,922	10,252	(14,247,163)	(37,301)	-	-
Cash and investment fund balance - beginning	530,647	10,475	20,944,932	41,800	1,094	107,774
Cash and investment fund balance - ending	<u>\$ 541,569</u>	<u>\$ 20,727</u>	<u>\$ 6,697,769</u>	<u>\$ 4,499</u>	<u>\$ 1,094</u>	<u>\$ 107,774</u>

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

	County Clerk	Sheriff - Civil/ Narcotics	Sheriff - Civil	Juvenile Probation	Adult Probation	Drug Task Force Seizure Fund
Additions:						
Agency fund additions	<u>\$ 61,989,647</u>	<u>\$ 30,017</u>	<u>\$ 6,332,035</u>	<u>\$ 121,561</u>	<u>\$ 414,886</u>	<u>\$ 563,150</u>
Deductions:						
Agency fund deductions	<u>63,362,691</u>	<u>35</u>	<u>6,360,663</u>	<u>121,561</u>	<u>414,886</u>	<u>646,965</u>
Excess (deficiency) of total additions over total deductions	(1,373,044)	29,982	(28,628)	-	-	(83,815)
Cash and investment fund balance - beginning	<u>18,011,549</u>	<u>53,038</u>	<u>(155,480)</u>	<u>-</u>	<u>930</u>	<u>625,895</u>
Cash and investment fund balance - ending	<u>\$ 16,638,505</u>	<u>\$ 83,020</u>	<u>\$ (184,108)</u>	<u>\$ -</u>	<u>\$ 930</u>	<u>\$ 542,080</u>

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

	Sheriff's Inmate Trust	Sheriff SNAP	Non-AC Funds Not Payroll Withholding or Insurance	Planning Commission	County Recorder	Totals
Additions:						
Agency fund additions	\$ 1,330,802	\$ 16,447	\$ 1	\$ 878,453	\$ 1,866,185	\$ 2,497,538,747
Deductions:						
Agency fund deductions	1,274,902	14,843	-	878,453	1,880,331	2,615,117,958
Excess (deficiency) of total additions over total deductions	55,900	1,604	1	-	(14,146)	(117,579,211)
Cash and investment fund balance - beginning	224,999	-	11	-	-	420,581,560
Cash and investment fund balance - ending	<u>\$ 280,899</u>	<u>\$ 1,604</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ (14,146)</u>	<u>\$ 303,002,349</u>

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

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 24,853,273
Buildings and improvements	112,089,052
Sanitary sewer/storm water	9,000,000
Machinery and equipment	34,695,000
Bridges	121,523,134
Roads	112,242,828
Street lights and traffic signals	1,219,034
Construction in progress	<u>20,709,988</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u><u>436,332,309</u></u>
 Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 21,040
Improvements other than buildings	<u>969,251</u>
 Total Wastewater Utility capital assets	 \$ <u><u>990,291</u></u>

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

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Machinery and Equipment	\$ 2,082,602	\$ 395,080
Notes and loans payable	510,216	406,668
Bonds payable:		
General obligation bonds:		
1998 \$5,005,000 Park Improvements	725,000	725,000
1999 \$26,750,000 Jail Construction	3,310,000	3,310,000
2002 \$10,610,000 Park Refunding	1,070,000	1,070,000
2006 \$1,235,000 Judgement	325,000	325,000
2006 \$5,000,000 Highway Garage Construction	4,660,000	405,000
2007 \$18,500,000 Energy Savings	17,675,000	1,715,000
2008 A \$1,750,000 Judgement Bonds	1,750,000	1,115,000
2008 B \$1,880,000 Judgement Bonds	1,880,000	450,000
Revenue bonds:		
2000 \$23,000,000 Lake County Building Corporation	9,095,000	2,090,000
2005 \$23,300,000 Park District	23,300,000	-
2007 \$2,940,000 Redevelopment District	2,240,000	800,000
2007 \$7,000,000 Park District	<u>7,000,000</u>	<u>-</u>
Total governmental activities debt	<u>\$ 75,622,818</u>	<u>\$ 12,806,748</u>
Business-type activities:		
Wastewater Utility:		
Notes and loans payable	<u>\$ 367,235</u>	<u>\$ 27,944</u>

LAKE COUNTY
OTHER REPORTS

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

Board of County Commissioners
County Auditor
County Clerk of the Circuit Court
County Council
County Health Department
County Park and Recreation Department
County Recorder
County Sheriff
County Treasurer
Domestic Counseling Relations Bureau

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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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 LAKE COUNTY, INDIANA

Compliance

We have audited the compliance of Lake County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

As described in items 2008-3 and 2008-4 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Equipment Management and Procurement and Suspension and Debarment that are applicable to its State Homeland Security Program (SHSP). Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its other 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

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)

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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in items 2008-3 and 2008-4 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

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. Of the significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs, we consider items 2008-3 and 2008-4, to be material weaknesses.

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

STATE BOARD OF ACCOUNTS

September 24, 2009

LAKE 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>EXECUTIVE OFFICE OF THE PRESIDENT - OFFICE OF NATIONAL DRUG CONTROL POLICY</u>			
Direct Grant			
High Intensity Drug Trafficking Area (HIDTA)	07.XXX	17PLCP501Z	\$ <u>4,352</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553		44,203
National School Lunch Program	10.555		<u>68,608</u>
Total for federal grantor agency			<u>112,811</u>
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Pass-Through Indiana Department of Natural Resources			
Costal Zone Management Administration Awards	11.419		<u>35,149</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Direct Grant			
CDBG - Entitlement and (HUD-Administered) Small Cities Cluster			
Community Development Block Grants/Entitlement Grants	14.218	B-06-UC-180016	1,065,874
		B-07-UC-180016	400,372
		B-08-UC-180016	<u>3,061</u>
Total for cluster			<u>1,469,307</u>
HOME Investment Partnerships Program	14.239	M-05-UC-180207	61,113
		M-06-UC-180207	226,584
		M-07-UC-180207	272,568
		M-08-UC-180207	<u>71,097</u>
Total for program			<u>631,362</u>
Total for federal grantor agency			<u>2,100,669</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Federal Equity Sharing	16.XXX		
Federal Forfeitures - County Sheriff			\$ 17,833
Federal Forfeitures - County Prosecutor			<u>206</u>
Total for program			<u>18,039</u>
Direct Grant			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-DJ-BX-1407	9,802
		2007-DJ-BX-0698	245,342
		2008-DJ-BX-0288	<u>59,136</u>
Total for program			<u>314,280</u>
Pass-Through Indiana Criminal Justice Institute			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	05-DJ-094	<u>9,771</u>
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Block Grants	16.523	06-JB-012	<u>6,625</u>

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

LAKE 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. DEPARTMENT OF JUSTICE (continued)</u>			
Pass-Through Indiana Criminal Justice Institute Edward Byrne Memorial Formula Grant Program	16.579	07-DJ-013	195,926
Pass-Through Indiana Criminal Justice Institute Violence Against Women Formula Grants	16.588		398
Pass-Through Indiana Department of Natural Resources Public Safety Partnership and Community Policing Grants	16.710	E11-8-SB016	24,937
Total for federal grantor agency			569,976
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspection	20.205	STP-9099 (107)	73,141
Construction Management		BR-9945 (110)	17,777
Construction Management		CMAQ-0001 (069)	4,162
Construction Management		STP-9945 (082)	73,153
Total for cluster			168,233
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600		
Big City/County Seat Belt Enforcement		PT-08-04-01-32	7,818
Big City/County Seat Belt Enforcement		PT-09-04-01-31	5,587
Total for program			13,405
Pass-Through Indiana Criminal Justice Institute Alcohol Impaired Driving Countermeasures Incentive Grants 1 DUI Task Force Enforcement Program	20.601		4,791
Aggressive Driving Enforcement Program			2,231
Total for program			7,022
Total for cluster			20,427
Total for federal grantor agency			188,660
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>			
Direct Grant Help America Vote Act Requirements Payments	90.401		1,617,059
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Family and Social Services Administration Special Programs for the Aging - Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	45-08-PV-1222-01	90,598
		45-08-PV-1222-02	82,192
Total for program			172,790
Pass-Through Indiana Department of Health Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		51,495

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

LAKE 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. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>			
Pass-Through Indiana Family and Social Services Administration Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	45-08-XQ-1222-01 45-08-XQ-1222-02	62,319 <u>111,309</u>
Total for program			<u>173,628</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
County Prosecutor's Expenditures			1,739,935
County Clerk's Expenditures			155,571
County Court Expenditures			225,690
Indirect Cost			<u>837,816</u>
Total for program			<u>2,959,012</u>
Pass-Through Indiana Supreme Court State Court Improvement Program	93.586	CIP-FY08	<u>963</u>
Pass-Through Indiana Department of Health Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944		<u>55,250</u>
Total for federal grantor agency			<u>3,413,138</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	1795	<u>241,468</u>
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grant	97.042	2007 EMPG	<u>44,881</u>
Pass-Through Indiana Department of Homeland Security State Homeland Security Program (SHSP)	97.073	2006 SHSP	<u>200,492</u>
Total for federal grantor agency			<u>486,841</u>
Total federal awards expended			<u>\$ 8,528,655</u>

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

LAKE COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

LAKE 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?	yes
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?	yes
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
90.401	Help America Vote Act Requirements Payments
93.563	Child Support Enforcement
97.073	State Homeland Security Program (SHSP)

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, CONDITION OF RECORDS AND INTERNAL CONTROLS – SHERIFF'S DEPARTMENT

Material deficiencies were noted in the condition of records presented for audit and the internal controls over financial reporting in the Sheriff's Department. The following records for the Sheriff's Department were not presented for audit:

1. Bank reconciliations, bank statements, and cancelled checks for the Commissary Fund (including phone commissions) the Inmate Medical Fees Fund and the Social Security Fund were not available for audit. As a result, fund balances at December 31, 2008, and the validity of the activity in these funds could not be verified. These funds were not presented in the reported financial statements.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Bank reconciliations and cancelled checks for the Sheriff's Inmate Trust Fund were not presented for audit. A comprehensive ledger of receipts, disbursements, and balances for the Sheriff's Inmate Trust Fund was also not available. Bank statements were available for the Sheriff's Inmate Trust Fund and the reported activity for this fund was obtained from the bank statements. However, with the absence of an outstanding check list and other reconciling items, the validity of the reported balance at December 31, 2008, could not be determined.
3. Itemized claims and invoices for the Sheriff Commissary Fund disbursements were not presented for audit. As a result, the disbursements could not be verified.
4. A detail of 2008 inmate trust activity was requested for some inmates and was not presented for audit. Inmate Trust reports provided were run for various time spans instead of the calendar year 2008. Postings to inmate trust could not always be verified.
5. Cash return forms for inmates that bond out were not presented for audit. These forms document the return of inmate money upon their release. When an inmate is released within 24 hours, the return of their money is not processed through the system.

Internal controls at the Sheriff's department were insufficient. We were advised that bank reconciliations were prepared by an outside accounting firm for the Sheriff's Inmate Trust, Commissary Fund, Inmate Medical Fees, and Social Security Funds. However, we were unable to determine if any oversight of these accounts was being performed by the Sheriff's Department, as the bank reconciliations prepared by the outside accounting firm were not presented for audit.

No individual in the Sheriff's Department appears to have the responsibility of monitoring the fiscal activity or recordkeeping for the Sheriff's Department. Several individuals were involved in the records request process but each individual had no knowledge of the records beyond the scope of their duties. As a result, records were difficult to obtain or were not presented for audit.

The lack of records and internal controls at the Sheriff's Department created a scope limitation, which resulted in a qualification of the Independent Auditor's Report on the financial statements. The Commissary Fund (including phone commissions), the Inmate Medical Fees Fund, and the Social Security Fund could not be presented in the financial statements. The activity reported for the Inmate Trust Fund is based upon the bank statements and not the records.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditor's Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

We recommended that the Sheriff's Department should establish controls to ensure that bank reconciliations are performed monthly, and that required records are accurately maintained. All records need to be retained for audit purposes. Procedures need to be established to provide oversight on all work performed by outside accounting firms. We also recommended that the Sheriff's Department establish centralized monitoring of all financial activity.

FINDING 2008-2, FEDERAL GRANT SCHEDULE

The County's Annual Financial Report "Part 6 – Federal Grants" (Federal Grant Schedule) was incomplete for the year ended December 31, 2008. Each County department is responsible for overseeing and reporting their grants. County departments are responsible for applying for grants, presenting them to the council and commissioners, and accounting for the grants they receive. The Auditor's office is responsible for preparing the Grant Schedule annually based on the grant information provided by each department. The Federal Grant Schedule presented for audit did not include eight federal grants, and had two federal grants classified as "State Grants." This resulted in the Federal Grant Schedule presented for audit to be understated by \$3,472,096.28 in federal expenditures, before adjustment. Also, many of the federal grants were not included in the County Commissioners or County Council minutes.

The auditee shall:

(a) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity. (OMB Circular A-133, Subpart C--Auditees § __.300)

(b) Schedule of Expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. (OMB Circular A-133, Subpart C--Auditees § __.310)

We recommended that the County establish procedures to ensure that the grants are presented before both the council and commissioners, and that the financial information reported on the County Annual Report is accurate.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2008-3, CAPITAL ASSETS PURCHASED WITH FEDERAL FUNDS

Federal Agency: U.S. Department of Homeland Security
Federal Program: State Homeland Security Program
CFDA Number: 97.073
Award Number: C44P-7-408
Pass-Through: Indiana Department of Homeland Security

Inventory records are not maintained for equipment purchased with federal funds. According to the Homeland Security Director, purchase orders issued to purchase the equipment are retained in each grant file. No other form of written documentation is maintained. The main purpose of the Homeland Security Grants is for the purchase of equipment. The County has acquired valuable equipment through many grants over several years, which is stored throughout the County at various locations. Without an inventory, the County cannot account for or safeguard the equipment from misuse or theft.

The Homeland Security Sub-Grant Agreement between the Indiana Department of Homeland Security and Lake County, Section 7, Equipment Purchased, states in part:

"For all property or equipment having an acquisition cost of over \$5,000, acquired in whole or in part with grant funds, the Sub-grantee must comply with the applicable federal requirements pertaining to equipment in 28 CFR 66.32; which includes, but is not limited to, the following:

- A. Maintain records that include the following:
 - i. A description of the property;
 - ii. Manufacturer's serial number or other identification number;
 - iii. Source of the property;
 - iv. Identification of the title holder;
 - v. Acquisition date;
 - vi. Cost of the property;
 - vii. Percentage of Federal participation in the cost of the property;
 - viii. Location of the property;
 - ix. Use of the property;
 - x. Condition of the property; and
 - xi. The ultimate disposition of the property, including the date of disposal and sale price."

We recommended that officials establish procedures, to ensure that equipment purchased with federal funds is accounted for by the guidelines established in the Sub-Grant Agreements.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2008-4, PROCUREMENT, SUSPENSION, AND DEBARMENT

Federal Agency: U.S. Department of Homeland Security
Federal Program: State Homeland Security Program
CFDA Number: 97.073
Award Number: C44P-7-408
Pass-Through: Indiana Department of Homeland Security

The State Homeland Security Grant was awarded to the county to purchase, among other things, a Mass Casualty Trailer. The cost of the trailer was \$148,264. This purchase price fell within the statutory limitations which require quotes to be solicited. No bids or quotes were solicited or obtained. The purchase of the trailer was made with the grant schedule specifications set at the total of the maximum approved budget available for the trailer. Since no quotes were obtained, the payment may have been higher than necessary.

For purchases made with federal grant money there is currently no verification performed to ensure that the vendors are not suspended or debarred with the Federal or State Government. The Lake County Homeland Security Director was under the impression that all county vendors have been matched up to the Federal and State suspended or debarred lists by the Commissioner's office. Verification of vendors to the suspended or debarred lists is not a requirement for county purchases, so the verification is not performed by the Commissioner's office. Verification needs to be completed by the Lake County Homeland Security office.

The Homeland Security Sub-Grant Agreement between the Indiana Department of Homeland Security and Lake County, Section 4, Payment of Sub-grant Funds, states in part:

"B. The Sub-grantee must be in compliance with all applicable federal and State requirements for any federal or State grant programs administered by the State."

IC 5-22-8-3 states in part:

"Purchases between \$50,000 and \$150,000 . . . (b) A purchasing agent may purchase supplies under this section by inviting quotes from at least three (3) persons known to deal in the lines or classes of supplies to be purchased."

The Homeland Security Sub-Grant Agreement between the Indiana Department of Homeland Security and Lake County, Section 6, Sub-grantee's Duties and Responsibilities states in part:

"R. The Sub-grantee shall comply with the organization audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations."

We recommended that officials establish procurement procedures to verify that equipment is purchased in compliance with applicable State and Federal requirements.



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2007-3 CASH MANAGEMENT

Original SBA Audit Report Number: B32788

Federal Agency: U.S. Department of Homeland Security

Federal Program: Homeland Security Grant Program

CFDA Number: 97.067

Award Number: C44-4-434, C44P-7-228

Pass-Through: Indiana Department of Homeland Security

Auditee Contact Person: Jodi Richmond

Title of Contact Person: Deputy Director

Lake County Homeland Security/Emergency Mgmt

Phone No: (219) 755-3549

Status of Finding:

The Lake County Auditor's Office Finance Department has implemented new procedures in reviewing all grants received by Lake County Homeland Security/Emergency Mgmt. All programs are monitored and administered in accordance within the guidelines of the grants to resolve the issue of excess cash on hand.

FINDING NO. 2007-4 PERIOD OF AVAILABILITY

Original SBA Audit Report Number: B32788

Federal Agency: U.S. Department of Homeland Security

Federal Program: Homeland Security Grant Program

CFDA Number: 97.067

Award Number: C44P-7-228, C44P-7-118, C44P-7-408

Pass-Through: Indiana Department of Homeland Security

Auditee Contact Person: Jodi Richmond

Title of Contact Person: Deputy Director

Lake County Homeland Security/Emergency Mgmt.

Phone No: (219) 755-3549

The Lake County Auditor's Office has instituted a program to review all grants and sub-grant agreements. All grants are monitored by Auditor's Office personnel. Communication between the Auditor's Office and Homeland Security, alerts Homeland Security if any extensions are required.

Respectfully submitted this the 18th day of August, 2008



Peggy Holinga Katona,
Lake County Auditor

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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CORRECTIVE ACTION PLAN

Section II

FINDING NO. 2008-1

CONDITION OF RECORDS AND INTERNAL CONTROLS-SHERIFF'S DEPT.

Original SBA Audit Report Number:
Auditee Contact Person: John M.Kopak
Title of Contact Person: Attorney at Law

Phone Number: (219) 738-2978

Response Submitted: See Attached

Respectfully Submitted,

Peggy Holinga Katona,
Lake County Auditor

Kopack & Associates

Attorneys at Law

John M. Kopack

Amy R. Bolen, *of counsel*

9111 Broadway, Suite GG

P.O. Box 10607

Merrillville, IN 46411

Tx: (219) 738-2978

Fax: (219) 738-2818

September 22, 2009

Bruce Hartman, CPA

State Examiner

State Board of Accounts

302 West Washington Street, Room E 418

Indianapolis, Indiana 46204-2765

(Via: Fedex Overnight and Email)

Re: RESPONSE BY LAKE COUNTY SHERIFF TO:

Lake County 2008 Audit Report - Schedule of Findings and Questioned Costs. Finding 2008-01 - Condition of Records and Internal Controls Sheriff's Department

Dear Mr. Hartman,

Pursuant to a meeting with the Sheriff's staff on September 15, 2009, Cynthia David of the SBA requested that the Sheriff forward any response to Finding 2008-01 in the above referenced audit report by September 22, 2009. Accordingly, the formal response from the Sheriff, is below:

FINDING 2008-1: Condition of Records and Internal Controls - Sheriff's Department

- (A) "Material deficiencies were noted in the condition of records presented for audit and the internal controls over financial reporting in the Sheriffs Department. The following records for the Sheriffs Department were not presented for audit:"
1. Bank reconciliations, bank statements, and cancelled checks for the Commissary Fund (including phone commissions) the Inmate Medical Fees and the Social Security Fund were not available for audit. . .
 2. Bank reconciliations and cancelled checks for the Sheriffs Inmate Trust fund were not presented for audit. A comprehensive ledger of receipts, disbursements, and balances for the Sheriffs Inmate Trust fund was also not available. . .
 3. Itemized claims and invoices for the Sheriff Commissary Fund disbursements were not presented for audit. . .
 4. A detail of 2008 inmate trust activity was requested for some inmates and was not presented for audit. . .

5. Cash return forms for inmates that bond out were not presented for audit. . .

(B) SHERIFF'S RESPONSE:

The records for each of the above funds, noted in the audit report as being "*not presented for audit*," actually do exist. However, it appears communication and/or scheduling issues between the SBA auditor, Karen Tetrault, and the relevant staff at the Sheriff's Department resulted in records not being presented to the SBA auditors prior to preparation of the audit report.

In a meeting conducted September 21, 2009, with Commander Michael Reilly of Staff Services, his Administrative Assistant, Laura Cave, and Deputy Chief Joseph Kumstar, the following salient facts relevant to the production and review of said records were noted and reviewed:

1. In November of 2008, the Sheriff's staff noted the outside accounting firm responsible for maintaining and reconciling financial records for the Commissary and Inmate Trust Funds was not providing timely reports and monthly reconciliations for each of the funds and accounts.
2. In May of 2009, the responsibility for accounting services for these funds was transferred from the former accountant to Terry Bronowski, CPA in Merrillville, Indiana.
3. In June of 2009, Mr. Bronowski began a review of accounting practices and records for the 2008 Commissary funds and began acquiring information from the Correctional Officer (Sgt. Mummery) who is responsible for the day-to-day operation of these accounts.
4. In July of 2009, the SBA staff contacted the LCSD and began requesting various records for the 2008 audit. The SBA was advised that Sgt. Mummery was on a 2 week vacation and, upon his return, the requested records would be finalized and presented for review.
5. Upon his return from vacation, Sgt. Mummery collected what he believed to be all the records required by the SBA staff and presented said records to the SBA staff for review. Shortly thereafter, Sgt. Mummery began another 2 week vacation.
6. In mid August, the SBA staff contacted Laura Cave, Administrative Assistant to Commander Mike Reilly in Staff Services, and advised that further Commissary records were required to complete the SBA audit, including the monthly bank reconcilements that were being reviewed and prepared by Terry Bronowski, the new Commissary accountant.
7. On August 17, 2009, an email was sent by Laura Cave to staff detailing the records needed by the SBA to complete the 2008 audit. Terry Bronowski's office advised they were compiling the final monthly bank reconcilements but were awaiting relevant records from the local banks to complete the reconciliation of each account.
8. Due to a death in his immediate family, Commander Reilly was off work from August 17 through August 25 and was not available to assist staff in compiling the remainder of the Commissary and Inmate Trust records.

9. On August 26, Commander Reilly and Dep Chief Kumstar visited the SBA office in the Lake County Complex concerning the outstanding records and SBA staff identified each of the financial records they would need to complete the 2008 audit. At this meeting, no deadline was provided or mentioned by the SBA to produce the records. Commander Reilly and DC Kumstar informed the SBA staff at this meeting that they would make sure the SBA received the outstanding records and reports as soon as possible.
10. On September 7, Commander Reilly contacted the SBA staff to advise he had acquired all the outstanding records and reports requested by the SBA on August 26th and same were ready for review. Commander Reilly was then advised by the SBA staff that it was "too late" as the SBA staff had already completed its preliminary audit report.
11. On September 15, Commander Reilly, Laura Cave and DC Kumstar met in an exit interview with the SBA staff and the issues identified in the audit report were discussed and amicable solutions discussed that would alleviate the issues presented in the report.

It is readily apparent that the characterization in the audit report, that pertinent records were "not presented for audit," does not accurately describe the facts and sequence of events that actually transpired during the relevant time period. Therefore, the Sheriff has initiated the following remedial actions to avoid any recurrence of the same issue in future audits:

(C) REMEDIAL ACTIONS:

1. Responsible Person:
 - The Sheriff has designated Commander Mike Reilly of Staff Services as the person in the LCSD who shall have full responsibility for monitoring all fiscal activity and recordkeeping in the Sheriff's Department.
 - As part of these responsibilities, Commander Reilly will initiate monthly staff meetings with the staff members and accounting personnel responsible for handling each account. These meeting are to ensure each account is reconciled monthly and all records are maintained per SBA recommendations.
2. Internal Controls:
 - In 2008, the accounting firm of Swartz-Retson conducted a complete operational audit of the accounting practices and procedures utilized in the Sheriff's Civil Division and assisted in the implementation of modern accounting procedures in the civil division.
 - The Sheriff has authorized staff to follow through with the operational audit of the Civil Division and expand this to include a full operational review of the financial accounts, records and computer software utilized by the Sheriff's Department to monitor recordkeeping and reports. Upon receiving the recommendations of Swartz-Retson, the bookkeeping, accounting and other internal controls will be standardized and implemented throughout the Sheriff's Department.

3. Centralized Monitoring:

- The Sheriff has initiated a process to implement centralized monitoring and other controls to ensure that bank reconciliations are performed monthly and that required records are accurately maintained.
- Procedures have also been established to provide oversight on all work performed by outside accounting firms and this will be included in the monthly and centralized monitoring of all financial activity.

On behalf of the Lake County Sheriff, I would like to thank you for the opportunity to respond to each of the above-listed items in your audit. Please feel free to contact me at your convenience if you have any questions.

Sincerely,



John M. Kopack
Attorney at Law

cc: Sheriff Roy Dominguez
Chief Marco Kuyachich
Cmdr. Mike Reilly, Staff Services

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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CORRECTIVE ACTION PLAN

Section II

FINDING NO. 2008-2 FEDERAL GRANT SCHEDULE

Original SBA Audit Report Number:

Auditee Contact Person: Michael T. Wieser

Title of Contact Person: Director of Finance, Lake County Auditor's Office

Phone Number: (219) 755-3129

Corrective Action and Plan submitted:

The Lake County Auditor's finance department will conduct a thorough audit to identify all grants that varying agencies are now receiving. The information received from this audit report will help in the institution of this audit.

Additionally, with the cooperation of the Lake County Treasurer's office, the Auditor's office has instituted procedures to identify EFT receipts that may be from grant proceeds but aren't easily identified as such.

Also, the Lake County Auditor's office is in the process of advising all agencies of their obligation to present to the County Commissioners and the County Council, any grant funds they receive.

Respectfully Submitted,

Peggy Holinga Katona,
Lake County Auditor

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



CORRECTIVE ACTION PLAN

Section III

FINDING NO. 2008-3 CAPITAL ASSETS PURCHASED WITH FEDERAL FUNDS

Original SBA Audit Report Number:

Auditee Contact Person: Jodi Richmond

Title of Contact Person: Deputy Director

Lake County Homeland Security/ Emergency Mgmt.

Phone Number: (219) 755-3549

Response Submitted: See attached

Respectfully Submitted,

Peggy Holinga Katona,
Lake County Auditor



Lake County Homeland Security/ Emergency Management Agency

Jodi E. Richmond, Director

2900 West. 93rd Avenue
Crown Point, Indiana 46307
Office: 219-755-3549
Fax: 219-755-3559
County Response Coordination

LAKE COUNTY HOMELAND SECURITY/EMERGENCY MANAGEMENT AGENCY

Homeland Security/EMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Hazardous Materials

Lake County CERT

MEMO TO: Indiana State Board of Accounts
Bruce Hartman, State Examiner
302 W. Washington St. Room E-418
Indianapolis, Indiana 46204

Lake County ERT

Skywarn/Races

FROM: Jodi E. Richmond, Director
Lake County Homeland Security/Emergency Management Agency

DATE: September 17, 2009

RE: FINDING - 2008 – CAPTIAL ASSETS PURCHASED WITH FEDERAL FUNDS

FEDERAL AGENCY: U.S. Department of Homeland Security

FEDERAL PROGRAM: State Homeland Security Program

CFDA NUMBER: 97.073

AWARD NUMBER: C44P-7-408

PASS-THROUGH: Indiana Department of Homeland Security

For any future grants our department will use the guidelines that the State Board of Accounts has presented to our department. Our department will use these guidelines and create a spreadsheet for each grant year.

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



CORRECTIVE ACTION PLAN

Section III

FINDING NO. 2008-4 PROCUREMENT, SUSPENSION, AND DEBARMENT

Original SBA Audit Report Number:

Auditee Contact Person: Jodi Richmond

Title of Contact Person: Deputy Director

Lake County Homeland Security/ Emergency Mgmt.

Phone Number: (219) 755-3549

Response Submitted: See attached

Respectfully Submitted,

Peggy Holinga Katona,
Lake County Auditor

MEMO TO: Indiana State Board of Accounts
Bruce Hartman, State Examiner
302 W. Washington St. Room E-418
Indianapolis, Indiana 46204

FROM: Jodi E. Richmond, Director
Lake County Homeland Security/Emergency Management Agency

DATE: September 17, 2009

RE: FINDING 2008 - PROCURMENT, SUSPENSION, AND DEBARMENT

FEDERAL AGENCY: U.S. Department of Homeland Security

FEDERAL PROGRAM: State Homeland Security Program

CFDA NUMBER: 97.073

AWARD NUMBER: C44P-7-408

PASS-THROUGH: Indiana Department of Homeland Security

For future grants our department will obtain a copy of the bid process from the State to attach to the purchase order along with our departments letter of explanation.

For future grants our department will document that a vendor who is going to be used for grant funds is not on the Federal or State Governments suspended or debarred list. If a vendor is on the Federal or State Governments suspended or debarred list then that vendor will not be used. There is no documentation from the Lake County Commissioners Office that states when a vendor is approved to become a Lake County vendor. This information was communicated over the telephone.

CORRECTIVE ACTION PLAN

Section II

FINDING NO. 2008-1

CONDITION OF RECORDS AND INTERNAL CONTROLS-SHERIFF'S DEPT.

Original SBA Audit Report Number:

Auditee Contact Person: John S. Dull

Title of Contact Person: Lake County Commissioners' Attorney

Phone Number: (219) 755-3207

Corrective Action and Plan submitted:

Copies of all pertinent and relevant documents should be filed monthly with the Lake County Council and the Lake County Auditor. This will permit review of this area by the County Council and the County Executive which can review the documents in the Auditor's possession.

Access on a periodic basis to these documents will assist the Council in its budgeting. The Commissioners as the County Executor have overall supervisory responsibility regarding accounts. This is because adverse opinions exercised by an independent auditor could affect the County's ability to borrow money at a reasonable rate.



CORRECTIVE ACTION PLAN

Section II FINDING NO. 2008-2 FEDERAL GRANT SCHEDULE

Original SBA Audit Report Number:

Auditee Contact Person: John S. Dull

Title of Contact Person: Lake County Commissioners' Attorney

Phone Number: (219) 755-3207

Corrective Action and Plan submitted:

Under State law the only governmental unit that has the power to receive gifts, bequests, and grants from public or private sources is the Lake County Council. This is a specific statute that applies to Lake County. See IC 36-2-3.5-5.

Because of this restriction, the Auditor should not issue any checks unless the Lake County Council has accepted the grant. If this procedure were followed, the County Council could maintain the inventory of those federal or state grants that they have accepted.

There are two types of federal grants. They are classified as either a reimbursement grant or an advanced grant. Reimbursement grants need a prior appropriation to authorize expenditure. However advanced grants do not need an appropriation. The way to plug this hole is simply to have the Auditor not pay money from an advanced grant until the County Council has made an appropriation. This authority can be exercised by the County Council under their home rule powers.

Copies of this corrective action should be distributed to the Auditor and the County Council.



CORRECTIVE ACTION PLAN

Section III

FINDING NO. 2008-3 CAPITAL ASSETS PURCHASED WITH FEDERAL FUNDS

Original SBA Audit Report Number:

Auditee Contact Person: John S. Dull

Title of Contact Person: Lake County Commissioners' Attorney

Phone Number: (219) 755-3207

Corrective Action and Plan submitted:

Capital assets purchased with federal funds remain the property of Lake County, Indiana.

There is no reason why an inventory should not be available.

A handwritten signature in black ink, appearing to read "John S. Dull". The signature is written in a cursive, flowing style.

CORRECTIVE ACTION PLAN

Section III

FINDING NO. 2008-4 PROCUREMENT, SUSPENSION, AND DEPARTMENT

Original SBA Audit Report Number:

Auditee Contact Person: John S. Dull

Title of Contact Person: Lake County Commissioners' Attorney

Phone Number: (219) 755-3207

Corrective Action and Plan submitted:

The purchase of any funds through a homeland security grant must follow statutory procurement limits. The Board will review its present organizational and staff structure to determine what changes, if any, need to be made.

The Board will direct its present or future staff to maintain a suspended or debarred list. That list must be reviewed by the present or future homeland security staff to make certain there is compliance.

The entire organizational structure is under review.



LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 24, 2009, with Roosevelt Allen, Jr., President of Board of County Commissioners; John Dull, County Attorney; and Delvert Cole, Administrator.

The contents of this report were discussed on September 24, 2009, with Peggy Holinga Katona, Auditor; Larry Cak, Executive Director; and Michael Wieser, Director of Finance.

The contents of this report were discussed on September 28, 2009, with Larry Blanchard, President of the County Council; Elsie Franklin, Council member; and Ernie Dillon, Council member.