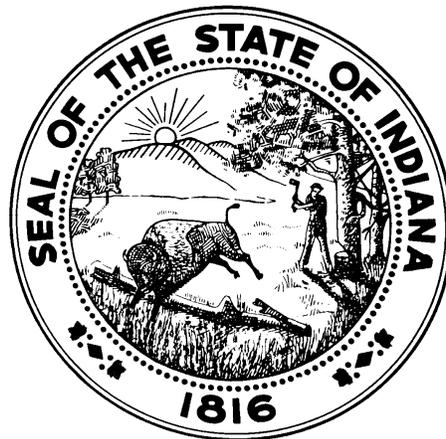


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

RUSH COUNTY, INDIANA



FILED

11/30/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Deborah C. Adams	01-01-05 to 12-31-12
Treasurer	Mary Ann Beard	01-01-05 to 12-31-12
Clerk	Linda Sheehan Deborah Richardson	01-01-05 to 12-31-08 01-01-09 to 12-31-12
Sheriff	Jeff Sherwood	01-01-07 to 12-31-10
Recorder	Sally Niedenthal	01-01-07 to 12-31-10
President of the Board of County Commissioners	Thomas H. Barnes	01-01-08 to 12-31-09
President of the County Council	Norman L. Winkler	01-01-08 to 12-31-09



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

TO: THE OFFICIALS OF RUSH 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 Rush County (County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note I, the financial statements referred to above do not include a number of component units of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, 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 October 14, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedules of Funding Progress, as listed in the Table of Contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The County has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

October 14, 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 RUSH 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 Rush 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 October 14, 2009. The opinions to the financial statements were qualified due to the omission of component units. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management in a separate letter dated October 14, 2009.

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

STATE BOARD OF ACCOUNTS

October 14, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Total Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 5,311,161	\$ 949,182	\$ 20,546	\$ -	\$ (4,341,433)
Public safety	2,372,579	70,796	-	347,775	(1,954,008)
Highways and streets	3,499,922	-	1,830,874	182,785	(1,486,263)
Sanitation	128,240	1,020	-	-	(127,220)
Health and welfare	2,178,313	50,335	393,892	-	(1,734,086)
Economic development	103,058	-	-	-	(103,058)
Culture and recreation	-	43,206	-	-	43,206
Urban redevelopment and housing	-	25,806	-	-	25,806
Principal and interest on indebtedness	306,840	-	-	-	(306,840)
Total primary government	<u>\$ 13,900,113</u>	<u>\$ 1,140,345</u>	<u>\$ 2,245,312</u>	<u>\$ 530,560</u>	<u>(9,983,896)</u>
General receipts:					
Property taxes					5,191,737
Income taxes					1,218,805
Intergovernmental					1,516,590
Other local sources					99,881
Net proceeds from borrowings					725,000
Grants and contributions not restricted to specific programs					69,339
Investment earnings					<u>383,006</u>
Total general receipts					<u>9,204,358</u>
Change in net assets					(779,538)
Net assets - beginning					<u>9,582,882</u>
Net assets - ending					<u>\$ 8,803,344</u>
 <u>Assets</u>					
Cash and investments					\$ 2,784,028
Restricted assets:					
Cash and investments					<u>6,019,316</u>
Total assets					<u>\$ 8,803,344</u>
 <u>Net Assets</u>					
Restricted for:					
General government					\$ 499,743
Public safety					582,458
Highways and streets					1,336,660
Health and welfare					749,331
Economic development					1,118,500
Capital outlay					1,511,692
Other purposes					220,932
Unrestricted					<u>2,784,028</u>
Total net assets					<u>\$ 8,803,344</u>

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

RUSH 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

	County General	Highway	County Family & Children	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 3,953,749	\$ 61,263	\$ 849,264	\$ 887,393	\$ 5,751,669
Special assessments	-	-	-	658,873	658,873
Licenses and permits	25,806	3,605	-	9,115	38,526
Intergovernmental	421,816	2,087,721	305,120	1,477,805	4,292,462
Charges for services	241,223	-	93,050	584,311	918,584
Fines and forfeits	121,554	-	-	61,681	183,235
Interfund loans	-	-	400,000	400,000	800,000
Other	259,007	56,537	425,000	426,102	1,166,646
Total receipts	5,023,155	2,209,126	2,072,434	4,505,280	13,809,995
Disbursements:					
General government	3,799,128	-	-	1,305,767	5,104,895
Public safety	1,660,515	-	-	622,012	2,282,527
Highways and streets	128,928	1,979,195	-	327,908	2,436,031
Sanitation	84,240	-	-	-	84,240
Health and welfare	-	-	1,410,884	767,429	2,178,313
Economic development	-	-	-	75,000	75,000
Interfund loans	-	-	400,000	400,000	800,000
Debt service:					
Principal	-	-	-	298,420	298,420
Interest	-	-	-	8,420	8,420
Capital outlay:					
General government	17,744	-	-	124,403	142,147
Public safety	90,052	-	-	-	90,052
Highways and streets	-	691,703	-	372,188	1,063,891
Economic development	-	-	-	28,058	28,058
Sanitation	44,000	-	-	-	44,000
Total disbursements	5,824,607	2,670,898	1,810,884	4,329,605	14,635,994
Excess (deficiency) of receipts over disbursements	(801,452)	(461,772)	261,550	175,675	(825,999)
Other financing sources:					
Other receipts	110,580	-	-	-	110,580
Total other financing sources	110,580	-	-	-	110,580

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

RUSH 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
(Continued)

	County General	Highway	County Family & Children	Other Governmental Funds	Totals
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(690,872)	(461,772)	261,550	175,675	(715,419)
Cash and investment fund balance - beginning	2,118,506	1,332,313	284,754	5,562,258	9,297,831
Cash and investment fund balance - ending	\$ 1,427,634	\$ 870,541	\$ 546,304	\$ 5,737,933	8,582,412
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.					
					220,932
Net assets of governmental activities					\$ 8,803,344
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 1,427,634	\$ -	\$ -	\$ 1,356,394	\$ 2,784,028
Restricted assets:					
Cash and investments	-	870,541	546,304	4,381,539	5,798,384
Total cash and investment assets - ending	\$ 1,427,634	\$ 870,541	\$ 546,304	\$ 5,737,933	\$ 8,582,412
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 499,743	\$ 499,743
Public safety	-	-	-	582,458	582,458
Highways and streets	-	870,541	-	466,119	1,336,660
Health and welfare	-	-	546,304	203,027	749,331
Economic development	-	-	-	1,118,500	1,118,500
Capital outlay	-	-	-	1,511,692	1,511,692
Unrestricted	1,427,634	-	-	1,356,394	2,784,028
Total cash and investment fund balance - ending	\$ 1,427,634	\$ 870,541	\$ 546,304	\$ 5,737,933	\$ 8,582,412

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

RUSH 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

	<u>Internal Service Funds</u>
Operating receipts:	
Charges for services	\$ 1,070,523
Operating disbursements:	
Insurance claims and expense	<u>1,134,642</u>
Deficiency of operating receipts over operating disbursements	<u>(64,119)</u>
Cash and investment fund balance - beginning	<u>285,051</u>
Cash and investment fund balance - ending	<u>\$ 220,932</u>
<u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ 220,932</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u>\$ 220,932</u>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 192,940	\$ -	
Employee	8,990	-	
Total contributions	201,930	-	
Investment earnings:			
Interest	8,246	-	
Total additions	210,176	-	
Deductions:			
Benefits	121,408	-	
Administrative and general	61,399	-	
Total deductions	182,807	-	
Excess of total additions over total deductions	27,369	-	
Cash and investment fund balance - beginning	3,187,955	24,383	
Cash and investment fund balance - ending	\$ 3,215,324	\$ 24,383	\$ 1,447,476

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

RUSH 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, public improvements, planning and zoning, and general administrative services.

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

Primary Government:	Rush County
Discretely Presented Component Units:	Rush Memorial Hospital Rush County Solid Waste Management District

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

The Rush Memorial Hospital and Rush County Solid Waste Management District, are discretely presented component units, and have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Rush County Alcoholic Beverage Commission, Rushville Public Library Board, Eastern Indiana Regional Wage Board, Rush County Economic Development Commission, Rush County Fiber Optics Board, Rush County I.C.A.P. Board, and the Rush County Covered Bridge Committee.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County reports the following major governmental funds:

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

The county highway fund accounts for the state motor vehicle highway distributions. Funds may be used for the direct and indirect costs of repair and maintenance of county roads.

The family and children fund accounts for financial resources used in the aid of needy individuals and families.

Additionally, the County reports the following fund types:

The internal service fund accounts for a self-funded health insurance program which is provided to other departments on a cost-reimbursement basis.

The pension trust fund accounts for the activities of the sheriff pension and benefit trust fund which accumulates resources for pension benefit payments.

Agency funds account for assets held by the County as an agent for county jail inmates, wards, group benefit providers, and various taxing authorities.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

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.

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.

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.

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

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.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2008, the County had no deposit balances that were exposed to custodial credit risk. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriffs Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 398,962
U.S. agencies	308,274
Corporate bonds	544,291
Mutual funds	131,685
Total	\$ 1,383,212

Statutory Authorization for Investments

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

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

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

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Custodial Credit Risk

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

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

Interest Rate Risk

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

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 80,906	\$ 93,219	\$ 224,837
U.S. agencies	22,833	59,067	226,374
Mutual bond funds	-	-	131,685
Totals	<u>\$ 103,739</u>	<u>\$ 152,286</u>	<u>\$ 582,896</u>

Credit Risk

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

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County Sheriff Pension and Benefit Investments		
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise
AAA	Aaa	\$ -	\$ 77,943	\$ 707,236
AA	Aa	-	88,554	-
A	A	-	288,759	-
BBB	Baa	-	72,162	-
B	B	-	3,546	-
CCC	Caa	-	591	-
Unrated	Unrated	131,685	12,736	-
Totals		\$ 131,685	\$ 544,291	\$ 707,236

Concentration of Credit Risk

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

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

The County and the Sheriff's Retirement and Benefit Pension Plan did not hold investments that were exposed to concentration of credit risk.

Foreign Currency Risk

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

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

IV. Other Information

A. Risk Management

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

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

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Medical Benefits to Employees

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents (excluding postemployment benefits). The risk financing fund is accounted for in the Health 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 \$50,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

Worker's Compensation Benefits

During 2003, the County joined with other governmental entities in the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of Worker's Compensation Benefit. The County pays an annual premium to the risk pool for its Worker's Compensation Benefit coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Holding Corporations

The County has entered into a capital lease with Rush County Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$306,000.

C. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for the Indigent Program, Medical Assistance to Wards, and Children with Special Health Care Needs through local property tax levies. The County remits those taxes to the State, which pays the cost.

D. Hospital Debt Obligation

The Rush Memorial Hospital issued refunding bonds in 2003 in the amount of \$1,570,000. The County has agreed to pay from \$296,000 to \$306,000 per year of this debt obligation of the Rush Memorial Hospital by way of an ad valorem tax. The County is obligated for the annual payment only, which is accounted for in a special revenue fund. This debt is an obligation of the Hospital, and is not a direct liability of the County itself. Accordingly, no liability account is presented in the County's financial statements.

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Information to segregate the assets/liabilities and the actuarial study figures between the County and the Utilities is not available.

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.

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 154,188	\$ 119,805	\$ 3,907
Interest on net pension obligation	(9,598)	(1,745)	-
Adjustment to annual required contribution	<u>10,938</u>	<u>5,444</u>	<u>-</u>
Annual pension cost	155,528	123,504	3,907
Contributions made	<u>131,266</u>	<u>189,033</u>	<u>3,907</u>
Increase (decrease) in net pension obligation	24,262	(65,529)	-
Net pension obligation, beginning of year	<u>(132,387)</u>	<u>(24,934)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (108,125)</u>	<u>\$ (90,463)</u>	<u>\$ -</u>

RUSH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	5.75%	28.5%	1%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-09	01-01-09
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

<u>Actuarial Assumptions</u>	PERF	County Police Retirement Plan	County Police Benefit Plan
Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 121,828	82%	\$ (176,501)
	06-30-07	153,490	71%	(132,387)
	06-30-08	155,528	84%	(108,125)
County Police Retirement Plan	12-31-06	132,791	127.9%	18,164
	12-31-07	139,320	129.4%	(24,934)
	12-31-08	119,805	157.8%	(90,463)
County Police Benefit Plan	12-31-06	3,068	100%	-
	12-31-07	3,817	100%	-
	12-31-08	3,907	100%	-

RUSH 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	\$ 2,352,923	\$ 2,525,502	\$ (172,579)	93%	\$ 2,437,732	(7%)
07-01-07	2,640,322	2,821,409	(181,087)	94%	2,381,087	(8%)
07-01-08	2,881,588	3,058,116	(176,528)	94%	2,440,959	(7%)

Sheriff Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-04	\$ 2,089,293	\$ 2,742,322	\$ (653,029)	76%	\$ 357,230	(183%)
01-01-05	2,248,227	2,838,122	(589,895)	79%	373,842	(158%)
01-01-06	2,535,213	3,142,556	(607,343)	81%	381,308	(159%)
01-01-07	2,850,342	3,405,605	(555,263)	84%	408,332	(136%)
01-01-08	3,172,972	3,615,667	(442,695)	88%	420,056	(105%)
01-01-09	3,233,744	3,805,832	(572,088)	85%	469,222	(122%)

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

	Local Road & Street	Sheriff's Accident	Firearms Training	Health	LCC Alcohol & Drugs	Law Enforcement Contributions
Receipts:						
Taxes	\$ 12,977	\$ -	\$ -	\$ 137,492	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	9,090	-	-
Intergovernmental	262,747	-	-	12,965	-	-
Charges for services	-	1,284	8,303	31,000	-	-
Fines and forfeits	-	-	-	-	14,015	-
Interfund loans	-	-	-	-	-	-
Other	16,040	-	-	-	-	5,936
Total receipts	291,764	1,284	8,303	190,547	14,015	5,936
Disbursements:						
General government	-	-	-	-	-	3,052
Public safety	-	286	3,781	-	15,000	-
Highways and streets	114,796	-	-	-	-	-
Health and welfare	-	-	-	252,009	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	111,447	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	226,243	286	3,781	252,009	15,000	3,052
Excess (deficiency) of receipts over disbursements	65,521	998	4,522	(61,462)	(985)	2,884
Cash and investment fund balance - beginning	396,385	8,390	19,714	264,489	24,584	3,116
Cash and investment fund balance - ending	\$ 461,906	\$ 9,388	\$ 24,236	\$ 203,027	\$ 23,599	\$ 6,000
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 23,599	\$ 6,000
Restricted assets:						
Cash and investments	461,906	9,388	24,236	203,027	-	-
Total cash and investment assets - ending	\$ 461,906	\$ 9,388	\$ 24,236	\$ 203,027	\$ 23,599	\$ 6,000
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	9,388	24,236	-	-	-
Highways and streets	461,906	-	-	-	-	-
Health and welfare	-	-	-	203,027	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	23,599	6,000
Total cash and investment fund balance - ending	\$ 461,906	\$ 9,388	\$ 24,236	\$ 203,027	\$ 23,599	\$ 6,000

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

	Medical Reserve Corps	Law Enforcement Continuing Education	Clerk Record Perpetuation	GIS Electronic Map Generation	Recycling Grant 2007	E-911
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	5,894	-
Charges for services	-	1,477	-	-	-	306,814
Fines and forfeits	-	-	11,270	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	1,477	11,270	-	5,894	306,814
Disbursements:						
General government	-	-	13,806	-	4,949	-
Public safety	-	1,553	-	-	-	331,970
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	2,426	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	1,553	13,806	-	7,375	331,970
Excess (deficiency) of receipts over disbursements	-	(76)	(2,536)	-	(1,481)	(25,156)
Cash and investment fund balance - beginning	10,000	7,401	20,532	25,600	1,481	530,353
Cash and investment fund balance - ending	<u>\$ 10,000</u>	<u>\$ 7,325</u>	<u>\$ 17,996</u>	<u>\$ 25,600</u>	<u>\$ -</u>	<u>\$ 505,197</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 10,000	\$ 7,325	\$ -	\$ 25,600	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	17,996	-	-	505,197
Total cash and investment assets - ending	\$ 10,000	\$ 7,325	\$ 17,996	\$ 25,600	\$ -	\$ 505,197
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ 17,996	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	505,197
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	10,000	7,325	-	25,600	-	-
Total cash and investment fund balance - ending	\$ 10,000	\$ 7,325	\$ 17,996	\$ 25,600	\$ -	\$ 505,197

RUSH 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 Service Process Fee	Drain Maintenance	LEPC/Haz Mat	Reassessment	Prosecutor IV-D Incentives	City Curfew Violation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 246,480	\$ -	\$ -
Special assessments	-	188,350	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	3,974	23,240	12,966	-
Charges for services	11,830	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	5,044	-	-
Total receipts	11,830	188,350	3,974	274,764	12,966	-
Disbursements:						
General government	-	218,148	-	123,020	-	-
Public safety	11,830	-	6	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	8,069	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	692	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	11,830	218,148	6	123,712	8,069	-
Excess (deficiency) of receipts over disbursements	-	(29,798)	3,968	151,052	4,897	-
Cash and investment fund balance - beginning	-	149,126	18,149	198,024	18,100	100
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 119,328</u>	<u>\$ 22,117</u>	<u>\$ 349,076</u>	<u>\$ 22,997</u>	<u>\$ 100</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ 119,328	\$ 22,117	\$ -	\$ 22,997	\$ 100
Restricted assets:						
Cash and investments	-	-	-	349,076	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 119,328</u>	<u>\$ 22,117</u>	<u>\$ 349,076</u>	<u>\$ 22,997</u>	<u>\$ 100</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 349,076	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	119,328	22,117	-	22,997	100
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 119,328</u>	<u>\$ 22,117</u>	<u>\$ 349,076</u>	<u>\$ 22,997</u>	<u>\$ 100</u>

RUSH 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 Probation User	Adult Probation Fee	Criminal Justice	Recorder Record Perpetuation	Law Enforcement User Fee	Covered Bridge
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	5,349	54,099	-	22,203	6,052	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	32,490
Total receipts	5,349	54,099	-	22,203	6,052	32,490
Disbursements:						
General government	-	-	-	19,860	7,251	-
Public safety	-	74,217	-	-	-	-
Highways and streets	-	-	-	-	-	85,680
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	74,217	-	19,860	7,251	85,680
Excess (deficiency) of receipts over disbursements	5,349	(20,118)	-	2,343	(1,199)	(53,190)
Cash and investment fund balance - beginning	59,284	39,664	1,086	104,984	11,084	57,403
Cash and investment fund balance - ending	\$ 64,633	\$ 19,546	\$ 1,086	\$ 107,327	\$ 9,885	\$ 4,213
Cash and Investment Assets - Ending						
Cash and investments	\$ 64,633	\$ 19,546	\$ 1,086	\$ -	\$ 9,885	\$ -
Restricted assets:						
Cash and investments	-	-	-	107,327	-	4,213
Total cash and investment assets - ending	\$ 64,633	\$ 19,546	\$ 1,086	\$ 107,327	\$ 9,885	\$ 4,213
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	107,327	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	4,213
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	64,633	19,546	1,086	-	9,885	-
Total cash and investment fund balance - ending	\$ 64,633	\$ 19,546	\$ 1,086	\$ 107,327	\$ 9,885	\$ 4,213

RUSH 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)

	Welfare Administration	Health Maintenance #2	Pre-Trial Diversion	Guardian Ad Litem	Plat Book	Misdemeanant Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	10,401	15,000	-	-	-	-
Charges for services	-	-	-	-	3,705	13,169
Fines and forfeits	-	-	10,030	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	10,401	15,000	10,030	-	3,705	13,169
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	25,818	-	-	11,828
Highways and streets	-	-	-	-	-	-
Health and welfare	10,401	20,000	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	10,401	20,000	25,818	-	-	11,828
Excess (deficiency) of receipts over disbursements	-	(5,000)	(15,788)	-	3,705	1,341
Cash and investment fund balance - beginning	-	5,000	32,874	4,154	10,568	30,539
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,086</u>	<u>\$ 4,154</u>	<u>\$ 14,273</u>	<u>\$ 31,880</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 14,273	\$ 31,880
Restricted assets:						
Cash and investments	-	-	17,086	4,154	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,086</u>	<u>\$ 4,154</u>	<u>\$ 14,273</u>	<u>\$ 31,880</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 4,154	\$ -	\$ -
Public safety	-	-	17,086	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	14,273	31,880
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,086</u>	<u>\$ 4,154</u>	<u>\$ 14,273</u>	<u>\$ 31,880</u>

RUSH 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)

	Supplemental Public Defender	Clerk/County IV-D Incentives	Jail Commissary Fund	Surveyor's Cornerstone Perpetuation	Jury Fee Fund	Public Transportation Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	17,236	-	-	-	43,186
Charges for services	18,713	-	-	3,565	-	-
Fines and forfeits	-	-	-	-	3,630	-
Interfund loans	-	-	-	-	-	-
Other	-	-	29,079	-	-	-
Total receipts	18,713	17,236	29,079	3,565	3,630	43,186
Disbursements:						
General government	-	-	-	4,887	2,807	43,186
Public safety	23,659	-	40,072	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	4,183	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	23,659	4,183	40,072	4,887	2,807	43,186
Excess (deficiency) of receipts over disbursements	(4,946)	13,053	(10,993)	(1,322)	823	-
Cash and investment fund balance - beginning	61,370	45,764	17,818	4,192	17,497	-
Cash and investment fund balance - ending	\$ 56,424	\$ 58,817	\$ 6,825	\$ 2,870	\$ 18,320	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 56,424	\$ 58,817	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	6,825	2,870	18,320	-
Total cash and investment assets - ending	\$ 56,424	\$ 58,817	\$ 6,825	\$ 2,870	\$ 18,320	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 2,870	\$ 18,320	\$ -
Public safety	-	-	6,825	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	56,424	58,817	-	-	-	-
Total cash and investment fund balance - ending	\$ 56,424	\$ 58,817	\$ 6,825	\$ 2,870	\$ 18,320	\$ -

RUSH 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 Health Emergency Preparedness	Bio-Terrorism Grant	Public Health Coordinator Grant	Haz-Mat Facility Grant	2007 Pep Grant (Solid Waste)	Seatbelt Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	37,500	-	-	44,000	8,516	-
Charges for services	-	-	6,018	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	37,500	-	6,018	44,000	8,516	-
Disbursements:						
General government	25,508	3,644	-	67,606	12,829	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	14,492	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	40,000	3,644	-	67,606	12,829	-
Excess (deficiency) of receipts over disbursements	(2,500)	(3,644)	6,018	(23,606)	(4,313)	-
Cash and investment fund balance - beginning	2,500	15,413	(6,018)	39,075	4,313	293
Cash and investment fund balance - ending	\$ -	\$ 11,769	\$ -	\$ 15,469	\$ -	\$ 293
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ 11,769	\$ -	\$ 15,469	\$ -	\$ 293
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 11,769	\$ -	\$ 15,469	\$ -	\$ 293
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	11,769	-	15,469	-	293
Total cash and investment fund balance - ending	\$ -	\$ 11,769	\$ -	\$ 15,469	\$ -	\$ 293

RUSH 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 Association Grant	Emergency Management Grant	Household Hazardous Waste - Clark County Grant	2008 PEP. Grant	Crime Victim Assistance	Non- Reverting Sheriff
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	6,101	4,312	20,546	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	-	6,101	4,312	20,546	-
Disbursements:						
General government	-	-	6,101	-	-	-
Public safety	-	-	-	-	29,150	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	-	6,101	-	29,150	-
Excess (deficiency) of receipts over disbursements	-	-	-	4,312	(8,604)	-
Cash and investment fund balance - beginning	102	15,761	-	-	8,604	450
Cash and investment fund balance - ending	<u>\$ 102</u>	<u>\$ 15,761</u>	<u>\$ -</u>	<u>\$ 4,312</u>	<u>\$ -</u>	<u>\$ 450</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 102	\$ 15,761	\$ -	\$ 4,312	\$ -	\$ 450
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 102</u>	<u>\$ 15,761</u>	<u>\$ -</u>	<u>\$ 4,312</u>	<u>\$ -</u>	<u>\$ 450</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	102	15,761	-	4,312	-	450
Total cash and investment fund balance - ending	<u>\$ 102</u>	<u>\$ 15,761</u>	<u>\$ -</u>	<u>\$ 4,312</u>	<u>\$ -</u>	<u>\$ 450</u>

RUSH 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)

	Rainy Day Fund	County Medical Care For Inmates	Sales Disclosure Training	Infraction Deferral	Community Corrections - Work Release	Riverboat Revenue Sharing
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	114,552
Charges for services	-	288	1,715	-	3,025	-
Fines and forfeits	-	-	-	22,736	-	-
Interfund loans	-	-	-	-	-	-
Other	224,092	-	-	-	-	-
Total receipts	224,092	288	1,715	22,736	3,025	114,552
Disbursements:						
General government	-	-	4,700	-	-	184,815
Public safety	-	-	-	47,195	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	-	-	4,700	47,195	-	184,815
Excess (deficiency) of receipts over disbursements	224,092	288	(2,985)	(24,459)	3,025	(70,263)
Cash and investment fund balance - beginning	215,475	-	8,924	56,808	6,081	80,261
Cash and investment fund balance - ending	<u>\$ 439,567</u>	<u>\$ 288</u>	<u>\$ 5,939</u>	<u>\$ 32,349</u>	<u>\$ 9,106</u>	<u>\$ 9,998</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 439,567	\$ 288	\$ 5,939	\$ 32,349	\$ 9,106	\$ 9,998
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 439,567</u>	<u>\$ 288</u>	<u>\$ 5,939</u>	<u>\$ 32,349</u>	<u>\$ 9,106</u>	<u>\$ 9,998</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	439,567	288	5,939	32,349	9,106	9,998
Total cash and investment fund balance - ending	<u>\$ 439,567</u>	<u>\$ 288</u>	<u>\$ 5,939</u>	<u>\$ 32,349</u>	<u>\$ 9,106</u>	<u>\$ 9,998</u>

RUSH 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)

	Health Maintenance Tobacco Master	Truancy & Substance Abuse Grant	County Child Advocacy	Mobile Command Local Grants	Moscow Covered Bridge Reconstruction	County ID Security Protection Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	26,037	4,872	-	-	19,000	-
Charges for services	-	-	-	-	-	5,924
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	26,037	4,872	-	-	19,000	5,924
Disbursements:						
General government	-	-	-	-	13,800	-
Public safety	-	4,875	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	6,789	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	9,853	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	6,789	4,875	-	9,853	13,800	-
Excess (deficiency) of receipts over disbursements	19,248	(3)	-	(9,853)	5,200	5,924
Cash and investment fund balance - beginning	78,464	3	75	9,853	-	13,802
Cash and investment fund balance - ending	\$ 97,712	\$ -	\$ 75	\$ -	\$ 5,200	\$ 19,726
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 97,712	\$ -	\$ 75	\$ -	\$ 5,200	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	19,726
Total cash and investment assets - ending	\$ 97,712	\$ -	\$ 75	\$ -	\$ 5,200	\$ 19,726
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	19,726
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	97,712	-	75	-	5,200	-
Total cash and investment fund balance - ending	\$ 97,712	\$ -	\$ 75	\$ -	\$ 5,200	\$ 19,726

RUSH 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)

	CPRT	Homeland Security Grant	Prosecutor Bad Check	E911 Wireless	Sex Or Violent Offender Fund	Historical Permits - Rushville
Receipts:						
Taxes	\$ 158,451	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	25
Intergovernmental	13,129	-	-	-	-	-
Charges for services	-	-	160	77,485	2,133	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	1,811	-	-	-	-	-
Total receipts	173,391	-	160	77,485	2,133	25
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	772	-
Highways and streets	-	-	-	-	-	-
Health and welfare	105,978	-	-	-	-	-
Economic development	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total disbursements	105,978	-	-	-	772	-
Excess (deficiency) of receipts over disbursements	<u>67,413</u>	<u>-</u>	<u>160</u>	<u>77,485</u>	<u>1,361</u>	<u>25</u>
Cash and investment fund balance - beginning	<u>56,689</u>	<u>478</u>	<u>10,783</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 124,102</u>	<u>\$ 478</u>	<u>\$ 10,943</u>	<u>\$ 77,485</u>	<u>\$ 1,361</u>	<u>\$ 25</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 124,102	\$ 478	\$ 10,943	\$ 77,485	\$ 1,361	\$ 25
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 124,102	\$ 478	\$ 10,943	\$ 77,485	\$ 1,361	\$ 25
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	124,102	478	10,943	77,485	1,361	25
Total cash and investment fund balance - ending	\$ 124,102	\$ 478	\$ 10,943	\$ 77,485	\$ 1,361	\$ 25

RUSH 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 Capital Development	Cumulative Bridge	Drain Improvement	Edit Capital Projects	Totals
Receipts:					
Taxes	\$ 158,451	\$ 173,542	\$ -	\$ -	\$ 887,393
Special assessments	-	-	470,523	-	658,873
Licenses and permits	-	-	-	-	9,115
Intergovernmental	29,736	155,979	-	585,916	1,477,805
Charges for services	-	-	-	-	584,311
Fines and forfeits	-	-	-	-	61,681
Interfund loans	400,000	-	-	-	400,000
Other	-	64,351	-	47,259	426,102
Total receipts	588,187	393,872	470,523	633,175	4,505,280
Disbursements:					
General government	111,018	-	434,780	-	1,305,767
Public safety	-	-	-	-	622,012
Highways and streets	-	127,432	-	-	327,908
Health and welfare	-	-	-	360,000	767,429
Economic development	-	-	-	75,000	75,000
Interfund loans	400,000	-	-	-	400,000
Debt service:					
Principal	-	-	-	298,420	298,420
Interest	-	-	-	8,420	8,420
Capital outlay:					
General government	96,940	-	-	-	124,403
Highways and streets	-	260,741	-	-	372,188
Economic development	-	-	-	28,058	28,058
Total disbursements	607,958	388,173	434,780	769,898	4,329,605
Excess (deficiency) of receipts over disbursements	(19,771)	5,699	35,743	(136,723)	175,675
Cash and investment fund balance - beginning	605,072	655,032	229,917	1,255,223	5,562,258
Cash and investment fund balance - ending	\$ 585,301	\$ 660,731	\$ 265,660	\$ 1,118,500	\$ 5,737,933
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 1,356,394
Restricted assets:					
Cash and investments	585,301	660,731	265,660	1,118,500	4,381,539
Total cash and investment assets - ending	\$ 585,301	\$ 660,731	\$ 265,660	\$ 1,118,500	\$ 5,737,933
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 499,743
Public safety	-	-	-	-	582,458
Highways and streets	-	-	-	-	466,119
Health and welfare	-	-	-	-	203,027
Economic development	-	-	-	1,118,500	1,118,500
Capital outlay	585,301	660,731	265,660	-	1,511,692
Unrestricted	-	-	-	-	1,356,394
Total cash and investment fund balance - ending	\$ 585,301	\$ 660,731	\$ 265,660	\$ 1,118,500	\$ 5,737,933

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

	City/Town Court Cost	Congressional Interest	Clerk of the Circuit Court	Weed & Unsafe Building	Tax Sale Surplus	Tax Sale Redemption	Surplus Tax
Additions:							
Agency fund additions	\$ 7,913	\$ 656	\$ 2,206,289	\$ 1,801	\$ 38,245	\$ 16,394	\$ 32,420
Deductions:							
Agency fund deductions	-	1,951	2,228,110	1,801	29,167	14,190	31,551
Excess (deficiency) of total additions over total deductions	7,913	(1,295)	(21,821)	-	9,078	2,204	869
Cash and investment fund balance - beginning	619	11,719	305,813	-	56,527	2,880	15,365
Cash and investment fund balance - ending	<u>\$ 8,532</u>	<u>\$ 10,424</u>	<u>\$ 283,992</u>	<u>\$ -</u>	<u>\$ 65,605</u>	<u>\$ 5,084</u>	<u>\$ 16,234</u>

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

	State Fair	Fines & Forfeitures	Disclosure Fees	Family Violence	State Forestry	Sewage Collection
Additions:						
Agency fund additions	\$ 7,263	\$ 24,018	\$ 3,450	\$ -	\$ 14,525	\$ 18,008
Deductions:						
Agency fund deductions	7,263	21,809	3,430	-	14,525	18,008
Excess (deficiency) of total additions over total deductions	-	2,209	20	-	-	-
Cash and investment fund balance - beginning	-	1,240	240	30	-	-
Cash and investment fund balance - ending	\$ -	\$ 3,449	\$ 260	\$ 30	\$ -	\$ -

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

	Overweight Vehicles	County Recorder	County Sheriff	Infraction Judgement	Inheritance Tax	Inventory Homestead Credit
Additions:						
Agency fund additions	\$ 1,558	\$ 72,985	\$ 516,240	\$ 62,416	\$ 891,898	\$ 697,370
Deductions:						
Agency fund deductions	-	65,935	513,879	67,069	761,350	651,648
Excess (deficiency) of total additions over total deductions	1,558	7,050	2,361	(4,653)	130,548	45,722
Cash and investment fund balance - beginning	-	50	-	9,047	146,717	26,102
Cash and investment fund balance - ending	<u>\$ 1,558</u>	<u>\$ 7,100</u>	<u>\$ 2,361</u>	<u>\$ 4,394</u>	<u>\$ 277,265</u>	<u>\$ 71,824</u>

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

	Surplus Ptro/Homestead	Sale of County Property	Inmate Trust	Deferred Compensation	PERF	Payroll Federal Withholding
Additions:						
Agency fund additions	\$ 597,456	\$ -	\$ 34,151	\$ 36,052	\$ 151,922	\$ 324,612
Deductions:						
Agency fund deductions	597,456	-	34,020	36,052	148,652	324,612
Excess (deficiency) of total additions over total deductions	-	-	131	-	3,270	-
Cash and investment fund balance - beginning	-	411	62	-	-	-
Cash and investment fund balance - ending	\$ -	\$ 411	\$ 193	\$ -	\$ 3,270	\$ -

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

	Payroll State Gross	Payroll Social Security	Payroll County Option	Payroll Credit Union	Payroll Grange Life Insurance	Payroll Garnishment
Additions:						
Agency fund additions	\$ 119,459	\$ 264,263	\$ 49,462	\$ 20,124	\$ 29,607	\$ 685
Deductions:						
Agency fund deductions	119,459	264,263	49,462	20,124	25,989	685
Excess (deficiency) of total additions over total deductions	-	-	-	-	3,618	-
Cash and investment fund balance - beginning	-	-	-	-	867	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ 4,485	\$ -

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

	Payroll Cancer Insurance	Payroll United Fund	Education Plate Fee	Financial Institution Tax	Campaign Finance Enforcement	New Sheriff Retirement
Additions:						
Agency fund additions	\$ 35,236	\$ 385	\$ 1,425	\$ 196,936	\$ -	\$ 12,558
Deductions:						
Agency fund deductions	35,146	390	1,425	196,936	-	12,558
Excess (deficiency) of total additions over total deductions	90	(5)	-	-	-	-
Cash and investment fund balance - beginning	1,848	390	-	-	700	-
Cash and investment fund balance - ending	\$ 1,938	\$ 385	\$ -	\$ -	\$ 700	\$ -

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

	Wheel Tax	Surtax	Planning Escrow	Mortgage Fee Fund	Child Restraint Violation	Interstate Compact
Additions:						
Agency fund additions	\$ 70,222	\$ 261,353	\$ 4,000	\$ 1,838	\$ 250	\$ 38
Deductions:						
Agency fund deductions	83,902	260,027	2,000	1,863	275	-
Excess (deficiency) of total additions over total deductions	(13,680)	1,326	2,000	(25)	(25)	38
Cash and investment fund balance - beginning	14,847	2,206	19,000	140	25	-
Cash and investment fund balance - ending	<u>\$ 1,167</u>	<u>\$ 3,532</u>	<u>\$ 21,000</u>	<u>\$ 115</u>	<u>\$ -</u>	<u>\$ 38</u>

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

	Certified Shares	Welfare Children With Special Needs	Welfare HCI	Welfare Aid To Wards	Welfare Trust	Homestead Rebates
Additions:						
Agency fund additions	\$ 1,666,047	\$ 24,511	\$ 65,364	\$ 12,710	\$ 26,950	\$ -
Deductions:						
Agency fund deductions	<u>1,666,047</u>	<u>24,511</u>	<u>65,364</u>	<u>12,710</u>	<u>29,626</u>	<u>641,128</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	(2,676)	(641,128)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,369</u>	<u>721,110</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,693</u>	<u>\$ 79,982</u>

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

	Payroll Child Support	Payroll Gym	Homestead Credit 2008	CVET Distributions	After Settlement Collections	Health Department Agency
Additions:						
Agency fund additions	\$ 17,520	\$ 7,321	\$ 1,493,727	\$ 17,705,043	\$ 25,372,456	\$ 41,983
Deductions:						
Agency fund deductions	17,520	6,792	1,486,298	17,705,043	25,105,758	38,302
Excess (deficiency) of total additions over total deductions	-	529	7,429	-	266,698	3,681
Cash and investment fund balance - beginning	-	-	-	-	292,006	25
Cash and investment fund balance - ending	\$ -	\$ 529	\$ 7,429	\$ -	\$ 558,704	\$ 3,706

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

	Coroner Continuing Education	Supplemental CEDIT	TIF Distribution	EDIT Distribution	Cumulative Hospital	Totals
Additions:						
Agency fund additions	\$ 1,510	\$ 373,794	\$ 339,276	\$ 695,778	\$ 137,990	\$ 54,807,463
Deductions:						
Agency fund deductions	1,549	373,794	339,276	695,778	137,990	54,994,468
Excess (deficiency) of total additions over total deductions	(39)	-	-	-	-	(187,005)
Cash and investment fund balance - beginning	126	-	-	-	-	1,634,481
Cash and investment fund balance - ending	<u>\$ 87</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,447,476</u>

RUSH 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 162,000
Buildings	7,029,052
Improvements other than buildings	6,667
Machinery and equipment	<u>4,415,076</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 11,612,795</u>

RUSH 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:		
Addition and Renovation of Rush Memorial Hospital	\$ 65,000	\$ 65,000
Highway Department Dump Trucks	669,123	110,250
Notes and loans payable	<u>1,054,429</u>	<u>280,012</u>
Total governmental activities debt	<u>\$ 1,788,552</u>	<u>\$ 455,262</u>

RUSH COUNTY
OTHER REPORTS

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

County Council
Board of County Commissioners
County Prosecuting Attorney

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF RUSH COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

October 14, 2009

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

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Incentive Block Grant - Allocation to States	16.523	05-JB-022	\$ <u>4,876</u>
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	07VA113 07VA269 08VA130	14,716 5,830 <u>15,741</u>
Total for program			<u>36,287</u>
Total for federal grantor agency			<u>41,163</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Bridge Inspections Highway Planning	20.205	BR-NBIS(526) STP 9970	2,024 <u>28,343</u>
Total for program			<u>30,367</u>
Formula Grants for Other Than Urbanized Areas Public Mass Transportation	20.509	18026670	<u>58,699</u>
Total for federal grantor agency			<u>89,066</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Department of Environmental Management Hazardous Waste Management State Program Support Hazardous Materials Storage Facility Grant	66.801	A305-8-88	<u>39,075</u>
Total for program			<u>39,075</u>
Total for federal grantor agency			<u>39,075</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Public Health Emergency Preparedness	93.069	BPRS 169-2	<u>37,500</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement County Clerk's Expenditures County Prosecutor's Expenditures Indirect Costs Incentives	93.563		28,412 58,652 37,958 <u>30,205</u>
Total for program			<u>155,227</u>
Total for federal grantor agency			<u>192,727</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	Disaster 1766 Disaster 1795	394,961 <u>3,362</u>
Total for program			<u>398,323</u>
Emergency Management Performance Grants Salary Reimbursement Salary Reimbursement	97.042	C44P-8-007 C44P-8-008	8,735 <u>3,390</u>
Total for program			<u>12,125</u>
Total for federal grantor agency			<u>410,448</u>
Total federal awards expended			<u>\$ 772,479</u>

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

RUSH 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 Rush 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.

RUSH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

RUSH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

RUSH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 14, 2009, with Deborah C. Adams, Auditor; Thomas H. Barnes, President of the Board of County Commissioners; and Norman L. Winkler, President of the County Council. Our audit disclosed no material items that warrant comment at this time.