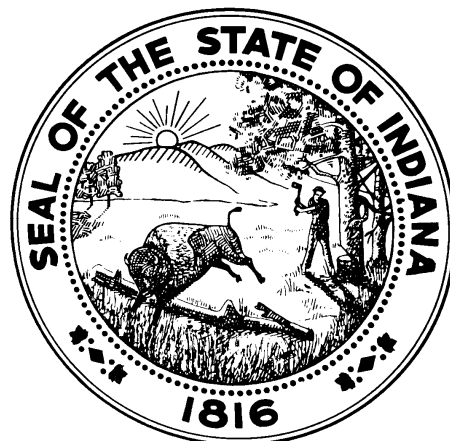


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2007

CLAY COUNTY, INDIANA



FILED

09/24/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
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	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	8
Proprietary Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Funds.....	9
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	10
Notes to Financial Statements	11-21
Required Supplementary Information:	
Schedules of Funding Progress	22
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	23-40
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds.....	41-45
Schedule of Capital Assets.....	46
Schedule of Long-Term Debt	47
Other Reports.....	48
Supplemental Audit of Federal Awards:	
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.....	50-51
Schedule of Expenditures of Federal Awards	52
Notes to Schedule of Expenditures of Federal Awards.....	53
Schedule of Findings and Questioned Costs	54
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	55
Exit Conference.....	56

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mary Jo Alumbaugh	01-01-07 to 12-31-10
Treasurer	Jack Withers, Sr. (Vacant) Deborah James	01-01-04 to 04-18-07 04-19-07 to 12-31-07 01-01-08 to 12-31-11
Clerk	Mary Brown	01-01-05 to 12-31-08
Sheriff	Michael W. Heaton	01-01-07 to 12-31-10
Recorder	Angela Modesitt	01-01-05 to 12-31-08
President of the Board of County Commissioners	Charles Brown	01-01-07 to 12-31-08
President of the County Council	Mike McCullough	01-01-07 to 12-31-08



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 CLAY COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County (County), as of and for the year ended December 31, 2007, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2007, 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 August 7, 2008, 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 and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the County taken as a whole. 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.

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

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

August 7, 2008



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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 CLAY COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County (County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 7, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

August 7, 2008

CLAY COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2007

<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>	
Primary government:				
Governmental activities:				
General government	\$ 8,591,193	\$ 5,223,769	\$ 288,026	\$ (3,079,398)
Public safety	852,186	696,142	-	(156,044)
Highways and streets	2,773,928	-	-	(2,773,928)
Economic development	17,509	-	-	(17,509)
Culture and recreation	21,135	-	-	(21,135)
Interest on long-term debt	899,912	-	-	(899,912)
Total primary government	<u>\$ 13,155,863</u>	<u>\$ 5,919,911</u>	<u>\$ 288,026</u>	<u>(6,947,926)</u>
General receipts:				
Property taxes				6,021,471
Other local sources				<u>1,640,126</u>
Total general receipts				<u>7,661,597</u>
Change in net assets				713,671
Net assets - beginning				<u>9,687,514</u>
Net assets - ending				<u>\$ 10,401,185</u>
 <u>Assets</u>				
Cash and investments				\$ 896,023
Restricted assets:				
Cash and investments				<u>9,505,162</u>
Total assets				<u>\$ 10,401,185</u>
 <u>Net Assets</u>				
Restricted for:				
Culture and recreation				\$ 7,613
Debt service				936,420
Other purposes				8,561,129
Unrestricted				<u>896,023</u>
Total net assets				<u>\$ 10,401,185</u>

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

CLAY 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, 2007

	General	Property Reassessment	Jail Cagit	Family and Children	County Highway	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 3,800,946	\$ 180,162	\$ 971,807	\$ 210,790	\$ -	\$ 857,766	\$ 6,021,471
Special assessments	-	-	-	-	-	8,831	8,831
Licenses and permits	-	-	-	-	-	41,424	41,424
Intergovernmental	437,843	27,607	-	32,300	2,266,217	1,187,846	3,951,813
Charges for services	582,280	-	-	427,505	-	508,774	1,518,559
Fines and forfeits	160,673	-	-	-	-	526,637	687,310
Other	553,458	38,218	36,893	47,521	53,175	910,861	1,640,126
Total receipts	5,535,200	245,987	1,008,700	718,116	2,319,392	4,042,139	13,869,534
Disbursements:							
General government	5,482,915	365,973	10,744	-	-	1,213,237	7,072,869
Public safety	-	-	-	-	-	850,459	850,459
Highways and streets	-	-	-	-	1,949,848	328,449	2,278,297
Health and welfare	-	-	-	662,430	-	404,534	1,066,964
Culture and recreation	-	-	-	-	-	21,135	21,135
Urban redevelopment and housing	-	-	-	-	-	17,509	17,509
Debt service:							
Principal	-	-	350,000	-	-	103,087	453,087
Interest	-	-	862,256	-	-	37,656	899,912
Capital outlay:							
Highways and streets	-	-	-	-	-	495,631	495,631
Total disbursements	5,482,915	365,973	1,223,000	662,430	1,949,848	3,471,697	13,155,863
Excess (deficiency) of receipts over disbursements	52,285	(119,986)	(214,300)	55,686	369,544	570,442	713,671
Other financing sources (uses):							
Interfund loans	(800,000)	(900,000)	-	-	-	(111,250)	(1,811,250)
Other receipts	800,000	900,000	-	-	-	111,250	1,811,250
Total other financing sources	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	52,285	(119,986)	(214,300)	55,686	369,544	570,442	713,671
Cash and investment fund balance - beginning	843,738	1,476,539	1,150,720	709,144	1,302,974	4,204,399	9,687,514
Cash and investment fund balance - ending	<u>\$ 896,023</u>	<u>\$ 1,356,553</u>	<u>\$ 936,420</u>	<u>\$ 764,830</u>	<u>\$ 1,672,518</u>	<u>\$ 4,774,841</u>	<u>\$ 10,401,185</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 896,023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 896,023
Restricted assets:							
Cash and investments	-	1,356,553	936,420	764,830	1,672,518	4,774,841	9,505,162
Total cash and investment assets - December 31	\$ 896,023	\$ 1,356,553	\$ 936,420	\$ 764,830	\$ 1,672,518	\$ 4,774,841	\$ 10,401,185
Cash and Investment Fund Balance - December 31							
Restricted for:							
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,613	\$ 7,613
Debt service	-	-	936,420	-	-	-	936,420
Other purposes	-	1,356,553	-	764,830	1,672,518	4,767,228	8,561,129
Unrestricted	896,023	-	-	-	-	-	896,023
Total cash and investment fund balance - December 31	\$ 896,023	\$ 1,356,553	\$ 936,420	\$ 764,830	\$ 1,672,518	\$ 4,774,841	\$ 10,401,185

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

CLAY 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, 2007

	<u>Internal Service Funds</u>
Operating receipts:	
Other	\$ 749,772
Operating disbursements:	
Insurance disbursements	<u>1,234,291</u>
Deficiency of operating receipts over operating disbursements	<u>(484,519)</u>
Nonoperating receipts:	
Interest and investment receipts	306
Miscellaneous receipts	<u>464,960</u>
Total nonoperating receipts	<u>465,266</u>
Deficiency of receipts over disbursements and nonoperating receipts	(19,253)
Cash and investment fund balance - beginning	<u>3</u>
Cash and investment fund balance - ending	<u>\$ (19,250)</u>
<u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ (19,250)</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u>\$ (19,250)</u>

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

CLAY COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2007

	Sheriffs Pension Trust	Congressional School Principal Private Purpose Trust	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
Additions:			
Contributions:			
Other	\$ 84,350	\$ -	\$ -
Agency fund additions	<u>-</u>	<u>-</u>	<u>58,922,326</u>
Total additions	<u>84,350</u>	<u>-</u>	<u>58,922,326</u>
Deductions:			
Benefits	62,157	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>58,106,959</u>
Total deductions	<u>62,157</u>	<u>-</u>	<u>58,106,959</u>
Excess of total additions over total deductions	22,193	-	815,367
Cash and investment fund balance - beginning	<u>784,150</u>	<u>10,789</u>	<u>1,080,434</u>
Cash and investment fund balance - ending	<u>\$ 806,343</u>	<u>\$ 10,789</u>	<u>\$ 1,895,801</u>

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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Primary Government: Clay County

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

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. However, the County has no business-type activities.

Fund Financial Statements

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

The County reports the following major governmental funds:

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

The property reassessment fund accounts for general reassessment of real property.

The jail CAGIT fund accounts for the proceeds used to retire the debt related to the jail building.

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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The county highway fund accounts for maintenance, construction and reconstruction of county highways.

Additionally, the County reports the following fund types:

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

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

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

Government-Wide Financial Statements

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

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 Statement of Activities and Net Assets – Cash and Investment Basis.

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.

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

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.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2007, the County had the following investments:

<u>Investment Type</u>	<u>Sheriffs Retirement and Benefit Pension Plans</u>
Mutual bond funds	\$ <u>781,219</u>

Investment Policies

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.

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. Authorized investments include mutual funds.

Investment Custodial Credit Risk

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

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2007, the Sheriff's Retirement and Benefit Pension Plans held investments in mutual funds in the amount of \$781,219.

Interest Rate Risk

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

The Sheriff's Merit Board has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses.

Sheriff's Retirement and Benefit Pension Plans:

<u>Investment Type</u>	<u>1-2</u>
Mutual bond funds	<u>\$ 781,219</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.

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County's Investments Mutual Funds
Unrated	Unrated	\$ 781,219

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. More than 5% of the Sheriff's Retirement and Benefit investments are in mutual funds. These investments represent 97%, of the total investments.

Foreign Currency Risk

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

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

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, and dependents (excluding postemployment benefits); and natural disasters.

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

Medical Benefits to Employees and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees and dependents. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$35,000 per year.

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for employee payroll. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

B. Holding Corporation

The County has entered into a capital lease with the Clay County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$1,221,000.

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. 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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ -	\$ 63,654	\$ 5,266
Interest on net pension obligation	(21,155)	10,164	-
Adjustment to annual required contribution	24,108	(13,660)	-
Annual pension cost	2,953	60,158	5,266
Contributions made	8,499	29,234	5,266
Increase (decrease) in net pension obligation	(5,546)	30,924	-
Net pension obligation, beginning of year	(291,794)	145,201	-
Net pension obligation, end of year	\$ (297,340)	\$ 176,125	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	1%	45.9%	100%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-07	01-01-07	01-01-07
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	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

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%

CLAY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-05	\$ 157,363	108%	\$ 208,601
	06-30-06	2,110	4043%	291,794
	06-30-07	2,953	288%	297,340
County Police				
Retirement Plan	12-31-04	58,100	47.6%	115,045
	12-31-05	59,504	47.6%	145,201
	12-31-06	60,158	45.9%	176,125
County Police				
Benefit Plan	12-31-04	5,585	100%	-
	12-31-05	5,152	100%	-
	12-31-06	5,266	100%	-

CLAY COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 6,192,830	\$ 4,011,169	\$ 2,181,661	154%	\$ 2,674,870	82%
07-01-06	6,511,027	2,926,930	3,584,097	222%	2,759,328	130%
07-01-07	7,060,339	3,333,134	3,727,205	212%	2,977,796	125%

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 519,186	\$ 519,186	\$ -	100%	\$ 306,400	0%
01-01-03	514,674	514,674	-	100%	313,150	0%
01-01-04	564,067	564,067	-	100%	340,100	0%
01-01-05	608,428	608,428	-	100%	321,950	0%
01-01-06	639,305	639,305	-	100%	349,300	0%
01-01-07	678,361	678,361	-	100%	338,950	0%

County Police Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 60,541	\$ 60,541	\$ -	100%	\$ 306,400	0%
01-01-03	65,356	65,356	-	100%	313,150	0%
01-01-04	73,502	73,502	-	100%	340,100	0%
01-01-05	82,465	82,465	-	100%	321,950	0%
01-01-06	90,654	90,654	-	100%	349,300	0%
01-01-07	99,797	99,797	-	100%	338,950	0%

CLAY 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, 2007

	Accident Report	Adult Probation Fees	Adult Probation User Fees	Aerial Map	Aerial Photography	Aftercare For Youthful Offenders
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	17,536
Charges for services	1,877	31,679	-	131	-	-
Fines and forfeits	-	-	108,134	-	-	-
Other	-	-	-	-	-	-
Total receipts	1,877	31,679	108,134	131	-	17,536
Disbursements:						
General government	-	12,399	52,611	-	-	-
Public safety	2,507	-	-	-	11,250	17,536
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	2,507	12,399	52,611	-	11,250	17,536
Excess (deficiency) of receipts over disbursements	(630)	19,280	55,523	131	(11,250)	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	11,250	-
Total other financing sources (uses)	-	-	-	-	11,250	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(630)	19,280	55,523	131	-	-
Cash and investment fund balance - beginning	4,454	28,701	160,797	4,076	-	-
Cash and investment fund balance - ending	\$ 3,824	\$ 47,981	\$ 216,320	\$ 4,207	\$ -	\$ -
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	\$ 3,824	\$ 47,981	\$ 216,320	\$ 4,207	\$ -	\$ -
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	3,824	47,981	216,320	4,207	-	-
Total cash and investment fund balance - December 31	\$ 3,824	\$ 47,981	\$ 216,320	\$ 4,207	\$ -	\$ -

CLAY 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, 2007
 (Continued)

	Association Ditches	At Risk Attendance	Aviation	Automotive Safety Program	Aviation IDOT Grant	Briley Creek Escrow
Receipts:						
Taxes	\$ -	\$ -	\$ 33,041	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	4,968	-	-	-
Charges for services	-	-	8,026	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	35,093	24,000	-	-	-	4,902
Total receipts	35,093	24,000	46,035	-	-	4,902
Disbursements:						
General government	35,093	25,733	42,072	-	-	4,902
Public safety	-	-	-	537	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	35,093	25,733	42,072	537	-	4,902
Excess (deficiency) of receipts over disbursements	-	(1,733)	3,963	(537)	-	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,733)	3,963	(537)	-	-
Cash and investment fund balance - beginning	-	40,555	11,634	537	50	-
Cash and investment fund balance - ending	\$ -	\$ 38,822	\$ 15,597	\$ -	\$ 50	\$ -
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ -	\$ 38,822	\$ 15,597	\$ -	\$ 50	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	38,822	15,597	-	50	-
Total cash and investment fund balance - December 31	\$ -	\$ 38,822	\$ 15,597	\$ -	\$ 50	\$ -

CLAY 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, 2007
 (Continued)

	Bulletproof Vest Grant	Campaign Finance Enforcement	CDC Public Health Emergency Response	Children With Special Needs	Children's Psychiatric Residential Treatment Services	City and Town Court Costs
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 23,992	\$ 23,421	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	2,500	3,255	3,589	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	2,180
Other	-	50	-	222	329	-
Total receipts	-	50	2,500	27,469	27,339	2,180
Disbursements:						
General government	-	-	-	27,247	60,700	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	-	-	-	27,247	60,700	-
Excess (deficiency) of receipts over disbursements	-	50	2,500	222	(33,361)	2,180
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	50	2,500	222	(33,361)	2,180
Cash and investment fund balance - beginning	126	290	-	(222)	63,403	-
Cash and investment fund balance - ending	<u>\$ 126</u>	<u>\$ 340</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 30,042</u>	<u>\$ 2,180</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 126</u>	<u>\$ 340</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 30,042</u>	<u>\$ 2,180</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	126	340	2,500	-	30,042	2,180
Total cash and investment fund balance - December 31	<u>\$ 126</u>	<u>\$ 340</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 30,042</u>	<u>\$ 2,180</u>

CLAY 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, 2007
 (Continued)

	City and Town Ordinance Violations	Clay City License Branch	Clay City Traffic Fines	Clerk's Incentive	Clerk's Record Perpetuation	Clerk's User Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	24,913	-	-	-	7,046
Fines and forfeits	12,165	-	240	-	-	-
Other	-	24,634	-	-	17,611	-
Total receipts	12,165	49,547	240	-	17,611	7,046
Disbursements:						
General government	-	37,188	-	1,404	22,704	2,892
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	-	37,188	-	1,404	22,704	2,892
Excess (deficiency) of receipts over disbursements	12,165	12,359	240	(1,404)	(5,093)	4,154
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,165	12,359	240	(1,404)	(5,093)	4,154
Cash and investment fund balance - beginning	-	5,268	-	30,099	11,330	30,876
Cash and investment fund balance - ending	<u>\$ 12,165</u>	<u>\$ 17,627</u>	<u>\$ 240</u>	<u>\$ 28,695</u>	<u>\$ 6,237</u>	<u>\$ 35,030</u>
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	<u>\$ 12,165</u>	<u>\$ 17,627</u>	<u>\$ 240</u>	<u>\$ 28,695</u>	<u>\$ 6,237</u>	<u>\$ 35,030</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	12,165	17,627	240	28,695	6,237	35,030
Total cash and investment fund balance - December 31	<u>\$ 12,165</u>	<u>\$ 17,627</u>	<u>\$ 240</u>	<u>\$ 28,695</u>	<u>\$ 6,237</u>	<u>\$ 35,030</u>

CLAY 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, 2007
 (Continued)

	Community Corrections Home Detention	County Corrections	County Sales Disclosure	Crime Victim Assistance 2006	Crime Victim Assistance 2007	Cumulative Bridge
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229,708
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	55,330	-	-	15,241	15,241	35,200
Charges for services	-	-	-	-	-	38,270
Fines and forfeits	143,623	18,325	-	-	-	-
Other	-	-	3,460	-	-	62,741
Total receipts	198,953	18,325	3,460	15,241	15,241	365,919
Disbursements:						
General government	-	-	-	-	-	-
Public safety	162,846	-	-	15,280	16,794	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	13,087	-	-	-	-
Interest	-	592	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	447,485
Total disbursements	162,846	13,679	-	15,280	16,794	447,485
Excess (deficiency) of receipts over disbursements	36,107	4,646	3,460	(39)	(1,553)	(81,566)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	36,107	4,646	3,460	(39)	(1,553)	(81,566)
Cash and investment fund balance - beginning	144,915	28,557	13,669	-	1,630	1,509,439
Cash and investment fund balance - ending	<u>\$ 181,022</u>	<u>\$ 33,203</u>	<u>\$ 17,129</u>	<u>\$ (39)</u>	<u>\$ 77</u>	<u>\$ 1,427,873</u>
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	<u>\$ 181,022</u>	<u>\$ 33,203</u>	<u>\$ 17,129</u>	<u>\$ (39)</u>	<u>\$ 77</u>	<u>\$ 1,427,873</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	181,022	33,203	17,129	(39)	77	1,427,873
Total cash and investment fund balance - December 31	<u>\$ 181,022</u>	<u>\$ 33,203</u>	<u>\$ 17,129</u>	<u>\$ (39)</u>	<u>\$ 77</u>	<u>\$ 1,427,873</u>

CLAY 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, 2007
 (Continued)

	Cumulative Capital Development	Cumulative Voting	Drainage Maintenance	Drug Forfeiture	Drug Free Community	Education Plate Fee
Receipts:						
Taxes	\$ 172,956	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	26,504	1	-	-	-	2,700
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	23,634	-
Other	1,711	632	4,833	18,315	-	-
Total receipts	201,171	633	4,833	18,315	23,634	2,700
Disbursements:						
General government	381	-	-	35,697	25,926	2,700
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	85,000	-	-	-	-	-
Interest	14,167	-	-	-	-	-
Capital outlay:						
Highways and streets	48,146	-	-	-	-	-
Total disbursements	147,694	-	-	35,697	25,926	2,700
Excess (deficiency) of receipts over disbursements	53,477	633	4,833	(17,382)	(2,292)	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	53,477	633	4,833	(17,382)	(2,292)	-
Cash and investment fund balance - beginning	313,276	9,960	20,338	43,256	28,225	-
Cash and investment fund balance - ending	\$ 366,753	\$ 10,593	\$ 25,171	\$ 25,874	\$ 25,933	\$ -
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ 366,753	\$ 10,593	\$ 25,171	\$ 25,874	\$ 25,933	\$ -
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	366,753	10,593	25,171	25,874	25,933	-
Total cash and investment fund balance - December 31	\$ 366,753	\$ 10,593	\$ 25,171	\$ 25,874	\$ 25,933	\$ -

CLAY 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, 2007
 (Continued)

	Emergency Telephone System	Farm Sale	Federal Equitable Prosecutor	Federal Equitable Sheriff	Firearms Training	General Drain Improvement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	1,456
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	5,990	-
Charges for services	138,529	-	-	-	-	-
Fines and forfeits	-	-	20,666	20,666	-	-
Other	360,141	101,744	-	-	-	-
Total receipts	498,670	101,744	20,666	20,666	5,990	1,456
Disbursements:						
General government	-	-	23,516	-	13,717	1,455
Public safety	371,421	-	-	20,666	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	371,421	-	23,516	20,666	13,717	1,455
Excess (deficiency) of receipts over disbursements	127,249	101,744	(2,850)	-	(7,727)	1
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	127,249	101,744	(2,850)	-	(7,727)	1
Cash and investment fund balance - beginning	197,558	-	13,100	-	7,846	19,610
Cash and investment fund balance - ending	<u>\$ 324,807</u>	<u>\$ 101,744</u>	<u>\$ 10,250</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 19,611</u>
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	<u>\$ 324,807</u>	<u>\$ 101,744</u>	<u>\$ 10,250</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 19,611</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	324,807	101,744	10,250	-	119	19,611
Total cash and investment fund balance - December 31	<u>\$ 324,807</u>	<u>\$ 101,744</u>	<u>\$ 10,250</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 19,611</u>

CLAY 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, 2007
 (Continued)

	Guardian Ad Litem	HAVA Title III Grant	Headwaters Engineering	Health	Health Maintenance	Hepatitis B Vaccine
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 160,486	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	41,424	-
Intergovernmental	4,099	-	-	24,432	-	-
Charges for services	-	-	-	14,663	-	1,400
Fines and forfeits	-	-	-	-	-	-
Other	145	-	10,500	-	-	-
Total receipts	4,244	-	10,500	199,581	41,424	1,400
Disbursements:						
General government	1,872	-	-	151,011	18,447	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	10,500	-	-	-
Health and welfare	-	-	-	24,569	662	2,103
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	1,872	-	10,500	175,580	19,109	2,103
Excess (deficiency) of receipts over disbursements	2,372	-	-	24,001	22,315	(703)
Other financing sources (uses):						
Interfund loans	-	-	-	(100,000)	-	-
Other receipts	-	-	-	100,000	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,372	-	-	24,001	22,315	(703)
Cash and investment fund balance - beginning	1,863	40,000	-	17,677	65,888	3,231
Cash and investment fund balance - ending	\$ 4,235	\$ 40,000	\$ -	\$ 41,678	\$ 88,203	\$ 2,528
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	\$ 4,235	\$ 40,000	\$ -	\$ 41,678	\$ 88,203	\$ 2,528
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	4,235	40,000	-	41,678	88,203	2,528
Total cash and investment fund balance - December 31	\$ 4,235	\$ 40,000	\$ -	\$ 41,678	\$ 88,203	\$ 2,528

CLAY 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, 2007
 (Continued)

	Homeland Security Grant	Hospital Care for the Indigent	Host Homes	Interstate Compact Fee	Infraction Judgements	Jail Bond
Receipts:						
Taxes	\$ -	\$ 100,413	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	213,476	13,622	6,132	-	-	-
Charges for services	-	-	-	38	-	-
Fines and forfeits	-	-	-	-	21,604	-
Other	-	926	-	-	-	-
Total receipts	213,476	114,961	6,132	38	21,604	-
Disbursements:						
General government	-	-	-	38	18,969	-
Public safety	202,226	-	6,670	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	114,035	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	202,226	114,035	6,670	38	18,969	-
Excess (deficiency) of receipts over disbursements	11,250	926	(538)	-	2,635	-
Other financing sources (uses):						
Interfund loans	(11,250)	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	(11,250)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	926	(538)	-	2,635	-
Cash and investment fund balance - beginning	-	(926)	850	-	-	1,065
Cash and investment fund balance - ending	\$ -	\$ -	\$ 312	\$ -	\$ 2,635	\$ 1,065
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ -	\$ -	\$ 312	\$ -	\$ 2,635	\$ 1,065
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	-	312	-	2,635	1,065
Total cash and investment fund balance - December 31	\$ -	\$ -	\$ 312	\$ -	\$ 2,635	\$ 1,065

CLAY 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, 2007
 (Continued)

	Jail Training and Equipment	Jury Pay	Juvenile Accountability Block Grants	Juvenile Probation Administration Fees	Juvenile Probation User Fee	Law Enforcement Block Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	11,111	-	-	-
Charges for services	-	-	-	3,840	-	-
Fines and forfeits	5,560	-	-	-	12,747	-
Other	256	6,729	-	-	-	-
Total receipts	5,816	6,729	11,111	3,840	12,747	-
Disbursements:						
General government	-	-	-	-	21,692	-
Public safety	5,718	-	11,111	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	5,718	-	11,111	-	21,692	-
Excess (deficiency) of receipts over disbursements	98	6,729	-	3,840	(8,945)	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	98	6,729	-	3,840	(8,945)	-
Cash and investment fund balance - beginning	7,465	52,240	-	1,498	36,390	2
Cash and investment fund balance - ending	\$ 7,563	\$ 58,969	\$ -	\$ 5,338	\$ 27,445	\$ 2
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ 7,563	\$ 58,969	\$ -	\$ 5,338	\$ 27,445	\$ 2
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	7,563	58,969	-	5,338	27,445	2
Total cash and investment fund balance - December 31	\$ 7,563	\$ 58,969	\$ -	\$ 5,338	\$ 27,445	\$ 2

CLAY 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, 2007
 (Continued)

	Law Enforcement Continuing Education	Levy Excess Special Revenue	Local Emergency Plan Commission	Local Emergency Plan Subgrant	Local Planning	Local Road and Street
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	270,147
Charges for services	-	-	-	-	-	-
Fines and forfeits	2,854	-	-	-	-	-
Other	-	6,489	4,076	-	-	7,478
Total receipts	2,854	6,489	4,076	-	-	277,625
Disbursements:						
General government	-	29,888	-	-	-	-
Public safety	2,550	-	1,818	-	-	-
Highways and streets	-	-	-	-	-	317,949
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	2,550	29,888	1,818	-	-	317,949
Excess (deficiency) of receipts over disbursements	304	(23,399)	2,258	-	-	(40,324)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	304	(23,399)	2,258	-	-	(40,324)
Cash and investment fund balance - beginning	345	29,888	12,245	174	3,239	117,136
Cash and investment fund balance - ending	<u>\$ 649</u>	<u>\$ 6,489</u>	<u>\$ 14,503</u>	<u>\$ 174</u>	<u>\$ 3,239</u>	<u>\$ 76,812</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 649</u>	<u>\$ 6,489</u>	<u>\$ 14,503</u>	<u>\$ 174</u>	<u>\$ 3,239</u>	<u>\$ 76,812</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	649	6,489	14,503	174	3,239	76,812
Total cash and investment fund balance - December 31	<u>\$ 649</u>	<u>\$ 6,489</u>	<u>\$ 14,503</u>	<u>\$ 174</u>	<u>\$ 3,239</u>	<u>\$ 76,812</u>

CLAY 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, 2007
 (Continued)

	Medical Assistance to Wards	Mortgage Fee	Operation Pullover	Pandemic Assessment	Parks and Recreation	Plat Book
Receipts:						
Taxes	\$ 889	\$ -	\$ -	\$ -	\$ 18,916	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	120	-	1,000	-	2,898	-
Charges for services	-	3,272	-	-	-	6,620
Fines and forfeits	-	-	-	-	-	-
Other	9	-	-	-	2,480	-
Total receipts	1,018	3,272	1,000	-	24,294	6,620
Disbursements:						
General government	-	3,037	-	-	-	-
Public safety	-	-	879	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	1,009	-	-	164	-	-
Culture and recreation	-	-	-	-	21,135	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	1,009	3,037	879	164	21,135	-
Excess (deficiency) of receipts over disbursements	9	235	121	(164)	3,159	6,620
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9	235	121	(164)	3,159	6,620
Cash and investment fund balance - beginning	(9)	-	-	1,925	4,454	55,557
Cash and investment fund balance - ending	\$ -	\$ 235	\$ 121	\$ 1,761	\$ 7,613	\$ 62,177
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	\$ -	\$ 235	\$ 121	\$ 1,761	\$ 7,613	\$ 62,177
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ 7,613	\$ -
Other purposes	-	235	121	1,761	-	62,177
Total cash and investment fund balance - December 31	\$ -	\$ 235	\$ 121	\$ 1,761	\$ 7,613	\$ 62,177

CLAY 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, 2007
 (Continued)

	PON Immunization Grant	Pretrial Diversion	Prosecutor Check Collection Fees	Prosecutors Incentives	Prosecutors Deferral Fees	Public Defender
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	4,466	-	676	-
Fines and forfeits	-	15,886	-	-	104,084	14,269
Other	-	-	-	-	-	-
Total receipts	-	15,886	4,466	-	104,760	14,269
Disbursements:						
General government	-	5,959	5,560	3,484	112,646	16,456
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	-	5,959	5,560	3,484	112,646	16,456
Excess (deficiency) of receipts over disbursements	-	9,927	(1,094)	(3,484)	(7,886)	(2,187)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	9,927	(1,094)	(3,484)	(7,886)	(2,187)
Cash and investment fund balance - beginning	12	11,556	14,529	27,144	49,878	41,348
Cash and investment fund balance - ending	\$ 12	\$ 21,483	\$ 13,435	\$ 23,660	\$ 41,992	\$ 39,161
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	\$ 12	\$ 21,483	\$ 13,435	\$ 23,660	\$ 41,992	\$ 39,161
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	12	21,483	13,435	23,660	41,992	39,161
Total cash and investment fund balance - December 31	\$ 12	\$ 21,483	\$ 13,435	\$ 23,660	\$ 41,992	\$ 39,161

CLAY 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, 2007
 (Continued)

	Public Health Bioterrorism Grant	Public Health Emergency Preparedness Coordinator	Rainy Day	Recorder's Records Perpetuation	Riverboat Revenue Sharing	Redevelopment Committee Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	61,461	-	-	167,456	-
Charges for services	-	-	-	43,016	-	-
Fines and forfeits	-	-	-	-	-	-
Other	922	-	207,092	-	-	-
Total receipts	922	61,461	207,092	43,016	167,456	-
Disbursements:						
General government	-	-	-	66,962	167,456	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	8,947	53,769	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	8,947	53,769	-	66,962	167,456	-
Excess (deficiency) of receipts over disbursements	(8,025)	7,692	207,092	(23,946)	-	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,025)	7,692	207,092	(23,946)	-	-
Cash and investment fund balance - beginning	19,700	(4,700)	396,752	94,255	-	900
Cash and investment fund balance - ending	<u>\$ 11,675</u>	<u>\$ 2,992</u>	<u>\$ 603,844</u>	<u>\$ 70,309</u>	<u>\$ -</u>	<u>\$ 900</u>
<u>Cash and Investment Assets - December 31</u>						
Restricted assets:						
Cash and investments	<u>\$ 11,675</u>	<u>\$ 2,992</u>	<u>\$ 603,844</u>	<u>\$ 70,309</u>	<u>\$ -</u>	<u>\$ 900</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	11,675	2,992	603,844	70,309	-	900
Total cash and investment fund balance - December 31	<u>\$ 11,675</u>	<u>\$ 2,992</u>	<u>\$ 603,844</u>	<u>\$ 70,309</u>	<u>\$ -</u>	<u>\$ 900</u>

CLAY 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, 2007
 (Continued)

	Redevelopment Distribution Capital Bond	Sales Disclosure	Sheriff Sale Administration	Sheriff's Commissary	Sheriff's Sex Offender Fees	Social Security Redaction
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	6,575	-	800	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	7,180	-	154,390	-	10,632
Fines and forfeits	-	-	-	-	-	-
Other	-	-	3,341	-	-	-
Total receipts	-	7,180	9,916	154,390	800	10,632
Disbursements:						
General government	-	6,920	-	147,360	-	2,909
Public safety	-	-	-	-	650	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	-	6,920	-	147,360	650	2,909
Excess (deficiency) of receipts over disbursements	-	260	9,916	7,030	150	7,723
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	260	9,916	7,030	150	7,723
Cash and investment fund balance - beginning	47,818	360	-	10,963	-	11,232
Cash and investment fund balance - ending	<u>\$ 47,818</u>	<u>\$ 620</u>	<u>\$ 9,916</u>	<u>\$ 17,993</u>	<u>\$ 150</u>	<u>\$ 18,955</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 47,818</u>	<u>\$ 620</u>	<u>\$ 9,916</u>	<u>\$ 17,993</u>	<u>\$ 150</u>	<u>\$ 18,955</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	47,818	620	9,916	17,993	150	18,955
Total cash and investment fund balance - December 31	<u>\$ 47,818</u>	<u>\$ 620</u>	<u>\$ 9,916</u>	<u>\$ 17,993</u>	<u>\$ 150</u>	<u>\$ 18,955</u>

CLAY 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, 2007
 (Continued)

	Special Death Benefits	State Drunk Driving Fees	Stop Grant 2006	Stop Grant 2007	Surveyor's Corner Perpetuation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	10,628	21,256	-
Charges for services	1,575	-	-	-	6,535
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	1,575	-	10,628	21,256	6,535
Disbursements:					
General government	1,435	-	-	-	2,799
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	14,160	11,184	-
Culture and recreation	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Highways and streets	-	-	-	-	-
Total disbursements	1,435	-	14,160	11,184	2,799
Excess (deficiency) of receipts over disbursements	140	-	(3,532)	10,072	3,736
Other financing sources (uses):					
Interfund loans	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	140	-	(3,532)	10,072	3,736
Cash and investment fund balance - beginning	-	380	-	(10,072)	17,773
Cash and investment fund balance - ending	\$ 140	\$ 380	\$ (3,532)	\$ -	\$ 21,509
Cash and Investment Assets - December 31					
Restricted assets:					
Cash and investments	\$ 140	\$ 380	\$ (3,532)	\$ -	\$ 21,509
Cash and Investment Fund Balance - December 31					
Restricted for:					
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	140	380	(3,532)	-	21,509
Total cash and investment fund balance - December 31	\$ 140	\$ 380	\$ (3,532)	\$ -	\$ 21,509

CLAY 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, 2007
 (Continued)

	Title III Vote Machine Reimbursement	Tobacco Settlement Distribution	Tax Increment Financing Posey Township	Tax Increment Financing Jackson Township	Tax Increment Financing Van Buren Township
Receipts:					
Taxes	\$ -	\$ -	\$ 4,248	\$ 44,139	\$ 45,557
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	19,031	83	793	811
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	19,031	4,331	44,932	46,368
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	23,548	-	-	-
Culture and recreation	-	-	-	-	-
Urban redevelopment and housing	-	-	188	9,189	8,132
Debt service:					
Principal	-	-	-	-	5,000
Interest	-	-	-	-	22,897
Capital outlay:					
Highways and streets	-	-	-	-	-
Total disbursements	-	23,548	188	9,189	36,029
Excess (deficiency) of receipts over disbursements	-	(4,517)	4,143	35,743	10,339
Other financing sources (uses):					
Interfund loans	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,517)	4,143	35,743	10,339
Cash and investment fund balance - beginning	120,584	19,472	3,106	39,093	117,426
Cash and investment fund balance - ending	<u>\$ 120,584</u>	<u>\$ 14,955</u>	<u>\$ 7,249</u>	<u>\$ 74,836</u>	<u>\$ 127,765</u>
<u>Cash and Investment Assets - December 31</u>					
Restricted assets:					
Cash and investments	<u>\$ 120,584</u>	<u>\$ 14,955</u>	<u>\$ 7,249</u>	<u>\$ 74,836</u>	<u>\$ 127,765</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	120,584	14,955	7,249	74,836	127,765
Total cash and investment fund balance - December 31	<u>\$ 120,584</u>	<u>\$ 14,955</u>	<u>\$ 7,249</u>	<u>\$ 74,836</u>	<u>\$ 127,765</u>

CLAY 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, 2007
 (Continued)

	Women Infants and Children 2007	Women Infants and Children 2008	Wal-Mart Law Enforcement and Community	Work Release Administrative Fees	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 857,766
Special assessments	-	-	-	-	8,831
Licenses and permits	-	-	-	-	41,424
Intergovernmental	142,851	28,384	-	-	1,187,846
Charges for services	-	-	-	-	508,774
Fines and forfeits	-	-	-	-	526,637
Other	-	-	-	-	910,861
Total receipts	142,851	28,384	-	-	4,042,139
Disbursements:					
General government	-	-	-	-	1,213,237
Public safety	-	-	-	-	850,459
Highways and streets	-	-	-	-	328,449
Health and welfare	122,017	28,367	-	-	404,534
Culture and recreation	-	-	-	-	21,135
Urban redevelopment and housing	-	-	-	-	17,509
Debt service:					
Principal	-	-	-	-	103,087
Interest	-	-	-	-	37,656
Capital outlay:					
Highways and streets	-	-	-	-	495,631
Total disbursements	122,017	28,367	-	-	3,471,697
Excess (deficiency) of receipts over disbursements	20,834	17	-	-	570,442
Other financing sources (uses):					
Interfund loans	-	-	-	-	(111,250)
Other receipts	-	-	-	-	111,250
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,834	17	-	-	570,442
Cash and investment fund balance - beginning	(20,834)	-	149	25	4,204,399
Cash and investment fund balance - ending	\$ -	\$ 17	\$ 149	\$ 25	\$ 4,774,841
<u>Cash and Investment Assets - December 31</u>					
Restricted assets:					
Cash and investments	\$ -	\$ 17	\$ 149	\$ 25	\$ 4,774,841
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ 7,613
Other purposes	-	17	149	25	4,767,228
Total cash and investment fund balance - December 31	\$ -	\$ 17	\$ 149	\$ 25	\$ 4,774,841

CLAY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007

	Aviation Rotary	Cagit	Clerk of the Circuit Court	Community Corrections Trust	Community Corrections Grant	Congressional School Interest
Additions:						
Agency fund additions	\$ 29,364	\$ 5,224,542	\$ 3,061,702	\$ 149,790	\$ 91,176	\$ 510
Deductions:						
Agency fund deductions	32,272	5,224,542	3,186,677	157,796	88,774	425
Excess (deficiency) of total additions over total deductions	(2,908)	-	(124,975)	(8,006)	2,402	85
Cash and investment fund balance - beginning	17,314	-	562,221	8,006	23,322	4,495
Cash and investment fund balance - ending	<u>\$ 14,406</u>	<u>\$ -</u>	<u>\$ 437,246</u>	<u>\$ -</u>	<u>\$ 25,724</u>	<u>\$ 4,580</u>

CLAY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Coroner's Continuing Education	County Prosecutor Trust	County Recorder	County Sheriff	Court of Appeals	Dog Collection Tax
Additions:						
Agency fund additions	\$ 1,992	\$ 28,108	\$ 25	\$ 451,521	\$ -	\$ -
Deductions:						
Agency fund deductions	1,776	28,677	-	437,367	-	-
Excess (deficiency) of total additions over total deductions	216	(569)	25	14,154	-	-
Cash and investment fund balance - beginning	17	984	-	54,534	156	200
Cash and investment fund balance - ending	<u>\$ 233</u>	<u>\$ 415</u>	<u>\$ 25</u>	<u>\$ 68,688</u>	<u>\$ 156</u>	<u>\$ 200</u>

CLAY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Health	Homestead Credit	Inheritance Tax	Overweight Vehicle Fines	Payroll	Payroll Withholdings
Additions:						
Agency fund additions	\$ 35	\$ 878,307	\$ 389,393	\$ 1,336	\$ 4,073,000	\$ -
Deductions:						
Agency fund deductions	-	-	373,109	1,336	4,070,754	996
Excess (deficiency) of total additions over total deductions	35	878,307	16,284	-	2,246	(996)
Cash and investment fund balance - beginning	-	-	43,203	-	29,234	997
Cash and investment fund balance - ending	<u>\$ 35</u>	<u>\$ 878,307</u>	<u>\$ 59,487</u>	<u>\$ -</u>	<u>\$ 31,480</u>	<u>\$ 1</u>

CLAY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Probation Supplemental	State Fines and Forfeitures	State Settlement	Surplus Tax	Surplus Tax Sale	Sewage Collections
Additions:						
Agency fund additions	\$ 37	\$ 17,322	\$ 81,486	\$ 53,560	\$ -	\$ 9,421
Deductions:						
Agency fund deductions	-	16,596	79,571	14,279	58,808	-
Excess (deficiency) of total additions over total deductions	37	726	1,915	39,281	(58,808)	9,421
Cash and investment fund balance - beginning	1,593	1,108	-	9,060	84,343	-
Cash and investment fund balance - ending	<u>\$ 1,630</u>	<u>\$ 1,834</u>	<u>\$ 1,915</u>	<u>\$ 48,341</u>	<u>\$ 25,535</u>	<u>\$ 9,421</u>

CLAY COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2007
 (Continued)

	Tax Distribution	Tax Sale Redemption	Title Check Fees	Treasurer Trust	Welfare Trust	Totals
Additions:						
Agency fund additions	\$ 19,115,722	\$ 78,467	\$ 465	\$ 25,182,545	\$ 2,500	\$ 58,922,326
Deductions:						
Agency fund deductions	19,115,722	83,607	-	25,130,251	3,624	58,106,959
Excess (deficiency) of total additions over total deductions	-	(5,140)	465	52,294	(1,124)	815,367
Cash and investment fund balance - beginning	-	5,159	2,797	213,708	17,983	1,080,434
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ 3,262</u>	<u>\$ 266,002</u>	<u>\$ 16,859</u>	<u>\$ 1,895,801</u>

CLAY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

General infrastructure assets are included if acquired (purchased, constructed, or donated) after July 1, 1980, or if they received major renovations, restorations, or improvements after that date. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 124,550
Buildings	12,755,570
Improvements other than buildings	789,484
Machinery and equipment	<u>3,890,793</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 17,560,397</u></u>

CLAY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

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:		
Clay Co Building Corp-New Jail Construction	\$ 11,435,000	\$ 815,000
Bonds payable:		
General obligation bonds:		
Cum Cap Devlpmt-Repair Courthouse Dome	445,000	99,168
Revenue bonds:		
TIF Revenue-Infrastructure in TIF Area	<u>440,000</u>	<u>27,643</u>
Total governmental activities debt	<u>\$ 12,320,000</u>	<u>\$ 941,810</u>

CLAY 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 Department of Aviation
County Sheriff

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 CLAY COUNTY, INDIANA

Compliance

We have audited the compliance of Clay 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, 2007. 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, 2007.

Internal Control Over Compliance

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

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

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

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

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

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

STATE BOARD OF ACCOUNTS

August 7, 2008

CLAY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2007

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana State Department of Health Special Supplemental Nutritional Program for Women, Infants, and Children	10.557	FY 07 FY 08	\$ 122,017 28,366
Total for program			<u>150,383</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants	16.523	05-JB-002	<u>11,111</u>
Crime Victim Assistance	16.575	06VA020 07VA016 07ST014	16,794 15,280 <u>14,160</u>
Total for program			<u>46,234</u>
Violence Against Women Formula Grants	16.588	06ST013	<u>11,184</u>
Juvenile Mentoring Program	16.726	06-JF-007	<u>17,536</u>
Total for federal grantor agency			<u>86,065</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute State and Community Highway Safety	20.600	OP-08-01-01-1	<u>879</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Child Services Child Support Enforcement Child Support Expenditures Indirect Costs	93.563	FY07	84,338 <u>2,130</u>
Total for program			<u>86,468</u>
Pass-Through Indiana State Department of Health National Bioterrorism Hospital Preparedness Program	93.889	FY07	<u>53,770</u>
Total for federal grantor agency			<u>140,238</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Homeland Security Grant Program	97.067	C44P7231 C44P7084 C44P7320	54,900 53,018 98,076 <u>7,481</u>
Total for federal grantor agency			<u>213,475</u>
Total federal awards expended			<u>\$ 591,040</u>

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

CLAY COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note I. Basis of Presentation

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

CLAY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
 Material weaknesses identified? no
 Reportable conditions 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
 Reportable conditions 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
10.557	Special Supplemental Nutritional Program for Women, Infants and Children
97.067	State Homeland Security Grant Program

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.

CLAY COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CLAY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2008, with Nancy R. Coleman, Deputy Auditor; and Charles Brown, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.