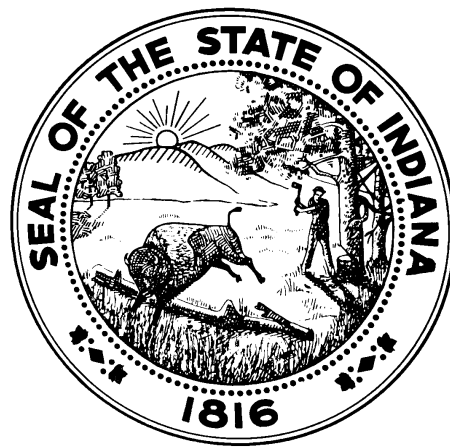


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

ORANGE COUNTY, INDIANA



FILED

08/18/2009

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
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	9
Notes to Financial Statements	10-22
Required Supplementary Information:	
Schedules of Funding Progress	23
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	24-35
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Pension Trust Funds	36
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	37
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds.....	38-45
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	54-55
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings	56
Corrective Action Plan.....	57
Exit Conference.....	58

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Diann Mathers	01-01-05 to 12-31-12
Treasurer	Barbara J. Hall Sandy Hill	01-01-05 to 12-31-08 01-01-09 to 12-31-12
Clerk	Beth A. Jones Roger E. Purkhiser	01-01-05 to 12-31-08 01-01-09 to 12-31-12
Sheriff	Richard W. Dixon	01-01-07 to 12-31-10
Recorder	Stacie L. Owens Terry Nicholson	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the Board of County Commissioners	Donald R. Crockett	01-01-08 to 12-31-09
President of the County Council	Alan Waynick James McDonald	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF ORANGE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orange County (County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2008, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 27, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

July 27, 2009



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

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 ORANGE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orange County (County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 27, 2009. The opinions to the financial statements were qualified due to the County not including a number of component units which should have been included to fairly present the financial position of the county. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in item 2008-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

We noted certain matters that we reported to management in a separate letter dated July 27, 2009.

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

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

July 27, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Net (Disbursement) Receipt and Changes in Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
				<u>Governmental Activities</u>	
Primary government:					
Governmental activities:					
General government	\$ 7,661,981	\$ 195,428	\$ -	\$ -	\$ (7,466,553)
Public safety	2,014,541	892,869	594,818	172,794	(354,060)
Highways and streets	2,885,021	-	1,803,892	-	(1,081,129)
Sanitation	121,340	-	-	-	(121,340)
Health and welfare	648,318	434	269,122	-	(378,762)
Economic development	669,142	-	-	389,164	(279,978)
Culture and recreation	8,699	49,775	1,998	661	43,735
Principal and interest on indebtedness	389,708	-	-	-	(389,708)
	<u>\$ 14,398,750</u>	<u>\$ 1,138,506</u>	<u>\$ 2,669,830</u>	<u>\$ 562,619</u>	<u>(10,027,795)</u>
Total primary government					
General receipts:					
					2,290,562
Property taxes					642,402
Income taxes					2,573,907
Intergovernmental					2,390,922
Other local sources					2,932,660
Net proceeds from borrowings					101,329
Grants and contributions not restricted to specific programs					241,622
Investment earnings					<u>11,173,404</u>
					1,145,609
Total general receipts					<u>4,815,012</u>
Change in net assets					<u>\$ 5,960,621</u>
Net assets - beginning					<u>5,960,621</u>
Net assets - ending					<u>\$ 5,960,621</u>
Total net assets					
<u>Assets</u>					
Cash and investments					\$ 2,268,112
Restricted assets:					
Cash and investments					<u>3,692,509</u>
Total assets					<u>\$ 5,960,621</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 736,330
Public safety					785,570
Highways and streets					311,517
Health and welfare					315,033
Culture and recreation					18,445
Capital outlay					1,525,614
Unrestricted					<u>2,268,112</u>
Total net assets					<u>\$ 5,960,621</u>

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

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

	General	Highway	Property Reassessment	County French Lick Casino Wagering and Admission	Courthouse Renovation Project	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 2,665,199	\$ -	\$ 84,273	\$ -	\$ -	\$ 1,394,494	\$ 4,143,966
Intergovernmental	974,075	1,552,986	16,152	1,795,956	-	1,477,666	5,816,835
Charges for services	171,322	-	-	-	-	429,602	600,924
Fines and forfeits	119,162	-	-	-	-	418,420	537,582
Interfund loans	-	100,000	-	-	-	100,000	200,000
Other	498,994	25,417	10,153	135,740	242,254	493,972	1,406,530
Total receipts	4,428,752	1,678,403	110,578	1,931,696	242,254	4,314,154	12,705,837
Disbursements:							
General government	3,362,323	-	241,451	11,667	645,225	1,075,695	5,336,361
Public safety	1,209,969	-	-	-	-	749,969	1,959,938
Highways and streets	-	1,955,869	-	-	-	431,525	2,387,394
Sanitation	121,340	-	-	-	-	-	121,340
Health and welfare	-	-	-	-	-	648,118	648,118
Economic development	-	-	-	-	-	669,142	669,142
Culture and recreation	-	-	-	-	-	6,576	6,576
Interfund loans	-	100,000	-	-	-	100,000	200,000
Debt service:							
Principal	-	146,507	-	5,000	-	144,301	295,808
Interest	-	21,117	-	27,702	-	45,081	93,900
Capital outlay:							
General government	51,092	-	4,753	1,344,513	925,262	-	2,325,620
Public safety	33,065	-	-	-	-	21,538	54,603
Highways and streets	-	15,045	-	-	-	482,582	497,627
Health and welfare	-	-	-	-	-	200	200
Culture and recreation	-	-	-	-	-	2,123	2,123
Total disbursements	4,777,789	2,238,538	246,204	1,388,882	1,570,487	4,376,850	14,598,750
Excess (deficiency) of receipts over disbursements	(349,037)	(560,135)	(135,626)	542,814	(1,328,233)	(62,696)	(1,892,913)
Other financing sources (uses):							
Net proceeds from borrowings	-	600,000	-	-	2,257,210	75,450	2,932,660
Transfers in	-	-	-	-	-	2	2
Transfers out	(2)	-	-	-	-	-	(2)
Other receipts	24,153	55,958	-	-	-	25,751	105,862
Total other financing sources (uses)	24,151	655,958	-	-	2,257,210	101,203	3,038,522
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(324,886)	95,823	(135,626)	542,814	928,977	38,507	1,145,609
Cash and investment fund balance - beginning	787,787	152,457	776,682	972,579	-	2,125,507	4,815,012
Cash and investment fund balance - ending	\$ 462,901	\$ 248,280	\$ 641,056	\$ 1,515,393	\$ 928,977	\$ 2,164,014	\$ 5,960,621
Cash and Investment Assets - Ending							
Cash and investments	\$ 462,901	\$ -	\$ -	\$ 1,515,393	\$ -	\$ 289,818	\$ 2,268,112
Restricted assets:							
Cash and investments	-	248,280	641,056	-	928,977	1,874,196	3,692,509
Total cash and investment assets - ending	\$ 462,901	\$ 248,280	\$ 641,056	\$ 1,515,393	\$ 928,977	\$ 2,164,014	\$ 5,960,621
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ 641,056	\$ -	\$ -	\$ 95,274	\$ 736,330
Public safety	-	-	-	-	-	785,570	785,570
Highways and streets	-	248,280	-	-	-	63,237	311,517
Health and welfare	-	-	-	-	-	315,033	315,033
Culture and recreation	-	-	-	-	-	18,445	18,445
Capital outlay	-	-	-	-	928,977	596,637	1,525,614
Unrestricted	462,901	-	-	1,515,393	-	289,818	2,268,112
Total cash and investment fund balance - ending	\$ 462,901	\$ 248,280	\$ 641,056	\$ 1,515,393	\$ 928,977	\$ 2,164,014	\$ 5,960,621

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 43,274	\$ -	
Plan members	8,650	-	
Total contributions	51,924	-	
Investment earnings:			
Interest	5,011	535	
Agency fund additions	-	-	
Total additions	56,935	535	
Deductions:			
Benefits	24,838	-	
Refunds of contributions	572	-	
Administrative and general	23,844	535	
Agency fund deductions	-	-	
Total deductions	49,254	535	
Excess of total additions over total deductions	7,681	-	
Cash and investment fund balance - beginning	763,947	23,631	
Cash and investment fund balance - ending	\$ 771,628	\$ 23,631	\$ 2,003,024

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

ORANGE 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: Orange County
Discretely Presented Component Units: Orange County Solid Waste Management District
Orange County Fire Protection District

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

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

Joint Venture

The County is a participant with Crawford, Dubois, Perry, Pike, and Spencer Counties in a joint venture to operate Region 15 Planning Commission which was created to help units improve economic conditions. The County is obligated by contract to support the Planning Commission. County funds are raised by a local tax levy. The Planning Commission's continued existence depends on continued funding by the Counties. Complete financial statements for the Planning Commission can be obtained from the Region 15 Planning Commission Office at 610 Main Street, Jasper, IN 47546-0786.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Orange County Economic Development Partnership. The County provides 10% of EDIT funds to the Partnership.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

The property reassessment fund is used to accumulate funds to pay for reassessment expenses.

The county french lick casino wagering and admission fund is the County's share of casino revenue. The revenue is miscellaneous revenue and may be used for any legal and corporate purpose of the County.

The courthouse renovation project fund is used for the cost of renovation of the County Courthouse. Revenues came from a general obligation bond and donations.

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the Sheriff's Pension Trust which accumulates resources for pension benefit payments.

The private-purpose trust funds report trust arrangements under which principal and income benefit the school corporations in the County, and Wolfe Cemetery.

Agency funds account for assets held by the County as an agent for other entities 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, 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.

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

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

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. 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.

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

1. Interfund 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.
2. 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.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

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

Prior to the first required publication, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

B. Disbursements in Excess of Appropriations

For the year ended December 31, 2008, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

Fund	2008
Cumulative Capital Development	\$ <u>65,054</u>

These disbursements were funded by available fund balance.

C. Cash and Investment Balance Deficits

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

Fund	2008
Criminal Justice - Federal	\$ 802
Health	16,183
Road Grant	36,805

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

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County does not have a deposit policy for custodial credit risk. At December 31, 2008, the County had deposit balances in the amount of \$9,536,287. Of this amount, the following was exposed to custodial credit risk:

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	2008
Uninsured and uncollateralized deposits	\$ 17,202

The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

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

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 24,742
U.S. agencies	108,950
Mutual funds	289,467
Corporate bonds	10,110
Corporate stock	320,912
Total	\$ 754,181

Statutory Authorization for Investments

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

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

ORANGE 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.

Investment Custodial Credit Risk

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

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

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Not in the Government's Name
U.S. treasuries and securities	\$ 24,742
U.S. agencies	108,950
Mutual funds	289,467
Corporate bonds	10,110
Corporate stock	320,912
Total	\$ 754,181

Interest Rate Risk

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

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ -	\$ -	\$ 24,742
U.S. agencies	-	-	108,949
Mutual bond funds*	-	-	64,638
Corporate bonds	10,110	-	-
Totals	<u>\$ 10,110</u>	<u>\$ -</u>	<u>\$ 198,329</u>

*The mutual bond funds had a weighted average maturity of 2.9 years.

Credit Risk

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

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County's Investments		
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise
AAA	Aaa	\$ -	\$ -	\$ 108,950
AA	Aa	-	10,110	-
Unrated	Unrated	64,638	-	-
Totals		<u>\$ 64,638</u>	<u>\$ 10,110</u>	<u>\$ 108,950</u>

Concentration of Credit Risk

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

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

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Sheriff's Retirement and Benefit Pension Plans:

Issuer	2008
Federal Home Loan Mortgage	\$ <u>48,528</u>

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.

B. Interfund Transfers

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

Transfer From	Transfer To	2008
General Fund	Other governmental funds	\$ <u>2</u>

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

C. Restatements and Reclassifications

For the year ended December 31, 2008, the names of some funds have been changed. The following schedule presents a summary of the changes to fund names from 2007 to 2008.

Opinion Unit	Prior Fund Name	Current Fund Name
Governmental funds	Emergency Planning Right to Know	Local Emergency Planning Right to Know
Governmental funds	Plat Book	Auditor's Plat Book
Governmental funds	Drug Treatment Program	User-Drug Treatment Program
Governmental funds	Pre-Trial Diversion	User-Pre-Trial Diversion
Governmental funds	Law Enforcement	User-Law Enforcement
Governmental funds	Jury Duty	User-Jury Duty
Governmental funds	Prosecutor's Drug Investigation	User-Prosecutor's Drug Investigation
Governmental funds	Testing Fund Probation	Drug Testing Grant Probation
Agency	Surplus Tax Sale	Tax Sale Surplus
Agency	State Fines and Forfeitures	Fines and Forfeitures
Agency	Sewage Collection	Sewer Tax
Agency	Probation Department	Adult Drug Testing
Agency	Probation Department	Juvenile User's Fee
Agency	Convention and Tourism Agency	Tourism
Agency	Mortgage Fees State Share	State Mortgage Fees
Agency	Riverboat Tax Distribution	Riverboat Wagering Tax
Agency	Children With Special Health Needs	Children With Special Needs
Agency	Education License Plate Fee	Education Plate

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Opinion Unit	Prior Fund Name	Current Fund Name
Agency	Payroll	Deferred Compensation
Agency	Payroll	Withholding Perf
Agency	Payroll	Withholding Federal Tax
Agency	Payroll	Withholding State Tax
Agency	Payroll	Withholding Social Security Tax
Agency	Payroll	Siho Health Insurance
Agency	Payroll	Payroll Withholding - Police Pension
Agency	Payroll	Unemployment
Agency	Payroll	American Family Insurance
Agency	Payroll	Conseco Insurance
Agency	Payroll	Garnishment
Agency	Payroll	Pekin Life Insurance
Agency	Payroll	Aul Retirement
Agency	Payroll	Boston Mututal Life Insurance
Agency	Payroll	Broker Dental/Vision

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; and natural disasters.

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

Job Related Illnesses or Injuries to Employees

During 1993, the County joined a public entity risk pool, the Indiana Public Employer's Plan, Inc., currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989 for the purpose of providing a medium for the funding and administration of worker's compensation claims. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Related Party Transactions

During the period in which financial statements are presented, the County had material transactions with Kermit Lamb, member of the County Council and branch manager of Mid-Southern Savings and Loan, Inc., in relation to financing arrangements for highway equipment, an ambulance, and a community building owned by the County in the amount of \$184,670. As of December 31, 2008, the amount of outstanding loans due to Mid-Southern Savings and Loan Inc., was \$884,700.

During the period in which financial statements are presented, the County had material transactions with Thomas Lamb, member of the Board of County Commissioners and Vice President of Old National Bank of Paoli; Greg Farlow, member of the Old National Bank of Paoli

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Board of Directors and member of the Orange County Council; and the Old National Bank of Paoli. The material transactions were in relation to financing arrangements for highway equipment and the courthouse building owned by the County in the amount of \$83,736. As of December 31, 2008, the amount of outstanding loans due to Old National Bank of Paoli was \$2,394,094. Old National Bank of Paoli was also the trustee for the sheriff's benefit plan and the sheriff's retirement plan. Payments to the plans were \$51,907. As of December 31, 2008, the balance in plans was \$771,640.

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

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.

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 188,487	\$ 57,974	\$ 4,124
Interest on net pension obligation	(6,511)	(519)	-
Adjustment to annual required contribution	7,419	1,057	-
Annual pension cost	189,395	58,512	4,124
Contributions made	164,342	58,038	4,124
Increase in net pension obligation	25,053	474	-
Net pension obligation, beginning of year	(89,801)	(7,419)	-
Net pension obligation, end of year	\$ (64,748)	\$ (6,945)	\$ -

ORANGE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6.75%	19%	1%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-08	01-01-08
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 142,896	95%	\$ (113,931)
	06-30-07	168,312	86%	(89,801)
	06-30-08	189,395	87%	(64,748)
County Police Retirement Plan	12-31-06	70,820	109%	(7,656)
	12-31-07	27,813	105%	(7,419)
	12-31-08	58,512	100%	(6,945)
County Police Benefit Plan	12-31-06	2,674	100%	-
	12-31-07	5,115	100%	-
	12-31-08	4,124	100%	-

ORANGE COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 1,855,068	\$ 2,213,971	\$ (358,903)	84%	\$ 2,311,451	(16%)
07-01-07	2,004,392	2,439,056	(434,664)	82%	2,530,094	(17%)
07-01-08	2,260,036	2,729,867	(469,831)	83%	2,649,610	(18%)

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-04	\$ 488,024	\$ 650,895	\$ (162,871)	75%	\$ 222,600	(73%)
01-01-05	499,121	693,356	(194,235)	72%	232,625	(83%)
01-01-06	618,213	742,383	(124,170)	83%	253,500	(49%)
01-01-07	726,884	840,555	(113,671)	86%	232,000	(49%)
01-01-08	798,697	803,345	(4,648)	99%	306,400	(2%)
01-01-09	804,851	872,771	(67,920)	92%	306,400	(22%)

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

	Local Road and Street	Accident Report	Firearms Training	Health	Community Development Block	Law Enforcement Continuing Education
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 22,287	\$ -	\$ -
Intergovernmental	178,399	-	-	63,307	268,447	-
Charges for services	-	1,879	8,030	79	-	-
Fines and forfeits	-	-	-	19,664	-	2,955
Interfund loans	-	-	-	-	-	-
Other	-	-	2,710	97	-	-
Total receipts	178,399	1,879	10,740	105,434	268,447	2,955
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	1,735	9	-	-	3,565
Highways and streets	195,414	-	-	-	-	-
Health and welfare	-	-	-	130,482	-	-
Economic development	-	-	-	-	268,447	-
Culture and recreation	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	195,414	1,735	9	130,482	268,447	3,565
Excess (deficiency) of receipts over disbursements	(17,015)	144	10,731	(25,048)	-	(610)
Other financing sources:						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Other receipts	-	-	-	1,000	-	-
Total other financing sources	-	-	-	1,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(17,015)	144	10,731	(24,048)	-	(610)
Cash and investment fund balance - beginning	80,252	742	4,611	7,865	-	3,899
Cash and investment fund balance - ending	\$ 63,237	\$ 886	\$ 15,342	\$ (16,183)	\$ -	\$ 3,289
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ (16,183)	\$ -	\$ 3,289
Restricted assets:						
Cash and investments	63,237	886	15,342	-	-	-
Total cash and investment assets - ending	\$ 63,237	\$ 886	\$ 15,342	\$ (16,183)	\$ -	\$ 3,289
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	886	15,342	-	-	-
Highways and streets	63,237	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	(16,183)	-	3,289
Total cash and investment fund balance - ending	\$ 63,237	\$ 886	\$ 15,342	\$ (16,183)	\$ -	\$ 3,289

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

	Clerk's Records Perpetuation	Emergency Telephone System	Drug Free Community	Local Emergency Planning Right to Know	Parks and Recreation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	81,146	-	3,401	-
Charges for services	-	191,395	-	-	1,775
Fines and forfeits	5,807	-	35,056	-	-
Interfund loans	-	-	-	-	-
Other	-	1,076	-	-	610
Total receipts	5,807	273,617	35,056	3,401	2,385
Disbursements:					
General government	-	-	-	-	-
Public safety	-	286,637	34,000	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	6,576
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	2,123
Total disbursements	-	286,637	34,000	-	8,699
Excess (deficiency) of receipts over disbursements	5,807	(13,020)	1,056	3,401	(6,314)
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,807	(13,020)	1,056	3,401	(6,314)
Cash and investment fund balance - beginning	(238)	243,531	1,954	10,539	24,759
Cash and investment fund balance - ending	\$ 5,569	\$ 230,511	\$ 3,010	\$ 13,940	\$ 18,445
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	5,569	230,511	3,010	13,940	18,445
Total cash and investment assets - ending	\$ 5,569	\$ 230,511	\$ 3,010	\$ 13,940	\$ 18,445
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ 5,569	\$ -	\$ -	\$ -	\$ -
Public safety	-	230,511	3,010	13,940	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	18,445
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	\$ 5,569	\$ 230,511	\$ 3,010	\$ 13,940	\$ 18,445

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

	Criminal Justice Federal	Recorder's Records Perpetuation	Welfare Administration	Family and Children	Health Maintenance
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ 124,669	\$ -
Intergovernmental	-	-	12,742	140,972	24,854
Charges for services	-	14,310	-	820	-
Fines and forfeits	-	-	-	-	-
Interfund loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	-	14,310	12,742	266,461	24,854
Disbursements:					
General government	-	9,834	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	12,742	458,131	26,250
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	200
Culture and recreation	-	-	-	-	-
Total disbursements	-	9,834	12,742	458,131	26,450
Excess (deficiency) of receipts over disbursements	-	4,476	-	(191,670)	(1,596)
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	23,623	-
Total other financing sources	-	-	-	23,623	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	4,476	-	(168,047)	(1,596)
Cash and investment fund balance - beginning	(802)	27,520	-	388,279	55,771
Cash and investment fund balance - ending	<u>\$ (802)</u>	<u>\$ 31,996</u>	<u>\$ -</u>	<u>\$ 220,232</u>	<u>\$ 54,175</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ (802)	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	31,996	-	220,232	54,175
Total cash and investment assets - ending	<u>\$ (802)</u>	<u>\$ 31,996</u>	<u>\$ -</u>	<u>\$ 220,232</u>	<u>\$ 54,175</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ 31,996	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	220,232	54,175
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	(802)	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ (802)</u>	<u>\$ 31,996</u>	<u>\$ -</u>	<u>\$ 220,232</u>	<u>\$ 54,175</u>

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

	Guardian Ad Litem/Court	Misdemeanant	Surveyor's Corner Perpetuation	Auditor's Plat Book Perpetuation	Gift Fund Probation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	13,387	-	-	-
Charges for services	-	-	6,225	-	-
Fines and forfeits	-	-	-	2,446	-
Interfund loans	-	-	-	-	-
Other	-	-	-	244	-
Total receipts	-	13,387	6,225	2,690	-
Disbursements:					
General government	80	-	750	4,602	-
Public safety	-	8,437	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	80	8,437	750	4,602	-
Excess (deficiency) of receipts over disbursements	(80)	4,950	5,475	(1,912)	-
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(80)	4,950	5,475	(1,912)	-
Cash and investment fund balance - beginning	80	30,741	18,745	26,897	1,573
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 35,691</u>	<u>\$ 24,220</u>	<u>\$ 24,985</u>	<u>\$ 1,573</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	35,691	24,220	24,985	1,573
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 35,691</u>	<u>\$ 24,220</u>	<u>\$ 24,985</u>	<u>\$ 1,573</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ 24,220	\$ 24,985	\$ -
Public safety	-	35,691	-	-	1,573
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 35,691</u>	<u>\$ 24,220</u>	<u>\$ 24,985</u>	<u>\$ 1,573</u>

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

	Rainy Day	Riverboat Tax Revenue	Sheriff's Commissary	Coroner's Continuing Education	Identification Security Protection
Receipts:					
Taxes	\$ 197,316	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	143,975	-	8,984
Fines and forfeits	-	-	-	1,668	-
Interfund loans	-	-	-	-	-
Other	385,745	-	-	-	-
Total receipts	583,061	-	143,975	1,668	8,984
Disbursements:					
General government	337,924	19,975	-	-	-
Public safety	-	-	134,717	1,648	1,351
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	337,924	19,975	134,717	1,648	1,351
Excess (deficiency) of receipts over disbursements	245,137	(19,975)	9,258	20	7,633
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	245,137	(19,975)	9,258	20	7,633
Cash and investment fund balance - beginning	25,284	89,870	39,162	55	18,041
Cash and investment fund balance - ending	<u>\$ 270,421</u>	<u>\$ 69,895</u>	<u>\$ 48,420</u>	<u>\$ 75</u>	<u>\$ 25,674</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 270,421	\$ 69,895	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	48,420	75	25,674
Total cash and investment assets - ending	<u>\$ 270,421</u>	<u>\$ 69,895</u>	<u>\$ 48,420</u>	<u>\$ 75</u>	<u>\$ 25,674</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	48,420	75	25,674
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	270,421	69,895	-	-	-
Total cash and investment fund balance - ending	<u>\$ 270,421</u>	<u>\$ 69,895</u>	<u>\$ 48,420</u>	<u>\$ 75</u>	<u>\$ 25,674</u>

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

	Operation Pullover	Children's Psychiatric Residential Treatment Service	Adult Probation Service	Juvenile Probation Service	County Drug Fund Probation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,985	-	-	1,250	-
Charges for services	-	-	-	1,540	-
Fines and forfeits	-	-	142,774	2,225	4,335
Interfund loans	-	-	-	-	-
Other	-	-	-	-	-
Total receipts	6,985	-	142,774	5,015	4,335
Disbursements:					
General government	-	-	-	-	-
Public safety	7,036	-	120,042	8,317	1,460
Highways and streets	-	-	-	-	-
Health and welfare	-	20,513	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	5,857	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	7,036	20,513	125,899	8,317	1,460
Excess (deficiency) of receipts over disbursements	(51)	(20,513)	16,875	(3,302)	2,875
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(51)	(20,513)	16,875	(3,302)	2,875
Cash and investment fund balance - beginning	1,433	61,137	146,588	6,947	19,434
Cash and investment fund balance - ending	<u>\$ 1,382</u>	<u>\$ 40,624</u>	<u>\$ 163,463</u>	<u>\$ 3,645</u>	<u>\$ 22,309</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	1,382	40,624	163,463	3,645	22,309
Total cash and investment assets - ending	<u>\$ 1,382</u>	<u>\$ 40,624</u>	<u>\$ 163,463</u>	<u>\$ 3,645</u>	<u>\$ 22,309</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	1,382	-	163,463	3,645	22,309
Highways and streets	-	-	-	-	-
Health and welfare	-	40,624	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 1,382</u>	<u>\$ 40,624</u>	<u>\$ 163,463</u>	<u>\$ 3,645</u>	<u>\$ 22,309</u>

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

	Lease Rental	Special Vehicle Inspection	Truck Hauling Permits	Impact	Emergency Management Assistance Donation
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	665	-	-	-
Interfund loans	-	-	-	-	-
Other	-	-	300	-	-
	<u>-</u>	<u>665</u>	<u>300</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>665</u>	<u>300</u>	<u>-</u>	<u>-</u>
Disbursements:					
General government	-	-	-	-	-
Public safety	-	781	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>781</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(116)</u>	<u>300</u>	<u>-</u>	<u>-</u>
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(116)</u>	<u>300</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>5,523</u>	<u>291</u>	<u>2,207</u>	<u>2</u>	<u>154</u>
Cash and investment fund balance - ending	<u><u>\$ 5,523</u></u>	<u><u>\$ 175</u></u>	<u><u>\$ 2,507</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 154</u></u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	<u>5,523</u>	<u>175</u>	<u>2,507</u>	<u>2</u>	<u>154</u>
Total cash and investment assets - ending	<u><u>\$ 5,523</u></u>	<u><u>\$ 175</u></u>	<u><u>\$ 2,507</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 154</u></u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ 5,523	\$ -	\$ -	\$ -	\$ -
Public safety	-	175	2,507	-	154
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	2	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - ending	<u><u>\$ 5,523</u></u>	<u><u>\$ 175</u></u>	<u><u>\$ 2,507</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 154</u></u>

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

	Indiana Region 15	User-Drug Treatment Program	User-Pre-Trial Diversion	User-Law Enforcement Education	User-Jury Duty
Receipts:					
Taxes	\$ 5,572	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,068	-	-	-	-
Charges for services	-	1,490	-	-	-
Fines and forfeits	-	112,031	79,735	1,070	3,953
Interfund loans	-	-	-	-	-
Other	-	300	156	-	-
Total receipts	6,640	113,821	79,891	1,070	3,953
Disbursements:					
General government	-	-	-	-	-
Public safety	8,126	67,888	54,298	534	216
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	3,968	11,713	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	8,126	71,856	66,011	534	216
Excess (deficiency) of receipts over disbursements	(1,486)	41,965	13,880	536	3,737
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	1,128	-	-
Total other financing sources	-	-	1,128	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,486)	41,965	15,008	536	3,737
Cash and investment fund balance - beginning	4,267	80,085	26,554	29,161	454
Cash and investment fund balance - ending	<u>\$ 2,781</u>	<u>\$ 122,050</u>	<u>\$ 41,562</u>	<u>\$ 29,697</u>	<u>\$ 4,191</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	2,781	122,050	41,562	29,697	4,191
Total cash and investment assets - ending	<u>\$ 2,781</u>	<u>\$ 122,050</u>	<u>\$ 41,562</u>	<u>\$ 29,697</u>	<u>\$ 4,191</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ 2,781	\$ -	\$ -	\$ -	\$ -
Public safety	-	122,050	41,562	29,697	4,191
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 2,781</u>	<u>\$ 122,050</u>	<u>\$ 41,562</u>	<u>\$ 29,697</u>	<u>\$ 4,191</u>

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

	User-Prosecutor's. Drug Investigation	Drug Testing Grant Probation	Indiana Railway Grant	Road Grant	County Supplemental Public Defenders Services
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	1,100
Fines and forfeits	160	-	-	-	-
Interfund loans	-	-	-	-	-
Other	7,192	-	-	-	-
	<u>7,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
Total receipts	<u>7,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
Disbursements:					
General government	-	-	-	-	-
Public safety	7,375	837	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>7,375</u>	<u>837</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(23)</u>	<u>(837)</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(23)</u>	<u>(837)</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
Cash and investment fund balance - beginning	<u>23</u>	<u>1,755</u>	<u>100</u>	<u>(36,805)</u>	<u>2,536</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 918</u>	<u>\$ 100</u>	<u>\$ (36,805)</u>	<u>\$ 3,636</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ (36,805)	\$ -
Restricted assets:					
Cash and investments	-	918	100	-	3,636
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 918</u>	<u>\$ 100</u>	<u>\$ (36,805)</u>	<u>\$ 3,636</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ 100	\$ -	\$ -
Public safety	-	918	-	-	3,636
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	(36,805)	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 918</u>	<u>\$ 100</u>	<u>\$ (36,805)</u>	<u>\$ 3,636</u>

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

	Alternative Dispute Resolution	County Sex and Violent Offender	Administrative Fee Fund	Sheriff Donations	Hoosier Hills Pact
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	73,625
Charges for services	-	-	-	-	-
Fines and forfeits	3,540	-	-	-	-
Interfund loans	-	-	-	-	-
Other	-	1,525	-	1,000	-
Total receipts	3,540	1,525	-	1,000	73,625
Disbursements:					
General government	-	-	-	-	73,625
Public safety	-	148	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	-	148	-	-	73,625
Excess (deficiency) of receipts over disbursements	3,540	1,377	-	1,000	-
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,540	1,377	-	1,000	-
Cash and investment fund balance - beginning	3,856	-	100	4,798	-
Cash and investment fund balance - ending	<u>\$ 7,396</u>	<u>\$ 1,377</u>	<u>\$ 100</u>	<u>\$ 5,798</u>	<u>\$ -</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Cash and investments	7,396	1,377	100	5,798	-
Total cash and investment assets - ending	<u>\$ 7,396</u>	<u>\$ 1,377</u>	<u>\$ 100</u>	<u>\$ 5,798</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ 100	\$ -	\$ -
Public safety	7,396	1,377	-	5,798	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total cash and investment fund balance - ending	<u>\$ 7,396</u>	<u>\$ 1,377</u>	<u>\$ 100</u>	<u>\$ 5,798</u>	<u>\$ -</u>

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

	Overweight Vehicle Fine	GED Grant Fund	Sheriff Walmart Grant	County Excess Levy	ADA Courthouse Grant Fund
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,000	-	389,164
Charges for services	-	-	-	-	-
Fines and forfeits	336	-	-	-	-
Interfund loans	-	-	-	-	-
Other	-	-	-	-	82,323
Total receipts	336	-	1,000	-	471,487
Disbursements:					
General government	336	-	-	-	458,501
Public safety	-	-	812	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	336	-	812	-	458,501
Excess (deficiency) of receipts over disbursements	-	-	188	-	12,986
Other financing sources:					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	2	-
Other receipts	-	-	-	-	-
Total other financing sources	-	-	-	2	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	188	2	12,986
Cash and investment fund balance - beginning	-	1	-	-	(12,986)
Cash and investment fund balance - ending	\$ -	\$ 1	\$ 188	\$ 2	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 1	\$ -	\$ 2	\$ -
Restricted assets:					
Cash and investments	-	-	188	-	-
Total cash and investment assets - ending	\$ -	\$ 1	\$ 188	\$ 2	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	188	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unrestricted	-	1	-	2	-
Total cash and investment fund balance - ending	\$ -	\$ 1	\$ 188	\$ 2	\$ -

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

	Cumulative Capital Development	Cumulative Bridge	Economic Development Income	Community Building	Totals
Receipts:					
Taxes	\$ 139,295	\$ 479,556	\$ 425,799	\$ -	\$ 1,394,494
Intergovernmental	26,699	191,220	-	-	1,477,666
Charges for services	-	-	-	48,000	429,602
Fines and forfeits	-	-	-	-	418,420
Interfund loans	-	100,000	-	-	100,000
Other	-	-	-	10,694	493,972
Total receipts	165,994	770,776	425,799	58,694	4,314,154
Disbursements:					
General government	170,068	-	-	-	1,075,695
Public safety	-	-	-	-	749,969
Highways and streets	-	236,111	-	-	431,525
Health and welfare	-	-	-	-	648,118
Economic development	-	-	400,695	-	669,142
Culture and recreation	-	-	-	-	6,576
Interfund loans	-	100,000	-	-	100,000
Debt service:					
Principal	118,008	-	-	26,293	144,301
Interest	21,364	-	-	23,717	45,081
Capital outlay:					
Public safety	-	-	-	-	21,538
Highways and streets	-	482,582	-	-	482,582
Health and welfare	-	-	-	-	200
Culture and recreation	-	-	-	-	2,123
Total disbursements	309,440	818,693	400,695	50,010	4,376,850
Excess (deficiency) of receipts over disbursements	(143,446)	(47,917)	25,104	8,684	(62,696)
Other financing sources:					
Net proceeds from borrowings	75,450	-	-	-	75,450
Transfers in	-	-	-	-	2
Other receipts	-	-	-	-	25,751
Total other financing sources	75,450	-	-	-	101,203
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(67,996)	(47,917)	25,104	8,684	38,507
Cash and investment fund balance - beginning	133,405	522,909	7,088	15,360	2,125,507
Cash and investment fund balance - ending	\$ 65,409	\$ 474,992	\$ 32,192	\$ 24,044	\$ 2,164,014
Cash and Investment Assets - Ending					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 289,818
Restricted assets:					
Cash and investments	65,409	474,992	32,192	24,044	1,874,196
Total cash and investment assets - ending	\$ 65,409	\$ 474,992	\$ 32,192	\$ 24,044	\$ 2,164,014
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 95,274
Public safety	-	-	-	-	785,570
Highways and streets	-	-	-	-	63,237
Health and welfare	-	-	-	-	315,033
Culture and recreation	-	-	-	-	18,445
Capital outlay	65,409	474,992	32,192	24,044	596,637
Unrestricted	-	-	-	-	289,818
Total cash and investment fund balance - ending	\$ 65,409	\$ 474,992	\$ 32,192	\$ 24,044	\$ 2,164,014

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

	<u>County Police Benefit Pension</u>	<u>County Police Retirement Pension</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 4,970.00	\$ 38,304.00	\$ 43,274.00
Plan members	<u>-</u>	<u>8,650</u>	<u>8,650</u>
Total contributions	<u>4,970</u>	<u>46,954</u>	<u>51,924</u>
Investment receipts:			
Interest	<u>247</u>	<u>4,764</u>	<u>5,011</u>
Total additions	<u>5,217</u>	<u>51,718</u>	<u>56,935</u>
Deductions:			
Benefits	-	24,838	24,838
Refunds of contributions	-	572	572
Administrative and general	<u>5,296</u>	<u>18,548</u>	<u>23,844</u>
Total deductions	<u>5,296</u>	<u>43,958</u>	<u>49,254</u>
Excess (deficiency) of total additions over total deductions	(79)	7,760	7,681
Cash and investment fund balance - beginning	<u>8,278</u>	<u>755,669</u>	<u>763,947</u>
Cash and investment fund balance - ending	<u>\$ 8,199</u>	<u>\$ 763,429</u>	<u>\$ 771,628</u>

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

	<u>Congressional School Principal</u>	<u>Wolf Cemetery Fund</u>	<u>Totals</u>
Additions:			
Investment earnings:			
Interest	\$ -	\$ 535	\$ 535
Deductions:			
Administrative and general	-	535	535
Excess of total additions over total deductions	-	-	-
Cash and investment fund balance - beginning	<u>13,631</u>	<u>10,000</u>	<u>23,631</u>
Cash and investment fund balance - ending	<u>\$ 13,631</u>	<u>\$ 10,000</u>	<u>\$ 23,631</u>

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

	<u>City and Town Court Costs</u>	<u>Congressional School Interest</u>	<u>Clerk's Trust</u>	<u>Tax Sale Surplus</u>	<u>Tax Sale Redemption</u>	<u>Surplus Tax</u>
Additions:						
Agency fund additions	\$ 8,512	\$ 754	\$ 2,998,271	\$ -	\$ 38,194	\$ 4,828
Deductions:						
Agency fund deductions	<u>-</u>	<u>273</u>	<u>2,837,531</u>	<u>173,380</u>	<u>38,195</u>	<u>23,587</u>
Excess (deficiency) of total additions over total deductions	8,512	481	160,740	(173,380)	(1)	(18,759)
Cash and investment fund balance - beginning	<u>35,188</u>	<u>27,391</u>	<u>625,807</u>	<u>228,048</u>	<u>-</u>	<u>25,727</u>
Cash and investment fund balance - ending	<u>\$ 43,700</u>	<u>\$ 27,872</u>	<u>\$ 786,547</u>	<u>\$ 54,668</u>	<u>\$ (1)</u>	<u>\$ 6,968</u>

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

	State Sales Disclosure Fee	Sewer Tax	Recorder	Sheriff	Inheritance Tax	Sheriff's Inmate Trust
Additions:						
Agency fund additions	\$ 5,290	\$ 4,517	\$ 82,195	\$ 32,150	\$ 227,634	\$ 161,207
Deductions:						
Agency fund deductions	2,615	6,593	88,725	33,050	325,204	167,281
Excess (deficiency) of total additions over total deductions	2,675	(2,076)	(6,530)	(900)	(97,570)	(6,074)
Cash and investment fund balance - beginning	15,042	2,076	6,530	900	98,124	19,119
Cash and investment fund balance - ending	<u>\$ 17,717</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 554</u>	<u>\$ 13,045</u>

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

	<u>Deferred Compensation</u>	<u>Withholding Perf</u>	<u>Withholding Federal Tax</u>	<u>Withholding State Tax</u>	<u>Withholding Social Security Tax</u>	<u>Siho Health Insurance</u>
Additions:						
Agency fund additions	\$ 3,308	\$ 285,156	\$ 287,012	\$ 162,491	\$ 528,784	\$ 1,163,607
Deductions:						
Agency fund deductions	<u>3,308</u>	<u>270,974</u>	<u>287,012</u>	<u>162,491</u>	<u>528,784</u>	<u>1,161,529</u>
Excess (deficiency) of total additions over total deductions	-	14,182	-	-	-	2,078
Cash and investment fund balance - beginning	<u>-</u>	<u>57,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,120</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 71,188</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,198</u>

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

	Special Death Benefit	Education Plate	Tourism	State Mortgage Fee	Children With Special Needs	Hospital Care for the Indigent
Additions:						
Agency fund additions	\$ 2,695	\$ 1,275	\$ 755,327	\$ 2,523	\$ 47,309	\$ 112,628
Deductions:						
Agency fund deductions	2,745	1,388	551,153	2,463	70,230	165,612
Excess (deficiency) of total additions over total deductions	(50)	(113)	204,174	60	(22,921)	(52,984)
Cash and investment fund balance - beginning	1,818	113	296,068	3,375	22,921	52,984
Cash and investment fund balance - ending	<u>\$ 1,768</u>	<u>\$ -</u>	<u>\$ 500,242</u>	<u>\$ 3,435</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Medical Assistance to Wards	Welfare Trust	Homestead Credit Rebate	Payroll Withholding-Police Pension	Hea 1001 State Homestead Credit	Tax Distribution
Additions:						
Agency fund additions	\$ 4,150	\$ 1,144	\$ -	\$ 28,508	\$ 780,478	\$ 17,712,222
Deductions:						
Agency fund deductions	<u>6,405</u>	<u>3,858</u>	<u>369,802</u>	<u>31,626</u>	<u>767,519</u>	<u>17,708,770</u>
Excess (deficiency) of total additions over total deductions	(2,255)	(2,714)	(369,802)	(3,118)	12,959	3,452
Cash and investment fund balance - beginning	<u>2,255</u>	<u>3,898</u>	<u>369,802</u>	<u>5,285</u>	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 1,184</u>	<u>\$ -</u>	<u>\$ 2,167</u>	<u>\$ 12,959</u>	<u>\$ 3,452</u>

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

	After Settlement Collections	Unemployment	American Family Insurance	Conseco Insurance	Garnishment	Pekin Life Insurance
Additions:						
Agency fund additions	\$ 16,628,942	\$ 4,522	\$ 9,177	\$ 8,350	\$ 25,195	\$ 12,276
Deductions:						
Agency fund deductions	<u>16,836,115</u>	<u>4,522</u>	<u>9,158</u>	<u>8,408</u>	<u>25,102</u>	<u>12,243</u>
Excess (deficiency) of total additions over total deductions	(207,173)	-	19	(58)	93	33
Cash and investment fund balance - beginning	<u>415,421</u>	<u>-</u>	<u>3</u>	<u>325</u>	<u>157</u>	<u>232</u>
Cash and investment fund balance - ending	<u>\$ 208,248</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 267</u>	<u>\$ 250</u>	<u>\$ 265</u>

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

	Aul Retirement	Boston Mutual Life Insurance	Broker Dental/Vision	Riverboat Wagering Tax	Fines and Forfeitures	Riverboat Admissions Tax
Additions:						
Agency fund additions	\$ 13,575	\$ 9,170	\$ 14,665	\$ 2,043,428	\$ 9,486	\$ 1,165,679
Deductions:						
Agency fund deductions	<u>13,575</u>	<u>9,170</u>	<u>14,674</u>	<u>2,129,653</u>	<u>8,334</u>	<u>1,165,679</u>
Excess (deficiency) of total additions over total deductions	-	-	(9)	(86,225)	1,152	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>67</u>	<u>323,920</u>	<u>1,962</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58</u>	<u>\$ 237,695</u>	<u>\$ 3,114</u>	<u>\$ -</u>

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

	Excess Cagit/Cedit	Adult Drug Testing	Prosecutor Drug Investigation	Juvenile Users Fee	Interstate Compact Fee	Totals
Additions:						
Agency fund additions	\$ 1,097,509	\$ 4,335	\$ 9,143	\$ 3,765	\$ 225	\$ 46,501,611
Deductions:						
Agency fund deductions	1,097,509	4,335	9,802	3,765	225	47,144,372
Excess (deficiency) of total additions over total deductions	-	-	(659)	-	-	(642,761)
Cash and investment fund balance - beginning	-	270	816	15	-	2,645,785
Cash and investment fund balance - ending	\$ -	\$ 270	\$ 157	\$ 15	\$ -	\$ 2,003,024

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 692,670
Infrastructure	2,959,493
Buildings	10,843,340
Machinery and equipment	<u>4,510,135</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 19,005,638</u>

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

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Equipment	\$ 457,326	\$ 156,805
Notes and loans payable	337,527	123,402
Bonds payable:		
General obligation bonds:		
Community Building	568,632	52,110
Gaming Tax Revenue Bonds of 2008	2,275,000	184,906
General Bond of 2008	600,000	112,602
Total governmental activities debt	<u>\$ 4,238,485</u>	<u>\$ 629,825</u>

ORANGE COUNTY
OTHER REPORTS

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

Clerk of the Circuit Court
County Treasurer
County Sheriff
County Auditor

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF ORANGE COUNTY, INDIANA

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

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

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

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

July 27, 2009

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Housing Community Development Authority Community Development Block Grants/State's Program	14.228	CF-06-232	\$ <u>389,164</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants	16.523	06-JB-112 04-JB-109 06-JB-019	7,263 7,262 <u>8,072</u>
Total for program			<u>22,597</u>
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	07-JF-028 07JF041	25,083 <u>14,451</u>
Total for program			<u>39,534</u>
Title V - Delinquency Prevention Program	16.548	07-JP-002	<u>16,508</u>
Total for federal grantor agency			<u>78,639</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Bridge inspection	20.205	BR-NBIS (562)	<u>38,492</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600	OP-08-01-01-99	<u>1,995</u>
Pass-Through Indiana Department of Transportation Formula Grants for Other Than Urbanized Areas	20.509	1802629O 1802629C	129,424 <u>26,075</u>
Total for program			<u>155,499</u>
Total for federal grantor agency			<u>195,986</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Centers for Disease Control and Prevention - Investigations and Technical Assistance Bioterrorism Preparedness and Response Bioterrorism Preparedness and Response	93.283	5U90TP517024-08 5U90TP517024-09	36,688 <u>652</u>
Total for program			<u>37,340</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement Title IV-D Expenditures Title IV-D Indirect Costs	93.563		173,177 <u>22,984</u>
Total for program			<u>196,161</u>
Total for federal grantor agency			<u>233,501</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance	97.036	1795	<u>30,387</u>
Emergency Management Performance Grants	97.042	C44P-9-667A	<u>18,275</u>
Total for federal grantor agency			<u>48,662</u>
Total federal awards expended			<u>\$ 945,952</u>

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

ORANGE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

II. Subrecipients

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

Program Title	Federal CFDA Number	2008
Juvenile Accountability Block Grants	16.523	\$ 22,597
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	39,534
Title V - Delinquency Prevention Program	16.548	16,508
Formula Grants for Other Than Urbanized Areas	20.509	155,499

ORANGE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	yes

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
14.228	Community Development Block Grants/State's Program

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2008-1, INTERNAL CONTROLS OVER FINANCIAL
TRANSACTIONS AND REPORTING – SIGNIFICANT DEFICIENCIES

We noted several deficiencies in the internal control system of the Clerk of the Circuit Court's office related to financial transactions and financial reporting that were considered to be significant deficiencies. One of these deficiencies is a lack of segregation of duties. The Deputy Clerk is responsible for reconciling the bank accounts to the Clerk's ledger each month. She also has the ability to write receipts, write checks, and post transactions to the ledger.

Bank reconciliations are not completed timely and there is no approval or oversight of the bank reconciliation once it is completed.

ORANGE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The Clerk's Trust Fund Register was not reconciled to the Trust Fund in the Clerk's Daily Cash Book.

The lack of segregation of duties, the lack of oversight and approval of the bank reconciliation process, the lack of timely bank reconciliations and not reconciling the Clerk's Trust Fund Register to the control account could allow fraud or error to occur in the court funds and not be detected.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objections, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Clerk's of the Circuit Courts, Chapter 13)

We recommended that proper controls be established to address the deficiency noted with the receipting, disbursing, recording, and accounting for the financial activities and bank reconciliation process of the Clerk of the Circuit Court's records.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

ORANGE COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

ROGER E. PURKHISER
ORANGE CIRCUIT COURT CLERK
1 COURT STREET
PAOLI, IN 47454
812-723-2649
FAX 812-723-0239

July 12, 2009

STATE BOARD OF ACCOUNTS

Finding 2008-1: Internal Controls Over Financial Transactions and Reporting –
Significant Deficiencies

When I took office in January of this year I told my deputies that I wanted them to be able to help each other. I think cross training is important in a small office such as ours but it is invariable that we have those who do several jobs. Some type of control does need to be in place and I hope to be able to work toward this.

It is my intention to assume a part of the duties on balancing and reconciling books and bank statements when I return to work after my medical leave. I also would like to have my other deputies learn to do balancing and reconciling.

Sincerely



Roger E. Purkhiser

ORANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2009, with Diann Mathers, Auditor; Donald R. Crockett, President of the Board of County Commissioners; and James McDonald, President of the County Council.