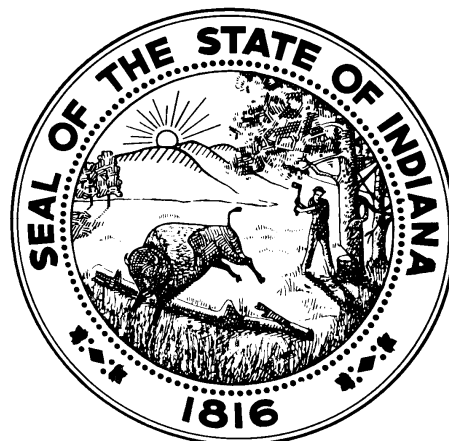


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

HOWARD COUNTY, INDIANA



FILED

09/18/2009

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Ann Wells	01-01-05 to 12-31-12
Treasurer	Martha Lake	01-01-05 to 12-31-12
Clerk	Mona Myers	01-01-04 to 12-31-11
Sheriff	Marshall D. Talbert	01-01-03 to 12-31-10
Recorder	Linda Koontz	01-01-03 to 12-31-10
President of the Board of County Commissioners	Paul Raver David Trine	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the County Council	Richard Miller	01-01-08 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 HOWARD COUNTY, INDIANA

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

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

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

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 28, 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 28, 2009



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

TO: THE OFFICIALS OF HOWARD COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Howard 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 28, 2009. The opinions to the financial statements were qualified due to the omission of a number of component units of the County, 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 28, 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, 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 28, 2009

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts			<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	\$ 32,789,496	\$ 2,418,025	\$ 62,158	\$ -	\$ (30,309,313)
Public safety	5,239,370	2,990,012	678,328	-	(1,571,030)
Highways and streets	4,450,354	-	2,338,951	554,827	(1,556,576)
Health and welfare	6,203,070	482,169	131,260	-	(5,589,641)
Culture and recreation	195,720	-	-	-	(195,720)
Principal and interest on indebtedness	15,961	-	-	-	(15,961)
Total primary government	<u>\$ 48,893,971</u>	<u>\$ 5,890,206</u>	<u>\$ 3,210,697</u>	<u>\$ 554,827</u>	<u>(39,238,241)</u>
General receipts:					
Property taxes					19,039,624
Income taxes					3,703,301
Intergovernmental					11,854,664
Other local sources					5,209,902
Grants and contributions not restricted to specific programs					2,791
Investment earnings					<u>1,091,831</u>
Total general receipts, special items, and transfers					<u>40,902,113</u>
Change in net assets					1,663,872
Net assets - beginning					<u>27,578,187</u>
Net assets - ending					<u>\$ 29,242,059</u>
 <u>Assets</u>					
Cash and investments					\$ 23,707,423
Restricted assets:					
Cash and investments					<u>5,534,636</u>
Total assets					<u>\$ 29,242,059</u>
 <u>Net Assets</u>					
Restricted for:					
General government					\$ 321,150
Public safety					628,568
Highways and streets					620,426
Health and welfare					1,167,181
Capital outlay					2,797,311
Unrestricted					<u>23,707,423</u>
Total net assets					<u>\$ 29,242,059</u>

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

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

	General	Family And Children	Jail and Juvenile County Option Income Tax	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 14,050,399	\$ 1,199,105	\$ 3,040,283	\$ 4,835,084	\$ 23,124,871
Special assessments	-	-	-	864,794	864,794
Licenses and permits	-	-	-	35,270	35,270
Intergovernmental	1,386,116	1,572,045	3,559,771	9,102,256	15,620,188
Charges for services	902,151	-	1,419,848	1,975,994	4,297,993
Fines and forfeits	509,719	-	-	708,895	1,218,614
Other	2,406,615	-	253,254	815,720	3,475,589
Total receipts	19,255,000	2,771,150	8,273,156	18,338,013	48,637,319
Disbursements:					
General government	13,350,258	-	7,457,613	8,175,232	28,983,103
Public safety	4,115,332	-	-	1,444,328	5,559,660
Highways and streets	-	-	-	4,653,290	4,653,290
Health and welfare	619,940	4,882,382	-	767,985	6,270,307
Culture and recreation	195,720	-	-	-	195,720
Debt service:					
Principal	-	-	-	10,120	10,120
Interest	-	-	-	5,841	5,841
Capital outlay:					
General government	16,797	-	-	1,443,145	1,459,942
Public safety	10,000	-	-	59,744	69,744
Highways and streets	-	-	-	173,069	173,069
Health and welfare	-	-	-	84	84
Total disbursements	18,308,047	4,882,382	7,457,613	16,732,838	47,380,880
Excess (deficiency) of receipts over disbursements	946,953	(2,111,232)	815,543	1,605,175	1,256,439
Other financing sources:					
Other receipts	379,524	-	-	15,159	394,683
Total other financing sources	379,524	-	-	15,159	394,683
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,326,477	(2,111,232)	815,543	1,620,334	1,651,122
Cash and investment fund balance - beginning	6,835,738	3,146,366	-	13,879,436	23,861,540
Cash and investment fund balance - ending	<u>\$ 8,162,215</u>	<u>\$ 1,035,134</u>	<u>\$ 815,543</u>	<u>\$ 15,499,770</u>	<u>25,512,662</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because: Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>3,729,397</u>
Net assets of governmental activities					<u>\$ 29,242,059</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 8,162,215	\$ -	\$ 815,543	\$ 11,000,268	\$ 19,978,026
Restricted assets:					
Cash and investments	-	1,035,134	-	4,499,502	5,534,636
Total cash and investment assets - ending	<u>\$ 8,162,215</u>	<u>\$ 1,035,134</u>	<u>\$ 815,543</u>	<u>\$ 15,499,770</u>	<u>\$ 25,512,662</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 321,150	\$ 321,150
Public safety	-	-	-	628,568	628,568
Highways and streets	-	-	-	620,426	620,426
Health and welfare	-	1,035,134	-	132,047	1,167,181
Capital outlay	-	-	-	2,797,311	2,797,311
Unrestricted	8,162,215	-	815,543	11,000,268	19,978,026
Total cash and investment fund balance - ending	<u>\$ 8,162,215</u>	<u>\$ 1,035,134</u>	<u>\$ 815,543</u>	<u>\$ 15,499,770</u>	<u>\$ 25,512,662</u>

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

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

	<u>Internal Service Funds</u>
Operating receipts:	
Charges for services	\$ 3,814,160
Miscellaneous	<u>852,444</u>
Total operating receipts	<u>4,666,604</u>
Operating disbursements:	
Insurance claims and expense	4,650,349
Miscellaneous	<u>3,505</u>
Total operating disbursements	<u>4,653,854</u>
Excess of operating receipts over operating disbursements	<u>12,750</u>
Cash and investment fund balance - beginning	<u>3,716,647</u>
Cash and investment fund balance - ending	<u>\$ 3,729,397</u>
<u>Cash and Investment Assets - December 31</u>	
Cash and investments	<u>\$ 3,729,397</u>
Total cash and investment assets - December 31	<u>\$ 3,729,397</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Unrestricted	<u>\$ 3,729,397</u>
Total cash and investment fund balance - December 31	<u>\$ 3,729,397</u>

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 383,097	\$ -	
Plan members	<u>94,793</u>	<u>-</u>	
Total contributions	<u>477,890</u>	<u>-</u>	
Investment earnings:			
Net increase in fair value of investments	447,140	-	
Interest	<u>1,118,915</u>	<u>-</u>	
Net investment earnings	<u>1,566,055</u>	<u>-</u>	
Total additions	<u>2,043,945</u>	<u>-</u>	
Deductions:			
Benefits	531,158	-	
Administrative and general	<u>81,395</u>	<u>-</u>	
Total deductions	<u>612,553</u>	<u>-</u>	
Excess (deficiency) of total additions over total deductions	1,431,392	-	
Cash and investment fund balance - beginning	<u>9,146,109</u>	<u>22,478</u>	
Cash and investment fund balance - ending	<u>\$ 10,577,501</u>	<u>\$ 22,478</u>	<u>\$ 6,732,227</u>

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

HOWARD 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:	Howard County
Discretely Presented Component Unit:	Howard County Hospital Howard County Redevelopment Authority

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

The Howard County Hospital and the Howard County Redevelopment Authority, component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

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 Howard County Hospital, Howard County Economic Development Commission, Howard County Solid Waste Management District, Kokomo Howard County Emergency Management Advisory Board, Howard County Alcoholic Beverage Commission, Howard County Convention and Visitors Commission, and the Kokomo/Howard County Governmental Coordinating Council.

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 does not have business-type activities.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 family and children fund accounts for expenses incurred in providing public welfare assistance. Financing is provided by a specific property tax levy and Federal and State assistance.

The jail and juvenile county option income tax fund accounts for expenses related to the incarceration of adult and juvenile inmates. Financing is provided by a county option income tax.

Additionally, the County reports the following fund types:

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

The pension trust funds account for the activities of the Howard County Sheriff Retirement and Benefit Plans, which accumulate resources for pension benefit payments.

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

The agency fund accounts for assets held by the County as an agent for the federal government, state government, various organizations, and employee insurance companies.

C. Measurement Focus and Basis of Accounting

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

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

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

HOWARD COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. 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
Community Corrections - Home Detention	\$ 6,114
Youth Center DMHA Grant	3,399
Stop Domestic Violence Grant	6,821
Governing Coordinating Council Payroll	22,234

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.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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
Mutual funds	\$ 10,577,501

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.

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	2008	
	In the Government's Name	Not in the Government's Name
Mutual funds	\$ 10,577,501	\$ -

Interest Rate Risk

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

The Sheriff's Merit Board has not adopted a formal investment policy for interest rate risk. The Sheriff's Merit Board for the Sheriff's Retirement and Benefit Pension Plans manages interest rate risk by authorizing investments with stated final maturities of less than one year.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Mutual funds	\$ 10,577,501	\$ -	\$ -

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 Sheriff's Investments			
		Mutual Funds	Corporate Bonds	Government Sponsored Enterprise	Investment Pools
Unrated	Unrated	\$ 10,577,501	\$ -	\$ -	\$ -

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.

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.

IV. Other Information

A. Risk Management

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Medical Benefits to Employees, Retirees, and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Holding Corporation

The County has entered into a capital lease with Howard County Jail and Detention Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$824,000.

C. Subsequent Events

Beginning in 2009, the State Pension Relief Fund shall pay to each unit of local government with Pre-1977 Local Police and Fire Fighter Pension obligations, the total amount of pension, disability, and survivor benefit payments. The Pre-1977 funds include the 1925 Police Pension Fund, the 1937 Firefighters' Fund, and the 1953 Police Pension Fund. For property taxes due and payable after December 31, 2008, the Department of Local Government Finance shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the State for the obligations.

D. Conduit Debt Obligation

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Termination Benefits

During the current year, the County offered postemployment insurance benefits, as authorized by Indiana Code 5-10-8, to retired merit officers of the Howard County Sheriff's Department who have retired from the County on or after attaining age 50 with at least 20 years of service. Currently, three retirees meet these eligibility requirements. The County provides \$150 each month towards these termination benefits. Disbursements for these benefits are recognized on a pay-as-you-go basis.

F. Administration of Welfare Programs

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

G. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 843,337	\$ 128,458	\$ 14,890
Interest on net pension obligation	(39,386)	(18,890)	-
Adjustment to annual required contribution	44,883	43,317	-
Annual pension cost	848,834	152,885	14,890
Contributions made	923,353	353,317	14,890
Decrease in net pension obligation	(74,519)	(200,432)	-
Net pension obligation, beginning of year	(543,256)	(269,864)	-
Net pension obligation, end of year	<u>\$ (617,775)</u>	<u>\$ (470,296)</u>	<u>\$ -</u>

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Contribution rates:			
County	6.5%	9%	1%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-09	01-01-09
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

<u>Actuarial Assumptions</u>	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
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%

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-06	\$ 808,597	116%	\$ (548,554)
	06-30-07	819,629	99%	(543,256)
	06-30-08	848,834	109%	(617,775)
County Police Retirement Plan	12-31-06	202,608	135%	(32,262)
	12-31-07	110,082	324%	(269,864)
	12-31-08	152,885	275%	(470,269)
County Police Benefit Plan	12-31-06	16,574	100%	-
	12-31-07	15,840	100%	-
	12-31-08	14,890	100%	-

HOWARD 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	\$ 11,618,160	\$ 12,571,685	\$ (953,525)	92%	\$ 12,651,113	(8%)
07-01-07	13,097,802	13,780,335	(682,533)	95%	13,178,541	(5%)
07-01-08	14,240,366	15,131,589	(891,223)	94%	14,036,150	(6%)

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)
01-01-02	\$ 6,750,688	\$ 6,961,435	\$ (210,747)	97%	\$ 1,314,601	(16%)
01-01-03	7,020,552	7,225,977	(205,425)	97%	1,344,660	(15%)
01-01-04	7,275,816	7,902,132	(626,316)	92%	1,310,088	(48%)
01-01-05	7,624,745	8,300,150	(675,405)	92%	1,344,325	(50%)
01-01-06	8,337,828	9,033,471	(695,643)	92%	1,288,104	(54%)
01-01-07	9,188,758	9,796,813	(608,055)	94%	1,403,763	(43%)
01-01-08	10,062,977	10,062,977	-	100%	1,465,091	0%
01-01-09	9,391,688	9,792,322	(400,634)	96%	1,430,245	(28%)

HOWARD 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	Alcohol and Drug Services	Electronic Map Generation	Emergency Telephone System
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 485,388	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	35,270	-	-	-	-
Intergovernmental	554,827	-	-	47,097	-	-	-
Charges for services	-	10,188	-	215,814	-	957	553,164
Fines and forfeits	-	-	-	-	235,656	-	-
Other	8,780	-	-	-	-	-	-
Total receipts	563,607	10,188	35,270	748,299	235,656	957	553,164
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	12,018	53,228	-	208,640	-	603,785
Highways and streets	406,283	-	-	-	-	-	-
Health and welfare	-	-	-	715,332	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	23,708
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	406,283	12,018	53,228	715,332	208,640	-	627,493
Excess (deficiency) of receipts over disbursements	157,324	(1,830)	(17,958)	32,967	27,016	957	(74,329)
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	157,324	(1,830)	(17,958)	32,967	27,016	957	(74,329)
Cash and investment fund balance - beginning	262,804	4,353	28,908	99,080	273,967	6,362	168,869
Cash and investment fund balance - ending	<u>\$ 420,128</u>	<u>\$ 2,523</u>	<u>\$ 10,950</u>	<u>\$ 132,047</u>	<u>\$ 300,983</u>	<u>\$ 7,319</u>	<u>\$ 94,540</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 300,983	\$ 7,319	\$ -
Restricted assets:							
Cash and investments	420,128	2,523	10,950	132,047	-	-	94,540
Total cash and investment assets - ending	<u>\$ 420,128</u>	<u>\$ 2,523</u>	<u>\$ 10,950</u>	<u>\$ 132,047</u>	<u>\$ 300,983</u>	<u>\$ 7,319</u>	<u>\$ 94,540</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	2,523	10,950	-	-	-	94,540
Highways and streets	420,128	-	-	-	-	-	-
Health and welfare	-	-	-	132,047	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	300,983	7,319	-
Total cash and investment fund balance - ending	<u>\$ 420,128</u>	<u>\$ 2,523</u>	<u>\$ 10,950</u>	<u>\$ 132,047</u>	<u>\$ 300,983</u>	<u>\$ 7,319</u>	<u>\$ 94,540</u>

HOWARD 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)

	Drug Free Community	Drainage Maintenance	Emergency Planning Right to Know	Highway	Recorder's Records Perpetuation	Health Maintenance	Pretrial Diversion
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	613,484	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	3,207,561	-	36,644	-
Charges for services	-	-	-	-	158,981	-	-
Fines and forfeits	96,135	-	-	-	-	-	156,315
Other	-	-	6,783	40,886	-	-	-
Total receipts	96,135	613,484	6,783	3,248,447	158,981	36,644	156,315
Disbursements:							
General government	-	473,357	-	-	37,713	-	-
Public safety	67,233	-	4,444	-	-	-	109,905
Highways and streets	-	-	-	3,566,796	-	-	-
Health and welfare	-	-	-	-	-	52,653	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	5,841
Capital outlay:							
General government	-	-	-	-	98,029	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	173,069	-	-	-
Health and welfare	-	-	-	-	-	84	-
Total disbursements	67,233	473,357	4,444	3,739,865	135,742	52,737	115,746
Excess (deficiency) of receipts over disbursements	28,902	140,127	2,339	(491,418)	23,239	(16,093)	40,569
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	28,902	140,127	2,339	(491,418)	23,239	(16,093)	40,569
Cash and investment fund balance - beginning	162,307	1,608,664	6,457	691,716	276,387	58,232	221,641
Cash and investment fund balance - ending	<u>\$ 191,209</u>	<u>\$ 1,748,791</u>	<u>\$ 8,796</u>	<u>\$ 200,298</u>	<u>\$ 299,626</u>	<u>\$ 42,139</u>	<u>\$ 262,210</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 1,748,791	\$ 8,796	\$ -	\$ -	\$ 42,139	\$ -
Restricted assets:							
Cash and investments	191,209	-	-	200,298	299,626	-	262,210
Total cash and investment assets - ending	<u>\$ 191,209</u>	<u>\$ 1,748,791</u>	<u>\$ 8,796</u>	<u>\$ 200,298</u>	<u>\$ 299,626</u>	<u>\$ 42,139</u>	<u>\$ 262,210</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 299,626	\$ -	\$ -
Public safety	191,209	-	-	-	-	-	262,210
Highways and streets	-	-	-	200,298	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	1,748,791	8,796	-	-	42,139	-
Total cash and investment fund balance - ending	<u>\$ 191,209</u>	<u>\$ 1,748,791</u>	<u>\$ 8,796</u>	<u>\$ 200,298</u>	<u>\$ 299,626</u>	<u>\$ 42,139</u>	<u>\$ 262,210</u>

HOWARD 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)

	Plat Book	Misdemeanant	Surveyor's Corner Perpetuation	Inmate Medical Care	Project Income - Community Corrections	Community Corrections - Home Detention	Court Appointed Special Advocate
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	66,550	-	-	-	221,296	-
Charges for services	19,792	-	16,390	7,234	393,362	-	-
Fines and forfeits	-	-	-	-	-	-	90,517
Other	-	-	-	-	-	-	-
Total receipts	19,792	66,550	16,390	7,234	393,362	221,296	90,517
Disbursements:							
General government	291	-	24,354	-	426,490	-	-
Public safety	-	4,612	-	5,502	-	231,720	89,055
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	29,789	-	-
Public safety	-	36,036	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	291	40,648	24,354	5,502	456,279	231,720	89,055
Excess (deficiency) of receipts over disbursements	19,501	25,902	(7,964)	1,732	(62,917)	(10,424)	1,462
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,501	25,902	(7,964)	1,732	(62,917)	(10,424)	1,462
Cash and investment fund balance - beginning	89,045	59,294	29,488	17	500,036	4,310	1,414
Cash and investment fund balance - ending	<u>\$ 108,546</u>	<u>\$ 85,196</u>	<u>\$ 21,524</u>	<u>\$ 1,749</u>	<u>\$ 437,119</u>	<u>\$ (6,114)</u>	<u>\$ 2,876</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 108,546	\$ 85,196	\$ -	\$ 1,749	\$ 437,119	\$ (6,114)	\$ 2,876
Restricted assets:							
Cash and investments	-	-	21,524	-	-	-	-
Total cash and investment assets - ending	\$ 108,546	\$ 85,196	\$ 21,524	\$ 1,749	\$ 437,119	\$ (6,114)	\$ 2,876
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ 21,524	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	108,546	85,196	-	1,749	437,119	(6,114)	2,876
Total cash and investment fund balance - ending	\$ 108,546	\$ 85,196	\$ 21,524	\$ 1,749	\$ 437,119	\$ (6,114)	\$ 2,876

HOWARD 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)

	Coroners Education	Identification Security Protection	Drug Task Force	Howard County Rainy Day	Drug Court Fees	Juvenile Victim Impact	Youth Center DMHA Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	24,341	718	-	-	-
Charges for services	12,232	39,336	-	-	3,120	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	500	-
Total receipts	12,232	39,336	24,341	718	3,120	500	-
Disbursements:							
General government	-	-	-	-	2,096	-	3,399
Public safety	10,449	24,550	19,187	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	10,449	24,550	19,187	-	2,096	-	3,399
Excess (deficiency) of receipts over disbursements	1,783	14,786	5,154	718	1,024	500	(3,399)
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,783	14,786	5,154	718	1,024	500	(3,399)
Cash and investment fund balance - beginning	-	52,350	56,470	-	-	-	-
Cash and investment fund balance - ending	1,783	67,136	61,624	718	1,024	500	(3,399)
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,783	\$ -	\$ 61,624	\$ 718	\$ 1,024	\$ 500	\$ (3,399)
Restricted assets:							
Cash and investments	-	67,136	-	-	-	-	-
Total cash and investment assets - ending	1,783	67,136	61,624	718	1,024	500	(3,399)
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	67,136	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	1,783	-	61,624	718	1,024	500	(3,399)
Total cash and investment fund balance - ending	1,783	67,136	61,624	718	1,024	500	(3,399)

HOWARD 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)

	DARE - Sheriff Department	Property Reassessment	Probation User Fees	Juvenile Restitution	Juvenile Probation	Adult Probation	Kinsey Youth Center Food Service
Receipts:							
Taxes	\$ -	\$ 424,010	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	41,050	-	-	-	-	62,158
Charges for services	-	-	29,784	-	27,397	219,373	-
Fines and forfeits	-	-	-	-	-	-	-
Other	589	46,629	-	9,431	-	-	-
Total receipts	589	511,689	29,784	9,431	27,397	219,373	62,158
Disbursements:							
General government	-	384,810	31,964	10,037	32,322	269,393	67,797
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	10,120	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	11,060	42,820	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	-	394,930	31,964	10,037	43,382	312,213	67,797
Excess (deficiency) of receipts over disbursements	589	116,759	(2,180)	(606)	(15,985)	(92,840)	(5,639)
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	589	116,759	(2,180)	(606)	(15,985)	(92,840)	(5,639)
Cash and investment fund balance - beginning	-	1,771,484	29,277	36,393	28,678	324,365	5,789
Cash and investment fund balance - ending	<u>\$ 589</u>	<u>\$ 1,888,243</u>	<u>\$ 27,097</u>	<u>\$ 35,787</u>	<u>\$ 12,693</u>	<u>\$ 231,525</u>	<u>\$ 150</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 589	\$ 1,888,243	\$ 27,097	\$ 35,787	\$ 12,693	\$ 231,525	\$ 150
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 589</u>	<u>\$ 1,888,243</u>	<u>\$ 27,097</u>	<u>\$ 35,787</u>	<u>\$ 12,693</u>	<u>\$ 231,525</u>	<u>\$ 150</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	589	1,888,243	27,097	35,787	12,693	231,525	150
Total cash and investment fund balance - ending	<u>\$ 589</u>	<u>\$ 1,888,243</u>	<u>\$ 27,097</u>	<u>\$ 35,787</u>	<u>\$ 12,693</u>	<u>\$ 231,525</u>	<u>\$ 150</u>

HOWARD 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)

	Kinsey Youth Center Inmate Medical	Howard County Sheriff's Work Program	Prosecutor Title IV-D	Clerk Title IV-D	Concession County General	Indiana AIDS Fund Grant	Highway Safety DUI Taskforce
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	37,114	24,669	-	12,500	23,500
Charges for services	8,100	4,913	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	8,100	4,913	37,114	24,669	-	12,500	23,500
Disbursements:							
General government	8,173	2,362	37,106	10,969	-	12,615	23,664
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	710	-	4,426	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	8,173	3,072	37,106	15,395	-	12,615	23,664
Excess (deficiency) of receipts over disbursements	(73)	1,841	8	9,274	-	(115)	(164)
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(73)	1,841	8	9,274	-	(115)	(164)
Cash and investment fund balance - beginning	73	11,569	61,880	55,384	2,774	529	5,020
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 13,410</u>	<u>\$ 61,888</u>	<u>\$ 64,658</u>	<u>\$ 2,774</u>	<u>\$ 414</u>	<u>\$ 4,856</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 13,410	\$ 61,888	\$ 64,658	\$ 2,774	\$ 414	\$ 4,856
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 13,410</u>	<u>\$ 61,888</u>	<u>\$ 64,658</u>	<u>\$ 2,774</u>	<u>\$ 414</u>	<u>\$ 4,856</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	13,410	61,888	64,658	2,774	414	4,856
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 13,410</u>	<u>\$ 61,888</u>	<u>\$ 64,658</u>	<u>\$ 2,774</u>	<u>\$ 414</u>	<u>\$ 4,856</u>

HOWARD 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)

	Controlled Substance Excise Tax	FEMA Community Emergency Response	Juvenile Drug Court Program Fee	Adult Probation Administration Fee	Juvenile Probation Administration Fee	Supplemental Public Defender Service	Juvenile Informal Probation User Fees
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	99,549	8,502	108,054	2,243
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	99,549	8,502	108,054	2,243
Disbursements:							
General government	-	-	-	71,000	10,000	87,203	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	-	-	-	71,000	10,000	87,203	-
Excess (deficiency) of receipts over disbursements	-	-	-	28,549	(1,498)	20,851	2,243
Other financing sources (uses):							
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	28,549	(1,498)	20,851	2,243
Cash and investment fund balance - beginning	188	420	175	85,453	12,162	181,735	1,471
Cash and investment fund balance - ending	<u>188</u>	<u>420</u>	<u>175</u>	<u>114,002</u>	<u>10,664</u>	<u>202,586</u>	<u>3,714</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 188	\$ 420	\$ 175	\$ 114,002	\$ 10,664	\$ 202,586	\$ 3,714
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 188</u>	<u>\$ 420</u>	<u>\$ 175</u>	<u>\$ 114,002</u>	<u>\$ 10,664</u>	<u>\$ 202,586</u>	<u>\$ 3,714</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	188	420	175	114,002	10,664	202,586	3,714
Total cash and investment fund balance - ending	<u>\$ 188</u>	<u>\$ 420</u>	<u>\$ 175</u>	<u>\$ 114,002</u>	<u>\$ 10,664</u>	<u>\$ 202,586</u>	<u>\$ 3,714</u>

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

	Juvenile Drug Court Grant	Howard County Law Enforcement	Sheriff Donation	Bioterrorism Grant	Master Tobacco Grant	CPRT - Family and Children
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,596
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	38,766	22,872
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	130,272	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	130,272	-	-	38,766	258,468
Disbursements:						
General government	-	39,396	-	138	49,373	212,488
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	50,000	-	102	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	89,396	-	240	49,373	212,488
Excess (deficiency) of receipts over disbursements	-	40,876	-	(240)	(10,607)	45,980
Other financing sources (uses):						
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	40,876	-	(240)	(10,607)	45,980
Cash and investment fund balance - beginning	471	41,720	6	704	64,845	147,289
Cash and investment fund balance - ending	<u>471</u>	<u>82,596</u>	<u>6</u>	<u>464</u>	<u>54,238</u>	<u>193,269</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 471	\$ 82,596	\$ 6	\$ 464	\$ 54,238	\$ 193,269
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 471</u>	<u>\$ 82,596</u>	<u>\$ 6</u>	<u>\$ 464</u>	<u>\$ 54,238</u>	<u>\$ 193,269</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	471	82,596	6	464	54,238	193,269
Total cash and investment fund balance - ending	<u>\$ 471</u>	<u>\$ 82,596</u>	<u>\$ 6</u>	<u>\$ 464</u>	<u>\$ 54,238</u>	<u>\$ 193,269</u>

HOWARD 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)

	Flood Mitigation Assistance Grant	Howard Haven Donation	Drug Free Community Donation	Miscellaneous Clearing	Prosecutor Bad Check and Copy	State Rainy Day Loan - Delphi
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	84,324	-	2,433,052
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	2,202	-	-	-	-
Total receipts	-	2,202	-	84,324	-	2,433,052
Disbursements:						
General government	-	2,857	816	84,324	-	2,433,052
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	2,857	816	84,324	-	2,433,052
Excess (deficiency) of receipts over disbursements	-	(655)	(816)	-	-	-
Other financing sources (uses):						
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(655)	(816)	-	-	-
Cash and investment fund balance - beginning	26,393	4,667	928	-	10,000	-
Cash and investment fund balance - ending	<u>\$ 26,393</u>	<u>\$ 4,012</u>	<u>\$ 112</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 26,393	\$ 4,012	\$ 112	\$ -	\$ 10,000	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 26,393</u>	<u>\$ 4,012</u>	<u>\$ 112</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	26,393	4,012	112	-	10,000	-
Total cash and investment fund balance - ending	<u>\$ 26,393</u>	<u>\$ 4,012</u>	<u>\$ 112</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>

HOWARD 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 Loan - Howard County	MS4 Fees Collected	Radio Rebanding	Drug Court Grant	Courthouse Security	Multi-Hazard Mitigation Plan
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	11,550	-	-
Charges for services	-	9,550	-	-	650	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	9,550	-	11,550	650	-
Disbursements:						
General government	-	2,236	-	6,409	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	2,236	-	6,409	-	-
Excess (deficiency) of receipts over disbursements	-	7,314	-	5,141	650	-
Other financing sources (uses):						
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	7,314	-	5,141	650	-
Cash and investment fund balance - beginning	389,946	10,910	17,000	2,094	400	2,500
Cash and investment fund balance - ending	<u>\$ 389,946</u>	<u>\$ 18,224</u>	<u>\$ 17,000</u>	<u>\$ 7,235</u>	<u>\$ 1,050</u>	<u>\$ 2,500</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 389,946	\$ 18,224	\$ 17,000	\$ 7,235	\$ 1,050	\$ 2,500
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 389,946</u>	<u>\$ 18,224</u>	<u>\$ 17,000</u>	<u>\$ 7,235</u>	<u>\$ 1,050</u>	<u>\$ 2,500</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	389,946	18,224	17,000	7,235	1,050	2,500
Total cash and investment fund balance - ending	<u>\$ 389,946</u>	<u>\$ 18,224</u>	<u>\$ 17,000</u>	<u>\$ 7,235</u>	<u>\$ 1,050</u>	<u>\$ 2,500</u>

HOWARD 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)

	Step Ahead Discretionary	Impaired and Dangerous Driving	Stop Domestic Violence Grant - Prosecutor	Clerk's Records Perpetuation	Shocap Grant 2007	Shocap Grant 2008
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	25,867	113,024	-	33,252	42,753
Charges for services	-	-	-	27,309	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	25,867	113,024	27,309	33,252	42,753
Disbursements:						
General government	-	24,045	81,225	10,492	40,857	24,597
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	9,344	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	24,045	81,225	19,836	40,857	24,597
Excess (deficiency) of receipts over disbursements	-	1,822	31,799	7,473	(7,605)	18,156
Other financing sources (uses):						
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,822	31,799	7,473	(7,605)	18,156
Cash and investment fund balance - beginning	1,368	1,051	(38,620)	79,704	17,737	-
Cash and investment fund balance - ending	<u>\$ 1,368</u>	<u>\$ 2,873</u>	<u>\$ (6,821)</u>	<u>\$ 87,177</u>	<u>\$ 10,132</u>	<u>\$ 18,156</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,368	\$ 2,873	\$ (6,821)	\$ 87,177	\$ 10,132	\$ 18,156
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,368</u>	<u>\$ 2,873</u>	<u>\$ (6,821)</u>	<u>\$ 87,177</u>	<u>\$ 10,132</u>	<u>\$ 18,156</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	1,368	2,873	(6,821)	87,177	10,132	18,156
Total cash and investment fund balance - ending	<u>\$ 1,368</u>	<u>\$ 2,873</u>	<u>\$ (6,821)</u>	<u>\$ 87,177</u>	<u>\$ 10,132</u>	<u>\$ 18,156</u>

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

	Community Corrections Per Diem	Flood Mitigation Assistance Grant	Bio - Public Health Coordinator Grant	Sheriff's Commissary	Kinsey Youth Center Commissary	Jail Lease
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,546,508
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	98,421	-	43,350	-	-	149,935
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	318,070	20,259	287
Total receipts	98,421	-	43,350	318,070	20,259	1,696,730
Disbursements:						
General government	102,621	1,042	4,714	328,761	18,266	824,000
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	4,856	-	37,538	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	107,477	1,042	42,252	328,761	18,266	824,000
Excess (deficiency) of receipts over disbursements	(9,056)	(1,042)	1,098	(10,691)	1,993	872,730
Other financing sources (uses):						
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,056)	(1,042)	1,098	(10,691)	1,993	872,730
Cash and investment fund balance - beginning	139,476	2,858	701	29,215	305	765,607
Cash and investment fund balance - ending	<u>\$ 130,420</u>	<u>\$ 1,816</u>	<u>\$ 1,799</u>	<u>\$ 18,524</u>	<u>\$ 2,298</u>	<u>\$ 1,638,337</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 130,420	\$ 1,816	\$ 1,799	\$ 18,524	\$ 2,298	\$ 1,638,337
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 130,420</u>	<u>\$ 1,816</u>	<u>\$ 1,799</u>	<u>\$ 18,524</u>	<u>\$ 2,298</u>	<u>\$ 1,638,337</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	130,420	1,816	1,799	18,524	2,298	1,638,337
Total cash and investment fund balance - ending	<u>\$ 130,420</u>	<u>\$ 1,816</u>	<u>\$ 1,799</u>	<u>\$ 18,524</u>	<u>\$ 2,298</u>	<u>\$ 1,638,337</u>

HOWARD 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)

	Heritage Museum/ Convention Center	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	County Economic Development Income Tax	Totals
Receipts:						
Taxes	\$ -	\$ 1,113,896	\$ 1,029,686	\$ -	\$ -	\$ 4,835,084
Special assessments	-	-	-	251,310	-	864,794
Licenses and permits	-	-	-	-	-	35,270
Intergovernmental	-	51,694	100,677	-	1,492,694	9,102,256
Charges for services	-	-	-	-	-	1,975,994
Fines and forfeits	-	-	-	-	-	708,895
Other	<u>185,482</u>	<u>109,594</u>	<u>66,228</u>	<u>-</u>	<u>-</u>	<u>815,720</u>
Total receipts	<u>185,482</u>	<u>1,275,184</u>	<u>1,196,591</u>	<u>251,310</u>	<u>1,492,694</u>	<u>18,338,013</u>
Disbursements:						
General government	156,435	1,031,916	-	134,955	533,102	8,175,232
Public safety	-	-	-	-	-	1,444,328
Highways and streets	-	-	680,211	-	-	4,653,290
Health and welfare	-	-	-	-	-	767,985
Debt service:						
Principal	-	-	-	-	-	10,120
Interest	-	-	-	-	-	5,841
Capital outlay:						
General government	-	1,149,797	-	-	4,674	1,443,145
Public safety	-	-	-	-	-	59,744
Highways and streets	-	-	-	-	-	173,069
Health and welfare	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84</u>
Total disbursements	<u>156,435</u>	<u>2,181,713</u>	<u>680,211</u>	<u>134,955</u>	<u>537,776</u>	<u>16,732,838</u>
Excess (deficiency) of receipts over disbursements	<u>29,047</u>	<u>(906,529)</u>	<u>516,380</u>	<u>116,355</u>	<u>954,918</u>	<u>1,605,175</u>
Other financing sources (uses):						
Other receipts	<u>-</u>	<u>15,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,159</u>
Total other financing sources (uses)	<u>-</u>	<u>15,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,159</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	29,047	(891,370)	516,380	116,355	954,918	1,620,334
Cash and investment fund balance - beginning	<u>414,058</u>	<u>2,411,646</u>	<u>180,962</u>	<u>463,338</u>	<u>1,413,167</u>	<u>13,879,436</u>
Cash and investment fund balance - ending	<u>\$ 443,105</u>	<u>\$ 1,520,276</u>	<u>\$ 697,342</u>	<u>\$ 579,693</u>	<u>\$ 2,368,085</u>	<u>\$ 15,499,770</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 443,105	\$ -	\$ -	\$ -	\$ 2,368,085	\$ 11,000,268
Restricted assets:						
Cash and investments	<u>-</u>	<u>1,520,276</u>	<u>697,342</u>	<u>579,693</u>	<u>-</u>	<u>4,499,502</u>
Total cash and investment assets - ending	<u>\$ 443,105</u>	<u>\$ 1,520,276</u>	<u>\$ 697,342</u>	<u>\$ 579,693</u>	<u>\$ 2,368,085</u>	<u>\$ 15,499,770</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 321,150
Public safety	-	-	-	-	-	628,568
Highways and streets	-	-	-	-	-	620,426
Health and welfare	-	-	-	-	-	132,047
Capital outlay	-	1,520,276	697,342	579,693	-	2,797,311
Unrestricted	<u>443,105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,368,085</u>	<u>11,000,268</u>
Total cash and investment fund balance - ending	<u>\$ 443,105</u>	<u>\$ 1,520,276</u>	<u>\$ 697,342</u>	<u>\$ 579,693</u>	<u>\$ 2,368,085</u>	<u>\$ 15,499,770</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 INTERNAL SERVICE FUNDS
 As of and for the Year Ended December 31, 2008

	Anthem Insurance Fund	Anthem Refunds	Insurance Hold Fund	Totals
Operating receipts:				
Charges for services	\$ 3,814,160	\$ -	\$ -	\$ 3,814,160
Miscellaneous	<u>709,552</u>	<u>3,448</u>	<u>139,444</u>	<u>852,444</u>
Total operating receipts	<u>4,523,712</u>	<u>3,448</u>	<u>139,444</u>	<u>4,666,604</u>
Operating disbursements:				
Insurance claims and expense	4,650,349	-	-	4,650,349
Miscellaneous	<u>-</u>	<u>3,505</u>	<u>-</u>	<u>3,505</u>
Total operating disbursements	<u>4,650,349</u>	<u>3,505</u>	<u>-</u>	<u>4,653,854</u>
Excess (deficiency) of receipts over disbursements	<u>(126,637)</u>	<u>(57)</u>	<u>139,444</u>	<u>12,750</u>
Cash and investment fund balance - beginning	<u>656,786</u>	<u>1,000</u>	<u>3,058,861</u>	<u>3,716,647</u>
Cash and investment fund balance - ending	<u>\$ 530,149</u>	<u>\$ 943</u>	<u>\$ 3,198,305</u>	<u>\$ 3,729,397</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	<u>\$ 530,149</u>	<u>\$ 943</u>	<u>\$ 3,198,305</u>	<u>\$ 3,729,397</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Unrestricted	<u>\$ 530,149</u>	<u>\$ 943</u>	<u>\$ 3,198,305</u>	<u>\$ 3,729,397</u>
Total cash and investment fund balance - December 31	<u>\$ 530,149</u>	<u>\$ 943</u>	<u>\$ 3,198,305</u>	<u>\$ 3,729,397</u>

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

	Sheriff Retirement	Sheriff Benefit	Totals
Additions:			
Contributions:			
Employer	\$ 368,207	\$ 14,890	\$ 383,097
Plan members	94,793	-	94,793
Total contributions	463,000	14,890	477,890
Investment receipts:			
Net increase in fair value of investments	477,928	(30,788)	447,140
Interest	1,094,085	24,830	1,118,915
Net investment receipts	1,572,013	(5,958)	1,566,055
Total additions	2,035,013	8,932	2,043,945
Deductions:			
Benefits	518,848	12,310	531,158
Administrative and general	63,287	18,108	81,395
Total deductions	582,135	30,418	612,553
Excess (deficiency) of total additions over total deductions	1,452,878	(21,486)	1,431,392
Cash and investment fund balance - beginning	8,855,175	290,934	9,146,109
Cash and investment fund balance - ending	\$ 10,308,053	\$ 269,448	\$ 10,577,501

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

	Congressional School Interest	Tax Sale Redemption	Sewage Collections	Overweight Vehicle Fines	Inheritance Tax	Public Employees Retirement Fund	Conservation Officer Continuing Education
Additions:							
Agency fund additions	\$ 899	\$ 300,317	\$ 874,459	\$ 1	\$ 2,304,980	\$ 1,544,314	\$ 196
Deductions:							
Agency fund deductions	899	330,313	874,459	3	2,255,699	1,486,302	294
Excess (deficiency) of total additions over total deductions	-	(29,996)	-	(2)	49,281	58,012	(98)
Cash and investment fund balance - beginning	-	35,876	-	2	594,935	341,316	99
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 5,880</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,216</u>	<u>\$ 399,328</u>	<u>\$ 1</u>

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

	Wheel Tax	Child Restraint Violations Fines	Welfare Trust	Law Enforcement Education State Excise	Homestead Credit Rebate	Juvenile Probation Conference Fees	Governing Coordinating Council Payroll
Additions:							
Agency fund additions	\$ 75,846	\$ 3,918	\$ 6,266	\$ 18	\$ 1,514	\$ 3,200	\$ 241,865
Deductions:							
Agency fund deductions	75,846	3,508	51,965	-	3,034,024	3,200	264,099
Excess (deficiency) of total additions over total deductions	-	410	(45,699)	18	(3,032,510)	-	(22,234)
Cash and investment fund balance - beginning	-	-	45,699	-	3,135,722	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 410</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ 103,212</u>	<u>\$ -</u>	<u>\$ (22,234)</u>

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

	Local Option Income Tax	Surplus Rebate Rewrites	Hea 1001-2008 State Homestead	Barrett Law Settlement	Unsafe Building Settlement	Recorder Mortgage Fee - State	Howard County Recycling Payroll
Additions:							
Agency fund additions	\$ 8,147,759	\$ 21,078	\$ 6,548,464	\$ 4,509	\$ 5,748	\$ 7,898	\$ 164,295
Deductions:							
Agency fund deductions	<u>7,982,297</u>	<u>21,078</u>	<u>6,540,329</u>	<u>4,509</u>	<u>5,748</u>	<u>8,235</u>	<u>162,243</u>
Excess (deficiency) of total additions over total deductions	165,462	-	8,135	-	-	(337)	2,052
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>795</u>	<u>(1,845)</u>
Cash and investment fund balance - ending	<u>\$ 165,462</u>	<u>\$ -</u>	<u>\$ 8,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 458</u>	<u>\$ 207</u>

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

	Corporation Cumulative Capital Development Settlement	Process Service Fee Sheriff Retirement	Township Assistance Fund Settlement	Weed Cutting Settlement	Bachelor Run Settlement	Life Insurance	Cemetery Regents Settlement
Additions:							
Agency fund additions	\$ 12,924	\$ 86,497	\$ 556,728	\$ 59,693	\$ 1,261	\$ 82,050	\$ 281,824
Deductions:							
Agency fund deductions	12,924	86,497	556,728	59,693	1,261	81,920	281,824
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	130	-
Cash and investment fund balance - beginning	-	-	-	-	-	7,866	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,996	\$ -

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

	<u>Corporation Tax Settlement</u>	<u>Cumulative Fire Settlement</u>	<u>Property Tax Collection Services</u>	<u>Debt Service Settlement</u>	<u>Excess Tax</u>	<u>Overpayment Tax</u>	<u>Federal Tax</u>
Additions:							
Agency fund additions	\$ 29,128,984	\$ 230,243	\$ 976	\$ 15,138,780	\$ 153,712	\$ 14,364	\$ 1,854,714
Deductions:							
Agency fund deductions	<u>29,128,984</u>	<u>230,243</u>	<u>976</u>	<u>15,138,780</u>	<u>156,255</u>	<u>29,543</u>	<u>1,854,305</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	(2,543)	(15,179)	409
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,690</u>	<u>22,081</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,147</u>	<u>\$ 6,902</u>	<u>\$ 409</u>

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

	Fines and Forfeitures	Firefighting Tax Settlement	Tax Sale Surplus	Library Tax Settlement	Firemen's Pension Settlement	General Fund School Settlement	School Capital Project Settlement
Additions:							
Agency fund additions	\$ 9,322	\$ 492,665	\$ 46,601	\$ 4,492,840	\$ 2,974,953	\$ 37,100,902	\$ 16,936,319
Deductions:							
Agency fund deductions	10,150	492,665	1,778,121	4,492,840	2,974,953	37,100,902	16,936,319
Excess (deficiency) of total additions over total deductions	(828)	-	(1,731,520)	-	-	-	-
Cash and investment fund balance - beginning	1,290	-	1,810,371	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 462</u>	<u>\$ -</u>	<u>\$ 78,851</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Park Trustees Settlement	Plan Commission Settlement	City Police Pension	Jury Pay Fund	SWETA-State	Park and Recreation	Solid Waste Settlement
Additions:							
Agency fund additions	\$ 2,753,266	\$ 168,243	\$ 1,910,935	\$ 11,940	\$ 58,440	\$ 522,030	\$ 743,754
Deductions:							
Agency fund deductions	<u>2,753,266</u>	<u>168,243</u>	<u>1,910,935</u>	<u>4,748</u>	<u>58,440</u>	<u>522,030</u>	<u>743,754</u>
Excess (deficiency) of total additions over total deductions	-	-	-	7,192	-	-	-
Cash and investment fund balance - beginning	-	-	-	19,436	-	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Social Security and FICA Payroll	State Fair Settlement	State Forestry Settlement	State Gross Withholding Tax	Motor Vehicle Highway - Russiaville Settlement	Township Civil Tax Settlement	County Sales Disclosure Fees
Additions:							
Agency fund additions	\$ 2,650,755	\$ 38,905	\$ 77,811	\$ 587,522	\$ 86,629	\$ 714,990	\$ 8,815
Deductions:							
Agency fund deductions	<u>2,650,755</u>	<u>38,905</u>	<u>77,811</u>	<u>587,522</u>	<u>86,629</u>	<u>714,990</u>	<u>-</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-	8,815
Cash and investment fund balance - beginning	-	-	-	-	-	-	45,441
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,256</u>

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

	Excise Surtax	Transport Fund Settlement	Death Benefits Clerk	Court Costs 3%	Infraction Judgement State	Preschool Fund Settlement	Children With Special Health Needs
Additions:							
Agency fund additions	\$ 1,519,165	\$ 5,592,627	\$ 11,213	\$ 31,424	\$ 167,355	\$ 119,825	\$ 97,263
Deductions:							
Agency fund deductions	<u>1,519,165</u>	<u>5,592,627</u>	<u>11,270</u>	<u>30,778</u>	<u>166,103</u>	<u>119,825</u>	<u>97,263</u>
Excess (deficiency) of total additions over total deductions	-	-	(57)	646	1,252	-	-
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>755</u>	<u>7,073</u>	<u>9,933</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 698</u>	<u>\$ 7,719</u>	<u>\$ 11,185</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Inn Keepers Tax	Aviation/ Airport Settlement	Welfare Medical Assistance Settlement	Education Plate Fee	Bus Replacement Settlement	County Tax Payroll	Commercial Vehicle Excise Tax
Additions:							
Agency fund additions	\$ 464,556	\$ 452,349	\$ 87,537	\$ 3,225	\$ 1,087,276	\$ 264,385	\$ 569,804
Deductions:							
Agency fund deductions	<u>464,556</u>	<u>452,349</u>	<u>87,537</u>	<u>3,225</u>	<u>1,087,276</u>	<u>264,385</u>	<u>569,804</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-	-
Cash and investment fund balance - beginning	-	-	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Payroll	County Option Income Tax	Financial Institution	County Economic Development Income Tax	Health Care for the Indigent	Indiana Child Support Clearing	Riverboat Wagering Tax
Additions:							
Agency fund additions	\$ 265	\$ 11,212,330	\$ 468,462	\$ 3,770,705	\$ 1,006,158	\$ 97,332	\$ 532,984
Deductions:							
Agency fund deductions	-	11,212,330	468,462	3,797,307	1,006,158	97,332	532,984
Excess (deficiency) of total additions over total deductions	265	-	-	(26,602)	-	-	-
Cash and investment fund balance - beginning	(265)	-	-	26,602	-	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Law Enforcement Education - State	Law Enforcement Education - Kokomo	Law Enforcement Education - County	Law Enforcement Education - Greentown	Law Enforcement Education - Russiaville	State Sales Disclosure General	Pension Debt Settlement
Additions:							
Agency fund additions	\$ 6,952	\$ 7,710	\$ 2,479	\$ 347	\$ 326	\$ 8,986	\$ 1,332,629
Deductions:							
Agency fund deductions	155	7,639	1,890	-	-	8,705	1,332,629
Excess (deficiency) of total additions over total deductions	6,797	71	589	347	326	281	-
Cash and investment fund balance - beginning	3,889	1,296	3,581	21	353	710	-
Cash and investment fund balance - ending	<u>\$ 10,686</u>	<u>\$ 1,367</u>	<u>\$ 4,170</u>	<u>\$ 368</u>	<u>\$ 679</u>	<u>\$ 991</u>	<u>\$ -</u>

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

	Adult Offender Interstate - State	Fire Building Debt Settlement	County Treasurer	County Clerk Trust	County Clerk Child Support	Sheriff Inmate Trust
Additions:						
Agency fund additions	\$ 1,350	\$ 11,583	\$ 147,885,070	\$ 12,566,182	\$ 3,774,746	\$ 528,543
Deductions:						
Agency fund deductions	1,200	11,583	151,313,977	13,290,874	3,833,528	537,071
Excess (deficiency) of total additions over total deductions	150	-	(3,428,907)	(724,692)	(58,782)	(8,528)
Cash and investment fund balance - beginning	-	-	5,089,036	3,953,938	73,285	50,420
Cash and investment fund balance - ending	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 1,660,129</u>	<u>\$ 3,229,246</u>	<u>\$ 14,503</u>	<u>\$ 41,892</u>

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

	Sheriff Work Release	Sheriff Cash Book	Health	Recorder	Adult Probation	Kinsey Youth Center Juvenile Probation
Additions:						
Agency fund additions	\$ 5,988	\$ 2,245,490	\$ 225,573	\$ 404,704	\$ 137,571	\$ 1,231,882
Deductions:						
Agency fund deductions	<u>6,027</u>	<u>2,391,251</u>	<u>227,506</u>	<u>443,641</u>	<u>143,351</u>	<u>1,231,882</u>
Excess (deficiency) of total additions over total deductions	(39)	(145,761)	(1,933)	(38,937)	(5,780)	-
Cash and investment fund balance - beginning	<u>500</u>	<u>168,847</u>	<u>70,421</u>	<u>50,729</u>	<u>14,863</u>	<u>-</u>
Cash and investment fund balance - ending	<u>\$ 461</u>	<u>\$ 23,086</u>	<u>\$ 68,488</u>	<u>\$ 11,792</u>	<u>\$ 9,083</u>	<u>\$ -</u>

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

	Kinsey Youth Center Food Service	Kinsey Youth Center Shelter Care	Prosecuting Attorney Copy Machine	Prosecuting Attorney Trust	Prosecuting Attorney	Totals
Additions:						
Agency fund additions	\$ 3,904	\$ -	\$ 637	\$ 7,680	\$ 2,372	\$ 338,196,875
Deductions:						
Agency fund deductions	<u>3,985</u>	<u>17</u>	<u>182</u>	<u>12,832</u>	<u>-</u>	<u>347,209,622</u>
Excess (deficiency) of total additions over total deductions	(81)	(17)	455	(5,152)	2,372	(9,012,747)
Cash and investment fund balance - beginning	<u>360</u>	<u>24</u>	<u>2,042</u>	<u>6,250</u>	<u>6,537</u>	<u>15,744,974</u>
Cash and investment fund balance - ending	<u>\$ 279</u>	<u>\$ 7</u>	<u>\$ 2,497</u>	<u>\$ 1,098</u>	<u>\$ 8,909</u>	<u>\$ 6,732,227</u>

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

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ -
Infrastructure	46,806,226
Buildings	150,155
Improvements other than buildings	1,100
Machinery and equipment	3,564,069
Construction in progress	<u>2,903</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 50,524,453</u>

HOWARD 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:		
Civic Center	\$ 632,329	\$ 160,540
Jail and Juvenile Detention Center	4,535,000	1,648,000
Notes and loans payable:		
Dephi loan	<u>6,025,621</u>	<u>-</u>
Total governmental activities debt	<u>\$ 11,192,950</u>	<u>\$ 1,808,540</u>

HOWARD COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
County Sheriff

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF HOWARD COUNTY, INDIANA

Compliance

We have audited the compliance of Howard 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2008-2.

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)

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

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in 2008-2 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

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

This report is intended solely for the information and use of the County's management, 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 28, 2009

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Education Child Nutrition Cluster School Breakfast Program	10.553	FY 2008	\$ 24,594
National School Lunch Program	10.555	FY 2008	<u>37,279</u>
Total for cluster			<u>61,873</u>
Total for federal grantor agency			<u>61,873</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through City of Kokomo Edward Byrne Memorial Formula Grant Program	16.579	05-DJ-086	<u>19,187</u>
Pass-Through Indiana Criminal Justice Institute Violence Against Women Formula Grants	16.588	07-ST-021 08-ST-022	19,012 <u>17,111</u>
Total for program			<u>36,123</u>
Total for federal grantor agency			<u>55,310</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Traffic Safety Cluster State and Community Highway Safety	20.600	PT-08-04-01-10 PT-09-04-01-12	13,782 <u>1,627</u>
Total for program			<u>15,409</u>
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	K8-07-03-01-07 K8-09-03-03-14	21,438 <u>3,040</u>
Total for program			<u>24,478</u>
Total for cluster			<u>39,887</u>
Pass-Through Indiana Department of Transportation Highway Planning and Construction	20.205	STP-9934(034) 06006972	43,819 <u>17,074</u>
Total for program			<u>60,893</u>
Total for federal grantor agency			<u>100,780</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Public Health Emergency Preparedness	93.069	BPRS 133-5	<u>43,275</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	2007 HCCR 14	<u>240</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement County Prosecutors' Expenditures Clerk of the Circuit Court's Expenditures IV-D Incentives Indirect Costs	93.563	FY 2008 FY 2008 FY 2008 FY 2008	347,947 134,648 86,452 <u>28,086</u>
Total for program			<u>597,133</u>
Total for federal grantor agency			<u>640,648</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Flood Mitigation Assistance	97.029	FY 2008	1,042
Emergency Management Performance Grants	97.042	C44P-8-242A	<u>83,547</u>
Total for federal grantor agency			<u>84,589</u>
Total federal awards expended			<u>\$ 943,200</u>

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

HOWARD 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 Howard 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
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	\$ 13,403
Emergency Management Performance Grants	97.042	45,951

HOWARD 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?	yes

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? yes

Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

FINDING 2008-1, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Howard County, in conjunction with the Indiana Family and Social Services Administration, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2008. The following deficiency was identified:

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion system implementation, computer application processing errors and user errors. The errors are currently being corrected on a case by case basis as they are identified.

HOWARD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 2)

We recommended that action should be expedited to ensure that all subaccount balances are researched and corrected in a timely manner.

Section III – Federal Award Findings and Questioned Costs

FINDING 2008-2, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA No.: 93.563
Federal Award Number: N/A
Pass-Through Agency: Indiana Department of Child Services

Howard County, in conjunction with the Indiana Family and Social Services Administration, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2008. The following deficiency was identified:

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion to system implementation, computer application processing errors and user errors. The errors are currently being corrected on a case by case basis as they are identified.

45 CFR section 303.6 states in part:

"Enforcement of support obligations. For all cases referred to the IV-D agency or applying for services under § 302.33 in which the obligation to support and the amount of the obligation have been established, the IV-D agency must maintain and use an effective system for: (a) monitoring compliance with the support obligation . . ."

45 CFR section 303.11 Case closure criteria:

"(a) The IV-D agency shall establish a system for case closure. (b) In order to be eligible for closure, the case must meet at least one of the following criteria: (1) There is no longer a current support order and arrearages are under \$500 or unenforceable under State law; (2) The noncustodial parent or putative father is deceased and no further action, including a levy against the estate, can be taken; (3) Paternity cannot be established because (i) The child is at least 18 years old and action to establish paternity is barred by a statute of limitations which meets the requirements of § 302.70 (a)(5) of this chapter. . . ."

As a result of the inaccurate balances enforcement actions may be initiated improperly or may not be initiated when required.

We recommended that action should be expedited to ensure that all subaccount balances are researched and corrected in a timely manner.



JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

July 16, 2009

Summary Schedule Of Prior Audit Findings

Finding 2007-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
Contact Phone Number: (765) 456-2230

The purpose of this communication is to provide an update regarding the ongoing corrective action plan for Howard County's Title IV-D Child Support Program.

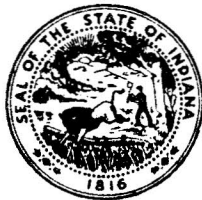
To the extent that the balance finding of the audit does not match up with the State Board of Accounts is due to the individual case balances and information that was input into the computer originally by an outside agency provided by the State was incorrect.

Howard County Title IV-D Child Support Program continues to strive to make every effort to comply with the federally mandated standards for data reliability. The IV-D Child Support office is required to maintain accurate and updated case activity and court order information with the ISETS database in order to meet the federal standard for 95% accuracy.

Our plan for corrective action is on an individual case by case basis. We will review each case, input information as far as court orders and participant data, correct account balances and make sure they are current.

Sincerely,

James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit



JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

July 16, 2009

Corrective Action Plan

Finding 2008-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
Contact Phone Number: (765) 456-2230

The purpose of this communication is to provide an update regarding the ongoing corrective action plan for Howard County's Title IV-D Child Support Program.

To the extent that the balance finding of the audit does not match up with the State Board of Accounts is due to the individual case balances and information that was input into the computer originally by an outside agency provided by the State was incorrect.

Howard County Title IV-D Child Support Program continues to strive to make every effort to comply with the federally mandated standards for data reliability. The IV-D Child Support office is required to maintain accurate and updated case activity and court order information with the ISETS database in order to meet the federal standard for 95% accuracy.

Our plan for corrective action is on an individual case by case basis. We will review each case, input information as far as court orders and participant data, correct account balances and make sure they are current.

Sincerely,

James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit

HOWARD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 19, 2009, with Richard Miller, President of the County Council; and Ann Wells, Auditor.