

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

ANNUAL FINANCIAL REPORT

2005

FOUNTAIN COUNTY, INDIANA



FILED
7/18/06

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Colleen S. Chambers	01-01-05 to 12-31-08
Treasurer	Susan A. Coffing	01-01-05 to 12-31-08
Clerk	Mariann Martin	01-01-03 to 12-31-06
Sheriff	Robert Bass	01-01-03 to 12-31-06
Recorder	Brenda Holycross	01-01-03 to 12-31-06
President of the Board of County Commissioners	David Ziegler	01-01-05 to 12-31-06
President of the County Council	Ron Howard	01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF FOUNTAIN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fountain County (County), as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash 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 component unit 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 unit 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 balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2005, 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 June 7, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

The Schedule of Funding Progress, as listed in the table of contents, is not a required part of the basic financial statements but is 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, and Schedule of Long-term Debt are presented for additional analysis and are not a required part 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 Long-Term Debt has 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 it.

STATE BOARD OF ACCOUNTS

June 7, 2006



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF FOUNTAIN COUNTY, INDIANA

We have audited the financial statements of Fountain County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated June 7, 2006. The opinion on the financial statements was qualified due to the omission of a component unit of Fountain County which results in incomplete presentation. 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.

Compliance

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 grants, 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

June 7, 2006

FOUNTAIN COUNTY
STATEMENT OF CASH ACTIVITIES AND NET ASSETS - CASH BASIS
For The Year Ended December 31, 2005

<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>Total</u>
Governmental activities:					
General government	\$ 3,224,314	\$ 188,006	\$ 57,774	\$ 178,000	\$ (2,800,534)
Public safety	4,842,538	1,458,197	1,122,254	11,090	(2,250,997)
Highways and streets	2,971,463	-	-	23,242	(2,948,221)
Sanitation	9,685	-	-	-	(9,685)
Health and welfare	2,694,910	1,673,592	-	-	(1,021,318)
Culture and recreation	215	-	-	-	(215)
<u>Total governmental activities</u>	<u>\$ 13,743,125</u>	<u>\$ 3,319,795</u>	<u>\$ 1,180,028</u>	<u>\$ 212,332</u>	<u>(9,030,970)</u>
General receipts:					
Property taxes					4,003,441
Other taxes					4,037,641
Other state sources					446,851
Other local sources					726,353
Unrestricted investment earnings					<u>449,772</u>
Total general receipts					<u>9,664,058</u>
Change in net assets					633,088
Net assets - beginning					<u>8,278,744</u>
Net assets - ending					<u>\$ 8,911,832</u>
<u>Assets</u>					
Cash and cash equivalents					\$ 3,406,751
Cash with fiscal agent					26,514
Restricted assets:					
Cash and cash equivalents					<u>5,478,567</u>
Total assets					<u>\$ 8,911,832</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 519,423
Public safety					938,078
Health and welfare					1,670,815
Highways and streets					1,841,157
Other purposes					535,608
Unrestricted					<u>3,406,751</u>
Total net assets					<u>\$ 8,911,832</u>

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

FOUNTAIN COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2005

	General	County Highway	Emergency Management	Family and Children	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 3,266,668	\$ 36,484	\$ -	\$ 1,113,047	\$ 1,057,842	\$ 5,474,041
Licenses and permits	-	-	-	-	1,383	1,383
Intergovernmental	288,599	1,979,245	935,723	248,657	968,897	4,421,121
Charges for services	598,663	-	-	238,334	126,078	963,075
Fines and forfeits	106,174	-	-	-	885,440	991,614
Other	295,212	-	-	-	177,660	472,872
Total receipts	4,555,316	2,015,729	935,723	1,600,038	3,217,300	12,324,106
Disbursements:						
General government	2,916,558	-	-	-	307,756	3,224,314
Public safety	1,761,811	-	1,422,570	-	1,658,157	4,842,538
Highways and streets	-	2,380,099	-	-	591,364	2,971,463
Sanitation	9,685	-	-	-	-	9,685
Health and welfare	39,165	-	-	799,939	495,667	1,334,771
Culture and recreation	215	-	-	-	-	215
Total disbursements	4,727,434	2,380,099	1,422,570	799,939	3,052,944	12,382,986
Excess (deficiency) of revenue over (under) disbursements	(172,118)	(364,370)	(486,847)	800,099	164,356	(58,880)
Other financing sources (uses)						
Other receipts	423,152	138,718	-	-	132,578	694,448
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	251,034	(225,652)	(486,847)	800,099	296,934	635,568
Cash basis fund balance - beginning	2,195,605	1,003,054	525,681	379,240	4,146,170	8,249,750
Cash basis fund balance - ending	<u>\$ 2,446,639</u>	<u>\$ 777,402</u>	<u>\$ 38,834</u>	<u>\$ 1,179,339</u>	<u>\$ 4,443,104</u>	<u>8,885,318</u>
Amounts reported for governmental activities in the Statement of Net Assets 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 Net Assets.						
						26,514
Net assets of governmental activities						<u>\$ 8,911,832</u>
<u>Cash Basis Assets - December 31</u>						
Cash and cash equivalents	\$ 2,446,639	\$ -	\$ -	\$ -	\$ 960,112	\$ 3,406,751
Restricted assets:						
Cash and cash equivalents	-	777,402	38,834	1,179,339	3,482,992	5,478,567
Total cash basis assets - December 31	<u>\$ 2,446,639</u>	<u>\$ 777,402</u>	<u>\$ 38,834</u>	<u>\$ 1,179,339</u>	<u>\$ 4,443,104</u>	<u>\$ 8,885,318</u>
<u>Cash Basis Fund Balance - December 31</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 519,423	\$ 519,423
Public safety	-	-	38,834	-	899,244	938,078
Health and welfare	-	-	-	1,179,339	464,962	1,644,301
Highways and streets	-	777,402	-	-	1,063,755	1,841,157
Other purposes	-	-	-	-	535,608	535,608
Unrestricted	2,446,639	-	-	-	960,112	3,406,751
Total cash basis fund balance - December 31	<u>\$ 2,446,639</u>	<u>\$ 777,402</u>	<u>\$ 38,834</u>	<u>\$ 1,179,339</u>	<u>\$ 4,443,104</u>	<u>\$ 8,885,318</u>

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

FOUNTAIN COUNTY
 STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 PROPRIETARY FUNDS
 As of and for the Year Ended December 31, 2005

	<u>Internal Service Funds</u> Employee <u>Benefit Trust</u>
Operating receipts:	
Other	\$ <u>1,357,659</u>
Operating disbursements:	
Other	<u>1,360,139</u>
Deficiency of receipts under disbursements	<u>(2,480)</u>
Cash basis fund balance - beginning	<u>28,994</u>
Cash basis fund balance - ending	<u><u>\$ 26,514</u></u>
<u>Cash Basis Assets - December 31</u>	
Cash with fiscal agent	<u><u>\$ 26,514</u></u>
<u>Cash Basis Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u><u>\$ 26,514</u></u>

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

FOUNTAIN COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2005

	<u>Sheriff Pension</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 58,674	\$ -	\$ -
Plan members	<u>49,744</u>	<u>-</u>	<u>-</u>
Total contributions	<u>108,418</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	8,233	-	-
Interest	10,308	1,400	-
Dividends	<u>13,430</u>	<u>-</u>	<u>-</u>
Total investment earnings	<u>31,971</u>	<u>1,400</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>43,743,020</u>
Total additions	<u>140,389</u>	<u>1,400</u>	<u>43,743,020</u>
Deductions:			
Benefits	10,015	-	-
Refunds of contributions	74,728	-	-
Administrative and general	6,955	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>43,667,071</u>
Total deductions	<u>91,698</u>	<u>-</u>	<u>43,667,071</u>
Excess of total additions over total deductions	48,691	1,400	75,949
Cash and cash equivalents - beginning	<u>728,962</u>	<u>88,981</u>	<u>598,115</u>
Cash and cash equivalents - ending	<u>\$ 777,653</u>	<u>\$ 90,381</u>	<u>\$ 674,064</u>

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

FOUNTAIN 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: Fountain County
Discretely Presented Component Unit: Fountain County Solid Waste Management District

In determining the financial reporting entity, the County complies with the provisions of GASB Statement 14, *The Financial Reporting Entity*.

The Fountain County Solid Waste Management District, a discretely presented component unit has 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 Wabash Valley Mental Health, Alcoholic Beverage Commission, Covington-Veedersburg Public Library, Community Action Board, Wabash River Heritage Corridor Commission, Emergency Management Advisory Council, and Wabash Valley Hospital.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash 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 non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County reports the following major governmental funds:

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

The emergency management fund is used to account for proceeds from grants and expenditures made to promote disaster preparedness.

The county highway fund is used to account for state and local funding designated for the construction and maintenance of county roads.

The family and children fund is used to account for state and local funding granted to aid in the health and welfare of families with dependent children.

Additionally, the County reports the following fund types:

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

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

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

Agency funds account for assets held by the County as an agent for other governmental agencies.

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

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

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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 Fund Balances

1. Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

2. 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.

3. 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.

4. Equity Classification

Government-Wide Statements

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

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

FOUNTAIN COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

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.

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.

On or before August 31, 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 Balance Deficits

At December 31, 2005, the following funds reported deficits in cash, which are violations of State statute:

Fund	2005
Community Correction 05-06	\$ 20,193
Public Health Coordinator	4,790

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Cash deficits arose primarily from disbursements exceeding receipts due to the timing of grant funding in relation to disbursements.

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 County'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 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

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2005, the County had the following investments:

Investment Type	Primary Government Market Value	Investment Maturities (in Years)				
		Less Than 1	1 - 5	6 - 10	11 - 15	More Than 15
U.S. Treasuries and securities	\$ 81,741	\$ 10,861	\$ 48,014	\$ 22,866	\$ -	\$ -
U.S. Agencies	41,211	-	31,030	10,181	-	-
Bonds (corporate)	187,304	10,197	26,462	56,432	21,380	72,833
Totals	<u>\$ 310,256</u>	<u>\$ 21,058</u>	<u>\$ 105,506</u>	<u>\$ 89,479</u>	<u>\$ 21,380</u>	<u>\$ 72,833</u>

Investment Policies

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit 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

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the County may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit'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.

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. At December 31, 2005, the County held investments in corporate stock and bonds in the amounts of \$469,026 and \$287,420, respectively. These investments were held by the counterparty.

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.

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.

Standard and Poor's Rating	Moody's Rating	County's Investments	
		Corporate Bonds	Government Sponsored Enterprise
AAA	Aaa	\$ 6,258	\$ 122,952
AA	Aa	21,917	-
A	A	75,216	-
BBB	Baa	68,696	-
BB	Ba	8,054	-
Unrated	Unrated	7,163	-
Totals		<u>\$ 187,304</u>	<u>\$ 122,952</u>

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

B. Restatements and Reclassifications

For the year ended December 31, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by opinion unit:

<u>Opinion Unit</u>	<u>Balance as Reported December 31, 2004</u>	<u>Fund Reclassification</u>	<u>Balance as Restated January 1, 2005</u>
Other governmental	\$ 4,848,791	\$ 202,300	\$ 5,051,091
Fiduciary funds	800,415	(202,300)	598,115

IV. Other Information

A. Risk Management

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

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

Medical Benefits to Employees, Retirees, and Dependents (Excluding Postemployment Benefits)

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 employee benefit trust, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$1,000,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for employee payroll. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Illnesses or Injuries to Employees

During 2002, the County joined with other governmental entities in the Indiana Public Employers' Plan, a public entity risk pool currently operating as a common risk management and insurance program for 751 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The County pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Subsequent Events

On February 21, 2006, the County passed a resolution to enter into a lease agreement with a Building Corporation to finance the construction of a new jail. The cost of the project is estimated to be \$9,800,000. As of the date of this report, no bonds had been issued by the holding corporation and the project was stalled due to a remonstrance being filed.

In 2006, the County purchased two tandem trucks and a grader costing \$118,521 and \$125,600, respectively. This equipment will be financed through capital leases. As of the audit date, the equipment had been ordered, but the final sale and lease documents were not ready for review.

C. Administration of Welfare Programs

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

D. Pension Plans

1. Single-Employer Defined Benefit Pension Plans

a. 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.

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

b. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 32,728	\$ 10,231
Interest on net pension obligation	(346)	-
Adjustment to annual required contribution	579	-
Annual pension cost	32,961	10,231
Contributions made	29,672	10,231
Increase in net pension obligation	3,289	-
Net pension obligation, beginning of year	(4,938)	-
Net pension obligation, end of year	\$ (1,649)	\$ -

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:		
County	12.5%	3.9%
Plan members	6%	6%
Actuarial valuation date	01-01-05	01-01-05
Actuarial cost method	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years
Amortization period (from date)	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
County Police				
Retirement Plan	12-31-02	\$ 22,953	101%	\$ (9,522)
	12-31-03	28,168	85%	(4,938)
	12-31-04	32,728	91%	(1,649)
County Police				
Benefit Plan	12-31-02	10,990	100%	-
	12-31-03	10,480	100%	-
	12-31-04	10,231	100%	-

FOUNTAIN COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Defined Contribution Pension Plan

Plan Description

The County has a defined contribution pension plan administered by American United Life as authorized by Indiana Code 5-10.2-2-1. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by written agreement between the County and the Plan Administrator. The Plan Administrator issues a publicly available financial report that includes financial statements and required supplementary information of the plan. That report may be obtained by contacting:

American United Life
PO Box 7134
One American Square
Indianapolis, IN 46204-7134
Ph. (317) 285-4363

Funding Policy and Annual Pension Cost

The contribution requirements of plan members are established by the written agreement between the County and the Plan Administrator. Plan members are required to contribute 3% of the annual covered salary. The County is required to contribute at an actuarially determined rate. The current rate is 3% of annual covered payroll. Employer and employee contributions to the plan were \$63,946 and \$63,946, respectively.

FOUNTAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-00	\$ 541,039	\$ 541,039	\$ -	100%	\$ 214,014	0%
01-01-01	588,536	588,536	-	100%	222,370	0%
01-01-02	606,751	606,751	-	100%	251,692	0%
01-01-03	613,284	613,284	-	100%	254,320	0%
01-01-04	638,688	638,688	-	100%	262,400	0%
01-01-05	674,600	674,600	-	100%	262,667	0%

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FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005

	Property Reassessment	Surveyor's Corner Perpetuation	Federal Law Enforcement Distribution	Infraction Deferral	Jury Pay	Terrorism Grant	ISPC Compet Grant	Recorder's Records Perpetuation
Receipts:								
Taxes	\$ 114,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	11,494	-	-	-	-	-	-	-
Charges for services	-	4,980	-	-	-	-	-	20,946
Fines and forfeits	-	-	-	60,223	4,982	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	125,955	4,980	-	60,223	4,982	-	-	20,946
Disbursements:								
General government	161,813	1,896	-	-	-	-	-	36,959
Public safety	-	-	-	111,167	10,530	13,348	21,000	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Total disbursements	161,813	1,896	-	111,167	10,530	13,348	21,000	36,959
Excess (deficiency) of revenue over (under) disbursements	<u>(35,858)</u>	<u>3,084</u>	<u>-</u>	<u>(50,944)</u>	<u>(5,548)</u>	<u>(13,348)</u>	<u>(21,000)</u>	<u>(16,013)</u>
Other financing sources (uses)								
Other receipts	11,899	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>11,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(23,959)	3,084	-	(50,944)	(5,548)	(13,348)	(21,000)	(16,013)
Cash basis fund balance - beginning	301,121	20,819	67	69,611	28,624	13,348	21,000	31,070
Cash basis fund balance - ending	<u>\$ 277,162</u>	<u>\$ 23,903</u>	<u>\$ 67</u>	<u>\$ 18,667</u>	<u>\$ 23,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,057</u>
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	277,162	23,903	67	18,667	23,076	-	-	15,057
Total cash basis assets - December 31	<u>\$ 277,162</u>	<u>\$ 23,903</u>	<u>\$ 67</u>	<u>\$ 18,667</u>	<u>\$ 23,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,057</u>
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ 277,162	\$ 23,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,057
Public safety	-	-	67	18,667	23,076	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total cash basis fund balance - December 31	<u>\$ 277,162</u>	<u>\$ 23,903</u>	<u>\$ 67</u>	<u>\$ 18,667</u>	<u>\$ 23,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,057</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	County Sales Disclosure	E911 Sinking	CERT Training Grant	Homeland Security	Homeland Security LE Terror	County Misdemeanant	Farm Maintenance	Riverboat Revenue
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	28,178	-	-	113,213
Charges for services	-	-	-	-	-	-	18,194	-
Fines and forfeits	4,600	70,939	-	-	-	12,690	-	-
Other	-	-	-	-	-	-	1,109	-
Total receipts	4,600	70,939	-	-	28,178	12,690	19,303	113,213
Disbursements:								
General government	-	-	-	-	-	-	680	62,118
Public safety	-	70,939	50	212	111,778	16,303	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Total disbursements	-	70,939	50	212	111,778	16,303	680	62,118
Excess (deficiency) of revenue over (under) disbursements	4,600	-	(50)	(212)	(83,600)	(3,613)	18,623	51,095
Other financing sources (uses)								
Other receipts	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	4,600	-	(50)	(212)	(83,600)	(3,613)	18,623	51,095
Cash basis fund balance - beginning	-	-	2,189	212	110,472	13,025	262,414	62,489
Cash basis fund balance - ending	\$ 4,600	\$ -	\$ 2,139	\$ -	\$ 26,872	\$ 9,412	\$ 281,037	\$ 113,584
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,037	\$ 113,584
Restricted assets:								
Cash and cash equivalents	4,600	-	2,139	-	26,872	9,412	-	-
Total cash basis assets - December 31	\$ 4,600	\$ -	\$ 2,139	\$ -	\$ 26,872	\$ 9,412	\$ 281,037	\$ 113,584
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ 4,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	2,139	-	26,872	9,412	-	-
Health and welfare	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	281,037	113,584
Total cash basis fund balance - December 31	\$ 4,600	\$ -	\$ 2,139	\$ -	\$ 26,872	\$ 9,412	\$ 281,037	\$ 113,584

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	General Maintenance	Clerk's Records Perpetuation	Cannibus Marijuana Eradication	Service Process	Community Correction Local	Community Correction Home Detention	Community Transition	Administrative Fee Probation Users
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	11,620
Fines and forfeits	-	6,391	-	21,369	16,251	571,228	-	-
Other	-	-	-	-	-	-	15,580	-
Total receipts	-	6,391	-	21,369	16,251	571,228	15,580	11,620
Disbursements:								
General government	43,043	1,247	-	-	-	-	-	-
Public safety	-	-	-	-	19,613	587,044	63,718	13,935
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Total disbursements	43,043	1,247	-	-	19,613	587,044	63,718	13,935
Excess (deficiency) of revenue over (under) disbursements	<u>(43,043)</u>	<u>5,144</u>	<u>-</u>	<u>21,369</u>	<u>(3,362)</u>	<u>(15,816)</u>	<u>(48,138)</u>	<u>(2,315)</u>
Other financing sources (uses)								
Other receipts	<u>16,272</u>	-	-	-	-	-	-	-
Total other financing sources (uses)	16,272	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(26,771)	5,144	-	21,369	(3,362)	(15,816)	(48,138)	(2,315)
Cash basis fund balance - beginning	<u>389,837</u>	<u>15,557</u>	<u>4,500</u>	<u>25,048</u>	<u>15,793</u>	<u>528,076</u>	<u>51,780</u>	<u>18,130</u>
Cash basis fund balance - ending	<u>\$ 363,066</u>	<u>\$ 20,701</u>	<u>\$ 4,500</u>	<u>\$ 46,417</u>	<u>\$ 12,431</u>	<u>\$ 512,260</u>	<u>\$ 3,642</u>	<u>\$ 15,815</u>
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ 363,066	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	-	20,701	4,500	46,417	12,431	512,260	3,642	15,815
Total cash basis assets - December 31	\$ 363,066	\$ 20,701	\$ 4,500	\$ 46,417	\$ 12,431	\$ 512,260	\$ 3,642	\$ 15,815
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ -	\$ 20,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	46,417	12,431	512,260	3,642	15,815
Health and welfare	-	-	4,500	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	<u>363,066</u>	-	-	-	-	-	-	-
Total cash basis fund balance - December 31	\$ 363,066	\$ 20,701	\$ 4,500	\$ 46,417	\$ 12,431	\$ 512,260	\$ 3,642	\$ 15,815

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Adult Probation Services	Guardian Ad Litem	Interstate Compact	Public Defense Administrative Fee	Court Administrative Fee	DNA Sample Processing	Pretrial Diversion	Child Restraint
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	52,735	-	-	2,382	1,954	621	2,179	25
Other	1,775	-	-	-	-	-	-	-
Total receipts	54,510	-	-	2,382	1,954	621	2,179	25
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	53,330	-	-	-	-	-	2,000	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Total disbursements	53,330	-	-	-	-	-	2,000	-
Excess (deficiency) of revenue over (under) disbursements	1,180	-	-	2,382	1,954	621	179	25
Other financing sources (uses)								
Other receipts	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,180	-	-	2,382	1,954	621	179	25
Cash basis fund balance - beginning	37,103	13,385	125	168	-	-	6,817	-
Cash basis fund balance - ending	\$ 38,283	\$ 13,385	\$ 125	\$ 2,550	\$ 1,954	\$ 621	\$ 6,996	\$ 25
<u>Cash Basis Assets - December 31</u>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	38,283	13,385	125	2,550	1,954	621	6,996	25
Total cash basis assets - December 31	\$ 38,283	\$ 13,385	\$ 125	\$ 2,550	\$ 1,954	\$ 621	\$ 6,996	\$ 25
<u>Cash Basis Fund Balance - December 31</u>								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	38,283	13,385	125	2,550	1,954	621	6,996	25
Health and welfare	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total cash basis fund balance - December 31	\$ 38,283	\$ 13,385	\$ 125	\$ 2,550	\$ 1,954	\$ 621	\$ 6,996	\$ 25

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Eradication	Community Correction 05-06	Community Correction 06-07	Rainy Day	County Highway Christmas Fund	Local Roads and Streets	Cumulative Bridge	County Health
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,754	\$ 415,208	\$ 120,077
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	183,782	103,626	-	-	-	96,394	13,049
Charges for services	-	-	-	-	-	-	-	2,734
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	25	-	-	-	4,163
Total receipts	-	183,782	103,626	25	-	159,754	511,602	140,023
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	-	203,975	121,787	-	-	-	-	-
Highways and streets	-	-	-	-	1,475	168,841	375,217	-
Health and welfare	-	-	-	-	-	-	-	175,808
Total disbursements	-	203,975	121,787	-	1,475	168,841	375,217	175,808
Excess (deficiency) of revenue over (under) disbursements	-	(20,193)	(18,161)	25	(1,475)	(9,087)	136,385	(35,785)
Other financing sources (uses)								
Other receipts	-	-	-	-	1,475	16,439	12,278	64,904
Total other financing sources (uses)	-	-	-	-	1,475	16,439	12,278	64,904
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	(20,193)	(18,161)	25	-	7,352	148,663	29,119
Cash basis fund balance - beginning	558	-	23,683	202,300	100	32,113	393,612	185,135
Cash basis fund balance - ending	<u>\$ 558</u>	<u>\$ (20,193)</u>	<u>\$ 5,522</u>	<u>\$ 202,325</u>	<u>\$ 100</u>	<u>\$ 39,465</u>	<u>\$ 542,275</u>	<u>\$ 214,254</u>
<u>Cash Basis Assets - December 31</u>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 202,325	\$ 100	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	558	(20,193)	5,522	-	-	39,465	542,275	214,254
Total cash basis assets - December 31	<u>\$ 558</u>	<u>\$ (20,193)</u>	<u>\$ 5,522</u>	<u>\$ 202,325</u>	<u>\$ 100</u>	<u>\$ 39,465</u>	<u>\$ 542,275</u>	<u>\$ 214,254</u>
<u>Cash Basis Fund Balance - December 31</u>								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	(20,193)	5,522	-	-	-	-	-
Health and welfare	558	-	-	-	-	-	-	214,254
Highways and streets	-	-	-	-	-	39,465	542,275	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	202,325	100	-	-	-
Total cash basis fund balance - December 31	<u>\$ 558</u>	<u>\$ (20,193)</u>	<u>\$ 5,522</u>	<u>\$ 202,325</u>	<u>\$ 100</u>	<u>\$ 39,465</u>	<u>\$ 542,275</u>	<u>\$ 214,254</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Public Health Bioterrorism	Public Health Coordinator	County Alcohol and Drug	Health Maintenance	Tobacco Settlement	Fountain County Mentoring	Clerk IV-D Incentive	Prosecutor IV-D Incentive
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,087	54,727	-	40,982	105,124	-	-	-
Charges for services	-	-	-	-	-	-	13,505	13,503
Fines and forfeits	-	-	19,504	-	-	-	-	-
Other	-	-	-	-	-	350	-	-
Total receipts	<u>1,087</u>	<u>54,727</u>	<u>19,504</u>	<u>40,982</u>	<u>105,124</u>	<u>350</u>	<u>13,505</u>	<u>13,503</u>
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	39
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	17,198	58,586	46,212	37,927	44,904	30,989	1,959	-
Total disbursements	<u>17,198</u>	<u>58,586</u>	<u>46,212</u>	<u>37,927</u>	<u>44,904</u>	<u>30,989</u>	<u>1,959</u>	<u>39</u>
Excess (deficiency) of revenue over (under) disbursements	<u>(16,111)</u>	<u>(3,859)</u>	<u>(26,708)</u>	<u>3,055</u>	<u>60,220</u>	<u>(30,639)</u>	<u>11,546</u>	<u>13,464</u>
Other financing sources (uses)								
Other receipts	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	<u>(16,111)</u>	<u>(3,859)</u>	<u>(26,708)</u>	<u>3,055</u>	<u>60,220</u>	<u>(30,639)</u>	<u>11,546</u>	<u>13,464</u>
Cash basis fund balance - beginning	<u>17,735</u>	<u>(931)</u>	<u>37,569</u>	<u>12,464</u>	<u>17,435</u>	<u>30,639</u>	<u>5,340</u>	<u>5,221</u>
Cash basis fund balance - ending	<u>\$ 1,624</u>	<u>\$ (4,790)</u>	<u>\$ 10,861</u>	<u>\$ 15,519</u>	<u>\$ 77,655</u>	<u>\$ -</u>	<u>\$ 16,886</u>	<u>\$ 18,685</u>
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	<u>1,624</u>	<u>(4,790)</u>	<u>10,861</u>	<u>15,519</u>	<u>77,655</u>	<u>-</u>	<u>16,886</u>	<u>18,685</u>
Total cash basis assets - December 31	<u>\$ 1,624</u>	<u>\$ (4,790)</u>	<u>\$ 10,861</u>	<u>\$ 15,519</u>	<u>\$ 77,655</u>	<u>\$ -</u>	<u>\$ 16,886</u>	<u>\$ 18,685</u>
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-
Health and welfare	1,624	(4,790)	10,861	15,519	77,655	-	16,886	18,685
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total cash basis fund balance - December 31	<u>\$ 1,624</u>	<u>\$ (4,790)</u>	<u>\$ 10,861</u>	<u>\$ 15,519</u>	<u>\$ 77,655</u>	<u>\$ -</u>	<u>\$ 16,886</u>	<u>\$ 18,685</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Childrens Psychiatric Residential Treatment	General Drain Improvement	Drainage Maintenance	Sheriffs Dive Team	HAVA Voting Machines	Covered Bridge	Accident Report	Firearms Training
Receipts:								
Taxes	\$ 68,704	\$ -	\$ 23,334	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	1,383
Intergovernmental	-	-	-	11,090	178,000	3,750	-	-
Charges for services	-	-	-	-	-	-	891	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	5,462	-	-	-	-	-
Total receipts	<u>68,704</u>	<u>-</u>	<u>28,796</u>	<u>11,090</u>	<u>178,000</u>	<u>3,750</u>	<u>891</u>	<u>1,383</u>
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	21,920	-	-	1,821	1,326
Highways and streets	-	22,873	22,958	-	-	-	-	-
Health and welfare	<u>65,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>65,515</u>	<u>22,873</u>	<u>22,958</u>	<u>21,920</u>	<u>-</u>	<u>-</u>	<u>1,821</u>	<u>1,326</u>
Excess (deficiency) of revenue over (under) disbursements	<u>3,189</u>	<u>(22,873)</u>	<u>5,838</u>	<u>(10,830)</u>	<u>178,000</u>	<u>3,750</u>	<u>(930)</u>	<u>57</u>
Other financing sources (uses)								
Other receipts	-	9,311	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>9,311</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	<u>3,189</u>	<u>(13,562)</u>	<u>5,838</u>	<u>(10,830)</u>	<u>178,000</u>	<u>3,750</u>	<u>(930)</u>	<u>57</u>
Cash basis fund balance - beginning	<u>66,004</u>	<u>219,664</u>	<u>270,075</u>	<u>10,830</u>	<u>-</u>	<u>17,096</u>	<u>2,018</u>	<u>2,800</u>
Cash basis fund balance - ending	<u>\$ 69,193</u>	<u>\$ 206,102</u>	<u>\$ 275,913</u>	<u>\$ -</u>	<u>\$ 178,000</u>	<u>\$ 20,846</u>	<u>\$ 1,088</u>	<u>\$ 2,857</u>
<u>Cash Basis Assets - December 31</u>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	<u>69,193</u>	<u>206,102</u>	<u>275,913</u>	<u>-</u>	<u>178,000</u>	<u>20,846</u>	<u>1,088</u>	<u>2,857</u>
Total cash basis assets - December 31	<u>\$ 69,193</u>	<u>\$ 206,102</u>	<u>\$ 275,913</u>	<u>\$ -</u>	<u>\$ 178,000</u>	<u>\$ 20,846</u>	<u>\$ 1,088</u>	<u>\$ 2,857</u>
<u>Cash Basis Fund Balance - December 31</u>								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ 178,000	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	1,088	2,857
Health and welfare	69,193	-	-	-	-	-	-	-
Highways and streets	-	206,102	275,913	-	-	-	-	-
Other purposes	-	-	-	-	-	20,846	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash basis fund balance - December 31	<u>\$ 69,193</u>	<u>\$ 206,102</u>	<u>\$ 275,913</u>	<u>\$ -</u>	<u>\$ 178,000</u>	<u>\$ 20,846</u>	<u>\$ 1,088</u>	<u>\$ 2,857</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Operation Pullover	County Drug Free Community	Law Enforcement Continuing Education	User Fee	Emergency Telephone System	Nonreverting Prison Reimbursement	Emergency Planning Right to Know	AFDC Local Plan Committee
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	27,266	2,526	5,080	-	2,495	-	-
Other	-	-	-	-	148,277	-	-	-
Total receipts	-	27,266	2,526	5,080	148,277	2,495	-	-
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	1,294	3,864	137,653	-	2,252	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	15,620	-	-	-	-	-	-
Total disbursements	-	15,620	1,294	3,864	137,653	-	2,252	-
Excess (deficiency) of revenue over (under) disbursements	-	11,646	1,232	1,216	10,624	2,495	(2,252)	-
Other financing sources (uses)								
Other receipts	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	11,646	1,232	1,216	10,624	2,495	(2,252)	-
Cash basis fund balance - beginning	2,209	28,371	2,835	1,747	112,307	16,915	18,972	384
Cash basis fund balance - ending	\$ 2,209	\$ 40,017	\$ 4,067	\$ 2,963	\$ 122,931	\$ 19,410	\$ 16,720	\$ 384
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:								
Cash and cash equivalents	2,209	40,017	4,067	2,963	122,931	19,410	16,720	384
Total cash basis assets - December 31	\$ 2,209	\$ 40,017	\$ 4,067	\$ 2,963	\$ 122,931	\$ 19,410	\$ 16,720	\$ 384
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	2,209	-	4,067	2,963	122,931	19,410	16,720	384
Health and welfare	-	40,017	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total cash basis fund balance - December 31	\$ 2,209	\$ 40,017	\$ 4,067	\$ 2,963	\$ 122,931	\$ 19,410	\$ 16,720	\$ 384

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF CASH BASIS ASSETS AND FUND BALANCES AND
 CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Cumulative Capital Development	DARE Donations	DARE Grant	Every 15 Minutes	Mural Restoration	Crime Control	Sheriff's Commissary	Totals
Receipts:								
Taxes	\$ 156,304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,057,842
Licenses and permits	-	-	-	-	-	-	-	1,383
Intergovernmental	14,912	-	-	-	-	9,489	-	968,897
Charges for services	-	-	-	-	-	-	39,705	126,078
Fines and forfeits	-	-	-	-	-	-	-	885,440
Other	762	-	-	100	57	-	-	177,660
Total receipts	171,978	-	-	100	57	9,489	39,705	3,217,300
Disbursements:								
General government	-	-	-	-	-	-	-	307,756
Public safety	15,000	-	-	-	-	11,070	41,189	1,658,157
Highways and streets	-	-	-	-	-	-	-	591,364
Health and welfare	-	-	-	949	-	-	-	495,667
Total disbursements	15,000	-	-	949	-	11,070	41,189	3,052,944
Excess (deficiency) of revenue over (under) disbursements	156,978	-	-	(849)	57	(1,581)	(1,484)	164,356
Other financing sources (uses)								
Other receipts	-	-	-	-	-	-	-	132,578
Total other financing sources (uses)	-	-	-	-	-	-	-	132,578
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	156,978	-	-	(849)	57	(1,581)	(1,484)	296,934
Cash basis fund balance - beginning	357,558	275	1	901	169	1,581	7,705	4,146,170
Cash basis fund balance - ending	\$ 514,536	\$ 275	\$ 1	\$ 52	\$ 226	\$ -	\$ 6,221	\$ 4,443,104
Cash Basis Assets - December 31								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 960,112
Restricted assets:								
Cash and cash equivalents	514,536	275	1	52	226	-	6,221	3,482,992
Total cash basis assets - December 31	\$ 514,536	\$ 275	\$ 1	\$ 52	\$ 226	\$ -	\$ 6,221	\$ 4,443,104
Cash Basis Fund Balance - December 31								
Restricted for:								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 519,423
Public safety	-	275	1	52	-	-	6,221	899,244
Health and welfare	-	-	-	-	-	-	-	464,962
Highways and streets	-	-	-	-	-	-	-	1,063,755
Other purposes	514,536	-	-	-	226	-	-	535,608
Unrestricted	-	-	-	-	-	-	-	960,112
Total cash basis fund balance - December 31	\$ 514,536	\$ 275	\$ 1	\$ 52	\$ 226	\$ -	\$ 6,221	\$ 4,443,104

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2005

	Congressional School Principal	Landfill Postclosure Trust	Total
Additions:			
Investment earnings:			
Interest	\$ -	\$ 1,400	\$ 1,400
Cash and cash equivalents - beginning	26,327	62,654	88,981
Cash and cash equivalents - ending	\$ 26,327	\$ 64,054	\$ 90,381

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005

	Mortgage Fee Fund	State Sales Disclosure	Wheel Tax	Surtax	Welfare Excise Tax	Surplus Tax	Surplus Dog	Tax Sale Redemption
Additions:								
Agency fund additions	\$ 2,648	\$ 6,461	\$ 45,026	\$ 262,501	\$ 6,228	\$ 17,316	\$ 974	\$ 35,013
Deductions:								
Agency fund deductions	<u>2,223</u>	<u>10,449</u>	<u>45,026</u>	<u>262,501</u>	<u>6,228</u>	<u>13,446</u>	<u>974</u>	<u>36,563</u>
Excess (deficiency) of total additions over (under) total deductions	425	(3,988)	-	-	-	3,870	-	(1,550)
Cash and cash equivalents - beginning	<u>-</u>	<u>5,731</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,544</u>	<u>-</u>	<u>1,703</u>
Cash and cash equivalents - ending	<u>\$ 425</u>	<u>\$ 1,743</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,414</u>	<u>\$ -</u>	<u>\$ 153</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Surplus Tax Sale	Financial Institution Tax	CVET Distributions	Option Tax Certified	Option Tax PTR	CEDIT Homestead Credit Fund	Coroner's Continuing Education	Police Pension
Additions:								
Agency fund additions	\$ 113,462	\$ 117,892	\$ 89,972	\$ 1,727,736	\$ 569,162	\$ 229,326	\$ 547	\$ 12,344
Deductions:								
Agency fund deductions	<u>170,939</u>	<u>117,892</u>	<u>89,972</u>	<u>1,727,736</u>	<u>569,162</u>	<u>225,185</u>	<u>674</u>	<u>12,344</u>
Excess (deficiency) of total additions over (under) total deductions	(57,477)	-	-	-	-	4,141	(127)	-
Cash and cash equivalents - beginning	<u>177,083</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196</u>	<u>-</u>
Cash and cash equivalents - ending	<u>\$ 119,606</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,141</u>	<u>\$ 69</u>	<u>\$ -</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	AFLAC	Money Services	Prudential	Central United Life	American United Life	Prepaid Legal	Boston Mutual	Colonial Insurance
Additions:								
Agency fund additions	\$ 36,273	\$ 1,180,519	\$ 851	\$ 4,734	\$ -	\$ 933	\$ 7,476	\$ 16,034
Deductions:								
Agency fund deductions	<u>36,091</u>	<u>1,181,165</u>	<u>922</u>	<u>4,671</u>	<u>11</u>	<u>959</u>	<u>7,432</u>	<u>16,039</u>
Excess (deficiency) of total additions over (under) total deductions	182	(646)	(71)	63	(11)	(26)	44	(5)
Cash and cash equivalents - beginning	<u>174</u>	<u>1,402</u>	<u>116</u>	<u>378</u>	<u>11</u>	<u>32</u>	<u>364</u>	<u>765</u>
Cash and cash equivalents - ending	<u>\$ 356</u>	<u>\$ 756</u>	<u>\$ 45</u>	<u>\$ 441</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 408</u>	<u>\$ 760</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Dental Insurance	Vision Insurance	Key Life Insurance	City and Town Court Costs	Infraction Judgments	Education Plates	MVH	Township Assistance
Additions:								
Agency fund additions	\$ 5,182	\$ 5,563	\$ 2,862	\$ 11,983	\$ 60,118	\$ 938	\$ 303,939	\$ 77,494
Deductions:								
Agency fund deductions	5,288	5,521	2,866	-	60,378	844	303,939	77,494
Excess (deficiency) of total additions over (under) total deductions	(106)	42	(4)	11,983	(260)	94	-	-
Cash and cash equivalents - beginning	171	397	104	93,625	8,602	(94)	-	-
Cash and cash equivalents - ending	\$ 65	\$ 439	\$ 100	\$ 105,608	\$ 8,342	\$ -	\$ -	\$ -

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Welfare Trust	Health Care for the Indigent	Medical Assistance to Wards	Special Health Care Needs	Bid Bond	Corporate Tax	Firefighting	Park
Additions:								
Agency fund additions	\$ 51,563	\$ 64,772	\$ 5,335	\$ 11,430	\$ -	\$ 945,952	\$ 89,456	\$ 55,810
Deductions:								
Agency fund deductions	52,107	61,259	5,045	10,810	-	945,952	89,456	55,810
Excess (deficiency) of total additions over (under) total deductions	(544)	3,513	290	620	-	-	-	-
Cash and cash equivalents - beginning	10,395	-	-	-	283	-	-	-
Cash and cash equivalents - ending	<u>\$ 9,851</u>	<u>\$ 3,513</u>	<u>\$ 290</u>	<u>\$ 620</u>	<u>\$ 283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	Cumulative Fire Special	Fountain/Warren Alternate School	Swimming Pool	Cumulative Fire Special	School General	Pre-School Special Education	Congressional School Interest	School Pension Debt
Additions:								
Agency fund additions	\$ 10,878	\$ 35,000	\$ 18,082	\$ 37,098	\$ 4,757,780	\$ 15,089	\$ 1,168	\$ 128,992
Deductions:								
Agency fund deductions	10,878	35,000	18,082	36,558	4,757,780	15,089	527	128,992
Excess (deficiency) of total additions over (under) total deductions	-	-	-	540	-	-	641	-
Cash and cash equivalents - beginning	-	-	-	-	-	-	25,384	-
Cash and cash equivalents - ending	\$ -	\$ -	\$ -	\$ 540	\$ -	\$ -	\$ 26,025	\$ -

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	School Capital Projects	School Debt Service	Park and Recreation Towns	Recreation Township	Inheritance Tax	State Fair Board	State Forestry Tax	Property Tax Replacement and Homestead Credit
Additions:								
Agency fund additions	\$ 1,766,106	\$ 2,447,121	\$ 101,583	\$ 5,551	\$ 453,660	\$ 5,766	\$ 11,531	\$ 20,251
Deductions:								
Agency fund deductions	<u>1,766,106</u>	<u>2,447,121</u>	<u>101,583</u>	<u>5,551</u>	<u>372,469</u>	<u>5,766</u>	<u>11,531</u>	<u>20,251</u>
Excess (deficiency) of total additions over (under) total deductions	-	-	-	-	81,191	-	-	-
Cash and cash equivalents - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,083</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,274</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	State Fines and Forfeitures	Library	Library Lease Rental	Library Capital Projects	Riverside Cemetery	Lease Rental	Corporation Cumulative Capital Development	Transportation
Additions:								
Agency fund additions	\$ 8,438	\$ 266,330	\$ 97,952	\$ 35,282	\$ 85,983	\$ 57,153	\$ 74,087	\$ 945,988
Deductions:								
Agency fund deductions	7,371	266,330	97,952	35,282	85,983	57,153	74,087	945,988
Excess (deficiency) of total additions over (under) total deductions	1,067	-	-	-	-	-	-	-
Cash and cash equivalents - beginning	585	-	-	-	-	-	-	-
Cash and cash equivalents - ending	<u>\$ 1,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	School Bus Replacement	Weed Control	Sewer Liens	Solid Waste	TIF	Township Taxes	Clerk of the Circuit Court	Community Corrections
Additions:								
Agency fund additions	\$ 148,774	\$ 1,431	\$ 542	\$ 121,077	\$ 362,327	\$ 77,402	\$ 2,680,822	\$ 556,003
Deductions:								
Agency fund deductions	<u>148,774</u>	<u>-</u>	<u>-</u>	<u>121,077</u>	<u>362,327</u>	<u>77,942</u>	<u>2,643,671</u>	<u>556,053</u>
Excess (deficiency) of total additions over (under) total deductions	-	1,431	542	-	-	(540)	37,151	(50)
Cash and cash equivalents - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,206</u>	<u>50</u>
Cash and cash equivalents - ending	<u>\$ -</u>	<u>\$ 1,431</u>	<u>\$ 542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (540)</u>	<u>\$ 175,357</u>	<u>\$ -</u>

FOUNTAIN COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2005
 (Continued)

	EMS	Health Department	Prosecutor	Recorder	Sheriff	Sheriff's Inmate Trust	Treasurer	Total
Additions:								
Agency fund additions	\$ 523,217	\$ 7,599	\$ 61,712	\$ 80,131	\$ 364,696	\$ 41,219	\$ 21,153,374	\$ 43,743,020
Deductions:								
Agency fund deductions	523,217	7,595	61,712	80,131	363,653	41,741	21,160,375	43,667,071
Excess (deficiency) of total additions over (under) total deductions	-	4	-	-	1,043	(522)	(7,001)	75,949
Cash and cash equivalents - beginning	-	-	-	75	-	847	100,903	598,115
Cash and cash equivalents - ending	\$ -	\$ 4	\$ -	\$ 75	\$ 1,043	\$ 325	\$ 93,902	\$ 674,064

FOUNTAIN COUNTY
SCHEDULE OF LONG-TERM DEBT

Changes in Long-Term Debt:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Revenue bonds payable	\$ 61,000	\$ -	\$ 48,500	\$ 12,500	\$ 12,500
Capital leases payable	45,422	648,047	20,998	672,471	133,875
Notes payable	175,840	-	56,270	119,570	58,582
Total long-term liabilities	<u>\$ 282,262</u>	<u>\$ 648,047</u>	<u>\$ 125,768</u>	<u>\$ 804,541</u>	<u>\$ 204,957</u>

Requirements to maturity:

Bonds payable:

	Principal	Interest	Total
2006	\$ 12,500	\$ 180	\$ 12,680
2007	-	-	-
2008	-	-	-
2009	-	-	-
2010	-	-	-
Totals	<u>\$ 12,500</u>	<u>\$ 180</u>	<u>\$ 12,680</u>

Capital leases payable:

	Principal	Interest	Total
2006	\$ 133,875	\$ 25,435	\$ 159,310
2007	96,572	23,321	119,893
2008	101,195	18,698	119,893
2009	66,014	13,851	79,865
2010	68,953	10,912	79,865
2011-2013	205,862	13,768	219,630
Totals	<u>\$ 672,471</u>	<u>\$ 105,985</u>	<u>\$ 778,456</u>

Notes payable:

	Principal	Interest	Total
2006	\$ 58,582	\$ 4,912	\$ 63,494
2007	60,988	2,505	63,493
2008	-	-	-
2009	-	-	-
2010	-	-	-
Totals	<u>\$ 119,570</u>	<u>\$ 7,417</u>	<u>\$ 126,987</u>

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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 46204-2765

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 FOUNTAIN COUNTY, INDIANA

Compliance

We have audited the compliance of the Fountain 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, 2005. 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; 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, 2005.

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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 the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

June 7, 2006

FOUNTAIN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2005

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Incentive Block Grant	16.523		
		99-JB-019	\$ 5,989
		00-JB-022	10,000
		01-JB-023	10,000
		02-JB-024	5,000
		03-JB-022	<u>15,000</u>
Total for program			<u>45,989</u>
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540		
		03-JE-007	<u>20,000</u>
Crime Victim Assistance	16.575		
		04-VA-049	<u>11,069</u>
Local Law Enforcement Block Grant Program	16.592		
		04-LB-089	<u>4,590</u>
Total for federal grantor agency			<u>81,648</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Development and Coordination of Rural Health Services	93.223		
		BPRS 122-2	<u>58,586</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		
		BPRS 122-1	<u>17,198</u>
Pass-Through Indiana Family and Social Services Administration Child Support Enforcement	93.563		
		General	15,898
		Prosecutor	38,844
		Clerk	<u>16,840</u>
Total for program			<u>71,582</u>
Total for federal grantor agency			<u>147,366</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Domestic Preparedness Equipment Support Program	97.004		
		Part II, FFY 03	13,348
		Part II, FFY 03	21,000
		FFY 03	212
		FFY 04	<u>111,778</u>
Total for program			<u>146,338</u>
Chemical Stockpile Emergency Preparedness Program	97.040		
		FY 05	<u>1,422,570</u>
Emergency Management Performance Grants	97.042		
		CERT04	<u>50</u>
Total for federal grantor agency			<u>1,568,958</u>
Total federal awards expended			<u>\$ 1,797,972</u>

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

FOUNTAIN 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 the Fountain 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, 2005:

Program Title	Federal CFDA Number	2005
Juvenile Accountability Incentive Block Grant	16.523	\$ 45,989
Juvenile Justice and Delinquency Prevention – Allocation to States	16.540	20,000

FOUNTAIN 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
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

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

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

CFDA Number	Name of Federal Program or Cluster
97.040	Chemical Stockpile Emergency Preparedness Program

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

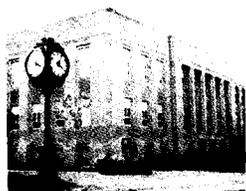
Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.



Fountain County Emergency Management

Courthouse • 301 Fourth Street • Covington, IN 47932 • (765) 793-0833 • Fax (765) 793-0835

April 13, 2006

FEDERAL AGENCY: United States Department of Homeland Security
FEDERAL PROGRAM: Chemical Stockpile Emergency Preparedness Program
CFDA NUMBER: 97.040
FEDERAL AWARD NUMBER: FY04
PASS THROUGH ENTITY: State Emergency Management Agency

Finding Number: 2004-2

Original SBA Audit Report # B25411

Fiscal Year: 2004

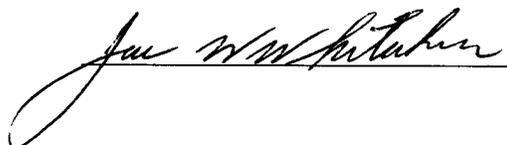
Auditee Contact Person: Joe Whitaker

Title of Contact Person: Director / Fountain Co. Emergency Management

Phone Number: 765-793-0833

Status of Finding: The Fountain Co. Emergency Management staff has completed an inventory of our assets and has documented those assets on a Capital Assets Ledger County Form 146. (prescribed by the State Board of Accounts) That form has been submitted to the Fountain County Auditor. Previous records of assets have been updated to the best of our knowledge. A copy of of all inventory is kept in the Fountain County Emergency Management Office along with a current copy of radio inventory and equipment disposition and the location of the property purchased from government grants. An ongoing inventory list will be updated as equipment is purchased and will be added and submitted to the County Auditor in a timely fashion.

Respectfully Submitted: Joe Whitaker/ Fountain Co. Emergency Management Director

 Date: April 13, 2006

FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 7, 2006, with Colleen S. Chambers, Auditor; and David Ziegler, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.