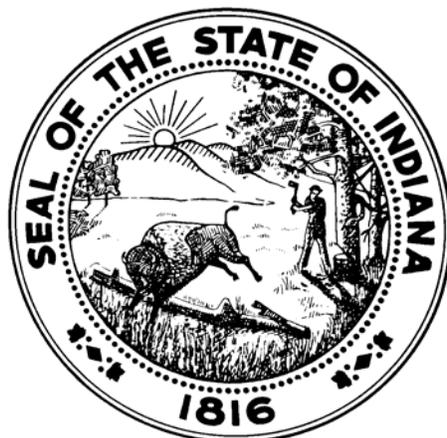


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

ANNUAL FINANCIAL REPORT

2005

ELKHART COUNTY, INDIANA



FILED

08/24/2006

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	David L. Hess	01-01-04 to 12-31-07
Treasurer	Larry R. Ernest	01-01-05 to 12-31-08
Clerk	Stephanie Burgess	01-01-03 to 12-31-06
Sheriff	Michael Books	01-01-03 to 12-31-06
Recorder	Christopher J. Anderson	01-01-04 to 12-31-07
President of the Board of County Commissioners	Phil R. Stiver	01-01-05 to 12-31-06
President of the County Council	John K. Letherman	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 ELKHART COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Elkhart 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 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. The basis of accounting noted above is a different basis than that used in the prior year.

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 and investment balances of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 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 26, 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.

The Management's Discussion and Analysis, Schedules of Funding Progress and Budgetary Comparison Schedules, 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.

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 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. 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

June 26, 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 ELKHART COUNTY, INDIANA

We have audited the financial statements of Elkhart County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated June 26, 2006. The opinion to the financial statements was qualified due to the omission of the component unit of Elkhart County which results in an incomplete presentation of the basic financial statements. 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 26, 2006

County of Elkhart, Indiana
Management's Discussion and Analysis
December 31, 2005

This discussion and analysis highlights the County of Elkhart's financial activities for the year ended December 31, 2005. We hope you will find this discussion helpful in assessing the County's financial condition. Please read it in conjunction with the County's financial statements and accompanying notes, which follow this discussion and analysis.

Financial Highlights

For FY2005 the State Board of Accounts (SBOA) shifted from a modified Accrual Audit to a Cash Audit. Because of this change in audit procedures the figures contained in the audit cannot be compared to previous years audits. A cash only audit omits certain factors which distorts the true fiscal condition of the County. To understand the true financial health of the County the year to year change in fixed assets must be taken into consideration as part of the overall financial picture. A cash audit shows receipts, disbursements, beginning and ending cash balances. For example the beginning cash balance of all governmental funds was \$123,726,484 and the ending cash balance was \$108,036,316. A major component of that reduction for example is the \$15,240,348 spent on construction of the new jail facility in 2005. In a modified accrual audit an offsetting amount would show up as an increase in the County's fixed assets.

The real concern for the person reading this audit lies in the change in the general fund balance between the beginning of the year and the end of the year. Overall a reduction of \$1,160,326 occurred in the general fund. This came as no surprise due to the fact that for the last two years the County Council and County Commissioners have chosen to fund the general operations of County government by dipping into the County's reserves. This is a direct result of reductions in the County's County Adjusted Gross Income Tax (CAGIT) revenues for 2005. A similar reduction also occurred in 2004. We expect this to change for FY2006 as our CAGIT revenues are \$1,603,519 greater for 2006 over the amount received in 2005. A comparison of the CAGIT revenues for Elkhart County government from 2002 through 2006 is as follows:

Fiscal Year	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
CAGIT Received	16,940,339	10,297,395	9,490,504	9,128,164	10,731,683

The reduction in CAGIT revenue has had a direct impact on the general fund balance of Elkhart County.

As stated previously, this audit cannot be reviewed without taking into consideration the differences between a cash only audit which is the 2005 audit and the prior years of 2003 and 2004 which are modified accrual audits.

Basic Financial Statements

The Governmental Accounting Standards Board (GASB), in accordance with GASB Statement No. 34, requires the County to present its financial statements as government-wide statements and fund financial statements. As stated earlier, prior to 2005 the State Board of Accounts provided the County with a modified Accrual Audit. Because this is the first year that the County's

financial statements are presented in this new format, comparative data is not shown. However, in future years such comparative analysis will be included in management’s discussion and analysis if the State board of Accounts continues to provide the County with a Cash Audit.

As previously stated, the basic financial statements of the County consist of the following:

1. Government-wide statements.
2. Fund financial statements.

Government-wide statements include the Statement of Cash and Investments and the Statement of Cash Activities. Government-wide statements report on two major categories of services:

- Governmental activities, these statements encompass most of the County’s basic services that are provided to its citizens.
- Business-type activity, this statement covers the Elkhart County Solid Waste Department (landfill).

Governmental activities include most of the County’s basic services that are provided to its citizens, such as the general government, Highway, Sheriff’s Department and Parks Department.

Fund financial statements are broadly categorized as governmental and proprietary. Separate financial statements are presented for each of these fund categories.

- Governmental funds include the General Fund, County Family and Children Fund, and Criminal Justice Facility Construction Fund. These funds report what most people consider the basic government services. Governmental Funds report the three major funds separately, with all other funds combined into one total. This statement provides a detailed short term view of the County’s general government operations and the basic services it provides. This information will help you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County’s programs.
- Proprietary (enterprise) funds encompass the business-type activities of the County. For Elkhart County this statement reflects the financial activity of the Elkhart County Solid Waste Department which is the County Landfill.

Condensed Financial Data

For the year ended December 31, 2005, cash net assets changed as follows:

	Governmental Activities	Business Activities	Total
Beginning Cash Net Assets	123,726,484	27,513,382	151,239,866
Increase in Cash Net Assets	(15,690,168)	1,666,372	(14,023,796)
Ending Cash Net Assets	108,036,316	29,179,754	137,216,070

Because this is the first year as a cash basis audit, the governmental and business-type activities are reported in the new format and cannot be compared to prior years. A detailed comparison to the previous year is not presented as those figures were based on a modified accrual audit. In the future, a comparison will be made if the State Board of Accounts stays on a cash basis for their audit.

The following table outlines the net assets of the Governmental Funds and the County's business-type activities.

Cash and Investment Assets – December 31 – Landfill

	<u>Total Governmental</u>	<u>Total Landfill</u>
Cash and Investments	\$ 57,520,348	\$ 22,926,364
Restricted assets:		
Cash and Investments	<u>\$ 47,102,339</u>	<u>6,253,390</u>
Total cash and investment assets – Dec. 31	\$104,622,687	\$ 29,179,754

Cash and Investment Fund Balance – December 31

Restricted for:		
Public Safety	\$ 31,706,091	
Debt Service	\$ 15,306,248	
Restricted for:		
Capital projects		\$ 2,174,928
Landfill closure and post closure		4,078,462
Unrestricted	<u>\$ 57,520,348</u>	<u>22,926,364</u>
Total cash and investment fund balance – December 31	\$ 104,622,687	\$ 29,179,754

Fund Analysis

In reviewing the major funds of the governmental activities, the following changes were observed.

General Fund:

The cash and investment balance of the general fund was reduced by \$1,160,326. As noted earlier, this reduction was a result of the decision by the County Council to dip into the County's reserves to fund day to day operations. This need was a direct result of a reduction in the County's Adjusted Gross Income Tax. As noted earlier in this report CAGIT is scheduled to increase for 2006 which should help to improve the County's general fund year-end balance in 2006.

County Family and Children Fund:

Although the balance of the Family and Children Fund was reduced by \$1,444,197 the ending balance is sufficient to cover the cash flow needs of that department. The expenditures of the department vary depending on the case load and the needs of the individuals in the system.

Criminal Justice Facility Construction Fund:

The revenue for this fund comes from the proceeds of the Bond sale and the sale lease back of the jail facility from the Bonding Authority. As payments are made to the Contractor (\$15,240,348 in 2005) the balance is reduced. The \$15,240,348 reflects the cash disbursements for jail construction in 2005.

Other Governmental Funds:

This group of funds encompasses the rest of the funds for the purpose of the audit. All funds were grouped together for reporting purposes. This group of funds grew by \$2,416,245 in 2005.

Capital Asset and Long-Term Debt Activity:

A discussion of the financial health of the County cannot be complete without considering total investments in capital assets. As of December 31, 2005, Elkhart County had a total of \$311,094,432 invested in capital assets net of accumulated depreciation. These assets were divided between Governmental Activities and Business Activities.

The following table highlights the total assets and the amounts contributed to Governmental Assets and Business Assets.

	Governmental Activities	Business Type Activities	Total
Land	770,550	236,816	1,007,366
Buildings	12,829,629	777,146	13,606,775
Improvements	1,363,420	718,677	2,082,097
Equipment	5,919,521	2,096,778	8,016,299
Infrastructure	250,651,546		250,651,546
Construction in Progress	35,730,349		35,730,349
Totals	307,265,015	3,829,417	311,094,432

The total net capital assets for 2004 were valued at \$214,894,310. As a comparison to December 31, 2005, Elkhart County had an increase in total capital assets of \$96,200,122. A major contributor to this increase is the Criminal Justice Facility which is construction in progress. For 2005, the total construction work in progress amounted to \$35,730,349.

Long Term Debt:

As of December 31, 2005, the total amount of long term debt stood at \$66,118,518. Of this amount \$61,390,000 is attributed to the Criminal Justice Facility project. As this project moves toward completion in early 2006 two additional capital leases will need to be implemented to finance the remainder of the project. These two additional capital leases through the County Bonding authority will be just under \$10,000,000 dollars per issue.

Overall Analysis:

An overall analysis of the finances of Elkhart County shows positive growth for 2005. The increase of \$96,200,122 in total capital assets is a direct result of expansion of the County's infrastructure and the Criminal Justice Facilities. When measuring the growth of assets relative to the increase in total debt, Elkhart County clearly experienced a net growth in total assets. The total long-term debt of Elkhart County grew from \$57,150,884 in 2004 to \$66,118,518 in 2005. This increase of \$8,967,634 in total long-term debt was offset by the \$96,200,122 increase in capital assets.

As noted in the Financial Highlight at the beginning of this Management Discussion and Analysis, Elkhart County experienced reductions in CAGIT revenues in 2004 and 2005, but will experience real growth in those revenues in 2006. That real growth plus some adjustment in County fees for various services should improve the County's overall General Fund balance for 2006.

In 2006 the Indiana General Assembly enacted HEA 1001 commonly referred to as "Circuit Breaker Legislation". Although this legislation does not effect the County until 2008 (2007 taxes, payable in 2008) the net effect of that legislation will certainly temper the County's overall expenditures in the next several years.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of Elkhart County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Elkhart County Auditor, 117 N. Second Street, Goshen, Indiana, 46526, or by email at **dhess@elkhart county.com**

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

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary government:							
Governmental activities:							
General government	\$ 37,063,857	\$ 3,782,828	\$ 4,096,419	\$ -	\$ (29,184,610)	\$ -	\$ (29,184,610)
Public safety	32,180,286	2,948,417	978,946	265,969	(27,986,954)	-	(27,986,954)
Highways and streets	16,310,546	845,331	3,987,031	9,040,235	(2,437,949)	-	(2,437,949)
Health and welfare	18,507,043	1,846,734	1,303,465	-	(15,356,844)	-	(15,356,844)
Economic development	1,128,178	200	38,096	-	(1,089,882)	-	(1,089,882)
Culture and recreation	1,818,893	200,903	188,004	-	(1,429,986)	-	(1,429,986)
Payments on long-term debt	6,863,286	-	-	-	(6,863,286)	-	(6,863,286)
Total governmental activities	113,872,089	9,624,413	10,591,961	9,306,204	(84,349,511)	-	(84,349,511)
Business-type activities:							
Landfill	3,183,822	4,341,838	-	-	-	1,158,016	1,158,016
Total primary government	\$ 117,055,911	\$ 13,966,251	\$ 10,591,961	\$ 9,306,204	(84,349,511)	1,158,016	(83,191,495)
General receipts:							
Property taxes					39,142,529	-	39,142,529
Certified shares					16,213,373	-	16,213,373
Economic development income tax					3,720,137	-	3,720,137
Hotel/motel taxes					1,174,165	-	1,174,165
Riverboat					556,860	-	556,860
Unrestricted investment earnings					1,860,208	508,356	2,368,564
Other					5,992,071	-	5,992,071
Total general receipts					68,659,343	508,356	69,167,699
Change in net assets					(15,690,168)	1,666,372	(14,023,796)
Net assets - beginning					123,726,484	27,513,382	151,239,866
Net assets - ending					\$ 108,036,316	\$ 29,179,754	\$ 137,216,070
<u>Assets - Cash Basis</u>							
Cash and investments					\$ 60,933,977	\$ 22,926,364	\$ 83,860,341
Restricted assets:							
Cash and investments					47,102,339	6,253,390	53,355,729
Total assets					\$ 108,036,316	\$ 29,179,754	\$ 137,216,070
<u>Net Assets</u>							
Restricted for:							
Capital projects					\$ 31,796,091	\$ 2,174,928	\$ 33,971,019
Debt service					15,306,248	-	15,306,248
Other purposes					-	4,078,462	4,078,462
Unrestricted					60,933,977	22,926,364	83,860,341
Total net assets					\$ 108,036,316	\$ 29,179,754	\$ 137,216,070

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

ELKHART 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, 2005

	General	County Family and Children	Criminal Justice Facility Construction	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 28,890,269	\$ 8,106,512	\$ -	\$ 23,986,831	\$ 60,983,612
Licenses and permits	194,332	-	-	651,580	845,912
Intergovernmental	3,528,337	3,612,630	-	12,580,650	19,721,617
Charges for services	1,811,430	-	-	3,333,255	5,144,685
Fines and forfeits	1,092,286	-	-	417,905	1,510,191
Other	5,650,529	923,656	-	3,332,424	9,906,609
Total receipts	41,167,183	12,642,798	-	44,302,645	98,112,626
Disbursements:					
General government	32,857,805	-	-	3,395,100	36,252,905
Public safety	10,127,325	-	-	6,812,613	16,939,938
Highways and streets	-	-	-	8,223,297	8,223,297
Health and welfare	181,716	13,951,702	-	4,373,625	18,507,043
Culture and recreation	-	-	-	1,434,014	1,434,014
Urban redevelopment and housing	-	-	-	1,089,713	1,089,713
Debt service:					
Principal	-	-	-	4,138,186	4,138,186
Interest	-	-	-	2,725,100	2,725,100
Capital outlay:					
General government	-	-	-	480,115	480,115
Public safety	-	-	15,240,348	-	15,240,348
Highways and streets	-	-	-	8,087,249	8,087,249
Culture and recreation	-	-	-	384,879	384,879
Urban redevelopment and housing	-	-	-	38,465	38,465
Total disbursements	43,166,846	13,951,702	15,240,348	41,182,356	113,541,252
Excess (deficiency) of revenue over (under) disbursements	(1,999,663)	(1,308,904)	(15,240,348)	3,120,289	(15,428,626)
Other financing sources (uses)					
Transfers in	1,047,470	-	-	1,232,467	2,279,937
Transfers out	(208,133)	(135,293)	-	(1,936,511)	(2,279,937)
Total other financing sources (uses)	839,337	(135,293)	-	(704,044)	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(1,160,326)	(1,444,197)	(15,240,348)	2,416,245	(15,428,626)
Cash and investment fund balance - beginning	13,912,214	10,225,137	47,036,439	48,877,523	120,051,313
Cash and investment fund balance - ending	<u>\$ 12,751,888</u>	<u>\$ 8,780,940</u>	<u>\$ 31,796,091</u>	<u>\$ 51,293,768</u>	<u>\$ 104,622,687</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.					
					3,413,629
Net assets of governmental activities					<u>\$ 108,036,316</u>
Cash and Investment Assets - December 31					
Cash and investments	\$ 12,751,888	\$ 8,780,940	\$ -	\$ 35,987,520	\$ 57,520,348
Restricted assets:					
Cash and investments	-	-	31,796,091	15,306,248	47,102,339
Total cash and investment assets - December 31	<u>\$ 12,751,888</u>	<u>\$ 8,780,940</u>	<u>\$ 31,796,091</u>	<u>\$ 51,293,768</u>	<u>\$ 104,622,687</u>
Cash and Investment Fund Balance - December 31					
Restricted for:					
Public safety	\$ -	\$ -	\$ 31,796,091	\$ -	\$ 31,796,091
Debt service	-	-	-	15,306,248	15,306,248
Unrestricted	12,751,888	8,780,940	-	35,987,520	57,520,348
Total cash and investment fund balance - December 31	<u>\$ 12,751,888</u>	<u>\$ 8,780,940</u>	<u>\$ 31,796,091</u>	<u>\$ 51,293,768</u>	<u>\$ 104,622,687</u>

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

ELKHART 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, 2005

	<u>Landfill</u>	<u>Internal Service Funds</u>
Operating receipts:		
Charges for services	\$ 4,304,410	\$ -
Insurance proceeds	-	10,241,760
Other	<u>37,428</u>	<u>-</u>
Total operating receipts	<u>4,341,838</u>	<u>10,241,760</u>
Operating disbursements:		
Salaries and wages	1,544,053	-
Sanitation	1,639,769	-
Insurance disbursements	<u>-</u>	<u>10,572,597</u>
Total operating disbursements	<u>3,183,822</u>	<u>10,572,597</u>
Excess (deficiency) of operating receipts over (under) operating disbursements	<u>1,158,016</u>	<u>(330,837)</u>
Nonoperating receipts (disbursements):		
Interest and investment receipts	<u>508,356</u>	<u>69,295</u>
Excess (deficiency) of receipts over (under) disbursements and nonoperating receipts (disbursements)	1,666,372	(261,542)
Cash and investment fund balance - beginning	<u>27,513,382</u>	<u>3,675,171</u>
Cash and investment fund balance - ending	<u>\$ 29,179,754</u>	<u>\$ 3,413,629</u>
<u>Cash and Investment Assets - December 31</u>		
Cash and investments	\$ 22,926,364	\$ 3,413,629
Restricted assets:		
Cash and investments	<u>6,253,390</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 29,179,754</u>	<u>\$ 3,413,629</u>
<u>Cash and Investment Fund Balance - December 31</u>		
Restricted for:		
Capital projects	\$ 2,174,928	\$ -
Landfill closure and post closure	4,078,462	-
Unrestricted	<u>22,926,364</u>	<u>3,413,629</u>
Total cash and investment fund balance - December 31	<u>\$ 29,179,754</u>	<u>\$ 3,413,629</u>

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

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

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 185,569	\$ -	\$ -
Plan members	<u>80,431</u>	<u>-</u>	<u>-</u>
Total contributions	<u>266,000</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	330,836	-	-
Interest	<u>347,847</u>	<u>-</u>	<u>-</u>
Total investment earnings	678,683	-	-
Less investment disbursements	<u>(184,629)</u>	<u>-</u>	<u>-</u>
Net investment earnings	<u>494,054</u>	<u>-</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>351,982,241</u>
Total additions	<u>760,054</u>	<u>-</u>	<u>351,982,241</u>
Deductions:			
Benefits	558,748	-	-
Refunds of contributions	8,599	-	-
Administrative and general	11,891	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>348,805,186</u>
Total deductions	<u>579,238</u>	<u>-</u>	<u>348,805,186</u>
Excess of total additions over total deductions	180,816	-	3,177,055
Cash and investment fund balance - beginning	<u>13,678,180</u>	<u>45,862</u>	<u>7,935,318</u>
Cash and investment fund balance - ending	<u>\$ 13,858,996</u>	<u>\$ 45,862</u>	<u>\$ 11,112,373</u>

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

ELKHART 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:	Elkhart County
Blended Component Unit:	Elkhart County Solid Waste Management District

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

The Elkhart County Solid Waste Management District, a blended component unit has been omitted from these financial statements. Accordingly, the financial statements do not include the data of the County's component unit necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis display 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 cash and investments fund balance, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

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

The County Family and Children Fund accounts for expenditures related to care of wards of the State, child welfare services and adoption services. Financing is provided by a specific property tax levy and state distributions.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Criminal Justice Facility Construction Fund accounts for expenditures related to the construction of the new county corrections complex facilities. Financing is provided by the issuance of the County Complex Bonds, Series 2004.

The County reports the following major proprietary fund:

The Landfill Fund accounts for the expenditures related to the operation and capital improvements of the County owned and operated landfill. Financing is provided by the charges for services assessed on users of the landfill.

Additionally, the County reports the following fund types:

The Internal Service Funds account for property and workman's liability and employees' medical coverage.

The Pension Trust Funds account for the activities of the Sheriff's Pension Trust and the Sheriff's Benefit Pension Funds, which accumulate resources for pension benefit payments.

The Private-Purpose Trust Fund reports a trust arrangement under which principal and income benefit Elkhart County public school corporations.

Agency Funds account for assets held by the County as an agent for other local governmental agencies, the State and individuals. The funds also account for employee payroll costs, pensions and payroll deductions.

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.

In financial statements issued prior to January 1, 2005, Elkhart County utilized the basis of accounting recognized as generally accepted. 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

ELKHART 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).

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental 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 payments of principal and interest are reported as disbursements.

4. Equity Classification

Government-Wide Statements

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

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

ELKHART 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).

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:

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

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 and Investment Balance Deficits

At December 31, 2005, there were several reimbursement-type grant funds with deficits in cash and investments due to the nature of these funds.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. 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. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2005, the County had the following investments:

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Primary Government Market Value
U.S. Agencies	\$ 1,226,457
Government Sponsored Enterprises	624,353
Corporate Stock	9,721,166
Corporate Bonds	1,893,276
Totals	\$ 13,465,252

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 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.

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.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. The Sheriff's Merit Board has not adopted an investment policy for custodial risk for investments. At December 31, 2005, the Sheriff's Pension Plan held investments in the U.S. Treasuries and Securities, Corporate Stock, Corporate Bonds, and Government Sponsored Enterprises in the amount of \$13,465,252. Of these investments \$13,465,252 were held by the counterparty's trust department or agent but not in the Sheriff Pension Plan's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years. The Sheriff's Pension Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. Agencies	\$ -	\$ 876,102	\$ 350,355
Government Sponsored Enterprises	-	468,580	155,773
Corporate Stock	9,721,166	-	-
Corporate Bonds	-	73	1,893,203
Totals	<u>\$ 9,721,166</u>	<u>\$ 1,344,755</u>	<u>\$ 2,399,331</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Standard and Poor's Rating	Moody's Rating	Corporate Bonds	U.S. Agencies	Government Sponsored Enterprise
AAA	Aaa	\$ 92,831	\$ 1,226,457	\$ 624,353
AA	Aa	351,594	-	-
A	A	829,520	-	-
BBB	Baa	588,598	-	-
Unrated	Unrated	30,733	-	-
Totals		<u>\$ 1,893,276</u>	<u>\$ 1,226,457</u>	<u>\$ 624,353</u>

ELKHART 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. Neither the County nor the Sheriff's Merit Board has 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. There were no investments exceeding 5% of the total investments.

Foreign Currency Risk

Neither the County nor the Sheriff's Merit Board has a formal policy in regards to foreign currency risk. There were no investments subject to the foreign currency risk.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2005, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2005</u>
General Fund	Other governmental	\$ 208,133
County Family and Children	Other governmental	135,293
Other governmental	General Fund	1,047,470
Other governmental	Other governmental	<u>889,041</u>
Totals		<u>\$ 2,279,937</u>

The County typically uses transfers to fund ongoing operating subsidies. In 2005, transfers were made for taxes collected in excess of the levy and to repay the State for expenses owed for incarceration of juveniles housed in the Indiana Department of Corrections.

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.

Medical Benefits to Employees, Retirees and Dependents

The primary government has chosen to establish a risk financing fund for risks associated with employee health insurance. The risk financing fund is accounted for in the Group 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. A premium is charged to each fund that accounts for payroll. The total charge allocated to each of the funds is calculated using the number of employees paid by the fund. Provisions are also made for unexpected and unusual claims.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Torts; Theft of, Damage to and Destruction of Assets; Errors and Omissions; and Natural Disasters

The primary government has chosen to establish a risk financing fund for risks associated with Property and General Liability. The risk financing fund is accounted for in the Property and Liability 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 loss and \$6,000,000 in aggregate per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. The entire premium is charged to the General Fund, Commissioners budget. Provisions are also made for unexpected and unusual claims.

Job Related Illnesses or Injuries to Employees

The primary government has chosen to establish a risk financing fund for risks associated with Workmen's Compensation. The risk financing fund is accounted for in the Workmen's Compensation 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 \$200,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. The entire premium is charged to the General Fund, Commissioners budget. Provisions are also made for unexpected and unusual claims.

B. Holding Corporation

The County has entered into a capital lease with the Elkhart County Corrections Complex 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. The first lease payment is due in 2006.

C. Subsequent Events

The County plans to enter into additional capital leases to complete the correctional facility in 2006 and 2007. Officials estimate the amount for 2006 to be between \$9,000,000 and \$10,000,000 and in 2007 for the amount necessary to complete the project.

In 2006, the State of Indiana entered into a 75 year lease for the Indiana toll road. The State will receive \$3.8 billion in proceeds from the lease. Each county through which the toll road runs will receive an allocation of \$40 million to be split among all the taxing units receiving Motor Vehicle Highway distributions. Elkhart County's portion is estimated at over \$24 million and is expected to be received in September 2006.

D. Landfill Closure and Postclosure Care Costs

State and federal law and regulations require the County to place a final cover on its municipal landfill when it stops accepting solid waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County is required by state and federal laws and regulation to make contributions to a trust to finance closure and postclosure care, obtain a line of credit, obtain a bond in an amount sufficient to finance the estimated closure and postclosure care costs, obtain insurance or fulfill the financial requirements set forth in 329 IAC 2-12. The County has chosen to make annual contributions to a trust. At December 31, 2005, cash and cash equivalents of \$4,078,462 are held for these purposes. This asset is reported as a restricted asset on the balance

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

sheet. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology, applicable laws or regulations, for example), these costs may need to be covered by future landfill users or from future tax revenue.

E. Conduit Debt Obligation

From time to time, the County has issued Industrial 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 recognized as liabilities of the County.

From January 1, 1985 to December 31, 2005, the County issued 66 series of Industrial Revenue Bonds. The original issue amount for the 31 series issued after July 1, 1995, was \$115,180,940. The aggregate principal amount payable for the 35 series issued prior to July 1, 1995, could not be determined; however, their original issue amount totaled \$36,460,000.

F. Postemployment Benefits

In addition to the pension benefits described below, the County provides postemployment health and dental insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the County meeting the following criteria: age 65 with 4 years of service; age 62 with 10 years of service; age 50 with 15 years of service; or age 50 with 20 years of service for Sheriff's Department employees and dispatchers. Currently, 130 retirees meet these eligibility requirements. The County and retirees provide 70% and 30%, respectively, of these postemployment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended December 31, 2005, disbursements of \$517,000 were recognized for postemployment benefits.

G. 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.

H. 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

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

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)

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 970,329	\$ 181,766	\$ 16,054
Interest on net pension obligation	(34,312)	(37,271)	-
Adjustment to annual required contribution	39,101	53,724	-
Annual pension cost	975,118	198,219	16,054
Contributions made	995,955	175,372	16,054
Increase (decrease) in net pension obligation	(20,837)	22,847	-
Net pension obligation, beginning of year	(473,268)	(436,944)	-
Revision to NPO for 2004	-	(60,000)	-
Net pension obligation, end of year	\$ (494,105)	\$ (474,097)	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	4.5%	6.4%	.6%
Plan members	3%	3%	None
Actuarial valuation date	07-01-05	01-01-06	01-01-06
Actuarial cost method	Entry age	Frozen entry age	Aggregate
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	*
Amortization period	40 years	40 years	*
Amortization period (from date)	07-01-97	12-31-97	*
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

*The aggregate cost method does not identify or separately amortize unfunded actuarial liabilities. The actuarial present value of projected benefits of the group in excess of the actuarial value of assets is allocated on a level basis over the earnings of the group.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions	PERF	County Police Retirement Plan	County Police Benefit Plan
Investment rate of return	7.25%	7.4%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 1,002,324	75%	\$ (435,659)
	06-30-04	833,264	105%	(473,268)
	06-30-05	975,118	120%	(494,105)
County Police Retirement Plan	12-31-03	107,330	141%	(504,228)
	12-31-04	185,327	64%	(436,944)
	12-31-05	198,219	88%	(474,097)
County Police Benefit Plan	12-31-03	18,444	0%	-
	12-31-04	18,397	0%	-
	12-31-05	16,054	0%	-

ELKHART COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (Unfunded) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 19,971,560	\$ 19,351,784	\$ 619,776	103%	\$ 19,384,070	3%
07-01-04	20,143,872	20,501,337	(357,465)	98%	20,526,186	(2%)
07-01-05	20,930,143	23,527,193	(2,597,050)	89%	20,883,205	(12%)

County Police Retirement Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 12,461,746	\$ 12,461,746	\$ -	100%	\$ 2,510,827	0%
01-01-02	12,960,164	12,960,164	-	100%	2,723,762	0%
01-01-03	12,789,241	12,789,241	-	100%	2,521,514	0%
01-01-04	13,237,602	13,237,602	-	100%	2,717,357	0%
01-01-05	13,782,712	13,782,712	-	100%	2,676,144	0%
01-01-06	14,399,702	14,399,702	-	100%	2,659,501	0%

ELKHART COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND
For The Year Ended December 31, 2005

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes				
Property	\$ 28,827,908	\$ 28,827,908	\$ 28,890,269	\$ 62,361
Licenses and permits	100,000	100,000	194,332	94,332
Intergovernmental	770,201	770,201	3,528,337	2,758,136
Charges for services	1,814,934	1,814,934	1,811,430	(3,504)
Fines and forfeits	1,386,000	1,386,000	1,092,286	(293,714)
Other	1,003,839	1,003,839	5,650,529	4,646,690
Total revenues	33,902,882	33,902,882	41,167,183	7,264,301
Expenditures:				
Current:				
General government:				
Clerk of Circuit Court	1,416,608	1,454,208	1,336,176	118,032
County Auditor	565,571	570,721	518,777	51,944
County Treasurer	312,852	315,052	294,910	20,142
County Recorder	263,549	269,049	229,997	39,052
County Surveyor	300,895	305,029	272,249	32,780
County Assessor	334,461	334,461	271,549	62,912
Baugo Assessor	119,222	119,322	110,684	8,638
Benton Assessor	9,247	9,247	8,637	610
Cleveland Assessor	134,490	137,990	129,203	8,787
Clinton Assessor	12,463	12,463	11,745	718
Concord Assessor	292,845	300,693	279,510	21,183
Elkhart Assessor	168,369	186,460	165,938	20,522
Harrison Assessor	9,200	9,200	8,858	342
Jackson Assessor	10,081	10,081	9,751	330
Jefferson Assessor	12,672	12,672	10,591	2,081
Locke Assessor	11,278	11,278	10,360	918
Middlebury Assessor	20,642	20,642	18,212	2,430
Olive Assessor	6,968	6,968	6,506	462
Osolo Assessor	233,308	242,308	201,352	40,956
Union Assessor	8,209	8,209	7,152	1,057
Washington Assessor	41,702	41,702	39,719	1,983
York Assessor	14,400	14,400	11,332	3,068
County Council	97,709	97,709	89,493	8,216
County Commissioners	13,208,005	15,047,986	14,680,564	367,422
Code Enforcement	393,154	458,154	407,217	50,937
Plan Commission	355,338	355,338	289,204	66,134
County Drainage Board	9,200	9,200	7,525	1,675
Veterans Service Officer	127,161	129,678	123,611	6,067
Weights and Measures	69,276	71,791	64,839	6,952
Buildings and Grounds	1,881,303	2,105,025	1,934,748	170,277
Data Processing	460,534	475,494	410,269	65,225
Personnel Department	287,762	299,062	274,960	24,102
Microfilm Department	96,102	102,272	95,166	7,106
Soil and Water	122,400	127,840	117,872	9,968
County Extension	490,125	505,246	484,986	20,260
Property Tax Board of Appeal	27,650	32,900	28,562	4,338
Title IV-D Grant (Prosecuting Attorney)	897,661	923,061	837,122	85,939
Circuit Court	265,969	301,969	246,836	55,133
Circuit Court Juvenile	237,495	239,855	222,470	17,385

ELKHART COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND
For The Year Ended December 31, 2005
(Continued)

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Expenditures (continued):				
Current (continued):				
General government (continued):				
Superior Court 1	242,012	256,037	216,211	39,826
Superior Court 2	239,585	240,660	210,931	29,729
Superior Court 3	286,340	345,130	305,561	39,569
Superior Court 4	191,606	199,646	171,153	28,493
Superior Court 5	259,721	269,921	227,004	42,917
Court Magistrate Goshen	36,758	36,758	28,731	8,027
Court Services	2,208,924	2,257,189	1,967,085	290,104
Court Magistrate Elkhart	32,903	33,853	27,993	5,860
Superior Court 6	223,600	231,930	189,728	42,202
IV-D Court	140,000	184,213	158,063	26,150
Public Defender	806,915	817,315	718,831	98,484
Substance Abuse	262,661	269,411	246,355	23,056
Total general government	<u>28,256,901</u>	<u>30,816,798</u>	<u>28,736,298</u>	<u>2,080,500</u>
Public safety:				
County Sheriff	8,560,360	8,994,683	8,503,751	490,932
Prosecuting Attorney	1,170,943	1,248,580	1,103,784	144,796
Emergency Management	82,286	102,259	74,110	28,149
Infraction Deferral	53,416	90,531	81,091	9,440
Bad Check Collection	49,808	49,808	46,405	3,403
Pre-Trial Diversion	50,126	50,126	44,205	5,921
Victim Assistance	211,830	307,130	273,979	33,151
Total public safety	<u>10,178,769</u>	<u>10,843,117</u>	<u>10,127,325</u>	<u>715,792</u>
Health and welfare:				
County Coroner	195,440	233,440	181,716	51,724
Non-Department: Unappropriated Fund	-	-	4,121,507	(4,121,507)
Total expenditures	<u>38,631,110</u>	<u>41,893,355</u>	<u>43,166,846</u>	<u>(1,273,491)</u>
Other financing sources (uses):				
Operating transfers in	-	-	1,047,470	1,047,470
Operating transfers out	-	-	(208,133)	(208,133)
Total other financing sources (uses)	-	-	839,337	839,337
Net change in fund balances	(4,728,228)	(7,990,473)	(1,160,326)	9,377,129
Fund balances - beginning	<u>13,912,214</u>	<u>13,912,214</u>	<u>13,912,214</u>	<u>-</u>
Fund balances - December 31	<u>\$ 9,183,986</u>	<u>\$ 5,921,741</u>	<u>\$ 12,751,888</u>	<u>\$ 9,377,129</u>

ELKHART COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
MAJOR FUND
For The Year Ended December 31, 2005

Family and Children Service Fund				Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes	\$ 8,843,974	\$ 8,843,974	\$ 8,106,512	\$ (737,462)
Intergovernmental	3,149,458	3,149,458	3,612,630	463,172
Other	-	-	923,656	923,656
Total revenues	11,993,432	11,993,432	12,642,798	649,366
Expenditures:				
Interest on Loan	100	100	-	100
Medicaid Rehab Option	500,000	500,000	186,853	313,147
Foster Parent Insurance	100	100	-	100
Child Welfare Service	200,000	200,000	94,864	105,136
Foster Care Therapeutic	1,350,000	1,350,000	1,239,287	110,713
Care Wards/Foster Home	1,800,000	1,776,000	1,277,724	498,276
Care Wards/Institution	7,550,000	7,550,000	7,437,875	112,125
Medical/Dental/Burial - Wards	100,000	124,000	120,023	3,977
Independent Living Wards	35,000	35,000	2,210	32,790
Preservation Services	2,000,000	2,000,000	811,897	1,188,103
Adoption - Hard to Place	2,600,000	2,600,000	2,466,189	133,811
Unappropriated - Refund and Other	-	-	314,780	(314,780)
Total expenditures	16,135,200	16,135,200	13,951,702	2,183,498
Other financing uses:				
Operating transfers out	-	-	(135,293)	(135,293)
Net change in fund balances	(4,141,768)	(4,141,768)	(1,444,197)	(1,669,425)
Fund balances - beginning	10,225,137	10,225,137	10,225,137	-
Fund balances - December 31	\$ 6,083,369	\$ 6,083,369	\$ 8,780,940	\$ (1,669,425)

ELKHART 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, 2005

	Special Revenue							
	Health	Public Safety Communication	Parks and Recreation	2006 Cumulative Reassessment	Election Board/ Voter Registration	County Property Sold	Emergency Telephone System	Economic Development Commission
Receipts:								
Taxes	\$ 1,963,904	\$ 1,178,525	\$ 1,211,219	\$ 320,108	\$ 242,243	\$ -	\$ -	\$ 379,715
Licenses and permits	640,836	-	-	-	-	-	-	-
Intergovernmental	262,251	133,373	117,024	30,929	23,405	-	-	-
Charges for services	-	-	8,762	-	-	-	976,544	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	32,814	6,624	5,051	28,530	-	808,241	21,288	-
Total receipts	2,899,805	1,318,522	1,342,056	379,567	265,648	808,241	997,832	379,715
Disbursements:								
General government	-	-	-	35,677	106,815	-	-	-
Public safety	-	1,382,886	-	-	-	-	1,924,638	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	2,767,245	-	-	-	-	-	-	-
Culture and recreation	-	-	1,327,327	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	60,513
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	200,000	-	-
Highways and streets	-	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	-
Total disbursements	2,767,245	1,382,886	1,327,327	35,677	106,815	200,000	1,924,638	60,513
Excess (deficiency) of revenue over (under) disbursements	132,560	(64,364)	14,729	343,890	158,833	608,241	(926,806)	319,202
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(24,771)	(15,378)	(15,010)	(3,883)	(4,303)	-	-	(379,715)
Total other financing sources (uses)	(24,771)	(15,378)	(15,010)	(3,883)	(4,303)	-	-	(379,715)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	107,789	(79,742)	(281)	340,007	154,530	608,241	(926,806)	(60,513)
Cash and investment fund balance - beginning	705,104	362,940	220,089	925,751	528,064	-	1,565,053	69,077
Cash and investment fund balance - ending	<u>\$ 812,893</u>	<u>\$ 283,198</u>	<u>\$ 219,808</u>	<u>\$ 1,265,758</u>	<u>\$ 682,594</u>	<u>\$ 608,241</u>	<u>\$ 638,247</u>	<u>\$ 8,564</u>
Cash and Investment Assets - December 31								
Cash and investments	\$ 812,893	\$ 283,198	\$ 219,808	\$ 1,265,758	\$ 682,594	\$ 608,241	\$ 638,247	\$ 8,564
Restricted assets:								
Cash and investments	-	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 812,893</u>	<u>\$ 283,198</u>	<u>\$ 219,808</u>	<u>\$ 1,265,758</u>	<u>\$ 682,594</u>	<u>\$ 608,241</u>	<u>\$ 638,247</u>	<u>\$ 8,564</u>
Cash and Investment Fund Balance - December 31								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	812,893	283,198	219,808	1,265,758	682,594	608,241	638,247	8,564
Total cash and investment fund balance - December 31	<u>\$ 812,893</u>	<u>\$ 283,198</u>	<u>\$ 219,808</u>	<u>\$ 1,265,758</u>	<u>\$ 682,594</u>	<u>\$ 608,241</u>	<u>\$ 638,247</u>	<u>\$ 8,564</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue							
	NE TIF Economic Development Authority	County Highway	Rainy Day	Local Road and Street	Hotel/Motel Tax	Hazard Waste Disposal Tax	Unsafe Building	Abandoned Vehicles
Receipts:								
Taxes	\$ -	\$ 176,548	\$ -	\$ -	\$ 1,174,165	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	6,648,754	-	1,409,901	-	-	-	-
Charges for services	-	115,030	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	165,535	662	14,419	-	-	-	19,973
Total receipts	-	7,105,867	662	1,424,320	1,174,165	-	-	19,973
Disbursements:								
General government	-	-	14,527	-	1,127,154	-	-	23,370
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	5,327,941	-	1,463,703	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	26,357	-	-	-	-	-	-
Interest	-	3,641	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Highways and streets	-	2,132,304	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	-
Total disbursements	-	7,490,243	14,527	1,463,703	1,127,154	-	-	23,370
Excess (deficiency) of revenue over (under) disbursements	-	(384,376)	(13,865)	(39,383)	47,011	-	-	(3,397)
Other financing sources (uses)								
Transfers in	379,715	-	-	-	-	-	-	-
Transfers out	(379,715)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	(384,376)	(13,865)	(39,383)	47,011	-	-	(3,397)
Cash and investment fund balance - beginning	-	4,292,559	51,584	714,803	77,641	19,727	3,722	31,311
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 3,908,183</u>	<u>\$ 37,719</u>	<u>\$ 675,420</u>	<u>\$ 124,652</u>	<u>\$ 19,727</u>	<u>\$ 3,722</u>	<u>\$ 27,914</u>
Cash and Investment Assets - December 31								
Cash and investments	\$ -	\$ 3,908,183	\$ 37,719	\$ 675,420	\$ 124,652	\$ 19,727	\$ 3,722	\$ 27,914
Restricted assets:								
Cash and investments	-	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 3,908,183</u>	<u>\$ 37,719</u>	<u>\$ 675,420</u>	<u>\$ 124,652</u>	<u>\$ 19,727</u>	<u>\$ 3,722</u>	<u>\$ 27,914</u>
Cash and Investment Fund Balance - December 31								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	3,908,183	37,719	675,420	124,652	19,727	3,722	27,914
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 3,908,183</u>	<u>\$ 37,719</u>	<u>\$ 675,420</u>	<u>\$ 124,652</u>	<u>\$ 19,727</u>	<u>\$ 3,722</u>	<u>\$ 27,914</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue							
	Dental Project Grant	Health Maintenance	Tuberculosis Outreach	Prenatal Substance Abuse Grant	Bioterrorism Grant	Diabetes Grant	MCH Grant	WIC Grant
Receipts:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	20,610	58,792	45,396	48,519	-	4,175	181,012	664,322
Charges for services	-	-	-	-	-	-	207,357	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	199	-	-	-	-	20,464	199
Total receipts	20,610	58,991	45,396	48,519	-	4,175	408,833	664,521
Disbursements:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	32,906	76,701	50,359	51,766	10,600	5,636	391,963	624,047
Culture and recreation	-	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-	-
Total disbursements	32,906	76,701	50,359	51,766	10,600	5,636	391,963	624,047
Excess (deficiency) of revenue over (under) disbursements	(12,296)	(17,710)	(4,963)	(3,247)	(10,600)	(1,461)	16,870	40,474
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(12,296)	(17,710)	(4,963)	(3,247)	(10,600)	(1,461)	16,870	40,474
Cash and investment fund balance - beginning	-	30,616	(5,750)	(8,969)	10,600	-	57,674	(90,745)
Cash and investment fund balance - ending	<u>\$ (12,296)</u>	<u>\$ 12,906</u>	<u>\$ (10,713)</u>	<u>\$ (12,216)</u>	<u>\$ -</u>	<u>\$ (1,461)</u>	<u>\$ 74,544</u>	<u>\$ (50,271)</u>
Cash and Investment Assets - December 31								
Cash and investments	\$ (12,296)	\$ 12,906	\$ (10,713)	\$ (12,216)	\$ -	\$ (1,461)	\$ 74,544	\$ (50,271)
Restricted assets:								
Cash and investments	-	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ (12,296)</u>	<u>\$ 12,906</u>	<u>\$ (10,713)</u>	<u>\$ (12,216)</u>	<u>\$ -</u>	<u>\$ (1,461)</u>	<u>\$ 74,544</u>	<u>\$ (50,271)</u>
Cash and Investment Fund Balance - December 31								
Restricted for:								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(12,296)	12,906	(10,713)	(12,216)	-	(1,461)	74,544	(50,271)
Total cash and investment fund balance - December 31	<u>\$ (12,296)</u>	<u>\$ 12,906</u>	<u>\$ (10,713)</u>	<u>\$ (12,216)</u>	<u>\$ -</u>	<u>\$ (1,461)</u>	<u>\$ 74,544</u>	<u>\$ (50,271)</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	Public Health Coordinator Grant	Guardian Ad Litem	Child and Family Advocacy Grant	Highway Safety Grant	Center for Community Justice	YWCA Steps to Safety Grant	HIV Care Coordinator Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	58,618	16,213	35,692	112,150	279,529	479	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	58,618	16,213	35,692	112,150	279,529	479	-
Disbursements:							
General government	-	17,031	41,233	-	-	-	-
Public safety	-	-	-	-	263,143	479	-
Highways and streets	-	-	-	78,811	-	-	-
Health and welfare	58,227	-	-	-	-	-	525
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	58,227	17,031	41,233	78,811	263,143	479	525
Excess (deficiency) of revenue over (under) disbursements	391	(818)	(5,541)	33,339	16,386	-	(525)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	391	(818)	(5,541)	33,339	16,386	-	(525)
Cash and investment fund balance - beginning	(2,661)	818	10,532	21,189	-	-	525
Cash and investment fund balance - ending	<u>\$ (2,270)</u>	<u>\$ -</u>	<u>\$ 4,991</u>	<u>\$ 54,528</u>	<u>\$ 16,386</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ (2,270)	\$ -	\$ 4,991	\$ 54,528	\$ 16,386	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ (2,270)</u>	<u>\$ -</u>	<u>\$ 4,991</u>	<u>\$ 54,528</u>	<u>\$ 16,386</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(2,270)	-	4,991	54,528	16,386	-	-
Total cash and investment fund balance - December 31	<u>\$ (2,270)</u>	<u>\$ -</u>	<u>\$ 4,991</u>	<u>\$ 54,528</u>	<u>\$ 16,386</u>	<u>\$ -</u>	<u>\$ -</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	March of Dimes Grant	Emergency Planning/Right to Know	Juvenile Accountability Grant	Economic Development Promotion	Edward Byrne Memorial	Community Transition Program	Sexually Transmitted Diseases (HIV)
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	39,365	30,083	-	102,889	-	59,424
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	20,000	-	-	-	-	-	-
Total receipts	20,000	39,365	30,083	-	102,889	-	59,424
Disbursements:							
General government	-	-	83,161	-	-	963	-
Public safety	-	25,835	-	-	102,889	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	23,215	-	-	-	-	-	60,568
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	23,215	25,835	83,161	-	102,889	963	60,568
Excess (deficiency) of revenue over (under) disbursements	(3,215)	13,530	(53,078)	-	-	(963)	(1,144)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(3,215)	13,530	(53,078)	-	-	(963)	(1,144)
Cash and investment fund balance - beginning	8,355	153,086	43,057	14,741	-	963	(4,623)
Cash and investment fund balance - ending	<u>\$ 5,140</u>	<u>\$ 166,616</u>	<u>\$ (10,021)</u>	<u>\$ 14,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,767)</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 5,140	\$ 166,616	\$ (10,021)	\$ 14,741	\$ -	\$ -	\$ (5,767)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 5,140</u>	<u>\$ 166,616</u>	<u>\$ (10,021)</u>	<u>\$ 14,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,767)</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,140	166,616	(10,021)	14,741	-	-	(5,767)
Total cash and investment fund balance - December 31	<u>\$ 5,140</u>	<u>\$ 166,616</u>	<u>\$ (10,021)</u>	<u>\$ 14,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,767)</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	STOP Grant Victim Assistance	Community Corrections Grant	COPS Grant	Fatal Alcohol Crash Grant	Prosecutor IV-D Incentive	Clerk IV-D Incentive	Big City/ County Seat Belt Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	40,211	359,615	-	-	143,518	107,771	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	1,209	-	-	-	-	-	-
Total receipts	41,420	359,615	-	-	143,518	107,771	-
Disbursements:							
General government	-	-	-	-	44,981	40,670	-
Public safety	-	284,323	-	34,488	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	30,499	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	30,499	284,323	-	34,488	44,981	40,670	-
Excess (deficiency) of revenue over (under) disbursements	10,921	75,292	-	(34,488)	98,537	67,101	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	10,921	75,292	-	(34,488)	98,537	67,101	-
Cash and investment fund balance - beginning	(11,189)	-	8,461	-	37,826	13,991	3,874
Cash and investment fund balance - ending	<u>\$ (268)</u>	<u>\$ 75,292</u>	<u>\$ 8,461</u>	<u>\$ (34,488)</u>	<u>\$ 136,363</u>	<u>\$ 81,092</u>	<u>\$ 3,874</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ (268)	\$ 75,292	\$ 8,461	\$ (34,488)	\$ 136,363	\$ 81,092	\$ 3,874
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ (268)</u>	<u>\$ 75,292</u>	<u>\$ 8,461</u>	<u>\$ (34,488)</u>	<u>\$ 136,363</u>	<u>\$ 81,092</u>	<u>\$ 3,874</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(268)	75,292	8,461	(34,488)	136,363	81,092	3,874
Total cash and investment fund balance - December 31	<u>\$ (268)</u>	<u>\$ 75,292</u>	<u>\$ 8,461</u>	<u>\$ (34,488)</u>	<u>\$ 136,363</u>	<u>\$ 81,092</u>	<u>\$ 3,874</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	Accident Report	Firearms Training	DARE Program Donations	User Fees	Justice Assistance Grant	Jury Pay Fees	Drug Confiscation and Eradication
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	10,744	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	25,505	-	-	23,130	-	-	-
Fines and forfeits	-	-	-	-	-	42,716	-
Other	-	-	235	-	-	3,337	-
Total receipts	25,505	10,744	235	23,130	-	46,053	-
Disbursements:							
General government	-	-	-	-	22,181	680	-
Public safety	20,423	17,395	-	18,778	-	-	1,066
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	20,423	17,395	-	18,778	22,181	680	1,066
Excess (deficiency) of revenue over (under) disbursements	5,082	(6,651)	235	4,352	(22,181)	45,373	(1,066)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	5,082	(6,651)	235	4,352	(22,181)	45,373	(1,066)
Cash and investment fund balance - beginning	17,254	10,900	234	70,331	28,771	36,780	1,716
Cash and investment fund balance - ending	<u>\$ 22,336</u>	<u>\$ 4,249</u>	<u>\$ 469</u>	<u>\$ 74,683</u>	<u>\$ 6,590</u>	<u>\$ 82,153</u>	<u>\$ 650</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 22,336	\$ 4,249	\$ 469	\$ 74,683	\$ 6,590	\$ 82,153	\$ 650
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 22,336</u>	<u>\$ 4,249</u>	<u>\$ 469</u>	<u>\$ 74,683</u>	<u>\$ 6,590</u>	<u>\$ 82,153</u>	<u>\$ 650</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	22,336	4,249	469	74,683	6,590	82,153	650
Total cash and investment fund balance - December 31	<u>\$ 22,336</u>	<u>\$ 4,249</u>	<u>\$ 469</u>	<u>\$ 74,683</u>	<u>\$ 6,590</u>	<u>\$ 82,153</u>	<u>\$ 650</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	County Economic Development Commission	Supplemental Public Defender	County Law Enforcement Continuing Ed	Asset Forfeiture	County Drug Free Community	Adult Probation Services	Juvenile Probation Services
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	509,408	61,324
Fines and forfeits	-	103,346	21,955	-	210,064	-	-
Other	200	-	-	-	-	5,988	-
Total receipts	200	103,346	21,955	-	210,064	515,396	61,324
Disbursements:							
General government	-	64,615	-	-	-	490,623	85,333
Public safety	-	-	16,400	348	225,998	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	550	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	550	64,615	16,400	348	225,998	490,623	85,333
Excess (deficiency) of revenue over (under) disbursements	(350)	38,731	5,555	(348)	(15,934)	24,773	(24,009)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(10,389)	-	-
Total other financing sources (uses)	-	-	-	-	(10,389)	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(350)	38,731	5,555	(348)	(26,323)	24,773	(24,009)
Cash and investment fund balance - beginning	3,450	77,130	14,864	348	292,150	197,405	51,047
Cash and investment fund balance - ending	<u>\$ 3,100</u>	<u>\$ 115,861</u>	<u>\$ 20,419</u>	<u>\$ -</u>	<u>\$ 265,827</u>	<u>\$ 222,178</u>	<u>\$ 27,038</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 3,100	\$ 115,861	\$ 20,419	\$ -	\$ 265,827	\$ 222,178	\$ 27,038
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 3,100</u>	<u>\$ 115,861</u>	<u>\$ 20,419</u>	<u>\$ -</u>	<u>\$ 265,827</u>	<u>\$ 222,178</u>	<u>\$ 27,038</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	3,100	115,861	20,419	-	265,827	222,178	27,038
Total cash and investment fund balance - December 31	<u>\$ 3,100</u>	<u>\$ 115,861</u>	<u>\$ 20,419</u>	<u>\$ -</u>	<u>\$ 265,827</u>	<u>\$ 222,178</u>	<u>\$ 27,038</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	Extradition	Park Nonreverting Operating	Pre-Trial Diversion	Surveyor Corner Perpetuation	Recorder's Record Perpetuation	Plat Book Fees	Clerk's Record Perpetuation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	64,034	-	45,495	271,587	34,647	69,598
Fines and forfeits	18,464	-	21,360	-	-	-	-
Other	-	20,179	-	-	-	-	-
Total receipts	18,464	84,213	21,360	45,495	271,587	34,647	69,598
Disbursements:							
General government	115,836	-	19,564	63,375	431,001	13,097	59,794
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	80,624	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	115,836	80,624	19,564	63,375	431,001	13,097	59,794
Excess (deficiency) of revenue over (under) disbursements	(97,372)	3,589	1,796	(17,880)	(159,414)	21,550	9,804
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(97,372)	3,589	1,796	(17,880)	(159,414)	21,550	9,804
Cash and investment fund balance - beginning	169,149	104,489	6,920	47,536	663,684	124,273	32,934
Cash and investment fund balance - ending	<u>\$ 71,777</u>	<u>\$ 108,078</u>	<u>\$ 8,716</u>	<u>\$ 29,656</u>	<u>\$ 504,270</u>	<u>\$ 145,823</u>	<u>\$ 42,738</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 71,777	\$ 108,078	\$ 8,716	\$ 29,656	\$ 504,270	\$ 145,823	\$ 42,738
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 71,777</u>	<u>\$ 108,078</u>	<u>\$ 8,716</u>	<u>\$ 29,656</u>	<u>\$ 504,270</u>	<u>\$ 145,823</u>	<u>\$ 42,738</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	71,777	108,078	8,716	29,656	504,270	145,823	42,738
Total cash and investment fund balance - December 31	<u>\$ 71,777</u>	<u>\$ 108,078</u>	<u>\$ 8,716</u>	<u>\$ 29,656</u>	<u>\$ 504,270</u>	<u>\$ 145,823</u>	<u>\$ 42,738</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	County Misdemeanant	1st Responders Communication Grant	Special CAGIT	Electronic Map Generation	Hazard Analysis	Domestic Homeland Security-Part I	Domestic Homeland Security-Part II
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	119,381	-	-	-	1,700	-	-
Charges for services	-	-	-	52,908	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	166,285	-	-	-	-
Total receipts	119,381	-	166,285	52,908	1,700	-	-
Disbursements:							
General government	186,188	-	-	22,477	-	-	-
Public safety	-	91,056	391,628	-	1,700	51,661	229,371
Highways and streets	-	-	1,352,842	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	186,188	91,056	1,744,470	22,477	1,700	51,661	229,371
Excess (deficiency) of revenue over (under) disbursements	(66,807)	(91,056)	(1,578,185)	30,431	-	(51,661)	(229,371)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(66,807)	(91,056)	(1,578,185)	30,431	-	(51,661)	(229,371)
Cash and investment fund balance - beginning	189,627	91,056	6,871,648	99,924	-	51,661	407,755
Cash and investment fund balance - ending	<u>\$ 122,820</u>	<u>\$ -</u>	<u>\$ 5,293,463</u>	<u>\$ 130,355</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,384</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 122,820	\$ -	\$ 5,293,463	\$ 130,355	\$ -	\$ -	\$ 178,384
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 122,820</u>	<u>\$ -</u>	<u>\$ 5,293,463</u>	<u>\$ 130,355</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,384</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	122,820	-	5,293,463	130,355	-	-	178,384
Total cash and investment fund balance - December 31	<u>\$ 122,820</u>	<u>\$ -</u>	<u>\$ 5,293,463</u>	<u>\$ 130,355</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,384</u>

ELKHART 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, 2005
 (Continued)

	Special Revenue						
	Park Donations	Court House War Memorial Donation	Sexually Transmitted Diseases	Emergency Management	Tobacco Prevention and Cessation	Infraction Deferral Program	Homeland Security Grant #2-2004
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	12,047	-	61,996	-	214,025
Charges for services	-	-	-	-	-	345,711	-
Fines and forfeits	-	-	-	-	-	-	-
Other	46,595	-	-	-	-	-	-
Total receipts	46,595	-	12,047	-	61,996	345,711	214,025
Disbursements:							
General government	-	-	-	-	-	136,835	-
Public safety	-	-	-	582	177,393	-	1,096,884
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	12,826	-	-	-	-
Culture and recreation	26,005	58	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	26,005	58	12,826	582	177,393	136,835	1,096,884
Excess (deficiency) of revenue over (under) disbursements	20,590	(58)	(779)	(582)	(115,397)	208,876	(882,859)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	20,590	(58)	(779)	(582)	(115,397)	208,876	(882,859)
Cash and investment fund balance - beginning	157,978	471	(1,465)	631	107,975	97,850	947,709
Cash and investment fund balance - ending	<u>\$ 178,568</u>	<u>\$ 413</u>	<u>\$ (2,244)</u>	<u>\$ 49</u>	<u>\$ (7,422)</u>	<u>\$ 306,726</u>	<u>\$ 64,850</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 178,568	\$ 413	\$ (2,244)	\$ 49	\$ (7,422)	\$ 306,726	\$ 64,850
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 178,568	\$ 413	\$ (2,244)	\$ 49	\$ (7,422)	\$ 306,726	\$ 64,850
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	178,568	413	(2,244)	49	(7,422)	306,726	64,850
Total cash and investment fund balance - December 31	\$ 178,568	\$ 413	\$ (2,244)	\$ 49	\$ (7,422)	\$ 306,726	\$ 64,850

ELKHART 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, 2005
 (Continued)

	Special Revenue						Total Special Revenue
	Counter Terrorism Response Grant	Children's Psychiatric Resident	Sales Disclosure	County Seizure Asset	Levy Excess	Sheriff's Commissary	
Receipts:							
Taxes	\$ -	\$ 1,142,006	\$ -	\$ -	\$ -	\$ -	\$ 7,788,433
Licenses and permits	-	-	-	-	-	-	651,580
Intergovernmental	51,944	110,339	-	-	-	-	11,605,452
Charges for services	-	-	29,675	-	-	440,750	2,840,715
Fines and forfeits	-	-	-	-	-	-	417,905
Other	-	-	-	166,980	16,899	-	1,571,906
Total receipts	51,944	1,252,345	29,675	166,980	16,899	440,750	24,875,991
Disbursements:							
General government	-	-	3,240	144,679	-	-	3,395,100
Public safety	51,908	-	-	-	-	401,341	6,411,272
Highways and streets	-	-	-	-	-	-	8,223,297
Health and welfare	-	176,542	-	-	-	-	4,373,625
Culture and recreation	-	-	-	-	-	-	1,434,014
Urban redevelopment and housing	-	-	-	-	-	-	61,063
Debt service:							
Principal	-	-	-	-	-	-	26,357
Interest	-	-	-	-	-	-	3,641
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	200,000
Highways and streets	-	-	-	-	-	-	2,132,304
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	51,908	176,542	3,240	144,679	-	401,341	26,260,673
Excess (deficiency) of revenue over (under) disbursements	36	1,075,803	26,435	22,301	16,899	39,409	(1,384,682)
Other financing sources (uses)							
Transfers in	-	-	-	-	473,037	-	852,752
Transfers out	-	(1,050,726)	-	-	-	-	(1,883,890)
Total other financing sources (uses)	-	(1,050,726)	-	-	473,037	-	(1,031,138)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	36	25,077	26,435	22,301	489,936	39,409	(2,415,820)
Cash and investment fund balance - beginning	-	1,176,117	92,719	24,458	-	55,141	22,127,275
Cash and investment fund balance - ending	\$ 36	\$ 1,201,194	\$ 119,154	\$ 46,759	\$ 489,936	\$ 94,550	\$ 19,711,455
Cash and Investment Assets - December 31							
Cash and investments	\$ 36	\$ 1,201,194	\$ 119,154	\$ 46,759	\$ 489,936	\$ 94,550	\$ 19,711,455
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 36	\$ 1,201,194	\$ 119,154	\$ 46,759	\$ 489,936	\$ 94,550	\$ 19,711,455
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	36	1,201,194	119,154	46,759	489,936	94,550	19,711,455
Total cash and investment fund balance - December 31	\$ 36	\$ 1,201,194	\$ 119,154	\$ 46,759	\$ 489,936	\$ 94,550	\$ 19,711,455

ELKHART 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, 2005
 (Continued)

	Debt Service			Capital Projects			
	Bond and Interest Jail Facility 2004	Criminal Justice Facilities	Total Debt Service	TIF-Millersburg Forest River	TIF-Middlebury South Agriculture	TIF-Middlebury South East	TIF-Middlebury East
Receipts:							
Taxes	\$ 7,085,209	\$ -	\$ 7,085,209	\$ 30,837	\$ 7,723	\$ 222,110	\$ 529,436
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	1,214,595	109,619	1,324,214	-	-	-	-
Total receipts	8,299,804	109,619	8,409,423	30,837	7,723	222,110	529,436
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	51,604	12,670	273,031	691,345
Debt service:							
Principal	3,695,000	-	3,695,000	-	-	-	-
Interest	2,558,955	-	2,558,955	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-	-
Total disbursements	6,253,955	-	6,253,955	51,604	12,670	273,031	691,345
Excess (deficiency) of revenue over (under) disbursements	2,045,849	109,619	2,155,468	(20,767)	(4,947)	(50,921)	(161,909)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	2,045,849	109,619	2,155,468	(20,767)	(4,947)	(50,921)	(161,909)
Cash and investment fund balance - beginning	7,744,874	5,405,906	13,150,780	33,506	28,856	191,228	496,801
Cash and investment fund balance - ending	\$ 9,790,723	\$ 5,515,525	\$ 15,306,248	\$ 12,739	\$ 23,909	\$ 140,307	\$ 334,892
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	-	\$ 12,739	\$ 23,909	\$ 140,307	\$ 334,892
Restricted assets:							
Cash and investments	9,790,723	5,515,525	15,306,248	-	-	-	-
Total cash and investment assets - December 31	\$ 9,790,723	\$ 5,515,525	\$ 15,306,248	\$ 12,739	\$ 23,909	\$ 140,307	\$ 334,892
Cash and Investment Fund Balance - December 31							
Restricted for:							
Debt service	\$ 9,790,723	\$ 5,515,525	15,306,248	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	12,739	23,909	140,307	334,892
Total cash and investment fund balance - December 31	\$ 9,790,723	\$ 5,515,525	\$ 15,306,248	\$ 12,739	\$ 23,909	\$ 140,307	\$ 334,892

ELKHART 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, 2005
 (Continued)

	Capital Projects					
	EDIT	TIF-NE Corridor	Community Services Block Grant	Cumulative Capital Development	Cumulative Bridge	Cumulative Drain
Receipts:						
Taxes	\$ 3,720,137	\$ -	\$ -	\$ 1,211,219	\$ 891,111	\$ 441,544
Licenses and permits	-	-	-	-	-	-
Intergovernmental	117,557	-	-	117,024	133,289	61,090
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	192,956	20,686	-	36,052	40,070	47,750
Total receipts	4,030,650	20,686	-	1,364,295	1,064,470	550,384
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	416,829	-	-
Interest	-	-	-	162,504	-	-
Capital outlay:						
General government	-	-	-	-	-	478,440
Culture and recreation	-	-	-	-	-	-
Highways and streets	2,901,180	31,780	-	768,662	703,527	-
Urban redevelopment and housing	-	-	-	-	-	-
Total disbursements	2,901,180	31,780	-	1,347,995	703,527	478,440
Excess (deficiency) of revenue over (under) disbursements	1,129,470	(11,094)	-	16,300	360,943	71,944
Other financing sources (uses)						
Transfers in	-	379,715	-	-	-	-
Transfers out	-	-	-	(14,800)	(10,812)	(2,029)
Total other financing sources (uses)	-	379,715	-	(14,800)	(10,812)	(2,029)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,129,470	368,621	-	1,500	350,131	69,915
Cash and investment fund balance - beginning	3,997,795	939,341	1,746	516,926	1,960,756	1,144,403
Cash and investment fund balance - ending	<u>\$ 5,127,265</u>	<u>\$ 1,307,962</u>	<u>\$ 1,746</u>	<u>\$ 518,426</u>	<u>\$ 2,310,887</u>	<u>\$ 1,214,318</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 5,127,265	\$ 1,307,962	\$ 1,746	\$ 518,426	\$ 2,310,887	\$ 1,214,318
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 5,127,265</u>	<u>\$ 1,307,962</u>	<u>\$ 1,746</u>	<u>\$ 518,426</u>	<u>\$ 2,310,887</u>	<u>\$ 1,214,318</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	5,127,265	1,307,962	1,746	518,426	2,310,887	1,214,318
Total cash and investment fund balance - December 31	<u>\$ 5,127,265</u>	<u>\$ 1,307,962</u>	<u>\$ 1,746</u>	<u>\$ 518,426</u>	<u>\$ 2,310,887</u>	<u>\$ 1,214,318</u>

ELKHART 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, 2005
 (Continued)

	Capital Projects					
	Major Bridge	HOME Consortium	Park Nonreverting Capital	General Drain Improvement	Total Capital Projects	Totals
Receipts:						
Taxes	\$ 2,059,072	\$ -	\$ -	\$ -	\$ 9,113,189	\$ 23,986,831
Licenses and permits	-	-	-	-	-	651,580
Intergovernmental	437,162	38,096	70,980	-	975,198	12,580,650
Charges for services	-	-	51,790	-	51,790	3,333,255
Fines and forfeits	-	-	-	-	-	417,905
Other	94,298	-	4,492	-	436,304	3,332,424
Total receipts	2,590,532	38,096	127,262	-	10,576,481	44,302,645
Disbursements:						
General government	-	-	-	-	-	3,395,100
Public safety	-	-	-	-	-	6,812,613
Highways and streets	-	-	-	-	-	8,223,297
Health and welfare	-	-	-	-	-	4,373,625
Culture and recreation	-	-	-	-	-	1,434,014
Urban redevelopment and housing	-	-	-	-	1,028,650	1,089,713
Debt service:						
Principal	-	-	-	-	416,829	4,138,186
Interest	-	-	-	-	162,504	2,725,100
Capital outlay:						
General government	-	-	-	1,675	480,115	480,115
Culture and recreation	-	-	184,879	-	184,879	384,879
Highways and streets	1,549,796	-	-	-	5,954,945	8,087,249
Urban redevelopment and housing	-	38,465	-	-	38,465	38,465
Total disbursements	1,549,796	38,465	184,879	1,675	8,266,387	41,182,356
Excess (deficiency) of revenue over (under) disbursements	1,040,736	(369)	(57,617)	(1,675)	2,310,094	3,120,289
Other financing sources (uses)						
Transfers in	-	-	-	-	379,715	1,232,467
Transfers out	(24,980)	-	-	-	(52,621)	(1,936,511)
Total other financing sources (uses)	(24,980)	-	-	-	327,094	(704,044)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,015,756	(369)	(57,617)	(1,675)	2,637,188	2,416,245
Cash and investment fund balance - beginning	3,936,301	8,271	272,884	15,513	13,544,327	48,877,523
Cash and investment fund balance - ending	<u>\$ 4,952,057</u>	<u>\$ 7,902</u>	<u>\$ 215,267</u>	<u>\$ 13,838</u>	<u>\$ 16,181,515</u>	<u>\$ 51,293,768</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ 4,952,057	\$ 7,902	\$ 215,267	\$ 13,838	\$ 16,181,515	\$ 35,987,520
Restricted assets:						
Cash and investments	-	-	-	-	-	15,306,248
Total cash and investment assets - December 31	<u>\$ 4,952,057</u>	<u>\$ 7,902</u>	<u>\$ 215,267</u>	<u>\$ 13,838</u>	<u>\$ 16,181,515</u>	<u>\$ 51,293,768</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,306,248
Unrestricted	4,952,057	7,902	215,267	13,838	16,181,515	35,987,520
Total cash and investment fund balance - December 31	<u>\$ 4,952,057</u>	<u>\$ 7,902</u>	<u>\$ 215,267</u>	<u>\$ 13,838</u>	<u>\$ 16,181,515</u>	<u>\$ 51,293,768</u>

ELKHART 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, 2005

	Workman's Compensation Insurance	Group Insurance	Property and Liability Insurance	Total
Operating receipts:				
Insurance proceeds	\$ 220,441	\$ 9,061,212	\$ 960,107	\$ 10,241,760
Operating disbursements:				
Insurance disbursements	497,482	9,162,210	912,905	10,572,597
Excess (deficiency) of receipts over (under) disbursements	(277,041)	(100,998)	47,202	(330,837)
Nonoperating receipts:				
Interest and investment receipts	20,298	46,567	2,430	69,295
Excess (deficiency) of receipts over (under) disbursements and nonoperating receipts (disbursements)	(256,743)	(54,431)	49,632	(261,542)
Cash and investment fund balance - beginning	1,185,337	2,387,956	101,878	3,675,171
Cash and investment fund balance - ending	<u>\$ 928,594</u>	<u>\$ 2,333,525</u>	<u>\$ 151,510</u>	<u>\$ 3,413,629</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	<u>\$ 928,594</u>	<u>\$ 2,333,525</u>	<u>\$ 151,510</u>	<u>\$ 3,413,629</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Unrestricted	<u>\$ 928,594</u>	<u>\$ 2,333,525</u>	<u>\$ 151,510</u>	<u>\$ 3,413,629</u>

ELKHART COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2005

	<u>Sheriff's Pension Trust</u>	<u>Sheriff's Benefit Trust</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 185,569	\$ -	185,569
Plan members	80,431	-	80,431
	<u>266,000</u>	<u>-</u>	<u>266,000</u>
Total contributions			
Investment earnings:			
Net increase in fair value of investments	299,388	31,448	330,836
Interest	345,927	1,920	347,847
	<u>645,315</u>	<u>33,368</u>	<u>678,683</u>
Total investment earnings			
Less investment disbursements	<u>(184,629)</u>	<u>-</u>	<u>(184,629)</u>
Net investment earnings	<u>460,686</u>	<u>33,368</u>	<u>494,054</u>
Total additions	<u>726,686</u>	<u>33,368</u>	<u>760,054</u>
Deductions:			
Benefits	558,748	-	558,748
Refunds of contributions	8,599	-	8,599
Administrative and general	694	11,197	11,891
	<u>568,041</u>	<u>11,197</u>	<u>579,238</u>
Total deductions			
Excess of total additions over total deductions	158,645	22,171	180,816
Cash and investment fund balance - beginning	<u>13,678,180</u>	<u>-</u>	<u>13,678,180</u>
Cash and investment fund balance - ending	<u>\$ 13,836,825</u>	<u>\$ 22,171</u>	<u>\$ 13,858,996</u>

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

	<u>Welfare Trust</u>	<u>Health Care for the Indigent</u>	<u>Medical Assistance to Wards</u>	<u>Children with Special Health Care Needs</u>	<u>Congressional School Interest</u>	<u>Surplus Tax</u>	<u>Surplus Tax Sale</u>	<u>Tax Sale Redemption</u>
Additions:								
Agency fund additions	\$ 12,819	\$ 1,031,441	\$ 206,289	\$ 281,302	\$ -	\$ 252,240	\$ 3,378,115	\$ 114,319
Deductions:								
Agency fund deductions	-	1,042,882	208,598	284,451	1,835	471,956	285,253	65,129
Excess (deficiency) of total additions over (under) total deductions	12,819	(11,441)	(2,309)	(3,149)	(1,835)	(219,716)	3,092,862	49,190
Cash and investment fund balance - beginning	17,647	-	-	-	95,355	707,613	89,164	1,785
Cash and investment fund balance - ending	<u>\$ 30,466</u>	<u>\$ (11,441)</u>	<u>\$ (2,309)</u>	<u>\$ (3,149)</u>	<u>\$ 93,520</u>	<u>\$ 487,897</u>	<u>\$ 3,182,026</u>	<u>\$ 50,975</u>

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

	Surplus Dog Tax	State Fines and Forfeitures	Inheritance Tax	Special Death Benefits	Child Restraint	Distributable Share - Court Fees	Peddler's License	Infraction Judgments
Additions:								
Agency fund additions	\$ 13,048	\$ 761,281	\$ 2,212,372	\$ 8,550	\$ 1,000	\$ 47,515	\$ 100	\$ 376,068
Deductions:								
Agency fund deductions	12,975	668,758	2,697,494	7,235	625	-	-	350,364
Excess (deficiency) of total additions over (under) total deductions	73	92,523	(485,122)	1,315	375	47,515	100	25,704
Cash and investment fund balance - beginning	750	109,406	869,843	-	-	22,685	-	22,119
Cash and investment fund balance - ending	<u>\$ 823</u>	<u>\$ 201,929</u>	<u>\$ 384,721</u>	<u>\$ 1,315</u>	<u>\$ 375</u>	<u>\$ 70,200</u>	<u>\$ 100</u>	<u>\$ 47,823</u>

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

	County Employee Benefit	Sewage Collection	New Paris Sewer Conservancy District	Education Plate Fee	Downtown Goshen Economic Improvement	Coroner Training	Payroll	After Settlement Collections
Additions:								
Agency fund additions	\$ 6,183,269	\$ 82,503	\$ 311,280	\$ 9,788	\$ 54,894	\$ 9,881	\$ 30,643,383	\$ 270,249,171
Deductions:								
Agency fund deductions	6,093,269	167,729	311,280	9,788	54,894	10,072	30,637,129	269,183,023
Excess (deficiency) of total additions over (under) total deductions	90,000	(85,226)	-	-	-	(191)	6,254	1,066,148
Cash and investment fund balance - beginning	10,000	85,226	-	-	-	917	93,359	4,252,415
Cash and investment fund balance - ending	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 726</u>	<u>\$ 99,613</u>	<u>\$ 5,318,563</u>

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

	Probation Court Services	Clerk's Trust	Rush Memorial	Sheriff's Inmate Trust	Sheriff's Trust	Work Release	Total
Additions:							
Agency fund additions	\$ 535,774	\$ 27,118,613	\$ 2,002	\$ 809,107	\$ 5,501,553	\$ 1,774,564	\$ 351,982,241
Deductions:							
Agency fund deductions	570,849	27,563,227	1,750	800,351	5,533,372	1,770,898	348,805,186
Excess (deficiency) of total additions over (under) total deductions	(35,075)	(444,614)	252	8,756	(31,819)	3,666	3,177,055
Cash and investment fund balance - beginning	72,355	1,429,501	132	19,357	33,969	1,720	7,935,318
Cash and investment fund balance - ending	<u>\$ 37,280</u>	<u>\$ 984,887</u>	<u>\$ 384</u>	<u>\$ 28,113</u>	<u>\$ 2,150</u>	<u>\$ 5,386</u>	<u>\$ 11,112,373</u>

ELKHART COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2005

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>	<u>Accumulated Depreciation</u>	<u>Net Ending Balance</u>
Governmental activities:			
Capital assets, not being depreciated:			
Land	\$ 770,550	\$ -	\$ 770,550
Construction in progress	35,730,349	-	35,730,349
Capital assets, being depreciated:			
Infrastructure	377,321,002	126,669,456	250,651,546
Buildings	52,193,447	39,363,818	12,829,629
Improvements other than buildings	4,585,227	3,221,807	1,363,420
Machinery and equipment	<u>17,462,760</u>	<u>11,543,239</u>	<u>5,919,521</u>
Total governmental activities	<u>\$ 488,063,335</u>	<u>\$ 180,798,320</u>	<u>\$ 307,265,015</u>

<u>Primary Government</u>	<u>Ending Balance</u>	<u>Accumulated Depreciation</u>	<u>Net Balance</u>
Business-type activities:			
Landfill:			
Capital assets, being depreciated:			
Land*	\$ 2,131,998	\$ 1,895,182	\$ 236,816
Buildings	1,498,343	721,197	777,146
Improvements other than buildings	9,882,388	9,163,711	718,677
Machinery and equipment	<u>3,959,141</u>	<u>1,862,363</u>	<u>2,096,778</u>
Total business-type activities	<u>\$ 17,471,870</u>	<u>\$ 13,642,453</u>	<u>\$ 3,829,417</u>

*The cost of the land for the landfill is being devalued during the life of the landfill.

ELKHART COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For The Year Ended December 31, 2005

The county has entered into the following long-term debt:

<u>Description of Debt</u>	<u>Ending Balance</u>	<u>Principal Due Within One Year</u>
Governmental activities:		
Revenue bonds:		
2004 Corrections Complex	\$ 51,975,000	\$ 2,045,000
Capital leases:		
Correctional Complex	9,415,000	-
Park department vehicles and equipment	22,088	22,088
Computer system upgrade	143,500	49,648
Street sweeper	84,382	27,223
911 center telephone system	660,576	111,409
Total capital leases	<u>10,325,546</u>	<u>210,368</u>
Claims and judgments		
Payable to State for juvenile incarceration	<u>833,497</u>	<u>833,497</u>
Notes and loans payable:		
Hudson clinic loan	387,559	36,060
Guaranteed energy savings contract	<u>2,596,916</u>	<u>379,662</u>
Total notes and loans	<u>2,984,475</u>	<u>415,722</u>
Total governmental activities long-term debt	<u>\$ 66,118,518</u>	<u>\$ 3,504,587</u>

Debt service requirements to maturity:

<u>Year ended December 31</u>	<u>Revenue bonds</u>		<u>Capital Leases</u>		<u>Notes and Loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006-2010	\$ 7,785,000	\$ 11,139,957	\$ 910,546	\$ 2,259,169	\$ 2,303,998	\$ 501,894
2011-2015	8,450,000	9,771,669	-	2,218,300	680,477	38,067
2015-2020	17,960,000	7,131,809	-	2,218,300	-	-
2021-2024	<u>17,780,000</u>	<u>1,842,881</u>	<u>9,415,000</u>	<u>1,987,315</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 51,975,000</u>	<u>\$ 29,886,316</u>	<u>\$ 10,325,546</u>	<u>\$ 8,683,084</u>	<u>\$ 2,984,475</u>	<u>\$ 539,961</u>

ELKHART COUNTY
OTHER REPORT

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

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 46204-2765

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 ELKHART COUNTY, INDIANA

Compliance

We have audited the compliance of the Elkhart 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 26, 2006

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

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 Health Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MWSSNP-2.5:WC 1-2(IN) FY 04-05 MWSSNP-2.5:WC 1-2(IN) FY 05-06	\$ 526,715 <u>90,758</u>
Total for Federal Grantor Agency			<u>617,473</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grants			
Juvenile Accountability Incentive Block Grants	16.523	03-JB-019 04-JB-002	59,809 <u>14,506</u>
Total for program			<u>74,315</u>
Local Law Enforcement Block Grant Program	16.592	2003-LB-BX-1677	<u>22,180</u>
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2005-DJ-BX-0879	<u>102,889</u>
Pass-Through Indiana Criminal Justice Institute Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	03-JF-028 04-JF-003	5,302 <u>13,604</u>
Total for program			<u>18,906</u>
Crime Victim Assistance	16.575	04VA003 04VA043 04VA044 04VA151 04VA167 04JB092 05VA030 05VA032	8,480 19,481 5,221 55,383 49,176 11,128 6,244 <u>2,414</u>
Total for program			<u>157,527</u>
Violence Against Women Formula Grants	16.588	04-ST-014 05-ST-014	19,238 <u>11,261</u>
Total for program			<u>30,499</u>
Total for Federal Grantor Agency			<u>406,316</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205	BR-NBIS(484) STP-9920	58,991 <u>80,935</u>
Total for cluster			<u>139,926</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600	FACT - J8 06-03-08-04 Emergency Gas Award PT-06-04-07-08 154AL06-03-03-04	34,488 10,150 130 <u>8,054</u>
Total for cluster			<u>52,822</u>
Total for federal grantor agency			<u>192,748</u>

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

ELKHART COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2005
(Continued)

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>ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Department of Environmental Management Nonpoint Source Implementation Grants	66.460	A305-3-671 - Heaton Lake	<u>38,465</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY 2005	<u>50,359</u>
Pass-Through Indiana Department of Health Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	FY 04 119-19 August 2005 119-19 FY 05 119-19 Bioterrorism	35,194 4,587 18,446 <u>10,600</u>
Total for program			<u>68,827</u>
Pass-Through Indiana Department of Children's Services Child Support Enforcement	93.563	Prosecutor's Expenditures Incentive Clerk's Expenditures Indirect Costs	609,775 189,876 163,474 <u>33,753</u>
Total for program			<u>996,878</u>
Pass-Through Indiana Department of Health HIV Prevention Activities - Health Department Based	93.940	AIDS119-5	<u>57,774</u>
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	FY 2005	<u>12,449</u>
Preventive Health and Health Services Block Grant	93.991		<u>1,486</u>
Maternal and Child Health Services Block Grant to the States	93.994	FY 04 FY 05 FY 05 Tobacco prenatal FY 06 Tobacco prenatal	153,461 31,736 8,705 <u>16,206</u>
Total for program			<u>210,108</u>
Total for federal grantor agency			<u>1,397,881</u>
<u>DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Domestic Preparedness Equipment Support Program	97.004	FY 2002 Safety Equipment FY 2003 Part I FY 2003 Part II FY 2003 Part II-Hoosier Safe T FY 2003 LETP FY 2004 FY 2004 Part II-Hoosier Safe T FY 2004 LETP Citizen's Corp	51,908 51,473 229,014 91,056 34,483 715,405 66,415 128,808 <u>12,684</u>
Total for program			<u>1,381,246</u>
Bridge Alteration	97.014		<u>6,064</u>
Hazardous Materials Training Program	97.020		<u>5,998</u>
Emergency Management Performance Grants	97.042	FY 2005 PSF-1-5-50	26,577 <u>1,700</u>
Total for program			<u>28,277</u>
Community Emergency Response Team	97.054		<u>582</u>
Total for federal grantor agency			<u>1,422,167</u>
Total federal awards expended			<u>\$ 4,075,050</u>

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

ELKHART 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 Elkhart 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 Justice and Delinquency Prevention – Allocation to States	16.540	\$ 18,906
Crime Victim Assistance	16.575	52,968

ELKHART 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

Federal Awards:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
97.004	State Domestic Preparedness Equipment Support Program

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

ELKHART COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

ELKHART COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 17, 2006, with David L. Hess, Auditor; Phil R. Stiver, President of the Board of County Commissioners; John K. Letherman, President of the County Council; and Thomas E. Byers, County Administrator.