

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

ANNUAL FINANCIAL REPORT

2005

ST. JOSEPH COUNTY, INDIANA



FILED
09/29/2006

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Michael C. Eby	01-01-04 to 12-31-07
Treasurer	Sean J. Coleman	01-01-05 to 12-31-08
Clerk	Rita L. Glenn	01-01-03 to 12-31-06
Sheriff	Frank Canarecci	01-01-03 to 12-31-06
Recorder	Teri J. Rethlake	01-01-05 to 12-31-08
President of the Board of County Commissioners	Cynthia A. Bodle	01-01-05 to 12-31-06
President of the County Council	Rafael Morton	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 ST. JOSEPH COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Joseph 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.

We were unable to audit the trust payable amount for the Office of Clerk of the Circuit Court at December 31, 2005, because detailed information from the Clerk's trust register was not available or reconciled to the Clerk's cash book totals. This amount is \$7,967,748 of the total agency fund's cash and investment balances at December 31, 2005. We were unable to apply alternative procedures to satisfy ourselves of the amounts of this payable.

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 component units of the County which should have been included to fairly present the financial position of the County.

In our opinion, except for the effects of such adjustments as might have been determined to be necessary had we been able to verify the trust items for the Office of Clerk of Circuit Court; and except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2005, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

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

In accordance with Government Auditing Standards, we have also issued a report dated July 27, 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.

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

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

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

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

STATE BOARD OF ACCOUNTS

July 27, 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 ST. JOSEPH COUNTY, INDIANA

We have audited the financial statements of St. Joseph County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated July 27, 2006. The opinion to the financial statements was qualified because we were unable to verify the trust payable for the Office of Clerk of the Circuit Court and due to an omission of component units. 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 instances of noncompliance that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2005-1 and 2005-2.

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

July 27, 2006

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

<u>Functions/Programs</u>	Program Receipts				(Disbursements)
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Receipt and Changes in Net Assets
Primary government:					
Governmental activities:					
General government	\$ 46,180,672	\$ 7,457,377	\$ 5,077,376	\$ -	\$ (33,645,919)
Public safety	43,132,402	584,963	-	-	(42,547,439)
Highways and streets	17,760,176	-	7,170,079	83,905	(10,506,192)
Health and welfare	39,732,269	1,107,619	9,602,413	-	(29,022,237)
Economic development	125,593	-	-	201,984	76,391
Culture and recreation	4,964,911	-	3,414,535	-	(1,550,376)
Debt service	6,321,653	-	-	-	(6,321,653)
Total primary government	\$ 158,217,676	\$ 9,149,959	\$ 25,264,403	\$ 285,889	(123,517,425)
General receipts:					
Property taxes					67,500,309
County economic development income tax					11,191,176
County option income tax					8,875,135
Special assessments					482,660
Bonds and loans					11,651,599
Unrestricted investment earnings and other revenue					33,795,918
Total general receipts					133,496,797
Change in net assets					9,979,372
Net assets - beginning					37,785,695
Net assets - ending					\$ 47,765,067
<u>Assets</u>					
Cash and investments					\$ 46,464,150
Restricted assets:					
Cash and investments					1,300,917
Total assets					\$ 47,765,067
<u>Net Assets</u>					
Restricted for:					
Debt service					\$ 1,300,917
Unrestricted					46,464,150
Total net assets					\$ 47,765,067

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

ST. JOSEPH 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	Family and Children Services	Other Governmental Funds	Totals
Receipts:				
Taxes	\$ 42,057,810	\$ 22,940,698	\$ 22,568,112	\$ 87,566,620
Special assessments	-	-	482,660	482,660
Licenses and permits	74,761	-	1,107,619	1,182,380
Intergovernmental	6,793,903	7,188,119	11,644,934	25,626,956
Charges for services	6,425,940	-	201,293	6,627,233
Fines and forfeits	1,263,682	-	-	1,263,682
Other	5,130,434	-	3,094,039	8,224,473
Not identified	-	-	14,627,796	14,627,796
Total receipts	61,746,530	30,128,817	53,726,453	145,601,800
Disbursements:				
General government	33,825,116	-	10,056,965	43,882,081
Public safety	29,057,502	-	12,092,414	41,149,916
Highways and streets	-	-	11,405,597	11,405,597
Health and welfare	2,827,771	31,243,716	5,154,202	39,225,689
Culture and recreation	90,320	-	4,772,359	4,862,679
Urban redevelopment and housing	-	-	125,010	125,010
Debt service:				
Principal	-	-	3,675,000	3,675,000
Interest	-	-	2,455,681	2,455,681
Bond issuance costs	-	-	190,972	190,972
Capital outlay:				
General government	-	-	505,608	505,608
Public safety	-	-	426,806	426,806
Highways and streets	-	-	6,032,159	6,032,159
Total disbursements	65,800,709	31,243,716	56,892,773	153,937,198
Deficiency of receipts over disbursements	(4,054,179)	(1,114,899)	(3,166,320)	(8,335,398)
Other financing sources (uses)				
Bond proceeds	-	-	11,651,599	11,651,599
Transfers in	685,970	-	472,823	1,158,793
Transfers out	-	-	(1,158,793)	(1,158,793)
Other receipts	9,418,416	56,809	1,468,424	10,943,649
Total other financing sources (uses)	10,104,386	56,809	12,434,053	22,595,248
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,050,207	(1,058,090)	9,267,733	14,259,850
Cash and investment fund balance - beginning	272,961	12,491,364	31,690,635	44,454,960
Cash and investment fund balance - ending	\$ 6,323,168	\$ 11,433,274	\$ 40,958,368	58,714,810
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.				(10,949,743)
Net assets of governmental activities				\$ 47,765,067
Cash and Investment Assets - December 31				
Cash and investments	\$ 6,323,168	\$ 11,433,274	\$ 39,657,451	\$ 57,413,893
Restricted assets:				
Cash and investments	-	-	1,300,917	1,300,917
Total cash and investment assets - December 31	\$ 6,323,168	\$ 11,433,274	\$ 40,958,368	\$ 58,714,810
Cash and Investment Fund Balance - December 31				
Restricted for:				
Debt service	\$ -	\$ -	\$ 1,300,917	\$ 1,300,917
Unrestricted	6,323,168	11,433,274	39,657,451	57,413,893
Total cash and investment fund balance - December 31	\$ 6,323,168	\$ 11,433,274	\$ 40,958,368	\$ 58,714,810

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

ST. JOSEPH 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>Internal Service Funds</u>
Operating receipts:	
Insurance proceeds	\$ 23,742
Employee/employer contributions	5,717,951
Other	<u>313,378</u>
Total operating receipts	<u>6,055,071</u>
Operating disbursements:	
Insurance disbursements	<u>10,335,549</u>
Deficiency of operating receipts over operating disbursements	<u>(4,280,478)</u>
Cash and investment fund balance - beginning	<u>(6,669,265)</u>
Cash and investment fund balance - ending	<u>\$ (10,949,743)</u>
<u>Cash and Investment Assets - December 31</u>	
Cash and investments	<u>\$ (10,949,743)</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Unrestricted	<u>\$ (10,949,743)</u>

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

ST. JOSEPH 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 Fund	Agency Funds
Additions:			
Contributions:			
Employer	\$ 1,431,697	\$ -	\$ -
Plan members	53,808	-	-
	<u>1,485,505</u>	<u>-</u>	<u>-</u>
Total contributions			
Investment earnings:			
Net increase in fair value of investments	772,301	-	-
Interest	602,338	-	-
	<u>1,374,639</u>	<u>-</u>	<u>-</u>
Total investment earnings			
Less investment disbursements	(108,935)	-	-
	<u>1,265,704</u>	<u>-</u>	<u>-</u>
Net investment earnings			
Agency fund additions	-	-	440,071,684
	<u>2,751,209</u>	<u>-</u>	<u>440,071,684</u>
Total additions			
Deductions:			
Benefits	1,260,559	-	-
Refunds of contributions	47,979	-	-
Administrative and general	8,743	-	-
Agency fund deductions	-	-	584,158,695
	<u>1,317,281</u>	<u>-</u>	<u>584,158,695</u>
Total deductions			
Excess (deficiency) of total additions over total deductions	1,433,928	-	(144,087,011)
Cash and investment fund balance - beginning	25,429,117	37,665	168,246,076
	<u>\$ 26,863,045</u>	<u>\$ 37,665</u>	<u>\$ 24,159,065</u>
Cash and investment fund balance - ending			

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

ST. JOSEPH 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: St. Joseph County

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

The St. Joseph County Solid Waste Management District, a blended component unit, and the St. Joseph County Airport Authority, a discretely presented component unit, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

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 reports governmental activities which are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. The County has no business-type activities.

Fund Financial Statements

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

The County reports the following major governmental funds:

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

The family and children services 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.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the County reports the following fund types:

The internal service funds account for employee medical insurance and for general liability insurance provided to other departments on a cost-reimbursement basis.

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

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

Agency funds account for assets held by the County as an agent for individuals, for the State, and for other governments.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. 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.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

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

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.

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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. Disbursements in Excess of Appropriations

For the year ended December 31, 2005, disbursements exceeded budgeted appropriations in the following funds by the amounts below:

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund - Department	
General - Coroner	\$ 139,570
General - Circuit Court	13,202
General - Superior Court	101,409
Park Nonreverting Operating	155,901
 Total	 \$ 410,082

These disbursements were funded by available cash balances in the general fund and in the park nonreverting operating fund.

C. Cash and Investment Balance Deficits

At December 31, 2005, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2005
Group Insurance	\$ 9,149,596
Liability Reserve	1,800,147

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the insufficient funding and these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2005, the bank balances held at Keybank National Association, at Fifth Third Securities, and at JPMorgan, in the amounts of \$976,417, \$302,901, and \$204,145, respectively, were collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-County's name. The remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

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:

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Primary Government Market Value	Sheriff's Retirement and Benefit Pension Plans
U.S. Treasuries and Securities	\$ -	\$ 757,538
Government Sponsored Enterprises	20,005,713	1,966,569
Mutual Funds	-	6,856,155
Corporate Stocks	-	16,494,899
Corporate Bonds	-	5,368,927
Totals	<u>\$ 20,005,713</u>	<u>\$ 31,444,088</u>

Investment Policies

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

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored 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.

ST. JOSEPH 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. At December 31, 2005, the County held investments in government sponsored enterprises in the amount of \$20,005,713. These investments were held by the counterparty's trust department but not in the County's name.

The Sheriff's Merit Board has not adopted an investment policy for custodial credit risk for investments. At December 31, 2005, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Treasuries and Securities, government sponsored enterprises, mutual funds, corporate stocks, and in corporate bonds in the amount of \$ 31,444,088. These investments are held by the investment's counterparty, not in the name of the Sheriff's Pension Plan.

Interest Rate Risk

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

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

Primary Government:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Government Sponsored Enterprises	\$ -	\$ 20,005,713	\$ -

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. Treasuries and Securities	\$ 250,195	\$ 249,804	\$ 257,539
Government Sponsored Enterprises	-	-	1,966,569
Mutual Funds	6,856,155	-	-
Corporate Stocks	16,494,899	-	-
Corporate Bonds	2,856,933	1,238,343	1,273,651
Totals	\$ 26,458,182	\$ 1,488,147	\$ 3,497,759

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Primary Governments:

Standard and Poor's Rating	Moody's Rating	Government Sponsored Enterprise
AAA	Aaa	<u>\$ 20,005,713</u>

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	Mutual Funds	Corporate Bonds	Government Sponsored Enterprise	U.S. Treasuries/ Securities
AAA	Aaa	\$ -	\$ 241,276	\$ 1,862,319	\$ 757,538
A	A	-	2,521,086	-	-
Unrated	Unrated	6,856,155	2,606,565	104,250	-
Totals		\$ 6,856,155	\$ 5,368,927	\$ 1,966,569	\$ 757,538

Concentration of Credit Risk

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

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk. More than 5% of the Sheriff's Retirement and Benefit investments are in KeyBank EB Magic Fund, a common/collective fixed income fund. This investment represents 18.6% of the total invest for the plans.

Foreign Currency Risk

The County does not have a formal policy in regards to foreign currency risk and as of December 31, 2005, the County has no foreign currency related to investments

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk and as of December 31, 2005, has no foreign currency related to investments

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Transfers

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

Transfer From	Transfer To	2005
Other governmental	General Fund	\$ 685,970
	Other governmental	472,823
Total		\$ 1,158,793

The County typically uses transfers to fund ongoing operating subsidies.

C. Restatements and Reclassifications

For the year ended December 31, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by opinion unit. For the year ended December 31, 2005, the County changed its reporting from modified accrual to cash basis.

Opinion Unit	Balance as Reported December 31, 2004	Reporting Change	Balance as Restated January 1, 2005
General Fund	\$ -	\$ 272,961	\$ 272,961
Family and Children Services Fund	6,095,060	6,396,304	12,491,364
Aggregate remaining fund information:			
Internal Service Funds	-	(6,669,265)	(6,669,265)
Totals	\$ 6,095,060	\$ -	\$ 6,095,060

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; and natural disasters.

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Liability Insurance

The County has chosen to establish a risk financing fund for risks associated with general liability. The risk financing fund is accounted for in the Liability Reserve Fund, an internal service fund, where assets are set aside for claim settlements. A premium is charged to each fund based on insurance premiums charged to funds prior to self-insurance.

Medical Benefits to Employees, Retirees, and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, their dependents, and qualified retirees. The risk financing fund is accounted for in the Group Insurance Fund, an internal service fund, where assets are set aside for claim settlements. A premium is charged to each fund based on the number of employees and type of coverage.

B. Holding Corporations

The County has entered into a capital lease with the St. Joseph County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$4,615,000.

C. Subsequent Events

The County is suing the former administrator of the employee health care plan for \$625,756. This amount represents money paid to the administrator to pay employee claims that was not paid to the health care providers. In 2005, the administrator filed for bankruptcy.

During 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 to be split among all the taxing units based on road mileage, vehicle registration counts, and population. St. Joseph County will receive \$40 million, of which the County's share is estimated at \$20.6 million based on distribution formulas. This allocation will be made September 15, 2006. In addition, all counties in the State will receive an allocation based on the same factors. The County's share of this allocation is estimated at \$2.4 million and will be made October 15, 2006.

Madison Center, Inc., a mental health center, has filed a lawsuit against the County claiming it is owed more than \$5 million plus interest. County officials estimate that about \$2 million is owed to Madison Center because of the increase in the assessed valuation, which is a factor in calculating the amount owed to Madison Center.

D. Conduit Debt Obligation

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

As of December 31, 2004, there were 14 series of industrial revolving bonds outstanding with an aggregate principal amount payable of \$238,665,000. The amount of bonds outstanding as of December 31, 2005, was not available.

E. Postemployment Benefits

In addition to the pension benefits described below, the County provides postemployment medical benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the County that are eligible for retirement benefits under either the police retirement plan or PERF. Currently, 120 retirees meet these eligibility requirements. During the year ended December 31, 2005, disbursements of \$569,399 were recognized for postemployment benefits.

F. 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.

G. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 1,044,829	\$ 1,442,233	\$ 74,915
Interest on net pension obligation	(163,214)	15,117	-
Adjustment to annual required contribution	185,995	(34,663)	-
Annual pension cost	1,067,610	1,422,687	74,915
Contributions made	1,300,395	1,410,590	74,915
Increase (decrease) in net pension obligation	(232,785)	12,097	-
Net pension obligation, beginning of year	(2,251,223)	215,952	-
Net pension obligation, end of year	\$ (2,484,008)	\$ 228,049	\$ -

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	4.38%	24.3%	1.3%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-05	01-01-06	01-01-06
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

ST. JOSEPH COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 1,118,515	114%	\$ (1,846,242)
	06-30-04	875,880	146%	(2,251,223)
	06-30-05	1,067,610	148%	(2,484,008)
County Police Retirement Plan	12-31-03	1,163,052	58.1%	395,395
	12-31-04	1,172,826	111.9%	215,952
	12-31-05	1,442,233	97.8%	228,049
County Police Benefit Plan	12-31-03	66,613	100%	-
	12-31-04	68,997	100%	-
	12-31-05	74,915	100%	-

ST. JOSEPH COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 21,762,031	\$ 18,293,598	\$ 3,468,433	119%	\$ 25,186,641	14%
07-01-04	22,213,337	19,979,729	2,233,608	111%	26,789,597	8%
07-01-05	26,489,421	23,646,343	2,843,078	112%	28,912,672	10%

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 28,979,658	\$ 28,979,658	\$ -	100%	\$ 4,528,957	0%
01-01-02	28,622,727	28,622,727	-	100%	4,778,887	0%
01-01-03	27,795,463	29,559,036	(1,763,573)	94%	5,113,600	(34%)
01-01-04	27,710,286	29,927,910	(2,217,624)	93%	5,159,763	(43%)
01-01-05	28,354,546	33,096,347	(4,741,801)	86%	5,233,150	(91%)
01-01-06	30,621,155	34,947,720	(4,326,565)	88%	5,809,211	(74%)

ST. JOSEPH 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

	County Highway	Local Road and Street	Service of Process	County Health	Property Reassessment	Supplemental Juvenile Probation Services
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 1,333,032	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	1,107,619	-	-
Intergovernmental	5,470,180	1,699,899	-	218,598	-	-
Charges for services	-	-	56,845	-	-	-
Other	1,249	-	-	96,133	-	-
Not identified	-	-	-	-	-	188,856
Total receipts	5,471,429	1,699,899	56,845	2,755,382	-	188,856
Disbursements:						
General government	-	-	-	-	1,413,123	-
Public safety	-	-	53,808	-	-	-
Highways and streets	5,974,353	1,722,025	-	-	-	-
Health and welfare	-	-	-	2,522,436	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	5,974,353	1,722,025	53,808	2,522,436	1,413,123	-
Excess (deficiency) of receipts over disbursements	(502,924)	(22,126)	3,037	232,946	(1,413,123)	188,856
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	321,530	-
Transfers out	-	-	-	-	-	(7,040)
Other receipts	409,498	241,708	-	4,327	-	-
Total other financing sources (uses)	409,498	241,708	-	4,327	321,530	(7,040)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(93,426)	219,582	3,037	237,273	(1,091,593)	181,816
Cash and investment fund balance - beginning	500,079	752,503	12,791	910,571	1,091,594	405,713
Cash and investment fund balance - ending	\$ 406,653	\$ 972,085	\$ 15,828	\$ 1,147,844	\$ 1	\$ 587,529
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 406,653	\$ 972,085	\$ 15,828	\$ 1,147,844	\$ 1	\$ 587,529
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 406,653	\$ 972,085	\$ 15,828	\$ 1,147,844	\$ 1	\$ 587,529
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	406,653	972,085	15,828	1,147,844	1	587,529
Total cash and investment fund balance - December 31	\$ 406,653	\$ 972,085	\$ 15,828	\$ 1,147,844	\$ 1	\$ 587,529

ST. JOSEPH 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)

	Supplemental Adult Probation Services	Accident Report	County Surveyor's Corner Perpetuation	Firearm's Training	Recorder's Records Perpetuation	Drainage Maintenance
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	478,017
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	8,171	71,414	9,300	243,576	-
Not identified	61,880	-	-	-	-	-
Total receipts	<u>61,880</u>	<u>8,171</u>	<u>71,414</u>	<u>9,300</u>	<u>243,576</u>	<u>478,017</u>
Disbursements:						
General government	-	-	34,300	-	361,744	-
Public safety	2,175	15,304	-	330	-	-
Highways and streets	-	-	-	-	-	171,830
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	<u>2,175</u>	<u>15,304</u>	<u>34,300</u>	<u>330</u>	<u>361,744</u>	<u>171,830</u>
Excess (deficiency) of receipts over disbursements	<u>59,705</u>	<u>(7,133)</u>	<u>37,114</u>	<u>8,970</u>	<u>(118,168)</u>	<u>306,187</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(25,000)	(143,457)
Other receipts	-	-	198	411	108	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>198</u>	<u>411</u>	<u>(24,892)</u>	<u>(143,457)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>59,705</u>	<u>(7,133)</u>	<u>37,312</u>	<u>9,381</u>	<u>(143,060)</u>	<u>162,730</u>
Cash and investment fund balance - beginning	<u>246,128</u>	<u>9,785</u>	<u>141,340</u>	<u>1,881</u>	<u>724,329</u>	<u>837,744</u>
Cash and investment fund balance - ending	<u>\$ 305,833</u>	<u>\$ 2,652</u>	<u>\$ 178,652</u>	<u>\$ 11,262</u>	<u>\$ 581,269</u>	<u>\$ 1,000,474</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 305,833	\$ 2,652	\$ 178,652	\$ 11,262	\$ 581,269	\$ 1,000,474
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 305,833</u>	<u>\$ 2,652</u>	<u>\$ 178,652</u>	<u>\$ 11,262</u>	<u>\$ 581,269</u>	<u>\$ 1,000,474</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>305,833</u>	<u>2,652</u>	<u>178,652</u>	<u>11,262</u>	<u>581,269</u>	<u>1,000,474</u>
Total cash and investment fund balance - December 31	<u>\$ 305,833</u>	<u>\$ 2,652</u>	<u>\$ 178,652</u>	<u>\$ 11,262</u>	<u>\$ 581,269</u>	<u>\$ 1,000,474</u>

ST. JOSEPH 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)

	County User Fee	County Law Enforcement Continuing Education	Parks and Recreation	Special Gifts	Community Development Grant	Portage Manor General
Receipts:						
Taxes	\$ -	\$ -	\$ 1,705,647	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	302,079	-	-	-
Charges for services	-	-	-	-	-	-
Other	503,318	-	-	30,707	1,525	-
Not identified	-	-	-	-	-	2,205,079
Total receipts	503,318	-	2,007,726	30,707	1,525	2,205,079
Disbursements:						
General government	25,045	-	-	27,326	-	-
Public safety	-	9,952	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,833,271
Culture and recreation	-	-	1,675,123	-	-	-
Urban redevelopment and housing	-	-	-	-	10	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	25,045	9,952	1,675,123	27,326	10	1,833,271
Excess (deficiency) of receipts over disbursements	478,273	(9,952)	332,603	3,381	1,515	371,808
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	7,836	-	-	-	-
Transfers out	(405,911)	-	-	-	-	-
Other receipts	-	1,127	18,162	-	-	-
Total other financing sources (uses)	(405,911)	8,963	18,162	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	72,362	(989)	350,765	3,381	1,515	371,808
Cash and investment fund balance - beginning	1,548,103	1,458	(28,908)	5,208	12,756	1,550,244
Cash and investment fund balance - ending	\$ 1,620,465	\$ 469	\$ 321,857	\$ 8,589	\$ 14,271	\$ 1,922,052
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 1,620,465	\$ 469	\$ 321,857	\$ 8,589	\$ 14,271	\$ 1,922,052
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 1,620,465	\$ 469	\$ 321,857	\$ 8,589	\$ 14,271	\$ 1,922,052
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,620,465	469	321,857	8,589	14,271	1,922,052
Total cash and investment fund balance - December 31	\$ 1,620,465	\$ 469	\$ 321,857	\$ 8,589	\$ 14,271	\$ 1,922,052

ST. JOSEPH 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)

	Parks and Recreation Nonreverting	Healthwin Special Gifts	County Poor Relief	Rainy Day Fund	Convention Exhibition Center	Portage Manor Farm Operation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,112,456	-
Charges for services	-	-	-	-	-	-
Other	252,384	-	-	-	-	-
Not identified	-	-	-	-	-	3,520
Total receipts	252,384	-	-	-	3,112,456	3,520
Disbursements:						
General government	-	-	-	51,750	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	3,645
Culture and recreation	165,451	-	-	-	2,924,271	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	165,451	-	-	51,750	2,924,271	3,645
Excess (deficiency) of receipts over disbursements	86,933	-	-	(51,750)	188,185	(125)
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(237,855)	-	-
Other receipts	2,776	-	-	750	-	-
Total other financing sources (uses)	2,776	-	-	(237,105)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	89,709	-	-	(288,855)	188,185	(125)
Cash and investment fund balance - beginning	125,205	2,212	198,165	1,855,133	1,181,811	10,751
Cash and investment fund balance - ending	\$ 214,914	\$ 2,212	\$ 198,165	\$ 1,566,278	\$ 1,369,996	\$ 10,626
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 214,914	\$ 2,212	\$ 198,165	\$ 1,566,278	\$ 1,369,996	\$ 10,626
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 214,914	\$ 2,212	\$ 198,165	\$ 1,566,278	\$ 1,369,996	\$ 10,626
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	214,914	2,212	198,165	1,566,278	1,369,996	10,626
Total cash and investment fund balance - December 31	\$ 214,914	\$ 2,212	\$ 198,165	\$ 1,566,278	\$ 1,369,996	\$ 10,626

ST. JOSEPH 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)

	Drug Testing	Small Town Survey	Plat Book Maintenance	Adult Probation Drug Testing	Supplemental Public Defender Services	Emergency Management Grants
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	30,208	-	-	-
Not identified	<u>100,442</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,548</u>	<u>36,182</u>
Total receipts	<u>100,442</u>	<u>-</u>	<u>30,208</u>	<u>-</u>	<u>24,548</u>	<u>36,182</u>
Disbursements:						
General government	-	-	1,645	-	12,902	-
Public safety	82,475	-	-	-	-	1,177,055
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	<u>82,475</u>	<u>-</u>	<u>1,645</u>	<u>-</u>	<u>12,902</u>	<u>1,177,055</u>
Excess (deficiency) of receipts over disbursements	<u>17,967</u>	<u>-</u>	<u>28,563</u>	<u>-</u>	<u>11,646</u>	<u>(1,140,873)</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(18,000)	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(18,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	17,967	-	10,563	-	11,646	(1,140,873)
Cash and investment fund balance - beginning	<u>11,522</u>	<u>1,034</u>	<u>80,871</u>	<u>12,844</u>	<u>193,102</u>	<u>1,701,155</u>
Cash and investment fund balance - ending	<u>\$ 29,489</u>	<u>\$ 1,034</u>	<u>\$ 91,434</u>	<u>\$ 12,844</u>	<u>\$ 204,748</u>	<u>\$ 560,282</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 29,489	\$ 1,034	\$ 91,434	\$ 12,844	\$ 204,748	\$ 560,282
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 29,489</u>	<u>\$ 1,034</u>	<u>\$ 91,434</u>	<u>\$ 12,844</u>	<u>\$ 204,748</u>	<u>\$ 560,282</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>29,489</u>	<u>1,034</u>	<u>91,434</u>	<u>12,844</u>	<u>204,748</u>	<u>560,282</u>
Total cash and investment fund balance - December 31	<u>\$ 29,489</u>	<u>\$ 1,034</u>	<u>\$ 91,434</u>	<u>\$ 12,844</u>	<u>\$ 204,748</u>	<u>\$ 560,282</u>

ST. JOSEPH 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)

	Local Emergency Planning	County Drug Free Community	Sheriff Drug Enforcement	Prosecutor Drug Enforcement	Emergency Telephone System	Clerk's Record Perpetuation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	36,249	157,001	-	-	1,552,015	80,077
Not identified	-	-	13,815	-	346,167	-
	<u>36,249</u>	<u>157,001</u>	<u>13,815</u>	<u>-</u>	<u>1,898,182</u>	<u>80,077</u>
Total receipts	36,249	157,001	13,815	-	1,898,182	80,077
Disbursements:						
General government	-	-	-	-	-	48,621
Public safety	8,097	89,221	13,187	-	1,438,610	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
	<u>8,097</u>	<u>89,221</u>	<u>13,187</u>	<u>-</u>	<u>1,438,610</u>	<u>48,621</u>
Total disbursements	8,097	89,221	13,187	-	1,438,610	48,621
Excess (deficiency) of receipts over disbursements	<u>28,152</u>	<u>67,780</u>	<u>628</u>	<u>-</u>	<u>459,572</u>	<u>31,456</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	150	-	-	-	-	-
	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	150	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>28,302</u>	<u>67,780</u>	<u>628</u>	<u>-</u>	<u>459,572</u>	<u>31,456</u>
Cash and investment fund balance - beginning	<u>28,319</u>	<u>154,943</u>	<u>3,760</u>	<u>11,482</u>	<u>1,065,552</u>	<u>11,800</u>
Cash and investment fund balance - ending	<u>\$ 56,621</u>	<u>\$ 222,723</u>	<u>\$ 4,388</u>	<u>\$ 11,482</u>	<u>\$ 1,525,124</u>	<u>\$ 43,256</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 56,621	\$ 222,723	\$ 4,388	\$ 11,482	\$ 1,525,124	\$ 43,256
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 56,621</u>	<u>\$ 222,723</u>	<u>\$ 4,388</u>	<u>\$ 11,482</u>	<u>\$ 1,525,124</u>	<u>\$ 43,256</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>56,621</u>	<u>222,723</u>	<u>4,388</u>	<u>11,482</u>	<u>1,525,124</u>	<u>43,256</u>
Total cash and investment fund balance - December 31	<u>\$ 56,621</u>	<u>\$ 222,723</u>	<u>\$ 4,388</u>	<u>\$ 11,482</u>	<u>\$ 1,525,124</u>	<u>\$ 43,256</u>

ST. JOSEPH 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)

	Health Grants	Community Based Corrections	Federal Drug Enforcement	County Correction	Community Transition Program Fund	Federal Grant Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	-	-	-	859
Not identified	<u>332,426</u>	<u>1,314,459</u>	<u>558</u>	<u>183,372</u>	<u>43,637</u>	<u>-</u>
Total receipts	<u>332,426</u>	<u>1,314,459</u>	<u>558</u>	<u>183,372</u>	<u>43,637</u>	<u>859</u>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	1,204,449	7,500	183,372	144,925	-
Highways and streets	-	-	-	-	-	-
Health and welfare	327,795	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	<u>327,795</u>	<u>1,204,449</u>	<u>7,500</u>	<u>183,372</u>	<u>144,925</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>4,631</u>	<u>110,010</u>	<u>(6,942)</u>	<u>-</u>	<u>(101,288)</u>	<u>859</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,631</u>	<u>110,010</u>	<u>(6,942)</u>	<u>-</u>	<u>(101,288)</u>	<u>859</u>
Cash and investment fund balance - beginning	<u>62,707</u>	<u>970,207</u>	<u>20,953</u>	<u>-</u>	<u>121,703</u>	<u>35,759</u>
Cash and investment fund balance - ending	<u>\$ 67,338</u>	<u>\$ 1,080,217</u>	<u>\$ 14,011</u>	<u>\$ -</u>	<u>\$ 20,415</u>	<u>\$ 36,618</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 67,338	\$ 1,080,217	\$ 14,011	\$ -	\$ 20,415	\$ 36,618
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 67,338</u>	<u>\$ 1,080,217</u>	<u>\$ 14,011</u>	<u>\$ -</u>	<u>\$ 20,415</u>	<u>\$ 36,618</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>67,338</u>	<u>1,080,217</u>	<u>14,011</u>	<u>-</u>	<u>20,415</u>	<u>36,618</u>
Total cash and investment fund balance - December 31	<u>\$ 67,338</u>	<u>\$ 1,080,217</u>	<u>\$ 14,011</u>	<u>\$ -</u>	<u>\$ 20,415</u>	<u>\$ 36,618</u>

ST. JOSEPH 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)

	Enhanced Access Fee	Special Vehicle Inspection	Campaign Finance	Adult Probation Admin Fee	2006 Reassessment Fund	Forensic Diversion Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,034,961	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	92,645	-
Charges for services	23,899	-	-	-	-	-
Other	14,899	-	-	-	-	-
Not identified	-	5,480	-	2,592	-	27,241
Total receipts	38,798	5,480	-	2,592	1,127,606	27,241
Disbursements:						
General government	3,552	-	-	-	-	-
Public safety	-	13,964	-	-	-	23,378
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	3,552	13,964	-	-	-	23,378
Excess (deficiency) of receipts over disbursements	35,246	(8,484)	-	2,592	1,127,606	3,863
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(321,530)	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(321,530)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	35,246	(8,484)	-	2,592	806,076	3,863
Cash and investment fund balance - beginning	74,843	12,888	25	8,390	2,928,305	24,724
Cash and investment fund balance - ending	\$ 110,089	\$ 4,404	\$ 25	\$ 10,982	\$ 3,734,381	\$ 28,587
Cash and Investment Assets - December 31						
Cash and investments	\$ 110,089	\$ 4,404	\$ 25	\$ 10,982	\$ 3,734,381	\$ 28,587
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 110,089	\$ 4,404	\$ 25	\$ 10,982	\$ 3,734,381	\$ 28,587
Cash and Investment Fund Balance - December 31						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	110,089	4,404	25	10,982	3,734,381	28,587
Total cash and investment fund balance - December 31	\$ 110,089	\$ 4,404	\$ 25	\$ 10,982	\$ 3,734,381	\$ 28,587

ST. JOSEPH 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)

	Children's Psych Residential Treatment	HAVA/ Voting Machines	Family Justice Center Grant	Jail Commissary	County Bond and Interest	TIF Financing Bonds
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,121,941	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	76,663	-	386,525	-
Charges for services	-	-	-	120,549	-	-
Other	-	-	-	-	-	4,954
Not identified	<u>1,670,097</u>	<u>746,928</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>1,670,097</u>	<u>746,928</u>	<u>76,663</u>	<u>120,549</u>	<u>4,508,466</u>	<u>4,954</u>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	76,662	113,914	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	467,055	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	2,175,000	-
Interest	-	-	-	-	1,466,900	422
Bond issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>467,055</u>	<u>-</u>	<u>76,662</u>	<u>113,914</u>	<u>3,641,900</u>	<u>422</u>
Excess (deficiency) of receipts over disbursements	<u>1,203,042</u>	<u>746,928</u>	<u>1</u>	<u>6,635</u>	<u>866,566</u>	<u>4,532</u>
Other financing sources (uses)						
Bond proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,203,042</u>	<u>746,928</u>	<u>1</u>	<u>6,635</u>	<u>866,566</u>	<u>4,532</u>
Cash and investment fund balance - beginning	<u>1,333,385</u>	<u>-</u>	<u>-</u>	<u>135,162</u>	<u>(157,150)</u>	<u>199,613</u>
Cash and investment fund balance - ending	<u>\$ 2,536,427</u>	<u>\$ 746,928</u>	<u>\$ 1</u>	<u>\$ 141,797</u>	<u>\$ 709,416</u>	<u>\$ 204,145</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 2,536,427	\$ 746,928	\$ 1	\$ 141,797	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>709,416</u>	<u>204,145</u>
Total cash and investment assets - December 31	<u>\$ 2,536,427</u>	<u>\$ 746,928</u>	<u>\$ 1</u>	<u>\$ 141,797</u>	<u>\$ 709,416</u>	<u>\$ 204,145</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 709,416	\$ 204,145
Unrestricted	<u>2,536,427</u>	<u>746,928</u>	<u>1</u>	<u>141,797</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 2,536,427</u>	<u>\$ 746,928</u>	<u>\$ 1</u>	<u>\$ 141,797</u>	<u>\$ 709,416</u>	<u>\$ 204,145</u>

ST. JOSEPH 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)

	Redev Bond 2001 Payment	Cumulative Bridge	General Drain Improvement	Local Highway User Tax	Park Gift and Grant
Receipts:					
Taxes	\$ -	\$ 998,314	\$ -	\$ -	\$ -
Special assessments	-	-	4,643	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	83,905	-	-	-
Charges for services	-	-	-	-	-
Other	-	-	-	-	-
Not identified	364,783	-	-	2,688,304	-
Total receipts	364,783	1,082,219	4,643	2,688,304	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	2,200,557	165,527	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	7,514
Urban redevelopment and housing	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	443,609	-	-	-	-
Bond issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	2,388,070	-
Total disbursements	443,609	2,200,557	165,527	2,388,070	7,514
Excess (deficiency) of receipts over disbursements	(78,826)	(1,118,338)	(160,884)	300,234	(7,514)
Other financing sources (uses)					
Bond proceeds	-	-	-	-	-
Transfers in	-	-	143,457	-	-
Transfers out	-	-	-	-	-
Other receipts	-	725,394	-	-	1,021
Total other financing sources (uses)	-	725,394	143,457	-	1,021
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(78,826)	(392,944)	(17,427)	300,234	(6,493)
Cash and investment fund balance - beginning	466,182	1,861,910	85,695	77,786	20,913
Cash and investment fund balance - ending	\$ 387,356	\$ 1,468,966	\$ 68,268	\$ 378,020	\$ 14,420
Cash and Investment Assets - December 31					
Cash and investments	\$ -	\$ 1,468,966	\$ 68,268	\$ 378,020	\$ 14,420
Restricted assets:					
Cash and investments	387,356	-	-	-	-
Total cash and investment assets - December 31	\$ 387,356	\$ 1,468,966	\$ 68,268	\$ 378,020	\$ 14,420
Cash and Investment Fund Balance - December 31					
Restricted for:					
Debt service	\$ 387,356	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	1,468,966	68,268	378,020	14,420
Total cash and investment fund balance - December 31	\$ 387,356	\$ 1,468,966	\$ 68,268	\$ 378,020	\$ 14,420

ST. JOSEPH 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)

	Major Cumulative Bridge	Park Nonreverting Capital	Cumulative Capital Development	County Building	Economic Development District No. 1 Capital
Receipts:					
Taxes	\$ -	\$ -	\$ 2,183,041	\$ -	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	201,984	-	-
Charges for services	-	-	-	-	-
Other	-	-	-	-	-
Not identified	<u>2,542,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,604,811</u>
Total receipts	<u>2,542,619</u>	<u>-</u>	<u>2,385,025</u>	<u>-</u>	<u>1,604,811</u>
Disbursements:					
General government	-	-	-	38,973	-
Public safety	-	-	-	7,434,036	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond issuance costs	-	-	-	190,972	-
Capital outlay:					
General government	-	-	355,704	-	-
Public safety	-	-	426,806	-	-
Highways and streets	<u>2,360,922</u>	<u>-</u>	<u>609,558</u>	<u>-</u>	<u>673,609</u>
Total disbursements	<u>2,360,922</u>	<u>-</u>	<u>1,392,068</u>	<u>7,663,981</u>	<u>673,609</u>
Excess (deficiency) of receipts over disbursements	<u>181,697</u>	<u>-</u>	<u>992,957</u>	<u>(7,663,981)</u>	<u>931,202</u>
Other financing sources (uses)					
Bond proceeds	-	-	-	11,651,599	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	<u>-</u>	<u>-</u>	<u>4,700</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,700</u>	<u>11,651,599</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>181,697</u>	<u>-</u>	<u>997,657</u>	<u>3,987,618</u>	<u>931,202</u>
Cash and investment fund balance - beginning	<u>1,229,439</u>	<u>11,135</u>	<u>1,434,666</u>	<u>738,375</u>	<u>510,505</u>
Cash and investment fund balance - ending	<u>\$ 1,411,136</u>	<u>\$ 11,135</u>	<u>\$ 2,432,323</u>	<u>\$ 4,725,993</u>	<u>\$ 1,441,707</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ 1,411,136	\$ 11,135	\$ 2,432,323	\$ 4,725,993	\$ 1,441,707
Restricted assets:					
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 1,411,136</u>	<u>\$ 11,135</u>	<u>\$ 2,432,323</u>	<u>\$ 4,725,993</u>	<u>\$ 1,441,707</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>1,411,136</u>	<u>11,135</u>	<u>2,432,323</u>	<u>4,725,993</u>	<u>1,441,707</u>
Total cash and investment fund balance - December 31	<u>\$ 1,411,136</u>	<u>\$ 11,135</u>	<u>\$ 2,432,323</u>	<u>\$ 4,725,993</u>	<u>\$ 1,441,707</u>

ST. JOSEPH 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)

	Healthwin Improvement	Economic Development Income Tax	2000 CEDIT Construction Fund	SJC E.D.A. #3 Project	Totals
Receipts:					
Taxes	\$ -	\$ 11,191,176	\$ -	\$ -	\$ 22,568,112
Special assessments	-	-	-	-	482,660
Licenses and permits	-	-	-	-	1,107,619
Intergovernmental	-	-	-	-	11,644,934
Charges for services	-	-	-	-	201,293
Other	-	-	-	-	3,094,039
Not identified	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,627,796</u>
Total receipts	<u>120,000</u>	<u>11,191,176</u>	<u>-</u>	<u>-</u>	<u>53,726,453</u>
Disbursements:					
General government	-	8,037,984	-	-	10,056,965
Public safety	-	-	-	-	12,092,414
Highways and streets	-	1,171,305	-	-	11,405,597
Health and welfare	-	-	-	-	5,154,202
Culture and recreation	-	-	-	-	4,772,359
Urban redevelopment and housing	-	125,000	-	-	125,010
Debt service:					
Principal	-	1,500,000	-	-	3,675,000
Interest	-	544,750	-	-	2,455,681
Bond issuance costs	-	-	-	-	190,972
Capital outlay:					
General government	120,000	-	29,904	-	505,608
Public safety	-	-	-	-	426,806
Highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,032,159</u>
Total disbursements	<u>120,000</u>	<u>11,379,039</u>	<u>29,904</u>	<u>-</u>	<u>56,892,773</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(187,863)</u>	<u>(29,904)</u>	<u>-</u>	<u>(3,166,320)</u>
Other financing sources (uses)					
Bond proceeds	-	-	-	-	11,651,599
Transfers in	-	-	-	-	472,823
Transfers out	-	-	-	-	(1,158,793)
Other receipts	<u>-</u>	<u>58,094</u>	<u>-</u>	<u>-</u>	<u>1,468,424</u>
Total other financing sources (uses)	<u>-</u>	<u>58,094</u>	<u>-</u>	<u>-</u>	<u>12,434,053</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(129,769)</u>	<u>(29,904)</u>	<u>-</u>	<u>9,267,733</u>
Cash and investment fund balance - beginning	<u>103</u>	<u>3,994,239</u>	<u>40,193</u>	<u>75,000</u>	<u>31,690,635</u>
Cash and investment fund balance - ending	<u>\$ 103</u>	<u>\$ 3,864,470</u>	<u>\$ 10,289</u>	<u>\$ 75,000</u>	<u>\$ 40,958,368</u>
Cash and Investment Assets - December 31					
Cash and investments	\$ 103	\$ 3,864,470	\$ 10,289	\$ 75,000	\$ 39,657,451
Restricted assets:					
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,300,917</u>
Total cash and investment assets - December 31	<u>\$ 103</u>	<u>\$ 3,864,470</u>	<u>\$ 10,289</u>	<u>\$ 75,000</u>	<u>\$ 40,958,368</u>
Cash and Investment Fund Balance - December 31					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 1,300,917
Unrestricted	<u>103</u>	<u>3,864,470</u>	<u>10,289</u>	<u>75,000</u>	<u>39,657,451</u>
Total cash and investment fund balance - December 31	<u>\$ 103</u>	<u>\$ 3,864,470</u>	<u>\$ 10,289</u>	<u>\$ 75,000</u>	<u>\$ 40,958,368</u>

ST. JOSEPH 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

	Group Insurance	Liability Reserve	Total
Operating receipts:			
Insurance proceeds	\$ -	\$ 23,742	\$ 23,742
Employee/employer contributions	5,225,968	491,983	5,717,951
Other	<u>299,608</u>	<u>13,770</u>	<u>313,378</u>
Total operating receipts	<u>5,525,576</u>	<u>529,495</u>	<u>6,055,071</u>
Operating disbursements:			
Insurance disbursements	<u>9,150,220</u>	<u>1,185,329</u>	<u>10,335,549</u>
Deficiency of receipts over disbursements	<u>(3,624,644)</u>	<u>(655,834)</u>	<u>(4,280,478)</u>
Cash and investment fund balance - beginning	<u>(5,524,952)</u>	<u>(1,144,313)</u>	<u>(6,669,265)</u>
Cash and investment fund balance - ending	<u>\$ (9,149,596)</u>	<u>\$ (1,800,147)</u>	<u>\$ (10,949,743)</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	<u>\$ (9,149,596)</u>	<u>\$ (1,800,147)</u>	<u>\$ (10,949,743)</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Unrestricted	<u>\$ (9,149,596)</u>	<u>\$ (1,800,147)</u>	<u>\$ (10,949,743)</u>

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

	County Police Retirement	County Police Benefit	Total
Additions:			
Contributions:			
Employer	\$ 1,356,782	\$ 74,915	\$ 1,431,697
Other	53,808	-	53,808
	1,410,590	74,915	1,485,505
Total contributions			
Investment receipts:			
Net increase (decrease) in investments	792,667	(20,366)	772,301
Interest	553,836	48,502	602,338
	1,346,503	28,136	1,374,639
Total investment receipts			
Investment disbursements	(104,009)	(4,926)	(108,935)
	1,242,494	23,210	1,265,704
Net investment receipts			
	2,653,084	98,125	2,751,209
Total additions			
Deductions:			
Benefits	1,238,509	22,050	1,260,559
Insurance payments	-	47,979	47,979
Administrative and general	8,743	-	8,743
	1,247,252	70,029	1,317,281
Total deductions			
Excess of total additions over total deductions	1,405,832	28,096	1,433,928
Cash and investment fund balance - beginning	24,427,595	1,001,522	25,429,117
Cash and investment fund balance - ending	\$ 25,833,427	\$ 1,029,618	\$ 26,863,045

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

	Miscellaneous State Money Trust	COIT	Public Housing Authority	State Sales Disclosure	Payroll	Education Plate Fees
Additions:						
Agency fund additions	\$ 384,906	\$ 26,484,316	\$ 29,138	\$ 43,692	\$ 50,429,962	\$ 13,613
Deductions:						
Agency fund deductions	<u>384,906</u>	<u>31,322,262</u>	<u>60,242</u>	<u>67,565</u>	<u>50,449,085</u>	<u>13,613</u>
Excess (deficiency) of total additions over total deductions	-	(4,837,946)	(31,104)	(23,873)	(19,123)	-
Cash and investment fund balance - beginning	<u>81</u>	<u>4,837,946</u>	<u>31,104</u>	<u>27,428</u>	<u>497,114</u>	<u>1,969</u>
Cash and investment fund balance - ending	<u>\$ 81</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,555</u>	<u>\$ 477,991</u>	<u>\$ 1,969</u>

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

	<u>Municipal Court Cost</u>	<u>Congressional Interest</u>	<u>Surplus Tax</u>	<u>Tax Sale Redemption</u>	<u>Tax Sale Surplus</u>	<u>Surplus Dog Tax</u>
Additions:						
Agency fund additions	\$ 94,013	\$ -	\$ 2,381,558	\$ -	\$ -	\$ 7,421
Deductions:						
Agency fund deductions	<u>190,618</u>	<u>-</u>	<u>1,803,810</u>	<u>-</u>	<u>-</u>	<u>5,226</u>
Excess (deficiency) of total additions over total deductions	(96,605)	-	577,748	-	-	2,195
Cash and investment fund balance - beginning	<u>96,605</u>	<u>7,620</u>	<u>1,205,030</u>	<u>4,914</u>	<u>115,475</u>	<u>1,271</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 7,620</u>	<u>\$ 1,782,778</u>	<u>\$ 4,914</u>	<u>\$ 115,475</u>	<u>\$ 3,466</u>

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

	<u>State Fees</u>	<u>Inheritance Tax</u>	<u>Coroner State Fee</u>	<u>Sewage Lien Collections</u>	<u>Treasurer's Refund</u>	<u>Surplus Drainage Collections</u>
Additions:						
Agency fund additions	\$ 1,275,854	\$ 8,239,748	\$ 18,724	\$ 18,155	\$ -	\$ -
Deductions:						
Agency fund deductions	<u>1,262,224</u>	<u>6,086,665</u>	<u>27,062</u>	<u>18,155</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of total additions over total deductions	13,630	2,153,083	(8,338)	-	-	-
Cash and investment fund balance - beginning	<u>121,403</u>	<u>951,239</u>	<u>9,855</u>	<u>99</u>	<u>780</u>	<u>48</u>
Cash and investment fund balance - ending	<u>\$ 135,033</u>	<u>\$ 3,104,322</u>	<u>\$ 1,517</u>	<u>\$ 99</u>	<u>\$ 780</u>	<u>\$ 48</u>

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

	Surplus Sewage Liens	County Owned Tax Sale	County Sales Disclosure	Surplus Replacement	Mortgage Recording Fee
Additions:					
Agency fund additions	\$ -	\$ 5,782	\$ 43,692	\$ 1,614,316	\$ 43,878
Deductions:					
Agency fund deductions	-	306	-	1,614,316	39,943
Excess (deficiency) of total additions over total deductions	-	5,476	43,692	-	3,935
Cash and investment fund balance - beginning	<u>422</u>	<u>23,212</u>	<u>114,257</u>	<u>423</u>	-
Cash and investment fund balance - ending	<u>\$ 422</u>	<u>\$ 28,688</u>	<u>\$ 157,949</u>	<u>\$ 423</u>	<u>\$ 3,935</u>

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

	<u>Wheel Tax</u>	<u>Excise Surplus Tax</u>	<u>Employee Benefits Clearing</u>	<u>Riverboat Revenue Sharing</u>	<u>Welfare Trust</u>
Additions:					
Agency fund additions	\$ 445,819	\$ 5,100,821	\$ 5,367,937	\$ 1,674,546	\$ 177,315
Deductions:					
Agency fund deductions	<u>445,819</u>	<u>5,100,821</u>	<u>5,367,937</u>	<u>1,674,546</u>	<u>229,009</u>
Excess (deficiency) of total additions over total deductions	-	-	-	-	(51,694)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,924</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,230</u>

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

	County Home Resident Trust	Sheriff's Inmate Trust	County Sheriff	County Adult Probation	Circuit Court Clerk
Additions:					
Agency fund additions	\$ 887,793	\$ 1,066,765	\$ 5,563,585	\$ 121,479	\$ 40,855,365
Deductions:					
Agency fund deductions	878,375	1,139,125	5,538,809	71,091	40,185,298
Excess (deficiency) of total additions over total deductions	9,418	(72,360)	24,776	50,388	670,067
Cash and investment fund balance - beginning	26,459	144,211	10	-	8,269,430
Cash and investment fund balance - ending	<u>\$ 35,877</u>	<u>\$ 71,851</u>	<u>\$ 24,786</u>	<u>\$ 50,388</u>	<u>\$ 8,939,497</u>

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

	<u>County Recorder</u>	<u>County Treasurer</u>	<u>Parkview Detention Center</u>	<u>Prosecutor Check Deception Program</u>	<u>Total</u>
Additions:					
Agency fund additions	\$ 1,216,521	\$ 286,260,452	\$ 180,465	\$ 24,053	\$ 440,071,684
Deductions:					
Agency fund deductions	<u>1,213,096</u>	<u>428,734,758</u>	<u>213,113</u>	<u>20,900</u>	<u>584,158,695</u>
Excess (deficiency) of total additions over total deductions	3,425	(142,474,306)	(32,648)	3,153	(144,087,011)
Cash and investment fund balance - beginning	<u>104,378</u>	<u>151,542,303</u>	<u>49,204</u>	<u>1,862</u>	<u>168,246,076</u>
Cash and investment fund balance - ending	<u>\$ 107,803</u>	<u>\$ 9,067,997</u>	<u>\$ 16,556</u>	<u>\$ 5,015</u>	<u>\$ 24,159,065</u>

ST. JOSEPH 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>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 10,287,531
Infrastructure	327,072,570
Buildings	92,009,011
Machinery and equipment	23,963,421
Construction in progress	<u>5,163,212</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 458,495,745</u>

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

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases payable		
County Jail	\$ 32,650,000	\$ 2,140,000
E-911 Equipment	<u>551,861</u>	<u>361,710</u>
Total capital leases	<u>33,201,861</u>	<u>2,501,710</u>
Bonds payable:		
General obligation bonds:		
2005 Housing of Inmates	<u>7,595,000</u>	<u>2,440,000</u>
Limited general obligation bonds		
1995 Bridge Bond Construction	1,400,000	680,000
2000 Bridge Bond Construction	5,900,000	-
2005 Limited Tax Bridge Funding	<u>4,000,000</u>	<u>-</u>
Total limited general obligation bonds	<u>11,300,000</u>	<u>680,000</u>
General revenue bonds		
1998 Special Tax Refunding	2,060,000	265,000
2000 EDIT Bonds	<u>8,725,000</u>	<u>1,575,000</u>
Total general revenue bonds	10,785,000	1,840,000
Capital Appreciation Bonds		
1997 Redevelopment District Bonds	2,133,252	245,000
TIF Bonds		
2001 TIF Bonds P/F 21	<u>17,830,000</u>	<u>455,000</u>
Total bonds payable	<u>49,643,252</u>	<u>5,660,000</u>
Total governmental activities long-term debt	<u>\$ 82,845,113</u>	<u>\$ 8,161,710</u>

ST. JOSEPH COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
County Treasurer
County Highway Department

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
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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 ST. JOSEPH COUNTY, INDIANA

Compliance

We have audited the compliance of the St. Joseph 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

July 27, 2006

ST. JOSEPH 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 Education			
Child Nutrition Cluster			
School Breakfast Program	10.553		\$ 62,110
National School Lunch Program	10.555		<u>104,027</u>
Total for federal grantor agency			<u>166,137</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590		
		2004 WEAXK-018	<u>87,363</u>
Direct Grant			
Community Prosecution and Project Safe Neighborhoods	16.609		
		2002-GP-CY-0200	<u>31,000</u>
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grants	16.523		
		03-JB-055	<u>23,757</u>
Juvenile Justice Delinquency Prevention - Allocation to States	16.540		
		03-JF-031	<u>11,729</u>
Crime Victim Assistance	16.575		
		05VA119	<u>12,218</u>
Byrne Formula Grant Program	16.579		
		03-DB-041	34,203
		04-DB-036	<u>97,478</u>
Total for program			<u>131,681</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>43,769</u>
Paul Coverdell Forensic Science Improvement Grant Program	16.742		
		DNBX-0061	<u>10,470</u>
Total for federal grantor agency			<u>351,987</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601		
		15AL-05-03-03-36	53,327
Safety Incentive Grants for Use of Seatbelts	20.604		
		04VA-142	<u>9,103</u>
Total for federal grantor agency			<u>62,430</u>

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

ST. JOSEPH 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>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health			
Childhood Lead Poisoning Prevention Projects-State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Levels in Children	93.197	CLP 170-1	<u>69,181</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		<u>52,773</u>
Pass-Through Indiana Department of Children's Services			
Child Support Enforcement	93.563		
County Prosecutor's Expenditures			1,069,178
County Clerk's Expenditures			155,814
Probate Court Expenditures			63,221
Collection Incentives			355,454
Indirect Costs			<u>106,920</u>
Total for program			<u>1,750,587</u>
Pass-Through Indiana Department of Health			
HIV Prevention Activities - Health Department Based	93.940	AIDS 170-7	<u>73,133</u>
Preventative Health Services - Sexually Transmitted Diseases Control Grants	93.977	STD 170-5	<u>37,095</u>
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation	93.988	DG 170-2	<u>13,505</u>
Maternal and Child Health Services Block Grant to the States	93.994	MCH 170-3 MCH 170-4 MCH 170-10	19,338 7,807 <u>31,932</u>
Total for program			<u>59,077</u>
Total for federal grantor agency			<u>2,055,351</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Homeland Security Grant Program	97.004		<u>1,030,485</u>
Total federal awards expended			<u>\$ 3,666,390</u>

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

ST. JOSEPH 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 St. Joseph 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:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Crime Victim Assistance	16.575	<u>\$ 12,218</u>

ST. JOSEPH 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?	yes

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
93.565	Child Support Enforcement
97.004	Homeland Security Grant Program

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2005-1, CIRCUIT COURT CLERK TRUST RECONCILEMENT

The County was unable to reconcile amounts from the office of the Clerk of Circuit Court trust registers with the Clerk's Cash Book record balances. No reconcilements of this kind have been done in many years.

Most of these records are maintained on a computer system, where receipts and disbursements for these items are posted by cause number. Officials in the computer department are unable to provide a detailed listing of outstanding items timely, and the Clerk's office does not have a system in place to reconcile the outstanding items to the amount of cash on hand at any given date.

The County is required by the Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Court, Chapter Eight, to reconcile the total of all trust items to the Clerk's Cash Book on a monthly basis.

ST. JOSEPH COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

Without trust records reconciled to the cash book, we are not able to verify that the cash on hand is sufficient to pay what is being held and owing to outside parties.

We recommended that the County design and implement procedures that would allow the trust records to be reconciled to the cash book at least monthly.

FINDING 2005-2, INSURANCE FUNDS' NEGATIVE CASH BALANCES

At December 31, 2005, the liability reserve fund and the group insurance fund had negative cash balances of \$1,800,147 and \$9,149,596, respectively. As of June 30, 2006, these funds' negative cash balances were \$2,435,718 and \$11,895,673, respectively. The following schedule shows these funds' negative cash balances at the end of recent years.

<u>Year Ending</u>	<u>Group Insurance</u>	<u>Liability Reserve</u>
12-31-02	\$ 2,091,125	\$ 692,588
12-31-03	4,183,554	962,084
12-31-04	5,524,952	1,144,313

The negative cash balances have occurred and grown in recent years because County officials have not sufficiently funded costs. These large negative cash balances are, in effect, reducing the available cash balance in other County funds. As of December 31, 2005, the general fund cash balance was \$5,195,995 and not sufficient to cover the insurance funds' overdrawn cash balances.

The cash balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter XIV)

We recommended that County officials review methods to eliminate the negative cash balances in the self-insurance funds. Cost allocation methods should be calculated in a manner to meet estimated expenditures and past deficiencies.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

ST. JOSEPH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

**Rita L. Glenn
St. Joseph Circuit Court Clerk**

EX-OFFICIO CLERK ST. JOSEPH SUPERIOR & PROBATE COURT

**101 South Main Street
South Bend, IN. 46601-1807**

**Telephone: (574) 235-9635
Fax: (574) 235-9838**

August 10, 2006

**St. Joseph County
Action Plan to Correct Financial
Statement Findings**

FINDINGS 2005-1

The St. Joseph County Clerk's office is still currently working with the County Commissioners, Judges and the Auditor's office in efforts to resolve all financial difficulties with our trust register on a monthly basis.

As you are aware of, the Supreme Court is still in the process of working to achieve a common goal with a unified statewide system. My current system is barely living, but with thanks to the help of our current in house vendor, Low & Associates, they are doing what is necessary to keep it going. With this in mind, we are no different then any other year to be able to generate a report that will allow us to reconcile the trust account. Our office does balance the cash everyday to any/and all reports and to the statements monthly.

I have been in contact with Justice Sullivan of my situation. He and I working on getting approximately 15-20 rebuilt PC's that may allow some updated book-keeping programs, free of cost to the county.

Sincerely,



**Rita L. Glenn
St. Joseph Circuit Court Clerk**

ST. JOSEPH COUNTY AUDITOR

227 W. Jefferson Blvd. Second Floor

County City Building

South Bend, IN 46601

Telephone 574-235-9668

Fax 574-235-5024

Michael C. Eby
Auditor

John T. Lentz, C.P.A.
Chief Deputy Auditor

August 1, 2006

To: Bruce Snyder, State Board of Accounts

From: Michael Eby, St. Joseph County Auditor



Re: St. Joseph County Health Insurance Fund Negative Balance

One of the ongoing issues in St. Joseph County has been the large debt carried by the county's health insurance fund. As we are self-insured, this is money owed to ourselves and not to any health care provider.

The county council and commissioners have been working with a benefits consultant to try to stop the annual shortfalls and to begin a process of debt reduction. If the current proposal is implemented, we should close the deficit for 2007 and begin paying off the accumulated debt.

At this time, the debt should be eliminated within five to seven years, depending on many factors.

ST. JOSEPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2006, with John Lentz, Deputy Auditor; and with Cynthia A. Bodle, President of the Board of County Commissioners. A corrective action plan for the audit findings has been provided by officials and included in this report.