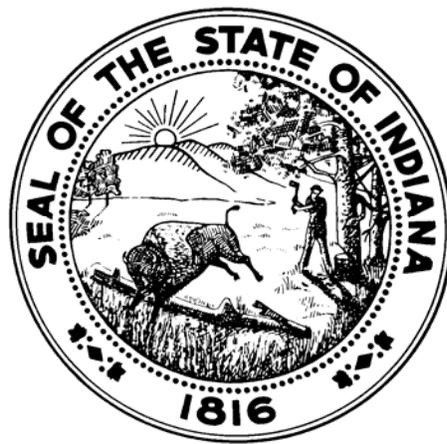


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

ANNUAL FINANCIAL REPORT

2004

BARTHOLOMEW COUNTY, INDIANA



FILED

10/19/2006

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Nancy McKinney	01-01-03 to 12-31-06
Treasurer	Vernon Jewell	01-01-03 to 12-31-06
Clerk	Norma Trimpe	01-01-04 to 12-31-07
Sheriff	Kenneth Whipker	01-01-03 to 12-31-06
Recorder	Betty Jean Beshear	01-01-03 to 12-31-06
President of the Board of County Commissioners	Paul Franke Carl Lienhoop Larry Kleinhenz	01-01-04 to 12-31-04 01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the County Council	Keith Sells Evelyn Pence Judith Meyer	01-01-04 to 12-31-04 01-01-05 to 12-31-05 01-01-06 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 BARTHOLOMEW COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bartholomew County (County), as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2004, 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 August 24, 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 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, are presented for additional analysis and are not a required part of the basic financial statements. The Combining Schedules 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.

STATE BOARD OF ACCOUNTS

August 24, 2006



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 BARTHOLOMEW COUNTY, INDIANA

We have audited the financial statements of Bartholomew County (County), as of and for the year ended December 31, 2004, and have issued our report thereon dated August 24, 2006. The opinion to the financial statements was qualified due to the omission of the component units resulting in an incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

We noted other matters involving the internal control over financial reporting that we have discussed with the management of the County on August 26, 2006. These internal control matters were subsequently communicated to management in a separate letter.

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

August 24, 2006

BARTHOLOMEW COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2004

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>
					<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 14,879,734	\$ 4,200,171	\$ 36,131	\$ -	\$ (10,643,432)
Public safety	11,468,609	2,650,977	1,049,175	-	(7,768,457)
Highways and streets	3,291,468	-	3,175,000	81,887	(34,582)
Health and Welfare	6,715,874	132,415	2,049,548	-	(4,533,911)
Culture and recreation	153,196	13,796	2,780	-	(136,620)
Payments on long-term debt	704,000	-	-	10,303	(693,697)
Capital outlay	<u>2,055,588</u>	<u>-</u>	<u>-</u>	<u>46,507</u>	<u>(2,009,081)</u>
Total primary government	<u>\$ 39,268,469</u>	<u>\$ 6,997,359</u>	<u>\$ 6,312,633</u>	<u>\$ 138,697</u>	<u>(25,819,780)</u>
General receipts:					
Property taxes					18,432,361
Other local sources					5,502,998
Grants and contributions not restricted to specific programs					626,457
Unrestricted investment earnings					356,692
Intergovernmental disbursements					(269,690)
Insurance proceeds					65,253
Other operating receipts					<u>882,888</u>
Total general receipts and special items					<u>25,596,959</u>
Change in net assets					(222,821)
Net assets - beginning					<u>21,863,132</u>
Net assets - ending					<u>\$ 21,640,311</u>
<u>Assets</u>					
Cash and investments					\$ 11,019,412
Cash with fiscal agent					(12,791)
Restricted assets:					
Cash with fiscal agent					8,169
Cash and investments					<u>10,625,521</u>
Total assets					<u>\$ 21,640,311</u>
<u>Net Assets</u>					
Restricted for:					
General government					\$ 947,756
Public safety					1,604,211
Highways and streets					1,574,917
Health and welfare					3,052,693
Culture and recreation					82,057
Debt service					550,208
Other purposes					2,821,848
Unrestricted					<u>11,006,621</u>
Total net assets					<u>\$ 21,640,311</u>

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

BARTHOLOMEW 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, 2004

	General	County Family and Children	Cumulative Bridge	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 14,739,595	\$ 3,191,465	\$ 1,853,239	\$ 4,151,060	\$ 23,935,359
Special assessments	-	-	-	69,570	69,570
Intergovernmental	710,917	1,237,978	46,507	5,066,412	7,061,814
Charges for services	1,347,216	-	-	2,252,981	3,600,197
Other	1,088,197	20,647	39,914	197,591	1,346,349
Total receipts	17,885,925	4,450,090	1,939,660	11,737,613	36,013,288
Disbursements:					
General government	9,897,238	-	-	1,686,753	11,583,991
Public safety	8,667,490	-	-	2,801,119	11,468,609
Highways and streets	-	-	-	3,291,468	3,291,468
Health and welfare	716,069	3,954,875	-	2,044,930	6,715,874
Culture and recreation	151,095	-	-	2,101	153,196
Debt service:					
Principal	-	-	-	672,439	672,439
Interest	-	-	-	31,561	31,561
Capital outlay:					
Highways and streets	-	-	2,055,588	-	2,055,588
Total disbursements	19,431,892	3,954,875	2,055,588	10,530,371	35,972,726
Excess (deficiency) of receipts over disbursements	(1,545,967)	495,215	(115,928)	1,207,242	40,562
Other financing sources (uses)					
Transfers in	285,671	-	-	616,264	901,935
Transfers out	(118,786)	-	-	(783,149)	(901,935)
Refund of state grant	-	-	-	(27,247)	(27,247)
Intergovernmental disbursements	-	-	-	(269,690)	(269,690)
Total other financing sources (uses)	166,885	-	-	(463,822)	(296,937)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,379,082)	495,215	(115,928)	743,420	(256,375)
Cash and investment fund balance - beginning	11,174,480	1,676,583	2,722,031	6,328,214	21,901,308
Cash and investment fund balance - ending	<u>\$ 9,795,398</u>	<u>\$ 2,171,798</u>	<u>\$ 2,606,103</u>	<u>\$ 7,071,634</u>	<u>\$ 21,644,933</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					(4,622)
Net assets of governmental activities					<u>\$ 21,640,311</u>
Cash and Investment Assets - December 31					
Cash and investments	\$ 9,795,398	\$ -	\$ -	\$ 1,224,014	\$ 11,019,412
Cash with fiscal agent	-	-	-	-	-
Restricted assets:					
Cash and investments	-	2,171,798	2,606,103	5,847,620	10,625,521
Total cash and investment assets - December 31	\$ 9,795,398	\$ 2,171,798	\$ 2,606,103	\$ 7,071,634	\$ 21,644,933
Cash and Investment Fund Balance - December 31					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 939,587	\$ 939,587
Public safety	-	-	-	1,604,211	1,604,211
Highways and streets	-	-	-	1,574,917	1,574,917
Health and welfare	-	2,171,798	-	880,895	3,052,693
Culture and recreation	-	-	-	82,057	82,057
Debt service	-	-	-	550,208	550,208
Capital outlay	-	-	2,606,103	215,745	2,821,848
Unrestricted	9,795,398	-	-	1,224,014	11,019,412
Total cash and investment fund balance - December 31	\$ 9,795,398	\$ 2,171,798	\$ 2,606,103	\$ 7,071,634	\$ 21,644,933

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

BARTHOLOMEW 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, 2004

	<u>Internal Service Funds</u>
Operating receipts:	
Employer and employee contributions	\$ <u>3,327,592</u>
Operating disbursements:	
Insurance disbursements	3,284,043
Miscellaneous disbursements	<u>11,701</u>
Total operating disbursements	<u>3,295,744</u>
Excess of operating receipts over operating disbursements	31,848
Nonoperating receipts:	
Interest and investment receipts	<u>1,704</u>
Excess of receipts over disbursements and nonoperating receipts	33,552
Cash and investment fund balance - beginning	<u>(38,174)</u>
Cash and investment fund balance - ending	<u>\$ (4,622)</u>
<u>Cash and Investment Assets - December 31</u>	
Cash with fiscal agent	<u>\$ (4,622)</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
General government	\$ 8,169
Unrestricted	<u>(12,791)</u>
Total cash and investment fund balance - December 31	<u>\$ (4,622)</u>

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

BARTHOLOMEW COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2004

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 389,572	\$ -	\$ -
Investment earnings:			
Net increase in fair value of investments	606,150	-	-
Interest	<u>185,947</u>	<u>91</u>	<u>-</u>
Total investment earnings	<u>792,097</u>	<u>91</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>-</u>	<u>288,484,990</u>
Total additions	<u>792,097</u>	<u>91</u>	<u>288,484,990</u>
Deductions:			
Benefits	27,022	-	-
Administrative and general	89,146	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>288,200,353</u>
Total deductions	<u>116,168</u>	<u>-</u>	<u>288,200,353</u>
Excess of total additions over total deductions	675,929	91	284,637
Cash and investment fund balance - beginning	<u>4,940,313</u>	<u>63,812</u>	<u>4,157,198</u>
Cash and investment fund balance - ending	<u>\$ 5,616,242</u>	<u>\$ 63,903</u>	<u>\$ 4,441,835</u>

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

BARTHOLOMEW 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:	Bartholomew County
Blended Component Unit:	Bartholomew County Solid Waste Management District
Discretely Presented Component Unit:	Columbus Regional Hospital

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

The Bartholomew County Solid Waste Management District, a blended component unit, and the Columbus Regional Hospital, 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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Separate financial statements are provided for governmental funds, 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 cumulative bridge fund is used for capital project pertaining to the construction, reconstruction, and maintenance of county bridges.

The county family and children fund is funded by local taxes and distributions from the State of Indiana and is used to provide welfare assistance.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the County reports the following fund types:

The internal service funds account for medical benefits provided to other departments on a cost-reimbursement basis.

The pension trust fund accounts for the activities of the Sheriff's pension trust which accumulate resources for pension benefit payments.

The private-purpose trust funds report a trust arrangement under which principal and income benefit the Edith Ross Memorial and Congressional principal.

Agency funds account for assets held by the County as an agent for state and federal agencies and serve as control of accounts for certain cash transactions during the time they are a liability to the County.

C. Measurement Focus and Basis of Accounting

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

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.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Capital Assets

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

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

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

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.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

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

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash 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.

II. Stewardship, Compliance and Accountability

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.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds; and has a principal office or branch that qualifies to receive public funds of the political subdivision. Balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2004, the County had the following investments:

<u>Investment Type</u>	<u>Primary Government Market Value</u>
Mutual funds	<u>\$ 6,005,814</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 fifty percent 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.

BARTHOLOMEW COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

Investment Custodial Credit Risk

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

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

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.

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.

<u>Standard and Poor's Rating</u>	<u>Moody's Rating</u>	<u>County's Investments</u>
		Mutual Funds
AAA	Aaa	<u>\$ 6,005,814</u>

Concentration of Credit Risk

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

BARTHOLOMEW COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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

Foreign Currency Risk

The County does not have a formal policy in regards to foreign currency risk.

The Sheriff's Merit Board has not adopted a formal policy in regards to foreign currency risk.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2004, were as follows:

Transfer From	Transfer To	2004
General fund	Other governmental	\$ 118,786
Other governmental	General fund	285,671
Other governmental	Other governmental	497,478
Total		\$ 901,935

The County typically uses transfers to fund ongoing operating subsidies.

IV. Other Information

A. Risk Management

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

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

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

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents (excluding postemployment benefits). The risk financing fund is accounted for in the Employee Benefit Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$75,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for payroll. The total charge allocated to each of the funds is calculated using trends in actual claims experience. Provisions are also made for unexpected and unusual claims.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Jail Inmate Medical Benefits

The County has chosen to establish a risk financing fund for risks associated with medical benefits for jail inmates. The risk financing fund is accounted for in the Jail Inmate Trust Medical Fund, an internal service fund, where assets are set aside for claim settlements. The total amount allocated to the fund is calculated using trends in actual claims experience.

Job Related Illnesses or Injuries to Employees

During 1990, the County joined the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of workers compensation claims. The County pays an annual premium to the risk pool for its job related illnesses and injuries to employees. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Subsequent Events

On May 19, 2006, bids were opened for construction of an addition to the Bartholomew County Jail facility. Bids for construction totaling \$18,526,600 were awarded on June 26, 2006. The project will be funded by revenue bonds issued by the Bartholomew County Jail Building Corporation (Holding Corporation). The facilities constructed will be owned by the Holding Corporation and leased to the County.

C. Postemployment Benefits

In addition to the pension benefits described below, the County provides postemployment health insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the County on or after attaining age 55 with at least 20 years of service. Currently, no retirees meet these eligibility requirements. The County and retirees provide 15% and 85%, respectively, of these post-employment benefits. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis.

D. Administration of Welfare Programs

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

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Pension Plans

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

1. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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.

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 434,696	\$ 37,945	\$ 25,008
Interest on net pension obligation	(17,681)	(8,599)	-
Adjustment to annual required contribution	<u>20,149</u>	<u>15,770</u>	<u>-</u>
Annual pension cost	437,164	382,116	25,008
Contributions made	<u>457,379</u>	<u>413,232</u>	<u>25,008</u>
Decrease in net pension obligation	(20,215)	(31,116)	-
Net pension obligation, beginning of year	<u>(243,876)</u>	<u>(122,847)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (264,091)</u>	<u>\$ (153,963)</u>	<u>\$ -</u>

BARTHOLOMEW COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	7.75%	26%	1%
Plan members	None	None	None
Actuarial valuation date	07-01-05	01-01-06	01-01-06
Actuarial cost method	Entry age	Entry age	Aggregate
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	*
Amortization period	32 years	32 years	
Amortization period (from date)	07-01-97	12-31-97	*
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

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

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 427,459	85%	\$ (194,915)
	06-30-04	360,001	114%	(243,876)
	06-30-05	437,164	127%	(264,091)
County Police Retirement Plan	12-31-03	300,746	91%	(107,283)
	12-31-04	347,385	104%	(122,847)
	12-31-05	382,116	108%	(153,963)
County Police Benefit Plan	12-31-03	26,620	100%	**
	12-31-04	26,623	100%	**
	12-31-05	25,008	100%	**

**Not applicable

BARTHOLOMEW 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 (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 8,099,283	\$ 7,650,240	\$ 449,043	106%	\$ 8,470,945	5%
07-01-04	8,215,050	8,069,034	146,016	102%	9,513,265	2%
07-01-05	8,575,837	9,243,897	(668,060)	93%	9,491,746	(7%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 4,521,943	\$ 4,521,943	-	100%	\$ 1,335,587	0%
01-01-02	4,627,081	4,627,081	-	100%	1,402,742	0%
01-01-03	4,731,914	4,731,914	-	100%	1,445,831	0%
01-01-04	4,982,385	4,982,385	-	100%	1,521,343	0%
01-01-05	5,368,632	5,368,632	-	100%	1,564,094	0%
01-01-06	6,177,440	6,177,440	-	100%	1,704,100	0%

BARTHOLOMEW 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, 2004

	Riverboat Wagering Tax	County Highway	County Health	Local Road and Street	Current Property Reassessment	2006 Property Reassessment	Accident Report
Receipts:							
Taxes	\$ -	\$ -	\$ 973,255	\$ -	\$ -	\$ 178,430	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	450,451	2,584,150	260,501	576,981	-	1,516	-
Charges for services	-	-	132,205	-	-	-	7,899
Other	-	21,852	6,275	36,063	574	10,093	-
Total receipts	450,451	2,606,003	1,372,235	613,044	574	190,039	7,899
Disbursements:							
General government	-	-	-	-	51,341	21,054	-
Public safety	-	-	-	-	-	-	8,602
Highways and streets	-	2,627,822	-	645,646	-	-	-
Health and welfare	-	-	1,220,946	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total disbursements	-	2,627,822	1,220,946	645,646	51,341	21,054	8,602
Excess (deficiency) of receipts over disbursements	450,451	(21,819)	151,289	(32,602)	(50,766)	168,985	(703)
Other financing sources (uses)							
Transfers in	-	-	-	-	19,749	266,112	-
Transfers out	(236,246)	-	-	-	(266,112)	(19,749)	-
Refund of state grant	-	-	-	-	-	-	-
Intergovernmental disbursements	(269,690)	-	-	-	-	-	-
Total other financing sources (uses)	(505,936)	-	-	-	(246,363)	246,363	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(55,486)	(21,819)	151,289	(32,602)	(297,129)	415,348	(703)
Cash and investment fund balance - beginning	181,265	765,638	404,370	856,200	313,787	342,705	2,421
Cash and investment fund balance - ending	\$ 125,779	\$ 743,819	\$ 555,659	\$ 823,598	\$ 16,658	\$ 758,053	\$ 1,718
Cash and Investment Assets - December 31							
Cash and investments	\$ 125,779	\$ -	\$ -	\$ -	\$ 16,658	\$ 758,053	\$ -
Restricted assets:							
Cash and investments	-	743,819	555,659	823,598	-	-	1,718
Total cash and investment assets - December 31	\$ 125,779	\$ 743,819	\$ 555,659	\$ 823,598	\$ 16,658	\$ 758,053	\$ 1,718
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	1,718
Highways and streets	-	743,819	-	823,598	-	-	-
Health and welfare	-	-	555,659	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	125,779	-	-	-	16,658	758,053	-
Total cash and investment fund balance - December 31	\$ 125,779	\$ 743,819	\$ 555,659	\$ 823,598	\$ 16,658	\$ 758,053	\$ 1,718

BARTHOLOMEW 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, 2004
 (Continued)

	Firearms Training	Election and Registration	Surveyor's Corner Perpetuation	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Recorder's Records Perpetuation	Local Health Maintenance
Receipts:							
Taxes	\$ -	\$ 85,253	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	-	723	-	-	-	-	30,000
Charges for services	4,130	-	16,055	256,960	11,195	104,092	-
Other	-	1,784	-	3,507	740	-	-
Total receipts	<u>4,130</u>	<u>87,759</u>	<u>16,055</u>	<u>260,467</u>	<u>11,935</u>	<u>104,092</u>	<u>30,000</u>
Disbursements:							
General government	-	138,830	18,782	-	-	93,142	-
Public safety	2,917	-	-	300,155	10,933	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	24,926
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total disbursements	<u>2,917</u>	<u>138,830</u>	<u>18,782</u>	<u>300,155</u>	<u>10,933</u>	<u>93,142</u>	<u>24,926</u>
Excess (deficiency) of receipts over disbursements	<u>1,213</u>	<u>(51,071)</u>	<u>(2,727)</u>	<u>(39,689)</u>	<u>1,003</u>	<u>10,950</u>	<u>5,074</u>
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Refund of state grant	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<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>1,213</u>	<u>(51,071)</u>	<u>(2,727)</u>	<u>(39,689)</u>	<u>1,003</u>	<u>10,950</u>	<u>5,074</u>
Cash and investment fund balance - beginning	<u>756</u>	<u>168,225</u>	<u>42,554</u>	<u>248,252</u>	<u>47,439</u>	<u>79,533</u>	<u>44,144</u>
Cash and investment fund balance - ending	<u>\$ 1,969</u>	<u>\$ 117,155</u>	<u>\$ 39,828</u>	<u>\$ 208,563</u>	<u>\$ 48,442</u>	<u>\$ 90,482</u>	<u>\$ 49,218</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>1,969</u>	<u>117,155</u>	<u>39,828</u>	<u>208,563</u>	<u>48,442</u>	<u>90,482</u>	<u>49,218</u>
Total cash and investment assets - December 31	<u>\$ 1,969</u>	<u>\$ 117,155</u>	<u>\$ 39,828</u>	<u>\$ 208,563</u>	<u>\$ 48,442</u>	<u>\$ 90,482</u>	<u>\$ 49,218</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ -	\$ 117,155	\$ 39,828	\$ -	\$ -	\$ 90,482	\$ -
Public safety	1,969	-	-	208,563	48,442	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	49,218
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 1,969</u>	<u>\$ 117,155</u>	<u>\$ 39,828</u>	<u>\$ 208,563</u>	<u>\$ 48,442</u>	<u>\$ 90,482</u>	<u>\$ 49,218</u>

BARTHOLOMEW 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, 2004
 (Continued)

	County Law Enforcement Continuing Education	County Hospital Care for the Indigent	Medical Assistance to Wards	Children With Special Health Care Needs	Children's Psychiatric Treatment Fund	Drainage Maintenance	Convention and Visitor's Bureau
Receipts:							
Taxes	\$ -	\$ 437,965	\$ 113,546	\$ 133,823	\$ 214,927	\$ -	\$ 801,348
Special assessments	-	-	-	-	-	69,570	-
Intergovernmental	-	-	-	-	1,826	-	-
Charges for services	5,000	-	-	-	-	-	-
Other	-	-	-	-	-	3,102	-
Total receipts	5,000	437,965	113,546	133,823	216,753	72,672	801,348
Disbursements:							
General government	-	-	-	-	-	176,244	790,000
Public safety	2,206	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	437,965	113,546	133,823	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total disbursements	2,206	437,965	113,546	133,823	-	176,244	790,000
Excess (deficiency) of receipts over disbursements	2,794	-	-	-	216,753	(103,573)	11,348
Other financing sources (uses)							
Transfers in	-	-	-	-	-	111,138	-
Transfers out	-	-	-	-	-	(15,109)	-
Refund of state grant	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	96,029	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,794	-	-	-	216,753	(7,544)	11,348
Cash and investment fund balance - beginning	73	-	-	-	-	263,999	131,611
Cash and investment fund balance - ending	\$ 2,867	\$ -	\$ -	\$ -	\$ 216,753	\$ 256,455	\$ 142,958
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	2,867	-	-	-	216,753	256,455	142,958
Total cash and investment assets - December 31	\$ 2,867	\$ -	\$ -	\$ -	\$ 216,753	\$ 256,455	\$ 142,958
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 256,455	\$ 142,958
Public safety	2,867	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	216,753	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 2,867	\$ -	\$ -	\$ -	\$ 216,753	\$ 256,455	\$ 142,958

BARTHOLOMEW 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, 2004
 (Continued)

	County Alcohol and Drug	Pretrial Diversion	Supplemental Public Defender Service	Park Board Nonreverting Operating	Tele- communications Nonreverting	Community Corrections Adult	Community Corrections Project Income
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	233,925	-
Charges for services	47,883	86,132	26,530	13,796	-	-	387,328
Other	554	-	-	1,182	67,567	-	2,646
Total receipts	48,438	86,132	26,530	14,978	67,567	233,925	389,975
Disbursements:							
General government	-	-	-	-	354,144	-	-
Public safety	66,777	62,601	-	-	-	195,564	414,722
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	259	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total disbursements	66,777	62,601	-	259	354,144	195,564	414,722
Excess (deficiency) of receipts over disbursements	(18,340)	23,531	26,530	14,719	(286,576)	38,361	(24,747)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	83,345
Transfers out	-	-	-	-	-	-	(49,425)
Refund of state grant	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	33,920
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(18,340)	23,531	26,530	14,719	(286,576)	38,361	9,172
Cash and investment fund balance - beginning	47,616	2,906	10,328	67,339	546,690	78,537	191,359
Cash and investment fund balance - ending	\$ 29,276	\$ 26,437	\$ 36,858	\$ 82,057	\$ 260,113	\$ 116,898	\$ 200,532
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	29,276	26,437	36,858	82,057	260,113	116,898	200,532
Total cash and investment assets - December 31	\$ 29,276	\$ 26,437	\$ 36,858	\$ 82,057	\$ 260,113	\$ 116,898	\$ 200,532
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 260,113	\$ -	\$ -
Public safety	29,276	26,437	36,858	-	-	116,898	200,532
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	82,057	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 29,276	\$ 26,437	\$ 36,858	\$ 82,057	\$ 260,113	\$ 116,898	\$ 200,532

BARTHOLOMEW 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, 2004
 (Continued)

	Community Corrections Juvenile	County Misdemeanant	Donations	Emergency Planning and Right to Know	Guardian Ad Litem/ CASA	Drug Enforcement	Emergency Telephone System
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	46,987	46,791	-	10,888	49,958	45,284	139,219
Charges for services	-	-	-	-	210	-	818,674
Other	-	-	20,905	-	-	-	7,762
Total receipts	46,987	46,791	20,905	10,888	50,168	45,284	965,656
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	44,561	41,098	2,093	2,059	-	24,990	980,801
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	16,289	-	50,168	-	-
Culture and recreation	-	-	1,842	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total disbursements	44,561	41,098	20,223	2,059	50,168	24,990	980,801
Excess (deficiency) of receipts over disbursements	2,426	5,693	681	8,828	-	20,295	(15,145)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Refund of state grant	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,426	5,693	681	8,828	-	20,295	(15,145)
Cash and investment fund balance - beginning	4,445	131,842	81,098	61,679	-	18,127	473,258
Cash and investment fund balance - ending	<u>\$ 6,871</u>	<u>\$ 137,535</u>	<u>\$ 81,779</u>	<u>\$ 70,508</u>	<u>\$ -</u>	<u>\$ 38,421</u>	<u>\$ 458,113</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ 137,535	\$ 81,779	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	6,871	-	-	70,508	-	38,421	458,113
Total cash and investment assets - December 31	\$ 6,871	\$ 137,535	\$ 81,779	\$ 70,508	\$ -	\$ 38,421	\$ 458,113
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	6,871	-	-	70,508	-	38,421	458,113
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	137,535	81,779	-	-	-	-
Total cash and investment fund balance - December 31	\$ 6,871	\$ 137,535	\$ 81,779	\$ 70,508	\$ -	\$ 38,421	\$ 458,113

BARTHOLOMEW 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, 2004
 (Continued)

	County Drug Free Community	Plat Book	Covered Bridge	Jail Inmate Medical Care	Sales Disclosure	CDBG Agency on Aging
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	1,250	-	-	-
Charges for services	60,104	1,392	-	23,025	15,502	-
Other	-	-	-	-	-	-
Total receipts	<u>60,104</u>	<u>1,392</u>	<u>1,250</u>	<u>23,025</u>	<u>15,502</u>	<u>-</u>
Disbursements:						
General government	-	1,260	-	-	17,054	-
Public safety	59,586	-	-	27,911	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	<u>59,586</u>	<u>1,260</u>	<u>-</u>	<u>27,911</u>	<u>17,054</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>517</u>	<u>132</u>	<u>1,250</u>	<u>(4,887)</u>	<u>(1,552)</u>	<u>-</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Refund of state grant	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
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>517</u>	<u>132</u>	<u>1,250</u>	<u>(4,887)</u>	<u>(1,552)</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>111,026</u>	<u>9,427</u>	<u>6,250</u>	<u>23,029</u>	<u>18,108</u>	<u>4,124</u>
Cash and investment fund balance - ending	<u>\$ 111,543</u>	<u>\$ 9,559</u>	<u>\$ 7,500</u>	<u>\$ 18,142</u>	<u>\$ 16,555</u>	<u>\$ 4,124</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ 9,559	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	111,543	-	7,500	18,142	16,555	4,124
Total cash and investment assets - December 31	<u>\$ 111,543</u>	<u>\$ 9,559</u>	<u>\$ 7,500</u>	<u>\$ 18,142</u>	<u>\$ 16,555</u>	<u>\$ 4,124</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 16,555	\$ 4,124
Public safety	111,543	-	-	18,142	-	-
Highways and streets	-	-	7,500	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	9,559	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 111,543</u>	<u>\$ 9,559</u>	<u>\$ 7,500</u>	<u>\$ 18,142</u>	<u>\$ 16,555</u>	<u>\$ 4,124</u>

BARTHOLOMEW 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, 2004
 (Continued)

	Tax Sale Fees	Jury Pay Supplement	Informal Adjustment	Community Television Grant	Community Transition Program	Juvenile Accountability Incentive Block Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	30,937
Charges for services	22,575	-	6,620	-	-	-
Other	-	-	-	-	-	-
Total receipts	22,575	-	6,620	-	-	30,937
Disbursements:						
General government	13,109	-	-	-	-	-
Public safety	-	-	-	-	2,840	35,984
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	13,109	-	-	-	2,840	35,984
Excess (deficiency) of receipts over disbursements	9,466	-	6,620	-	(2,840)	(5,046)
Other financing sources (uses)						
Transfers in	-	-	-	-	-	2,024
Transfers out	-	-	(2,024)	-	(83,345)	-
Refund of state grant	-	-	-	-	(25,860)	(1,387)
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(2,024)	-	(109,205)	637
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,466	-	4,596	-	(112,045)	(4,409)
Cash and investment fund balance - beginning	2,449	10,084	8,296	14,800	112,045	12,321
Cash and investment fund balance - ending	<u>\$ 11,915</u>	<u>\$ 10,084</u>	<u>\$ 12,892</u>	<u>\$ 14,800</u>	<u>\$ -</u>	<u>\$ 7,913</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ 14,800	\$ -	\$ -
Restricted assets:						
Cash and investments	11,915	10,084	12,892	-	-	7,913
Total cash and investment assets - December 31	\$ 11,915	\$ 10,084	\$ 12,892	\$ 14,800	\$ -	\$ 7,913
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ 11,915	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	10,084	12,892	-	-	7,913
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	14,800	-	-
Total cash and investment fund balance - December 31	\$ 11,915	\$ 10,084	\$ 12,892	\$ 14,800	\$ -	\$ 7,913

BARTHOLOMEW 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, 2004
 (Continued)

	Juvenile Accountability Incentive Block Grant City Match	Tobacco Master Settlement	Adult Protective Services Grant	Child Support Workforce	Juvenile Probation Administrative Fees	Adult Probation Administrative Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	53,237	70,457	-	-	-
Charges for services	-	-	-	-	9,571	54,654
Other	-	-	100	-	-	-
Total receipts	-	53,237	70,557	-	9,571	54,654
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	75,676	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	47,267	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	-	47,267	75,676	-	-	-
Excess (deficiency) of receipts over disbursements	-	5,970	(5,119)	-	9,571	54,654
Other financing sources (uses)						
Transfers in	-	-	-	20,425	-	-
Transfers out	-	-	-	-	-	-
Refund of state grant	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	20,425	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,970	(5,119)	20,425	9,571	54,654
Cash and investment fund balance - beginning	9	53,295	(6,204)	(20,425)	915	15,096
Cash and investment fund balance - ending	\$ 9	\$ 59,265	\$ (11,322)	\$ -	\$ 10,486	\$ 69,750
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ (11,322)	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	9	59,265	-	-	10,486	69,750
Total cash and investment assets - December 31	\$ 9	\$ 59,265	\$ (11,322)	\$ -	\$ 10,486	\$ 69,750
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	9	-	-	-	10,486	69,750
Highways and streets	-	-	-	-	-	-
Health and welfare	-	59,265	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	(11,322)	-	-	-
Total cash and investment fund balance - December 31	\$ 9	\$ 59,265	\$ (11,322)	\$ -	\$ 10,486	\$ 69,750

BARTHOLOMEW 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, 2004
 (Continued)

	State Street Corridor	Sheriff's Narcotics Investigations	Sheriff's Commissary	Bond Redemption	General Drain Improvement	Park Board Nonreverting Capital
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 1,212,513	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	18,000	-	-	10,303	-	-
Charges for services	-	-	134,597	-	-	-
Other	-	4,720	-	4,170	3,993	-
Total receipts	18,000	4,720	134,597	1,226,987	3,993	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	5,578	133,293	-	-	-
Highways and streets	18,000	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	672,439	-	-
Interest	-	-	-	31,561	-	-
Total disbursements	18,000	5,578	133,293	704,000	-	-
Excess (deficiency) of receipts over disbursements	-	(858)	1,303	522,987	3,993	-
Other financing sources (uses)						
Transfers in	-	-	-	-	15,109	-
Transfers out	-	-	-	-	(111,138)	-
Refund of state grant	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(96,029)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(858)	1,303	522,987	(92,036)	-
Cash and investment fund balance - beginning	-	1,414	8,956	27,221	300,676	7,105
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ 10,259</u>	<u>\$ 550,208</u>	<u>\$ 208,640</u>	<u>\$ 7,105</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	556	10,259	550,208	208,640	7,105
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ 10,259</u>	<u>\$ 550,208</u>	<u>\$ 208,640</u>	<u>\$ 7,105</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	556	10,259	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	550,208	-	-
Capital outlay	-	-	-	-	208,640	7,105
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ 10,259</u>	<u>\$ 550,208</u>	<u>\$ 208,640</u>	<u>\$ 7,105</u>

BARTHOLOMEW 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, 2004
 (Continued)

	Local Law Enforcement Block Grant	Terrorism Prevention	Homeland Security	County Medical Care	Clerk's Records Perpetuation	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,151,060
Special assessments	-	-	-	-	-	69,570
Intergovernmental	16,965	18,328	367,735	-	-	5,066,412
Charges for services	-	-	-	2,247	4,605	2,252,981
Other	-	-	-	-	-	197,591
Total receipts	16,965	18,328	367,735	2,247	4,605	11,737,613
Disbursements:						
General government	-	-	-	-	11,793	1,686,753
Public safety	16,965	18,328	264,872	6	-	2,801,119
Highways and streets	-	-	-	-	-	3,291,468
Health and welfare	-	-	-	-	-	2,044,930
Culture and recreation	-	-	-	-	-	2,101
Debt service:						
Principal	-	-	-	-	-	672,439
Interest	-	-	-	-	-	31,561
Total disbursements	16,965	18,328	264,872	6	11,793	10,530,371
Excess (deficiency) of receipts over disbursements	-	-	102,863	2,241	(7,188)	1,207,242
Other financing sources (uses)						
Transfers in	-	-	-	-	98,361	616,264
Transfers out	-	-	-	-	-	(783,149)
Refund of state grant	-	-	-	-	-	(27,247)
Intergovernmental disbursements	-	-	-	-	-	(269,690)
Total other financing sources (uses)	-	-	-	-	98,361	(463,822)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	102,863	2,241	91,173	743,420
Cash and investment fund balance - beginning	-	-	-	-	-	6,328,214
Cash and investment fund balance - ending	\$ -	\$ -	\$ 102,863	\$ 2,241	\$ 91,173	\$ 7,071,634
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 91,173	\$ 1,224,014
Restricted assets:						
Cash and investments	-	-	102,863	2,241	-	5,847,621
Total cash and investment assets - December 31	\$ -	\$ -	\$ 102,863	\$ 2,241	\$ 91,173	\$ 7,071,634
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 939,587
Public safety	-	-	102,863	2,241	-	1,604,211
Highways and streets	-	-	-	-	-	1,574,917
Health and welfare	-	-	-	-	-	880,895
Culture and recreation	-	-	-	-	-	82,057
Debt service	-	-	-	-	-	550,208
Capital outlay	-	-	-	-	-	215,745
Unrestricted	-	-	-	-	91,173	1,224,014
Total cash and investment fund balance - December 31	\$ -	\$ -	\$ 102,863	\$ 2,241	\$ 91,173	\$ 7,071,634

BARTHOLOMEW 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, 2004

	Employee Benefit Trust	Jail Inmate Trust Medical	Total
Operating receipts:			
Insurance contributions	\$ 2,976,800	\$ 350,792	\$ 3,327,592
Operating disbursements:			
Insurance disbursements	3,045,051	238,992	3,284,043
Other	11,701	-	11,701
Total operating disbursements	<u>3,056,752</u>	<u>238,992</u>	<u>3,295,744</u>
Excess (deficiency) of receipts over disbursements	(79,952)	111,800	31,848
Nonoperating receipts:			
Interest and investment receipts	1,687	17	1,704
Excess (deficiency) of receipts over disbursements and nonoperating receipts	(78,265)	111,817	33,552
Cash and investment fund balance - beginning	<u>86,434</u>	<u>(124,608)</u>	<u>(38,174)</u>
Cash and investment fund balance - ending	<u>\$ 8,169</u>	<u>\$ (12,791)</u>	<u>\$ (4,622)</u>
<u>Cash and Investment Assets - December 31</u>			
Cash with fiscal agent	<u>\$ 8,169</u>	<u>\$ (12,791)</u>	<u>\$ (4,622)</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
General government	\$ 8,169	\$ -	\$ 8,169
Unrestricted	<u>-</u>	<u>(12,791)</u>	<u>(12,791)</u>
Total cash and investment fund balance - December 31	<u>\$ 8,169</u>	<u>\$ (12,791)</u>	<u>\$ (4,622)</u>

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2004

	Edith Ross Memorial	Congressional Principal	Total
Additions:			
Investment earnings:			
Interest	\$ 91	\$ -	\$ 91
Cash and investment fund balance - beginning	5,905	57,907	63,812
Cash and investment fund balance - ending	\$ 5,996	\$ 57,907	\$ 63,903

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2004

	State Welfare Excise	Tax Sale Redemption	Tax Sale Surplus	Court Fees	Inheritance Tax	Surplus Tax	Surplus Dog Tax
Additions:							
Agency fund additions	\$ 57,031	\$ 62,260	\$ 1,101,883	\$ 335,203	\$ 1,485,183	\$ 141,047	\$ 1,115
Deductions:							
Agency fund deductions	<u>57,031</u>	<u>34,266</u>	<u>344,051</u>	<u>352,938</u>	<u>1,548,151</u>	<u>152,455</u>	<u>1,095</u>
Excess (deficiency) of total additions over total deductions	-	27,994	757,832	(17,735)	(62,968)	(11,408)	20
Cash and investment fund balance - beginning	<u>-</u>	<u>2,542</u>	<u>32,460</u>	<u>19,474</u>	<u>317,386</u>	<u>132,902</u>	<u>1</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 30,536</u>	<u>\$ 790,292</u>	<u>\$ 1,739</u>	<u>\$ 254,418</u>	<u>\$ 121,494</u>	<u>\$ 21</u>

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Congressional Interest	Coroner's Training and Continuing Education	Tax Distributions	Payroll Withholdings	County Payroll	Welfare Trust	Delinquent Sewage Collections
Additions:							
Agency fund additions	\$ 878	\$ 6,188	\$ 103,861,338	\$ 8,511,142	\$ 11,800,633	\$ 8,702	\$ 69,712
Deductions:							
Agency fund deductions	<u>4,633</u>	<u>6,515</u>	<u>103,861,338</u>	<u>8,511,142</u>	<u>11,800,633</u>	<u>7,727</u>	<u>69,722</u>
Excess (deficiency) of total additions over total deductions	(3,754)	(327)	-	-	-	975	(10)
Cash and investment fund balance - beginning	<u>38,927</u>	<u>327</u>	-	-	-	<u>14,285</u>	<u>10</u>
Cash and investment fund balance - ending	<u>\$ 35,173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,260</u>	<u>\$ 0</u>

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Law Enforcement Continuing Education	City/Town Court Costs	City Electrical Licenses	County Adjusted Gross Income Tax	Commercial Vehicle Excise Tax Distribution	County User Fee	State Sales Disclosure Fee
Additions:							
Agency fund additions	\$ 6,822	\$ 29,708	\$ 6,925	\$ 13,503,190	\$ 571,378	\$ 184,880	\$ 3,873
Deductions:							
Agency fund deductions	<u>6,822</u>	<u>44,270</u>	<u>19,795</u>	<u>13,503,190</u>	<u>571,378</u>	<u>152,457</u>	<u>4,028</u>
Excess (deficiency) of total additions over total deductions	-	(14,563)	(12,870)	-	-	32,423	(154)
Cash and investment fund balance - beginning	<u>-</u>	<u>44,270</u>	<u>13,362</u>	<u>-</u>	<u>-</u>	<u>365,755</u>	<u>180</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 29,707</u>	<u>\$ 492</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,178</u>	<u>\$ 26</u>

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Financial Institution Tax Distributions	Education Plate Fee	Additional Judgment Excise	Probation Interstate Compact Fee	County Recorder	County Health Department	County Sheriff
Additions:							
Agency fund additions	\$ 288,651	\$ 3,544	\$ -	\$ 751	\$ 378,253	\$ 142,004	\$ 2,889,153
Deductions:							
Agency fund deductions	<u>288,651</u>	<u>3,544</u>	<u>-</u>	<u>826</u>	<u>386,007</u>	<u>151,859</u>	<u>2,892,019</u>
Excess (deficiency) of total additions over total deductions	-	-	-	(75)	(7,754)	(9,855)	(2,866)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>37</u>	<u>75</u>	<u>35,325</u>	<u>44,543</u>	<u>6,066</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 27,571</u>	<u>\$ 34,688</u>	<u>\$ 3,200</u>

BARTHOLOMEW COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Sheriff's Inmate Trust	Department of Code Enforcement	County Treasurer	Clerk of the Circuit Court	County Park Board	Total
Additions:						
Agency fund additions	\$ 322,970	\$ 256,302	\$ 124,909,532	\$ 17,533,978	\$ 10,761	\$ 288,484,990
Deductions:						
Agency fund deductions	<u>321,454</u>	<u>262,750</u>	<u>124,669,723</u>	<u>18,159,123</u>	<u>10,761</u>	<u>288,200,353</u>
Excess (deficiency) of total additions over total deductions	1,517	(6,448)	239,809	(625,145)	-	284,637
Cash and investment fund balance - beginning	<u>2,955</u>	<u>6,548</u>	<u>872,134</u>	<u>2,207,632</u>	<u>1</u>	<u>4,157,197</u>
Cash and investment fund balance - ending	<u>\$ 4,472</u>	<u>\$ 100</u>	<u>\$ 1,111,943</u>	<u>\$ 1,582,487</u>	<u>\$ 1</u>	<u>\$ 4,441,834</u>

BARTHOLOMEW COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
Board of County Commissioners

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

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

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

TO: THE OFFICIALS OF BARTHOLOMEW COUNTY, INDIANA

Compliance

We have audited the compliance of the Bartholomew 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, 2004. 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, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2004-1 and 2004-2.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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)

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2004-1 and 2004-2.

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 the 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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

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

August 24, 2006

BARTHOLOMEW COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2004

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	FY 2004	\$ 10,466
National School Lunch Program	10.555	FY 2004	<u>16,941</u>
Total for cluster			<u>27,407</u>
Pass-Through Indiana Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		
FY 2004 Contract		WIC 102-1	147,681
FY 2005 Contract		WIC 102-1	<u>52,457</u>
Total for program			<u>200,138</u>
Total for federal grantor agency			<u>227,545</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Department of Commerce			
Community Development Block Grants/State's Program	14.228		
Planning		PL -02-024	<u>18,000</u>
Total for federal grantor agency			<u>18,000</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grants			
Local Law Enforcement Block Grants Program	16.592	FY 2004	<u>8,145</u>
Bulletproof Vest Partnership Program	16.607	FY 2004	<u>8,820</u>
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grants	16.523		
Aftercare/Community Liaison Officer		02-JB-004	23,477
Aftercare/Community Liaison Officer		03-JB-002	<u>8,073</u>
Total for program			<u>31,550</u>
Crime Victim Assistance	16.575		
Court Appointed Special Advocates		03VA011	18,434
Court Appointed Special Advocates		04VA021	19,092
Victim Assistance Program		03VA012	10,675
Victim Assistance Program		04VA023	<u>10,675</u>
Total for program			<u>58,876</u>
Total for federal grantor agency			<u>107,391</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
Bridge Inspection 2002		BR-NBIS (470)	<u>30,760</u>
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
State and Community Highway Safety	20.600		
Operation Pull Over		OP-04-02--03-05	7,407
Operation Pull Over		OP-05-02-03-05	2,832
Traffic Safety Equipment		154A1 04-04-04-01	<u>2,943</u>
Total for cluster			<u>13,182</u>
Total for federal grantor agency			<u>43,942</u>

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

BARTHOLOMEW COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2004
(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 Family and Social Services Administration Special Programs for the Aging-Title III, Part G - Prevention of Abuse, Neglect, and Exploitation of Older Individuals Adult Protective Services Agreement	93.041	03-04-OV-1013-01	75,561
Pass-Through Indiana State Department of Health Centers for Disease Control and Prevention - Investigations and Technical Assistance Bioterrorism Preparedness and Response	93.283	BPRS A04-SNS-3 BPRS A-03 BPRS 04A-23 BPRS 102-3 BPRS 102-4	4,200 18,483 10,800 10,600 11,599
Total for program			<u>55,682</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement County Prosecutor's Expenditures County Clerk's Expenditures Collection Incentives Indirect Costs	93.563	FY 2004 FY 2004 FY 2004 FY 2004	229,594 31,951 57,562 49,539
Total for program			<u>368,646</u>
Total for federal grantor agency			<u>499,889</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Homeland Security Grant Cluster Homeland Security Grant Program First Responder Equipment Part 1 First Responder Equipment Part 2	97.004	FY 2004 FY 2004	54,714 29,656
Homeland Security FY 2004 Project Hoosier SAFE-T Terrorism Prevention FY 2004		FY 2004 FY 2004 FY 2004	101,672 78,830 18,328
Total for program			<u>283,200</u>
Emergency Management Performance Grants FY 2004 FY 2005	97.042	FY 2004 C44P-6-024	28,484 7,457
Total for program			<u>35,941</u>
Total for cluster			<u>319,141</u>
Total for federal grantor agency			<u>319,141</u>
Total federal awards expended			<u>\$ 1,233,908</u>

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

BARTHOLOMEW 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 Bartholomew 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, 2004:

Program Title	Federal CFDA Number	Amount
Crime Victim Assistance	16.575	\$ 37,526

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	yes

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
----------------	------------------------------------

Homeland Security Grant Cluster

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

No matters are reportable.

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

Finding 2004-1, HOMELAND SECURITY GRANT PROGRAM
CLUSTER, CASH MANAGEMENT-INTEREST NOT REMITTED

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Numbers: 97.004
Federal Award No.: FY 2004
Pass-Through Entity: Indiana Department of Homeland Security

Advances of sub-grant funds were deposited in an interest bearing account. However, the County has not separately accounted for and remitted interest earned on the advances from the time of deposit until expenditure. In some instances, funds were held for 17 months prior to being expended. Using the interest rates actually paid on the account the funds were deposited in, we estimate that interest of \$1,557 was earned during the year 2004.

The County has not implemented adequate internal accounting control procedures to ensure that interest earned on advances of sub-grant funds is properly accounted for and remitted. As a result, the County has retained interest earned in excess of \$100 per fiscal year on federal grant program funds.

The grant agreements state as follows: "The County will separately account for interest earned on sub-grant funds, and pursuant to 28 CFR 66.21(i), shall promptly, but at least quarterly, remit interest earned to the Department for Homeland Security-Office for Domestic Preparedness. The County may keep interest earned on federal grant funds up to \$100 per federal fiscal year. This maximum limit is not an award, it is inclusive of all interest earned as a result of all federal grant program funds received per federal fiscal year."

We recommended that the interest earned on the federal grant program funds in excess of \$100 for 2004 be remitted to the Indiana Department of Homeland Security. The County should adopt internal accounting control procedures to ensure the proper accounting for interest earned on advances of federal grant program funds.

Finding 2004-2, HOMELAND SECURITY GRANT PROGRAM CLUSTER, REPORTING

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Numbers: 97.042 and 97.004
Federal Award No.: FY 2004 and C44P-6-024
Pass-Through Entity: Indiana Department of Homeland Security

The County did not file the reports required by the grant agreements with the State pass-through agency. Quarterly reports are required for grants awarded under the Emergency Management Performance Grants (EMPG) Program, CFDA 97.042. Semiannual reports are required for grants awarded under the Homeland Security Grant Program (HSGP), CFDA 97.004.

The reports were not filed because the County has not implemented adequate internal control procedures to ensure the timely filing of grant reports to the State pass-through agency, and the State pass-through agency did not notify the County when reports were not received by the due dates. Without the reports the State pass-through agency could not properly monitor the grant cash balances, expenditures, budget compliance, interest earnings, and etc., for the various projects.

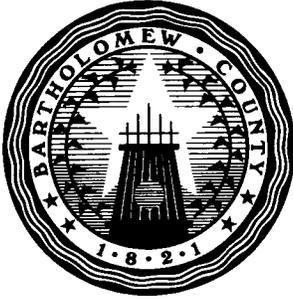
BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The County's duties and responsibilities section of the HSGP grant agreement states in part: "The County shall submit to the State semi-annual reports . . ." The Sub-grantee's duties and responsibilities section of the EMPG grant agreement states in part: "The Sub-grantee shall submit to the State quarterly reports . . ."

The County should implement internal control procedures which will ensure that required grant reports are filed in a timely manner for current and future grant projects.

BARTHOLOMEW COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.



Bartholomew County Emergency Management

Emergency Operation Center
131 S. Cherry Street
Columbus, Indiana 47201
812-379-1680 Fax 812-378-3303

August 22, 2006

Ms. Tammy White
Supervisor of Counties
State of Indiana
State Board of Accounts
Audit & Accounting Operations
402 West Washington St., E418
Indianapolis, IN 46207

**RE: Homeland Security Grant Program Cluster, Interest Not Remitted –
CFDA 97-004 and 16.007**

Dear Ms. White:

This letter is in response to the finding listed above.

Our office was aware of the contract clause that stated that any earned interest on the sub grants above \$100.00 should be returned to the Department for Homeland Security, Office for Domestic Preparedness.

During this time period the Indiana Department of Homeland Security never inquired about interest on the grant(s). Excess interest was not tracked nor mentioned during our final close out with the state on these grants. If the Indiana Department of Homeland Security requests remittance of this additional interest, Bartholomew County will comply.

This interest accrued was due to several verbal extensions of these grants. The extensions were verbally granted based on equipment availability or equipment that was on backorder. Vanessa Higgins, Larry Copley, and Caitlin Intermill granted the extension requests. Ms. Higgins granted the majority of the extensions.

Corrective Actions by Bartholomew County Emergency Management

There is little need for Bartholomew County to implement a Corrective Actions Program. On July 12, 2006 our office attended a grants workshop hosted by the Indiana Department of Homeland Security.

At this meeting a manual was given to each county. This manual entitled **Grants Management Policies and Procedures Guidebook** outlines the entire grant process NOW in use in Indiana. All of the issues outlined in your agency's findings

are now fully addressed by IDHS. The manual starts with Sub-grantee Application and Award Process thru Closeout.

One of the most important issues now addressed is monitoring. The new policy states that the Grants Management Branch will conduct at least one monitoring visit each year.

The entire grant process is on-line with IDHS. This new process will ensure that all counties will be fully compliant with the deadlines and other requirements as stated in the original sub-grant award(s).

Verbal requests for any reason will not be accepted. Verbal responses from IDHS will not be allowed.

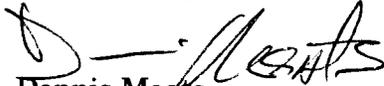
IDHS has now implemented policies and procedures for Advance of Funds. Advance of Funds options will be granted only in extreme county hardship cases. IDHS is now only reimbursing counties for authorized expenditures. Verification of sub-grantee expenditures are now required. This process will fully eliminate the county from earning any interest from the grant.

I have included the monitoring report forms that IDHS will use.

I believe that it is obvious that for the first three (3) years of the Homeland Security Grants that there was little monitoring from the state. The new policies and procedures guidebook is designed to eliminate these issues before a State Board of Accounts audit issues a finding against a county.

I trust this information is helpful. If you have any questions please contact our office at your convenience.

Submitted by,



Dennis Moats
Director

c.c. Nancy McKinney, Auditor, Bartholomew County

Enc.

**INDIANA DEPARTMENT OF HOMELAND SECURITY (IDHS)
GRANTS MANAGEMENT BRANCH**

INSTRUCTIONS FOR MONITORING

The Grants Management Branch will conduct at least one monitoring visit on each sub-grantee each year. Monitoring visits will be grant specific and will either be conducted via telephone (desk monitoring) or in person (onsite monitoring). Monitoring visits may be programmatic, financial or both programmatic and financial in nature.

PURPOSE: Monitoring visits allow the Grants Management Branch to track sub-grantees' progress and identify areas that need attention.

FORMAT: The Grants Management Branch will use the same form for all sub-grantees. However, it may not be necessary to answer all questions for each sub-grantee. The Grants Management Branch will complete the monitoring report based on the scope of the visit (programmatic, financial or both) and the sub-grantee's specific use of the grant funds.

SCHEDULING: The Grants Management Branch will schedule monitoring visits in advance to ensure that each sub-grantee is properly prepared. It may be necessary to have your financial officer available during these visits.

DESK MONITORING: These monitoring visits will be conducted via telephone by a member of the Grants Management Branch. In addition, your field coordinator and other IDHS staff may be present during desk monitoring.

ONSITE MONITORING: IDHS staff will conduct onsite monitoring visits. These will be more in-depth and sub-grantees should be prepared to show IDHS staff equipment purchased as well as answer grant specific programmatic and financial questions.

INDIANA DEPARTMENT OF HOMELAND SECURITY

GRANTS MANAGEMENT BRANCH

Monitoring Report Form

On-Site Monitoring Review for Grant No. _____

Onsite Monitoring Type: ___ Programmatic Only ___ Financial Only ___ Programmatic and Financial
Desk Monitoring Type: ___ Programmatic Only ___ Financial Only ___ Programmatic and Financial

Section I: GRANT INFORMATION

Grant No.: _____ Date Monitored: _____

SHSP Grant Award: _____
LETTP Grant Award: _____

Subgrantee: _____
Implementing Agency

Mailing Address

Project Title: _____

Federal Amount: \$ _____ Cash Match: \$ N/A
_____ % _____ %

Award Date: _____ Grant Period: _____

Homeland Security Staff:

Table with 2 columns: Name, Title. Three rows for staff information.

Table with 3 columns: Subgrantee Staff Interviewed, Title, Office/Department. Large empty box for data entry.

Brief Description of Project:

HOMELAND SECURITY GRANTS ADMINISTRATION

Section II: PROGRAMMATIC MANAGEMENT REVIEW**A. Review of Fulfillment of Specific Objectives:**

What is the current status towards fulfilling the project's objectives? List and describe the current status of each Objective and list the Performance Indicator Data reviewed.

Objective #_#:

Current status:

Performance Indicator Data Reviewed:

Objective 2:

Current status:

Performance Indicator Data Reviewed:

Objective 3:

Current status:

Performance
Indicator Data
Reviewed:

HOMELAND SECURITY GRANTS ADMINISTRATION

Objective 4:

Current status:

Performance
Indicator Data
Reviewed:

Objective 5:

Current status:

Performance
Indicator Data
Reviewed:

Objective 6:

Current status:

Performance
Indicator Data
Reviewed:

HOMELAND SECURITY GRANTS ADMINISTRATION

Objective 7:

Current status:

Performance
Indicator Data
Reviewed:

B. General Project Review:

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Does the project need technical assistance? If yes, explain.	—	—	—
2. Have programmatic modifications been made since the date of award? If yes, explain.	—	—	—
3. Have required personnel been hired? Provide name, position and date of hire. If no, explain.	—	—	—
4. Have all Grant Special Conditions been cleared? If no, explain.	—	—	—

5. Have all Progress Reports been submitted in a timely manner? If no, explain.

HOMELAND SECURITY GRANTS ADMINISTRATION

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
6. Has the project met the 90-day start up requirement?	_____	_____	_____
7. Are the project activities listed on the Implementation Schedule being performed according to schedule?	_____	_____	_____
8. Is the equipment purchased through the project being utilized as approved?	_____	_____	_____

Comments:

C. Problems/Recommendations/Strategies for Improvement:

D. Summary Comments (Include summary statement of programmatic findings and actions taken relating to project improvement and modification):

HOMELAND SECURITY GRANTS ADMINISTRATION

Section III: FINANCIAL MANAGEMENT REVIEW

A. Subgrantee Grant File Review:

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Does the Subgrantee maintain a grant fiscal file that includes the following:			
a. Approved Grant Application and signed Grant Award:	___	___	___
b. Grant Budget Revisions:	___	___	___
c. Special Conditions:	___	___	___
d. Other related correspondence:	___	___	___
e. Grant Terms and Conditions—EEOP/Civil Rights Legislation	___	___	___

Comments:

B. Grant Budget Categories:

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Personnel:			
a. Are personnel funded under this grant?	___	___	___
b. Is there a written job description on file?	___	___	___
c. Is there any other source of funding for this employee?	___	___	___
d. Are time sheet records maintained?	___	___	___
e. Is employee paid hourly?	___	___	___
f. Has the subgrantee certified that no federal funds are being used to supplant?	___	___	___

Comments:

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Contractual Services:			
a. Is there a line item for Contractual Services?	___	___	___
b. Is there an executed contract on file?	___	___	___
c. Was the contract reviewed and approved by the SAA prior to execution?	___	___	___
d. Is the bid solicitation/tabulation on file?	___	___	___
e. If individual consultants have been employed, is there a resume on file?	___	___	___

Comments:

HOMELAND SECURITY GRANTS ADMINISTRATION

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|------------|-----------|------------|
| 3. Travel: Are mileage logs properly maintained? | _____ | _____ | _____ |
| RFP#: _____ Month of: _____ Total Miles Claimed for Month: _____ | | | |
| # of Miles shown on Mileage Log: _____ | | | |
| RFP#: _____ Month of: _____ Total Miles Claimed for Month: _____ | | | |
| # of Miles shown on Mileage Log: _____ | | | |
| RFP#: _____ Month of: _____ Total Miles Claimed for Month: _____ | | | |
| # of Miles shown on Mileage Log: _____ | | | |
| RFP#: _____ Month of: _____ Total Miles Claimed for Month: _____ | | | |
| # of Miles shown on Mileage Log: _____ | | | |

Comments:

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|------------|-----------|------------|
| 4. Equipment: | | | |
| a. Was equipment purchased through proper bidding procedures? | _____ | _____ | _____ |
| b. Has a Property Control Form been completed & submitted to the IDHS? | _____ | _____ | _____ |
| c. Are detailed inventory records maintained on equipment purchased with grant funds? If no, explain. | _____ | _____ | _____ |
| d. Has the ADP Special Condition regarding computer hardware/software (FY 99-05) been cleared by IDHS? | _____ | _____ | _____ |

Comments:

HOMELAND SECURITY GRANTS ADMINISTRATION

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|---|------------|-----------|------------|
| 5. Other: | | | |
| a. Indirect Cost (State Agencies): Is an approved indirect cost plan on file? | --- | --- | --- |
| b. Were purchases made through proper bidding procedures? | --- | --- | --- |

Comments:

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|------------|-----------|------------|
| 6. Program Income: Has the project generated income? | --- | --- | --- |

Comments:

C. Accounting Records:

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|---|------------|-----------|------------|
| 1. Does the Subgrantee have a procedure to balance the general ledger with the bank statement each month? | --- | --- | --- |
| 2. Do the accounting entries in the ledger(s) include references and cross references? | --- | --- | --- |
| 3. Does the accounting system identify and trace expenditures reimbursed with Federal dollars? | --- | --- | --- |
| 4. Does the Subgrantee have an accounting system in place which would | | | |

HOMELAND SECURITY GRANTS ADMINISTRATION

APPENDIX A

RFP#: _____ Date Reimbursement Received by Subgrantee: _____

Amount: _____

Date Deposited & Bank Name: _____

1. Paid To: _____ Date: _____

Amount: \$ _____ Check# _____ Invoice marked Paid? _____

Does Invoice Amount agree with Check Amount? _____ Yes _____ No

Was there an Authorization for Payment of invoice? _____ Yes _____ No

Any "No" response, explain:

2. Paid To: _____ Date: _____

Amount: \$ _____ Check# _____ Invoice marked Paid? _____

Does Invoice Amount agree with Check Amount? _____ Yes _____ No

Was there an Authorization for Payment of invoice? _____ Yes _____ No

Any "No" response, explain:

3. Paid To: _____ Date: _____

Amount: \$ _____ Check# _____ Invoice marked Paid? _____

Does Invoice Amount agree with Check Amount? _____ Yes _____ No

Was there an Authorization for Payment of invoice? Yes No

Any "No" response, explain:

HOMELAND SECURITY GRANTS ADMINISTRATION

4. Paid To: _____ Date: _____

Amount: \$ _____ Check# _____ Invoice marked Paid? _____

Does Invoice Amount agree with Check Amount? Yes No

Was there an Authorization for Payment of invoice? Yes No

Any "No" response, explain:

Items Inventoried:

Dennis Moats

From: Walden-James, Sy [swalden@dhs.in.gov]

Sent: Wednesday, August 23, 2006 1:00 PM

To: Adams-Karla Marback; Hendricks-Lise' Crouch; Howard-Delmo Lynch; Johnson-Stephanie Sighting; Marion-Elizabeth Allison; Shelby-Tom Debaun; Vanderburgh-Mary Arnold; Adams; Allen; Dennis Moats; Benton; Blackford; Boone; Brown; Carroll; Cass; Clark; Clay; Clinton; Crawford; Daviess; Dearborn; Decatur; Dekalb; Delaware; Dubois; Elkhart; Fayette; Floyd; Fountain; Franklin; Fulton; Gibson; Grant; Greene; Hamilton; Hancock; Harrison; Hendricks; Henry; Howard; Huntington; Jackosn; Jasper; Jay; Jefferson; Jennings; Johnson; Knox; Kosciusko; LaGrange; Lake; LaPorte; Lawrence; Madison; Marion; Marshall; Martin; Miami; Monroe; Montgomery; Morgan; Newton; Noble; Ohio; Orange; Owen; Parke; Perry; Pike; Porter; Posey; Pulaski; Putnam; Randolph Co EMA Director; Ripley; Rush; Scott; Shelby; Spencer; St. Joseph; Starke; Steuben; Sullivan; Switzerland; Tippecanoe; Tipton; Union; Vanderburgh; Vermillion; Vigo; Wabash; Warren; Warrick; Washington Co. - CVSO; Wayne; Wells; White; Whitley

Subject: Grant Monitoring

Date: 23 August 2006
TO: All EMA Directors
FROM: Sy
RE: Grant Monitoring

As discussed at the July 12th Workshop and as presented in Section 9 of the IDHS Grants Management Guidebook, the IDHS Grants Management Branch is instituting a monitoring program for all US DHS grants.

Completion of the attached form is the first step in the monitoring process. Please print and complete this form to report all federal grant funding on hand. Be certain to report all US DHS funding including 2002, 2003, 2003 Part 2, 2004 and 2005 which currently resides at the county level and has not been expended.

The forms are due back to IDHS no later than September 25, 2006.

They should be mailed to:
Indiana Department of Homeland Security
Attn: Sy Walden-James
302 West Washington St, Rm E220
Indianapolis, IN 46204

If you have any questions, please contact your field coordinator.

Sy Walden-James
Grants Co-ordinator
317.234.2583



IDHS Grants Management Branch Desktop Grant Funds Monitoring

County: _____ Preparer: _____

<u>Grant Year</u>		<u>Amount</u>
2002		\$ _____
2003	Part I	\$ _____
	Part II	\$ _____
	Part II - Masks	\$ _____
	Part II - PHS	\$ _____
2004	SHSP	\$ _____
	LETPP	\$ _____
	LETPP-Border	\$ _____
	UASI	\$ _____
2005	SHSP	\$ _____
	LETPP	\$ _____
	LETPP-Border	\$ _____
	UASI	\$ _____

EMA Director (Signature)

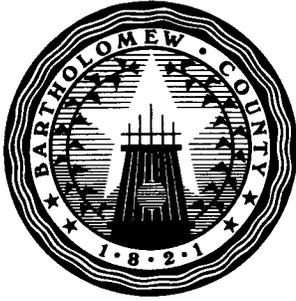
Auditor (Signature)

EMA Director (Printed)

Auditor (Printed)

Date

Date



Bartholomew County Emergency Management

Emergency Operation Center
131 S. Cherry Street
Columbus, Indiana 47201
812-379-1680 Fax 812-378-3303

August 24, 2006

Ms. Tammy White
Supervisor of Counties
State of Indiana
State Board of Accounts
Audit & Accounting Operations
402 West Washington St., E418
Indianapolis, IN 46207

RE: Homeland Security Grant Program Cluster - Reporting

Dear Ms. White:

This letter is in response to the finding listed above.

Our office was aware of the quarterly reporting requirement. Various reports, spreadsheets and auditor's printouts were forwarded to the state at various times. At no time did the former Indiana State Emergency Management Agency notify the county that we were past due. On several occasions this issue was addressed that "the quarterly reporting clause is required for the state to report" and not to worry about it. The grants management section of the Indiana State Emergency Management Agency at the time consisted of Les Miller, Andy O'Leary and Larry Copley.

In SEMA's Executive Summary it is stated "Streamline state program requirements to minimize the administrative burden on state and local first responders, reduce delivery time of equipment or funds, and maximize the effectiveness of homeland security programs."

In summary our office was verbally told several times that the reports, invoices, spreadsheets, etc. were enough.

Corrective Actions by Bartholomew County Emergency Management

I have attached a form that was emailed to our office yesterday. You will read that IDHS has finally adopted a "cradle to grave" grants management tracking system. With the new policies and procedures NOW in place for future grants I believe that this issue is resolved.

There is little need for Bartholomew County to implement a Corrective Actions Program. On July 12, 2006 our office attended a grants workshop hosted by the Indiana Department of Homeland Security.

At this meeting a manual was given to each county. This manual entitled **Grants Management Policies and Procedures Guidebook** outlines the entire grant process NOW in use in Indiana. All of the issues outlined in your agency's findings are now fully addressed by IDHS. The manual starts with Sub-grantee Application and Award Process thru Closeout.

One of the most important issues now addressed is monitoring. The new policy states that the Grants Management Branch will conduct at least one monitoring visit each year.

The entire grant process is on-line with IDHS. This new process will ensure that all counties will be fully compliant with the deadlines and other requirements as stated in the original sub-grant award(s).

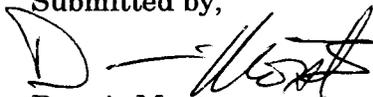
Verbal requests for any reason will not be accepted. Verbal responses from IDHS will not be allowed.

IDHS has now implemented policies and procedures for Advance of Funds. Advance of Funds options will be granted only in extreme county hardship cases. IDHS is now only reimbursing counties for authorized expenditures. Verification of sub-grantee expenditures are now required. This process will fully eliminate the county from earning any interest from the grant.

I believe that it is obvious that for the first three (3) years of the Homeland Security Grants that there was little monitoring from the state. The new policies and procedures guidebook is designed to eliminate these issues before a State Board of Accounts audit issues a finding against a county.

I trust this information is helpful. If you have any questions please contact our office at your convenience.

Submitted by,



Dennis Moats
Director

c.c. Nancy McKinney, Auditor, Bartholomew County

Enc.

Dennis Moats

From: Walden-James, Sy [swalden@dhs.in.gov]

Sent: Wednesday, August 23, 2006 1:00 PM

To: Adams-Karla Marback; Hendricks-Lise' Crouch; Howard-Delmo Lynch; Johnson-Stephanie Sichtung; Marion-Elizabeth Allison; Shelby-Tom Debaun; Vanderburgh-Mary Arnold; Adams; Allen; Dennis Moats; Benton; Blackford; Boone; Brown; Carroll; Cass; Clark; Clay; Clinton; Crawford; Daviess; Dearborn; Decatur; DeKalb; Delaware; Dubois; Elkhart; Fayette; Floyd; Fountain; Franklin; Fulton; Gibson; Grant; Greene; Hamilton; Hancock; Harrison; Hendricks; Henry; Howard; Huntington; Jackosn; Jasper; Jay; Jefferson; Jennings; Johnson; Knox; Kosciusko; LaGrange; Lake; LaPorte; Lawrence; Madison; Marion; Marshall; Martin; Miami; Monroe; Montgomery; Morgan; Newton; Noble; Ohio; Orange; Owen; Parke; Perry; Pike; Porter; Posey; Pulaski; Putnam; Randolph Co EMA Director; Ripley; Rush; Scott; Shelby; Spencer; St. Joseph; Starke; Steuben; Sullivan; Switzerland; Tippecanoe; Tipton; Union; Vanderburgh; Vermillion; Vigo; Wabash; Warren; Warrick; Washington Co. - CVSO; Wayne; Wells; White; Whitley

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LETTP	\$ _____
LETTP-Border	\$ _____
UASI	\$ _____

EMA Director (Signature)

Auditor (Signature)

EMA Director (Printed)

Auditor (Printed)

Date

Date

BARTHOLOMEW COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2006, with Larry Kleinhenz, President of the Board of County Commissioners; and Nancy McKinney, Auditor.