

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

ANNUAL FINANCIAL REPORT

2005

DECATUR COUNTY, INDIANA



FILED
12/15/2006

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Bridgett Weber	01-01-05 to 12-31-08
Treasurer	Rita Burkert	01-01-05 to 12-31-08
Clerk	Tami D. Wenning	01-01-04 to 12-31-07
Sheriff	Daryl Templeton	01-01-03 to 12-31-06
Recorder	Mary Vail	01-01-04 to 12-31-07
President of the Board of County Commissioners	Charles Buell Jerome Buening	01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the County Council	Ernest J. Gauck	01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF DECATUR COUNTY, INDIANA

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

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

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

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, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2005, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated October 31, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

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

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

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

STATE BOARD OF ACCOUNTS

October 31, 2006



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

TO: THE OFFICIALS OF DECATUR COUNTY, INDIANA

We have audited the financial statements of Decatur County (County), as of and for the year ended December 31, 2005, and have issued our report thereon dated October 31, 2006. The opinion on the financial statements was qualified due to the omission of component units which results in incomplete presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

We noted other matters involving the internal control over financial reporting that we have discussed with the management of the County on October 31, 2006. These immaterial instances of noncompliance 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

October 31, 2006

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

Functions/Programs	Disbursements	Program Receipts			Net (Disbursement) Receipt and Changes in Net Assets
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Primary government:					
Governmental activities:					
General government	\$ 7,931,611	\$ 350,169	\$ 24,999	\$ -	\$ (7,556,443)
Public safety	2,536,679	1,014,568	15,192	32,020	(1,474,899)
Highways and streets	2,633,710	-	28,209	57,284	(2,548,217)
Sanitation	1,212	-	-	-	(1,212)
Health and welfare	2,054,947	95,441	540,515	-	(1,418,991)
Economic development	50,000	-	-	-	(50,000)
Culture and recreation	482,037	76,071	4,799	-	(401,167)
Interest on long-term debt	394,642	-	-	-	(394,642)
	<u>\$ 16,084,838</u>	<u>\$ 1,536,249</u>	<u>\$ 613,714</u>	<u>\$ 89,304</u>	<u>(13,845,571)</u>
Total primary government					
General receipts:					
Property taxes					7,154,636
County option income tax					1,451,435
Other taxes					3,559,035
Intergovernmental revenue					2,473,945
Fines and forfeits					236,681
Licenses and permits					2,290
Other local sources					1,192,201
Unrestricted investment earnings					462,485
					<u>16,532,708</u>
					Change in net assets 2,687,137
					<u>10,837,752</u>
					Net assets - beginning
					<u>\$ 13,524,889</u>
					Net assets - ending
<u>Assets</u>					
Cash and investments					\$ 3,251,374
Restricted assets:					
Cash and investments					<u>10,273,515</u>
					<u>\$ 13,524,889</u>
<u>Net Assets</u>					
Restricted for:					
Public safety					\$ 961,552
Highways and streets					2,484,493
Health and welfare					1,693,420
Culture and recreation					472,649
Urban redevelopment and housing					107,068
Debt service					1,262,932
Other purposes					3,291,401
Unrestricted					<u>3,251,374</u>
					<u>\$ 13,524,889</u>
Total net assets					

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

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

	General	Highway	County Welfare and Children	CEDIT	Cumulative Bridge	Other Governmental Funds	Totals
Receipts:							
Taxes	\$ 6,251,723	\$ -	\$ 1,019,554	\$ 761,026	\$ 1,229,011	\$ 2,632,643	\$ 11,893,957
Special assessments	-	-	-	-	-	106,291	106,291
Licenses and permits	-	-	-	-	-	2,290	2,290
Intergovernmental	317,847	1,852,744	484,927	-	57,284	558,514	3,271,316
Charges for services	364,426	-	-	-	-	1,171,822	1,536,248
Fines and forfeits	147,995	-	-	-	-	88,686	236,681
Other	623,645	47,518	311	34,897	40,696	102,301	849,368
Total receipts	7,705,636	1,900,262	1,504,792	795,923	1,326,991	4,662,547	17,896,151
Disbursements:							
General government	4,569,560	-	-	68,013	-	998,752	5,636,325
Public safety	1,571,117	-	-	-	-	736,652	2,307,769
Highways and streets	3,709	1,995,036	-	-	-	595,155	2,593,900
Sanitation	1,212	-	-	-	-	-	1,212
Health and welfare	326,503	-	967,045	-	-	543,899	1,837,447
Culture and recreation	10,000	-	-	-	-	472,037	482,037
Urban redevelopment and housing	-	-	-	50,000	-	-	50,000
Debt service:							
Principal	-	39,810	-	399,051	-	446,410	885,271
Interest	-	2,630	-	225,949	-	166,063	394,642
Capital outlay:							
Highways and streets	-	-	-	-	922,134	-	922,134
Total disbursements	6,482,101	2,037,476	967,045	743,013	922,134	3,958,968	15,110,737
Excess (deficiency) of revenue over disbursements	1,223,535	(137,214)	537,747	52,910	404,857	703,579	2,785,414
Other financing sources (uses)							
Interfund loans	-	-	-	(44,690)	-	44,690	-
Transfers in	53,797	-	-	-	-	60,787	114,584
Transfers out	(41,812)	-	-	-	-	(72,772)	(114,584)
Total other financing sources (uses)	11,985	-	-	(44,690)	-	32,705	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,235,520	(137,214)	537,747	8,220	404,857	736,284	2,785,414
Cash and investment fund balance - beginning	1,673,153	586,914	697,637	1,260,224	1,457,104	4,369,508	10,044,540
Cash and investment fund balance - ending	<u>\$ 2,908,673</u>	<u>\$ 449,700</u>	<u>\$ 1,235,384</u>	<u>\$ 1,268,444</u>	<u>\$ 1,861,961</u>	<u>\$ 5,105,792</u>	12,829,954
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.							
							694,935
Net assets of governmental activities							<u>\$ 13,524,889</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 2,908,673	\$ -	\$ -	\$ -	\$ -	\$ 342,701	\$ 3,251,374
Restricted assets:							
Cash and investments	-	449,700	1,235,384	1,268,444	1,861,961	4,763,091	9,578,580
Total cash and investment assets - December 31	<u>\$ 2,908,673</u>	<u>\$ 449,700</u>	<u>\$ 1,235,384</u>	<u>\$ 1,268,444</u>	<u>\$ 1,861,961</u>	<u>\$ 5,105,792</u>	<u>\$ 12,829,954</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 961,552	\$ 961,552
Highways and streets	-	449,700	-	-	1,861,961	172,832	2,484,493
Health and welfare	-	-	1,235,384	-	-	458,036	1,693,420
Culture and recreation	-	-	-	-	-	472,649	472,649
Urban redevelopment and housing	-	-	-	-	-	107,068	107,068
Debt service	-	-	-	1,268,444	-	(5,512)	1,262,932
Other purposes	-	-	-	-	-	2,596,466	2,596,466
Unrestricted	2,908,673	-	-	-	-	342,701	3,251,374
Total cash and investment fund balance - December 31	<u>\$ 2,908,673</u>	<u>\$ 449,700</u>	<u>\$ 1,235,384</u>	<u>\$ 1,268,444</u>	<u>\$ 1,861,961</u>	<u>\$ 5,105,792</u>	<u>\$ 12,829,954</u>

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

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

	<u>Nonreverting Health Insurance Fund</u>
Operating receipts:	
Insurance proceeds	\$ 875,824
Operating disbursements:	
Insurance disbursements	<u>974,101</u>
Deficiency of operating receipts over operating disbursements	(98,277)
Cash and investment fund balance - beginning	<u>793,212</u>
Cash and investment fund balance - ending	<u>\$ 694,935</u>
<u>Cash and Investment Assets - December 31</u>	
Restricted assets:	
Cash and investments	<u>\$ 694,935</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	<u>\$ 694,935</u>

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

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

	Sheriff's Pension Trust	Congressional School Principal	Agency Funds
Additions:			
Contributions:			
Employer	\$ 44,766	\$ -	\$ -
Plan members	<u>9,864</u>	<u>-</u>	<u>-</u>
Total contributions	<u>54,630</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net investment income	27,991	-	-
Realized gain	<u>1,172</u>	<u>-</u>	<u>-</u>
Total investment receipts	29,163	-	-
Agency fund additions	<u>-</u>	<u>-</u>	<u>88,027,993</u>
Total additions	<u>83,793</u>	<u>-</u>	<u>88,027,993</u>
Deductions:			
Benefits	35,785	-	-
Administrative and general	12,131	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>101,741,730</u>
Total deductions	<u>47,916</u>	<u>-</u>	<u>101,741,730</u>
Excess (deficiency) of total additions over total deductions	35,877	-	(13,713,737)
Cash and investment fund balance - beginning	<u>726,058</u>	<u>20,741</u>	<u>15,976,467</u>
Cash and investment fund balance - ending	<u>\$ 761,935</u>	<u>\$ 20,741</u>	<u>\$ 2,262,730</u>

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

DECATUR 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:	Decatur County
Discretely Presented Component Units:	Decatur County Solid Waste Management District Decatur County Memorial Hospital

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

The Decatur County Solid Waste Management District and Decatur County Memorial Hospital have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

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

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The County reports the following major governmental funds:

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

The highway fund accounts for all financial resources restricted for construction and maintenance of the County's highways.

The County welfare and children fund accounts for all resources restricted for assistance to eligible county residents in need of those services.

The CEDIT fund accounts for funds derived from the County's share of EDIT tax and is restricted primarily for debt service.

The cumulative bridge fund accounts for the financial resources restricted for maintenance and construction of the County's bridges.

Additionally, the County reports the following fund types:

The internal service fund accounts for activities of the health insurance fund which accumulates resources for medical benefits for employees and their dependents.

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

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

Agency funds account for assets held by the County as an agent for the state 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, proprietary fund and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

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

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

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Capital Assets

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

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

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

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.

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

On or before August 31, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments.

DECATUR COUNTY
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

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

B. Cash and Investment Balance Deficits

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

Fund	2005
Corrections Drug Testing	\$ 59
Child Safety Grant	2,569
Hospital Bond	5,512

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the underestimate of current requirements; these deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

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

2. Investments

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

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Type	Sheriff's Retirement and Benefit Pension Plans
U.S. Agencies	\$ 181,360
Corporate Bonds	223,733
Mutual Funds	13,921
Equity Stock	342,921
Total	\$ 761,935

Investment Policies

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

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the County may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. At December 31, 2005, the County held investments in mutual funds, corporate bonds, equity stock, and government bonds in the amount of \$761,935. Of these investments \$761,935 were held by the counterparty's trust department or agent but not in the County's name.

Interest Rate Risk

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. Agencies	\$ 29,793	\$ 61,467	\$ 90,100
Corporate Bonds	25,845	91,916	105,972
Totals	\$ 55,638	\$ 153,383	\$ 196,072

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.

Sheriff's Retirement and Benefit Pension Plans:

Moody's Rating	Corporate Bonds	Government Sponsored Enterprise
Aaa	\$ 20,036	\$ 181,360
Aa	81,979	-
A	91,013	-
Baa	30,705	-
Totals	\$ 223,733	\$ 181,360

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Concentration of Credit Risk

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

B. Interfund Transfers

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

Transfer From	Transfer To	2005
General Fund	Other governmental	\$ 41,812
Other governmental	General Fund	53,797
Other governmental	Other governmental	18,975
Total		\$ 114,584

The County typically uses transfers to fund ongoing operating subsidies.

C. Restatements and Reclassifications

For the year ended December 31, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. Beginning balances of some funds have been restated to reflect actual cash balances, unadjusted for cash due from other county funds at December 31, 2004.

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

The County has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees and dependents. The risk financing fund is accounted for in the Nonreverting Health Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$50,000 per year.

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon single or family plan rates applied to each fund's employee election, and are reported as quasi-external interfund transactions.

Job Related Illnesses or Injuries to Employees

During 2003, the County joined with other governmental entities in the Indiana Public Employer's Plan, a public entity risk pool currently operating as a common risk management and insurance program for approximately 350 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The County pays an annual premium to the risk pool for coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Administration of Welfare Programs

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

C. Hospital Debt Obligation

The Decatur County Memorial Hospital issued bonds in 2002 in the amount of \$4,000,000. The County has agreed to pay \$378,500 per year of this debt obligation of the Hospital.

D. 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:

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Information to segregate the assets/liabilities and the actuarial study figures between the County and the Utilities is not available.

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Board of Health PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 115,345	\$ -	\$ 46,510	\$ 2,787
Interest on net pension obligation	(3,820)	(1,412)	(3,095)	-
Adjustment to annual required contribution	4,353	1,609	4,159	-
Annual pension cost	115,878	197	47,574	2,787
Contributions made	107,242	2,825	41,979	2,787
Increase (decrease) in net pension obligation	8,636	(2,628)	5,595	-
Net pension obligation, beginning of year	(52,690)	(19,474)	(44,214)	-
Net pension obligation, end of year	\$ (44,054)	\$ (22,102)	\$ (38,619)	\$ -

	PERF	County Board of Health PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:				
County	4.5%	2.5%	15%	1%
Plan members	3%	3%	6%	6%
Actuarial valuation date	07-01-05	07-01-05	12-01-05	12-01-05
Actuarial cost method	Entry age	Entry Age	Entry age	Entry age
Amortization method	Level	Level	Level	Level
	percentage of projected payroll, closed	percentage of projected payroll, closed	percentage of projected payroll, closed	percentage of projected payroll, closed
Amortization period	32 years	32 years	32 years	32 years
Amortization period (from date)	07-01-97	07-01-97	11-30-97	11-30-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market	4 year smoothed market

DECATUR COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 118,551	64%	\$ (73,223)
	06-30-04	108,022	81%	(52,690)
	06-30-05	115,878	99%	(44,054)
County Board of Health PERF	06-30-03	\$ 145	1861%	(16,862)
	06-30-04	171	1627%	(19,474)
	06-30-05	197	1652%	(22,102)
County Police Retirement Plan	11-30-03	29,300	81%	(48,394)
	11-30-04	38,712	90%	(53,916)
	11-30-05	47,574	90%	(38,619)
County Police Benefit Plan	11-30-03	1,575	100%	-
	11-30-04	2,228	100%	-
	11-30-05	2,787	100%	-

DECATUR COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 2,135,512	\$ 2,173,727	\$ (38,215)	98%	\$ 2,330,411	(2%)
07-01-04	2,150,148	2,271,181	(121,033)	95%	2,313,438	(5%)
07-01-05	2,235,289	2,736,110	(500,821)	82%	2,375,059	(21%)

County Health Department Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 261,739	\$ 138,192	\$ 123,547	189%	\$ 113,447	109%
07-01-04	257,069	156,639	100,430	164%	118,689	85%
07-01-05	259,156	185,759	73,397	140%	120,669	61%

County Police Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
12-01-00	\$ 683,043	\$ 683,043	\$ -	100%	\$ 234,400	0%
12-01-01	733,399	733,399	-	100%	240,000	0%
12-01-02	738,611	738,611	-	100%	228,500	0%
12-01-03	738,801	738,801	-	100%	259,528	0%
12-01-04	753,618	753,618	-	100%	292,594	0%
12-01-05	801,080	801,080	-	100%	300,515	0%

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

	County Health	Local Road and Street	Property Reassessment	Accident Report	Firearms Training	Surveyor's Corner Perpetuation
Receipts:						
Taxes	\$ 387,081	\$ 298,351	\$ 279,158	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	2,290	-
Intergovernmental	30,750	247,986	-	-	-	-
Charges for services	62,461	-	-	1,324	-	6,553
Fines and forfeits	-	-	-	-	-	-
Other	180	6,156	29,746	-	-	-
Total receipts	480,472	552,493	308,904	1,324	2,290	6,553
Disbursements:						
General government	-	-	129,532	-	-	-
Public safety	-	-	-	200	9,504	-
Highways and streets	-	595,155	-	-	-	-
Health and welfare	348,149	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	348,149	595,155	129,532	200	9,504	-
Excess (deficiency) of revenue over disbursements	132,323	(42,662)	179,372	1,124	(7,214)	6,553
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	132,323	(42,662)	179,372	1,124	(7,214)	6,553
Cash and investment fund balance - beginning	152,942	160,304	1,069,546	1,675	8,311	43,035
Cash and investment fund balance - ending	\$ 285,265	\$ 117,642	\$ 1,248,918	\$ 2,799	\$ 1,097	\$ 49,588
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	285,265	117,642	1,248,918	2,799	1,097	49,588
Total cash and investment assets - December 31	\$ 285,265	\$ 117,642	\$ 1,248,918	\$ 2,799	\$ 1,097	\$ 49,588
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 2,799	\$ 1,097	\$ -
Highways and streets	-	117,642	-	-	-	-
Health and welfare	285,265	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	1,248,918	-	-	49,588
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 285,265	\$ 117,642	\$ 1,248,918	\$ 2,799	\$ 1,097	\$ 49,588

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

	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Recorder's Records Perpetuation	County Law Enforcement Continuing Education	Local Health Maintenance	Family Court Counselor
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	33,139	-
Charges for services	99,392	8,345	28,206	-	-	7,845
Fines and forfeits	-	-	-	1,000	-	-
Other	-	-	-	-	190	24,999
Total receipts	99,392	8,345	28,206	1,000	33,329	32,844
Disbursements:						
General government	-	-	25,024	-	-	64,190
Public safety	51,907	10,794	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	28,386	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	51,907	10,794	25,024	-	28,386	64,190
Excess (deficiency) of revenue over disbursements	47,485	(2,449)	3,182	1,000	4,943	(31,346)
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	25,000
Transfers out	(27,000)	-	-	-	-	-
Total other financing sources (uses)	(27,000)	-	-	-	-	25,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,485	(2,449)	3,182	1,000	4,943	(6,346)
Cash and investment fund balance - beginning	134,172	25,157	88,000	11,005	33,858	30,217
Cash and investment fund balance - ending	\$ 154,657	\$ 22,708	\$ 91,182	\$ 12,005	\$ 38,801	\$ 23,871
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	154,657	22,708	91,182	12,005	38,801	23,871
Total cash and investment assets - December 31	\$ 154,657	\$ 22,708	\$ 91,182	\$ 12,005	\$ 38,801	\$ 23,871
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ 154,657	\$ 22,708	\$ -	\$ 12,005	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	38,801	23,871
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	91,182	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 154,657	\$ 22,708	\$ 91,182	\$ 12,005	\$ 38,801	\$ 23,871

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

	Emergency Telephone System	Host Homes	Covered Bridge	Emergency Planning and Right to Know	Hazardous Substance	County Drug Free Community
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	9,700	1,250	6,401	-	50,669
Charges for services	493,068	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	40,582
Other	-	-	-	-	-	1,981
Total receipts	493,068	9,700	1,250	6,401	-	93,232
Disbursements:						
General government	-	-	-	-	-	-
Public safety	269,938	-	-	3,613	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	8,598	-	-	-	101,758
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	228,910	-	-	-	-	-
Interest	5,030	-	-	-	-	-
Total disbursements	503,878	8,598	-	3,613	-	101,758
Excess (deficiency) of revenue over disbursements	(10,810)	1,102	1,250	2,788	-	(8,526)
Other financing sources (uses)						
Interfund loans	233,940	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	233,940	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	223,130	1,102	1,250	2,788	-	(8,526)
Cash and investment fund balance - beginning	215,140	92	12,318	14,529	308	75,059
Cash and investment fund balance - ending	<u>\$ 438,270</u>	<u>\$ 1,194</u>	<u>\$ 13,568</u>	<u>\$ 17,317</u>	<u>\$ 308</u>	<u>\$ 66,533</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	438,270	1,194	13,568	17,317	308	66,533
Total cash and investment assets - December 31	<u>\$ 438,270</u>	<u>\$ 1,194</u>	<u>\$ 13,568</u>	<u>\$ 17,317</u>	<u>\$ 308</u>	<u>\$ 66,533</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ 438,270	\$ -	\$ -	\$ 17,317	\$ 308	\$ -
Highways and streets	-	-	13,568	-	-	-
Health and welfare	-	1,194	-	-	-	66,533
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 438,270</u>	<u>\$ 1,194</u>	<u>\$ 13,568</u>	<u>\$ 17,317</u>	<u>\$ 308</u>	<u>\$ 66,533</u>

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

	Sheriff's Donation	Inmate Phone	County Police Pension	Law Enforcement Continuing Education # 2	Clerk's Records Perpetuation	Plat Book Maintenance
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	11,996	813	-	15,296	6,640
Fines and forfeits	-	-	-	2,082	-	-
Other	5,292	-	-	-	-	-
Total receipts	5,292	11,996	813	2,082	15,296	6,640
Disbursements:						
General government	-	-	-	-	3,945	-
Public safety	3,145	2,956	36,766	1,178	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	3,145	2,956	36,766	1,178	3,945	-
Excess (deficiency) of revenue over disbursements	2,147	9,040	(35,953)	904	11,351	6,640
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	16,812	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	16,812	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,147	9,040	(19,141)	904	11,351	6,640
Cash and investment fund balance - beginning	7,574	59,243	64,411	15,410	4,956	25,005
Cash and investment fund balance - ending	\$ 9,721	\$ 68,283	\$ 45,270	\$ 16,314	\$ 16,307	\$ 31,645
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	9,721	68,283	45,270	16,314	16,307	31,645
Total cash and investment assets - December 31	\$ 9,721	\$ 68,283	\$ 45,270	\$ 16,314	\$ 16,307	\$ 31,645
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ 9,721	\$ 68,283	\$ 45,270	\$ 16,314	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	16,307	31,645
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 9,721	\$ 68,283	\$ 45,270	\$ 16,314	\$ 16,307	\$ 31,645

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

	County Clerk's Incentive	County Prosecutor's Incentive	Home Detention	County Misdemeanant	Guardian Ad Litem/ Court App. Advocate	Convention Tourism
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	106,291
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	2,000	-
Charges for services	-	-	61,667	86,467	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	115	-
Total receipts	-	-	61,667	86,467	2,115	106,291
Disbursements:						
General government	-	-	-	-	-	110,000
Public safety	-	-	74,352	35,834	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	272	1,757	-	-	2,115	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	272	1,757	74,352	35,834	2,115	110,000
Excess (deficiency) of revenue over disbursements	(272)	(1,757)	(12,685)	50,633	-	(3,709)
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	18,975	-	-	-
Transfers out	-	-	-	(18,975)	-	-
Total other financing sources (uses)	-	-	18,975	(18,975)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(272)	(1,757)	6,290	31,658	-	(3,709)
Cash and investment fund balance - beginning	312	7,431	55,833	238,622	50	110,777
Cash and investment fund balance - ending	\$ 40	\$ 5,674	\$ 62,123	\$ 270,280	\$ 50	\$ 107,068
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	40	5,674	62,123	270,280	50	107,068
Total cash and investment assets - December 31	\$ 40	\$ 5,674	\$ 62,123	\$ 270,280	\$ 50	\$ 107,068
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ 62,123	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	50	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	107,068
Debt service	-	-	-	-	-	-
Other purposes	40	5,674	-	270,280	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 40	\$ 5,674	\$ 62,123	\$ 270,280	\$ 50	\$ 107,068

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

	Jury Pay	Corrections Drug Testing	Supplemental Public Defender Service	Adventure Based Counseling	Alternative School	Animal Shelter Donations
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	6,450	-	-	-	-	-
Fines and forfeits	-	604	39,718	-	-	-
Other	-	-	-	-	-	2,020
Total receipts	6,450	604	39,718	-	-	2,020
Disbursements:						
General government	-	-	46,349	-	-	-
Public safety	-	663	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	-	663	46,349	-	-	-
Excess (deficiency) of revenue over disbursements	6,450	(59)	(6,631)	-	-	2,020
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,450	(59)	(6,631)	-	-	2,020
Cash and investment fund balance - beginning	61,116	-	10,513	2,150	296	2,969
Cash and investment fund balance - ending	\$ 67,566	\$ (59)	\$ 3,882	\$ 2,150	\$ 296	\$ 4,989
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	67,566	(59)	3,882	2,150	296	4,989
Total cash and investment assets - December 31	\$ 67,566	\$ (59)	\$ 3,882	\$ 2,150	\$ 296	\$ 4,989
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ (59)	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	4,989
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	67,566	-	3,882	2,150	296	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 67,566	\$ (59)	\$ 3,882	\$ 2,150	\$ 296	\$ 4,989

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

	Prosecutor's Title IV-D	Clerk's Title IV-D	Child Safety Grant	HAVA Section 102	HAVA Title III	Westport Covered Bridge Donation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	61,217	13,194	3,500	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	61,217	13,194	3,500	-	-	-
Disbursements:						
General government	-	-	-	38,679	1,970	-
Public safety	-	-	6,069	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	4,369	12,474	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	4,369	12,474	6,069	38,679	1,970	-
Excess (deficiency) of revenue over disbursements	56,848	720	(2,569)	(38,679)	(1,970)	-
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(3,000)	-	-	-	-	-
Total other financing sources (uses)	(3,000)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	53,848	720	(2,569)	(38,679)	(1,970)	-
Cash and investment fund balance - beginning	19,875	2,593	-	63,840	146,160	41,622
Cash and investment fund balance - ending	\$ 73,723	\$ 3,313	\$ (2,569)	\$ 25,161	\$ 144,190	\$ 41,622
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	73,723	3,313	(2,569)	25,161	144,190	41,622
Total cash and investment assets - December 31	\$ 73,723	\$ 3,313	\$ (2,569)	\$ 25,161	\$ 144,190	\$ 41,622
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Public safety	\$ -	\$ -	\$ (2,569)	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	41,622
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	73,723	3,313	-	25,161	144,190	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 73,723	\$ 3,313	\$ (2,569)	\$ 25,161	\$ 144,190	\$ 41,622

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

	Welfare Psyc Child Treatment	Check Enforcement	Park Gifts and Grants	Sheriff's Inmate Food	Sheriff's Commissary	Probation Administration
Receipts:						
Taxes	\$ 65,398	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	6,042	-	115,986	40,834	32,645
Fines and forfeits	-	-	-	-	-	-
Other	20	-	4,799	-	-	-
Total receipts	65,418	6,042	4,799	115,986	40,834	32,645
Disbursements:						
General government	-	500	-	-	-	-
Public safety	-	-	-	114,678	29,576	-
Highways and streets	-	-	-	-	-	-
Health and welfare	36,021	-	-	-	-	-
Culture and recreation	-	-	5,453	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total disbursements	36,021	500	5,453	114,678	29,576	-
Excess (deficiency) of revenue over disbursements	29,397	5,542	(654)	1,308	11,258	32,645
Other financing sources (uses)						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(1,329)	(4,250)	-	-	-	(18,218)
Total other financing sources (uses)	(1,329)	(4,250)	-	-	-	(18,218)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	28,068	1,292	(654)	1,308	11,258	14,427
Cash and investment fund balance - beginning	9,265	8,707	5,276	22,797	23,301	32,167
Cash and investment fund balance - ending	\$ 37,333	\$ 9,999	\$ 4,622	\$ 24,105	\$ 34,559	\$ 46,594
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	37,333	9,999	4,622	24,105	34,559	46,594
Total cash and investment assets - December 31	\$ 37,333	\$ 9,999	\$ 4,622	\$ 24,105	\$ 34,559	\$ 46,594
Cash and Investment Fund Balance - December 31						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ 24,105	\$ 34,559	\$ 46,594
Highways and streets	-	-	-	-	-	-
Health and welfare	37,333	-	-	-	-	-
Culture and recreation	-	-	4,622	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	9,999	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 37,333	\$ 9,999	\$ 4,622	\$ 24,105	\$ 34,559	\$ 46,594

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

	Marijuana Eradication Program	Riverboat Wagering County Share	County Park and Recreation	Park Activity	Rainy Day
Receipts:					
Taxes	\$ -	\$ -	\$ 665,580	\$ -	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	73,708	-	-	-
Charges for services	-	-	35,288	40,784	-
Fines and forfeits	4,700	-	-	-	-
Other	-	-	414	2,304	-
	<u>4,700</u>	<u>73,708</u>	<u>701,282</u>	<u>43,088</u>	<u>-</u>
Total receipts	4,700	73,708	701,282	43,088	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	430,993	35,591	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>430,993</u>	<u>35,591</u>	<u>-</u>
Total disbursements	-	-	430,993	35,591	-
Excess (deficiency) of revenue over disbursements	<u>4,700</u>	<u>73,708</u>	<u>270,289</u>	<u>7,497</u>	<u>-</u>
Other financing sources (uses)					
Interfund loans	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,700	73,708	270,289	7,497	-
Cash and investment fund balance - beginning	<u>3,350</u>	<u>147,621</u>	<u>180,154</u>	<u>10,087</u>	<u>121,372</u>
Cash and investment fund balance - ending	<u>\$ 8,050</u>	<u>\$ 221,329</u>	<u>\$ 450,443</u>	<u>\$ 17,584</u>	<u>\$ 121,372</u>
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ 221,329	\$ -	\$ -	\$ 121,372
Restricted assets:					
Cash and investments	<u>8,050</u>	<u>-</u>	<u>450,443</u>	<u>17,584</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 8,050</u>	<u>\$ 221,329</u>	<u>\$ 450,443</u>	<u>\$ 17,584</u>	<u>\$ 121,372</u>
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Public safety	\$ 8,050	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	450,443	17,584	-
Urban redevelopment and housing	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unrestricted	<u>-</u>	<u>221,329</u>	<u>-</u>	<u>-</u>	<u>121,372</u>
Total cash and investment fund balance - December 31	<u>\$ 8,050</u>	<u>\$ 221,329</u>	<u>\$ 450,443</u>	<u>\$ 17,584</u>	<u>\$ 121,372</u>

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

	County Sales Disclosure	EMA/SEMA Grant	Hospital Bond	Cumulative Capital Development	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ 517,696	\$ 419,379	\$ 2,632,643
Special assessments	-	-	-	-	106,291
Licenses and permits	-	-	-	-	2,290
Intergovernmental	-	25,000	-	-	558,514
Charges for services	3,720	-	-	-	1,171,822
Fines and forfeits	-	-	-	-	88,686
Other	-	-	2,272	21,813	102,301
Total receipts	3,720	25,000	519,968	441,192	4,662,547
Disbursements:					
General government	343	-	-	578,220	998,752
Public safety	-	85,479	-	-	736,652
Highways and streets	-	-	-	-	595,155
Health and welfare	-	-	-	-	543,899
Culture and recreation	-	-	-	-	472,037
Debt service:					
Principal	-	-	217,500	-	446,410
Interest	-	-	161,033	-	166,063
Total disbursements	343	85,479	378,533	578,220	3,958,968
Excess (deficiency) of revenue over disbursements	3,377	(60,479)	141,435	(137,028)	703,579
Other financing sources (uses)					
Interfund loans	-	-	(189,250)	-	44,690
Transfers in	-	-	-	-	60,787
Transfers out	-	-	-	-	(72,772)
Total other financing sources (uses)	-	-	(189,250)	-	32,705
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,377	(60,479)	(47,815)	(137,028)	736,284
Cash and investment fund balance - beginning	9,930	60,479	42,303	676,273	4,369,508
Cash and investment fund balance - ending	\$ 13,307	\$ -	\$ (5,512)	\$ 539,245	\$ 5,105,792
<u>Cash and Investment Assets - December 31</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 342,701
Restricted assets:					
Cash and investments	13,307	-	(5,512)	539,245	4,763,091
Total cash and investment assets - December 31	\$ 13,307	\$ -	\$ (5,512)	\$ 539,245	\$ 5,105,792
<u>Cash and Investment Fund Balance - December 31</u>					
Restricted for:					
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 961,552
Highways and streets	-	-	-	-	172,832
Health and welfare	-	-	-	-	458,036
Culture and recreation	-	-	-	-	472,649
Urban redevelopment and housing	-	-	-	-	107,068
Debt service	-	-	(5,512)	-	(5,512)
Other purposes	13,307	-	-	539,245	2,596,466
Unrestricted	-	-	-	-	342,701
Total cash and investment fund balance - December 31	\$ 13,307	\$ -	\$ (5,512)	\$ 539,245	\$ 5,105,792

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

	Tax Sale Surplus	State Sales Disclosure Fees	Inheritance Tax	Surplus Tax	Congressional Interest	Infraction Judgments
Additions:						
Agency fund additions	\$ 114,701	\$ 3,725	\$ 732,474	\$ 215,129	\$ 455	\$ 50,982
Deductions:						
Agency fund deductions	129,618	5,495	2,048,500	215,119	-	82,250
Excess (deficiency) of total additions over total deductions	(14,917)	(1,770)	(1,316,026)	10	455	(31,268)
Cash and investment fund balance - beginning	134,964	2,115	1,384,671	5,030	19,634	31,268
Cash and investment fund balance - ending	<u>\$ 120,047</u>	<u>\$ 345</u>	<u>\$ 68,645</u>	<u>\$ 5,040</u>	<u>\$ 20,089</u>	<u>\$ -</u>

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

	Tax Distributions	County Payroll	Welfare Trust	Surplus Dog Tax	Tax Sale Redemption	City/Town Court Costs
Additions:						
Agency fund additions	\$ 40,124,066	\$ 1,336,883	\$ 33,133	\$ 2,775	\$ 40,641	\$ 10,347
Deductions:						
Agency fund deductions	40,056,113	1,262,765	25,773	1,954	36,180	8,910
Excess (deficiency) of total additions over total deductions	67,953	74,118	7,360	821	4,461	1,437
Cash and investment fund balance - beginning	-	110,993	6,811	472	481	4,049
Cash and investment fund balance - ending	<u>\$ 67,953</u>	<u>\$ 185,111</u>	<u>\$ 14,171</u>	<u>\$ 1,293</u>	<u>\$ 4,942</u>	<u>\$ 5,486</u>

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

	State Fines and Forfeitures	Coroner's Training and Continuing Education	Education Plate Fees	Wheel Tax	County Hospital Care for the Indigent	Medical Assistance to Wards
Additions:						
Agency fund additions	\$ 23,230	\$ 1,241	\$ 2,513	\$ 71,654	\$ 354,539	\$ 13,479
Deductions:						
Agency fund deductions	<u>22,257</u>	<u>1,769</u>	<u>2,513</u>	<u>71,654</u>	<u>354,539</u>	<u>13,479</u>
Excess (deficiency) of total additions over total deductions	973	(528)	-	-	-	-
Cash and investment fund balance - beginning	<u>1,407</u>	<u>644</u>	<u>38</u>	-	-	-
Cash and investment fund balance - ending	<u><u>\$ 2,380</u></u>	<u><u>\$ 116</u></u>	<u><u>\$ 38</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

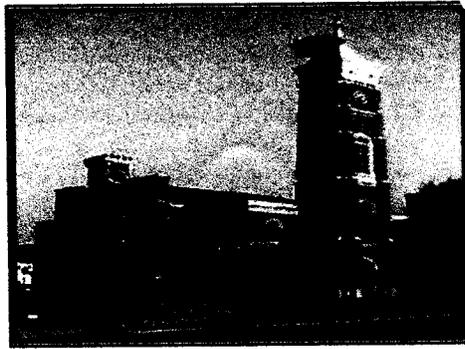
	Children With Special Health Care Needs	Special Death Benefits	State Mortgage Fee	Child Restraint Fee	County Treasurer	Clerk of the Circuit Court
Additions:						
Agency fund additions	\$ 30,809	\$ 975	\$ 4,029	\$ 100	\$ 38,504,078	\$ 4,576,255
Deductions:						
Agency fund deductions	<u>30,809</u>	-	<u>3,709</u>	-	<u>51,000,837</u>	<u>4,576,488</u>
Excess (deficiency) of total additions over total deductions	-	975	320	100	(12,496,759)	(233)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,476,455</u>	<u>755,360</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 975</u>	<u>\$ 320</u>	<u>\$ 100</u>	<u>\$ 979,696</u>	<u>\$ 755,127</u>

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

	County Recorder	County Probation	County Probation Home Detention	County Health	County Sheriff
Additions:					
Agency fund additions	\$ 114,964	\$ 109,867	\$ 49,041	\$ 84,494	\$ 1,231,234
Deductions:					
Agency fund deductions	114,496	107,738	50,060	97,031	1,235,188
Excess (deficiency) of total additions over total deductions	468	2,129	(1,019)	(12,537)	(3,954)
Cash and investment fund balance - beginning	9,998	6,045	3,065	13,918	4,519
Cash and investment fund balance - ending	<u>\$ 10,466</u>	<u>\$ 8,174</u>	<u>\$ 2,046</u>	<u>\$ 1,381</u>	<u>\$ 565</u>

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

	<u>Sheriff's Inmate Trust</u>	<u>County Parks and Recreation</u>	<u>Prosecutor Check Enforcement</u>	<u>Total</u>
Additions:				
Agency fund additions	\$ 67,961	\$ 86,114	\$ 36,105	\$ 88,027,993
Deductions:				
Agency fund deductions	<u>67,657</u>	<u>83,174</u>	<u>35,655</u>	<u>101,741,730</u>
Excess (deficiency) of total additions over total deductions	304	2,940	450	(13,713,737)
Cash and investment fund balance - beginning	<u>3,883</u>	<u>625</u>	<u>22</u>	<u>15,976,467</u>
Cash and investment fund balance - ending	<u>\$ 4,187</u>	<u>\$ 3,565</u>	<u>\$ 472</u>	<u>\$ 2,262,730</u>



Bridgett C. Weber, Decatur County Auditor
150 Courthouse Square Suite 133
Greensburg, IN 47240-2091
Phone (812)-663-2570 Fax (812)-663-2242
E-Mail auditor@decaturcounty.in.gov

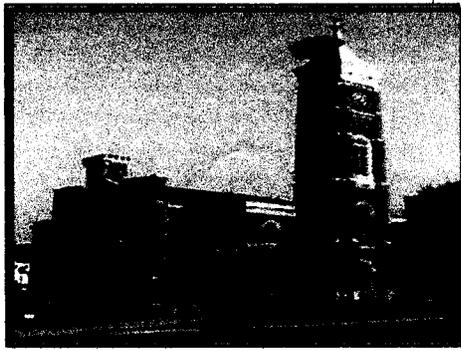
DECATUR COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2005

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 968,108
Bridges	12,670,490
Culverts	1,499,632
Rights of Way	361,172
Roads	10,757,686
Buildings	11,440,250
Improvements other than buildings	2,282,255
Machinery and equipment	<u>6,642,934</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 46,622,527</u>



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DECATUR COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF DEBT

For The Year Ended December 31, 2005

CAPITAL LEASES

The County has entered into the following capital leases:

Description of Asset	Present Value of Net Minimum Lease Payments	Ending Balance	Due Within One Year
Courthouse renovation	\$ 4,048,929	\$ 5,000,000	\$ 625,000
Highway trucks (3)	154,463	169,761	42,440

BONDS PAYABLE

	Ending Balance	Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
Hospital renovation/addition	\$ 49,140,000	\$ 379,000

DECATUR 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 Treasurer
County Auditor
Clerk of the Circuit Court

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF DECATUR COUNTY, INDIANA

Compliance

We have audited the compliance of the Decatur County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2005. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

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

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

October 31, 2006

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

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction	20.205		
		BR-NBIS (517)	\$ 54,598
		BR-9916 (014)	7,739
		BRO-9916 (014)	<u>89,580</u>
Total for program			<u>151,917</u>
Pass-Through Indiana Criminal Justice Institute State and Community Highway Safety	20.600		
		OP 05-02-03-29	2,892
		OP 06-02-03-29	<u>743</u>
Total for program			<u>3,635</u>
Total for federal grantor agency			<u>155,552</u>
<u>U.S. GENERAL SERVICES ADMINISTRATION</u>			
Pass-Through Indiana Secretary of State Election Reform Payments	39.011		
			<u>40,649</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Centers for Disease Control-Investigations and Technical Assista	93.283		
		BPRS 115-2	<u>54,491</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
County Prosecutor's Expenditures			83,001
County Clerk of the Circuit Court's Expenditures			21,515
Indirect Costs			<u>75,737</u>
Total for program			<u>180,253</u>
Total for federal grantor agency			<u>234,744</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security State Domestic Preparedness Equipment Support Program	97.004		
			<u>84,314</u>
Public Assistance Grants Winter Snow Storm	97.036		
			<u>26,036</u>
Total for federal grantor agency			<u>110,350</u>
Total federal awards expended			<u>\$ 541,295</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

DECATUR COUNTY
NOTE 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 Decatur 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.

DECATUR COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

DECATUR COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

DECATUR COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 31, 2006, with Bridgett Weber, Auditor; and Jerome Buening, President of the Board of County Commissioners.