

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

ANNUAL FINANCIAL REPORT

2010

MARSHALL COUNTY, INDIANA



FILED

05/06/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Penny Lukenbill	01-01-08 to 12-31-11
Treasurer	Deborah VanDeMark	01-01-08 to 12-31-11
Clerk	Julie Fox	01-01-08 to 12-31-11
Sheriff	Jon E. VanVactor Tom Chamberlin	01-01-07 to 12-31-10 01-01-11 to 12-31-14
Recorder	Betty Engel Marlene Mahler	01-01-07 to 12-31-10 01-01-11 to 12-31-14
President of the Board of County Commissioners	Kevin Overmyer	01-01-10 to 12-31-11
President of the County Council	Matthew Hassel	01-01-10 to 12-31-11



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 MARSHALL COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Marshall County (County), as of and for the year ended December 31, 2010, 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 component unit of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component unit of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2010, 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 April 19, 2011, 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. 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.

Included in the financial statements are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with IC 36-8-16-14 and IC 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The County has not presented Management's Discussion and Analysis, Schedules of Funding Progress, Schedule of Contributions From the Employer and Other Contributing Entities, 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 required parts 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

April 19, 2011



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Marshall County (County), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated April 19, 2011. The opinions to the financial statements were qualified due to 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

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 grant agreements, 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 or other matters that are required to be reported under Government Auditing Standards.

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

April 19, 2011

MARSHALL COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2010

<u>Functions/Programs</u>	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 10,541,303	\$ 698,775	\$ 84,530	\$ -	\$ (9,757,998)
Public safety	4,676,937	1,391,038	119,624	-	(3,166,275)
Highways and streets	4,104,661	-	2,525,758	424,260	(1,154,643)
Health and welfare	611,903	13,325	249,509	-	(349,069)
Culture and recreation	262,895	-	-	-	(262,895)
	<u>\$ 20,197,699</u>	<u>\$ 2,103,138</u>	<u>\$ 2,979,421</u>	<u>\$ 424,260</u>	<u>(14,690,880)</u>
Total governmental activities					
General receipts:					
Property taxes					7,150,534
Income taxes					2,915,536
Intergovernmental					1,284,520
Other local sources					5,783,617
Investment earnings					125,552
					<u>17,259,759</u>
					Change in net assets 2,568,879
					Net assets - beginning 21,941,694
					Net assets - ending \$ 24,510,573
<u>Assets</u>					
Cash and investments					\$ 20,589,739
Restricted assets:					
Cash and investments					3,920,834
Total assets					\$ 24,510,573
<u>Net Assets</u>					
Restricted for:					
Public safety					\$ 255,644
Highways and streets					1,047,670
Health and welfare					468,142
Capital outlay					2,149,378
Unrestricted					20,589,739
Total net assets					\$ 24,510,573

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

MARSHALL 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, 2010

	General	Highway	Rainy Day	Correctional Facility CAGIT	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 9,369,947	\$ -	\$ 614,510	\$ 2,301,026	\$ 1,817,215	\$ 14,102,698
Special assessments	-	-	-	-	511,288	511,288
Licenses and permits	10,215	-	-	-	35,345	45,560
Intergovernmental	753,920	2,381,462	-	-	1,155,294	4,290,676
Charges for services	275,879	-	-	-	101,859	377,738
Fines and forfeits	299,157	-	-	-	824,162	1,123,319
Other	457,731	11,448	-	16,809	434,711	920,699
Total receipts	11,166,849	2,392,910	614,510	2,317,835	4,879,874	21,371,978
Disbursements:						
General government	5,951,638	-	399,067	1,732,977	1,798,577	9,882,259
Public safety	3,734,493	-	-	-	805,680	4,540,173
Highways and streets	-	2,481,509	-	-	939,537	3,421,046
Health and welfare	-	-	-	-	579,527	579,527
Culture and recreation	118,227	-	-	-	144,668	262,895
Capital outlay:						
General government	48,537	-	-	57,315	154,464	260,316
Public safety	53,182	-	-	-	41,752	94,934
Highways and streets	-	376,010	-	-	307,605	683,615
Health and welfare	-	-	-	-	32,376	32,376
Total disbursements	9,906,077	2,857,519	399,067	1,790,292	4,804,186	19,757,141
Excess (deficiency) of receipts over disbursements	1,260,772	(464,609)	215,443	527,543	75,688	1,614,837
Other financing sources (uses):						
Transfers in	109,189	-	500,000	-	36,282	645,471
Transfers out	(512,233)	-	-	-	(133,238)	(645,471)
Other receipts	287,923	432,483	-	-	231,436	951,842
Total other financing sources (uses)	(115,121)	432,483	500,000	-	134,480	951,842
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,145,651	(32,126)	715,443	527,543	210,168	2,566,679
Cash and investment fund balance - beginning	5,263,026	799,235	3,729,089	3,903,194	8,206,733	21,901,277
Cash and investment fund balance - ending	\$ 6,408,677	\$ 767,109	\$ 4,444,532	\$ 4,430,737	\$ 8,416,901	24,467,956
Amounts reported for governmental activities in the Statement of Activities and Net Assets- Cash and Investment Basis are different because: Internal service fund is used by management to charge the costs of certain services to individual funds. The assets of the Internal service fund is included in governmental activities in the Statement of Activities and Net Assets-Cash and Investment Basis.						
						42,617
						<u>\$ 24,510,573</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 6,408,677	\$ -	\$ 4,444,532	\$ 4,430,737	\$ 5,263,176	\$ 20,547,122
Restricted assets:						
Cash and investments	-	767,109	-	-	3,153,725	3,920,834
Total cash and investment assets - ending	\$ 6,408,677	\$ 767,109	\$ 4,444,532	\$ 4,430,737	\$ 8,416,901	\$ 24,467,956
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 255,644	\$ 255,644
Highways and streets	-	767,109	-	-	280,561	1,047,670
Health and welfare	-	-	-	-	468,142	468,142
Capital outlay	-	-	-	-	2,149,378	2,149,378
Unrestricted	6,408,677	-	4,444,532	4,430,737	5,263,176	20,547,122
Total cash and investment fund balance - ending	\$ 6,408,677	\$ 767,109	\$ 4,444,532	\$ 4,430,737	\$ 8,416,901	\$ 24,467,956

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

MARSHALL COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
As of and for the Year Ended December 31, 2010

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 95,183
Operating disbursements:	
General government	92,983
Excess of receipts over disbursements	2,200
Cash and investment fund balance - beginning	40,417
Cash and investment fund balance - ending	\$ 42,617
 <u>Cash and Investment Fund Balance - December 31</u>	
Restricted for:	
Other purposes	\$ 42,617

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

MARSHALL COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2010

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 284,861	\$ -	
Plan members	<u>31,142</u>	<u>-</u>	
Total contributions	<u>316,003</u>	<u>-</u>	
Investment earnings:			
Interest	<u>260,962</u>	<u>-</u>	
Total additions	<u>576,965</u>	<u>-</u>	
Deductions:			
Benefits	234,609	-	
Administrative and general	<u>84,583</u>	<u>-</u>	
Total deductions	<u>319,192</u>	<u>-</u>	
Excess of total additions over total deductions	257,773	-	
Cash and investment fund balance - beginning	<u>4,756,147</u>	<u>21,223</u>	
Cash and investment fund balance - ending	<u>\$ 5,013,920</u>	<u>\$ 21,223</u>	<u>\$ 3,032,788</u>

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

MARSHALL 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: Marshall County

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

Management has chosen to omit from these financial statements the Marshall County Solid Waste Management District, a component unit, which has a significant operational or financial relationship with the County. 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 displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange 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, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

The County reports the following major governmental funds:

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

The highway fund receives funds from state motor vehicle highway distributions and general property taxes. This fund is used primarily for the construction and maintenance of County highways.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

The rainy day fund is used to account for transfers of unused and unencumbered funds under Indiana Code 36-1-8-5. The rainy day funds may be used solely for the operation of the County and its various departments, including, but not limited to, salaries and wages, costs of services, supplies, equipment, capital improvements, repairs, and similar expenditures.

The correctional facility CAGIT fund accounts for financial resources and expenditures for maintaining the County Jail.

Additionally, the County reports the following fund types:

The internal service fund accounts for dental health benefits provided to County employees and dependents.

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

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

Agency funds account for assets held by the County as an agent for other governmental entities and individuals 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.

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.

When both restricted and unrestricted resources are available for use, the County's policy is to use restricted resources first, then unrestricted resources as they are needed.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

3. Property Taxes

Normally, property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which may become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the County on or prior to December 31 of the year collected.

4. 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.

5. Long-Term Debt

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

6. 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."

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund 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 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.
4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

Interfund activity, if any, is 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

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

G. Rounding Differences

The financial statements may contain immaterial differences due to rounding of amounts when the statements were compiled. These differences are considered trivial and do not affect the overall presentation of the financial statements.

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.

Prior to the first required publication, 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. Prior to November 1, 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.

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. IC 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 County does not have a deposit policy for custodial credit risk. At December 31, 2010, the County had deposit balances in the amount of \$36,431,016.

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.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Investments

As of December 31, 2010, the Sheriff's Retirement and Benefit Plan had the following investments:

Investment Type	Sheriffs Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ 1,480,176
U.S. agencies	578,564
Mutual bond funds	1,257,817
Corporate bonds	521,099
Corporate stock	1,170,146
Total	\$ 5,007,802

Statutory Authorization for Investments

IC 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 County 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 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 County's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

The following investments held by the Sheriff's Retirement and Benefit Pension Plans were exposed to custodial credit risks because they are uninsured and unregistered with securities held by the counterparty, or the counterparty's trust department or agent, either in the government's name or not in the government's name:

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Not in the Government's Name
U.S. treasuries and securities	\$ 1,480,176
U.S. agencies	578,564
Mutual bond funds	1,257,817
Corporate bonds	521,099
Corporate stock	1,170,146
Total	\$ 5,007,802

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 County does not have a formal investment policy for interest rate risk for investments.

The Sheriff's Merit Board has not adopted a formal investment policy for interest rate risk.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 159,410	\$ -	\$ 1,320,766
U.S. agencies	-	-	578,564
Corporate bonds	50,000	204,315	266,784
Totals	<u>\$ 209,410</u>	<u>\$ 204,315</u>	<u>\$ 2,166,114</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The County does not have a formal investment policy for credit risk for investments.

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County's Investments	
		Mutual Bond Funds	Corporate Bonds
AAA	Aaa	\$ 912,484	\$ -
AA	Aa	-	99,808
A	A	132,385	273,600
BBB	Baa	-	147,691
B	B	212,948	-
Totals		<u>\$ 1,257,817</u>	<u>\$ 521,099</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.

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

At December 31, 2010, the Sheriff's Retirement and Benefit Pension Plan had no investments that were exposed to concentration of credit risk because no individual investment represented more than 3% of the total investment for the Plan.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2010, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2010</u>
General Fund	Rainy Day	\$ 500,000
	Other Governmental Funds	12,233
Other Governmental Funds	General Fund	109,189
	Other Governmental Funds	<u>24,049</u>
Total		<u>\$ 645,471</u>

The County typically uses transfers for cash flow purposes as provided by various statutory provisions.

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; dental health for employees and dependents; 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 risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

The County has chosen to establish a risk financing fund for risks associated with dental health for employees and dependents. The risk financing fund is accounted for in the Dental Reimbursement fund, an internal service fund, where assets are set aside for claim settlements. Amounts are paid into the fund by all funds with payrolls and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each fund's gross wages, and are reported as quasi-external interfund transactions.

During 1992, the County joined together with other governmental entities to form the Indiana Public Employers Plan, a public entity risk pool currently operating as a common risk management and insurance program for several member governmental entities. The purpose of the risk

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

pool is to provide a medium for the funding and administration of claims for job related illnesses or injuries to employees. The County pays an annual premium to the risk pool. 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. Holding Corporation

The County has entered into a capital lease with Marshall County Holding Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2010 totaled \$1,213,500.

C. 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

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the County during the period were \$373,784.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The contribution requirements of plan members for the County Police Retirement Plan are established by State statute. The contributions made by the County during the period were \$284,861.

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

The contribution requirements of plan members for the County Police Benefit Plan are established by State statute. The County did not make any contributions during the period.

MARSHALL 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, 2010

	Local Road and Street	Accident Report	Firearms Training	Health	County Law Enforcement Continuing Education	Clerk's Records Perpetuation	Electronic Map Generation
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 287,708	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	35,345	-	-	-
Intergovernmental	424,260	-	-	34,832	-	-	-
Charges for services	-	3,368	-	13,388	-	-	-
Fines and forfeits	-	-	-	-	2,181	16,740	200
Other	-	-	15,828	21,779	-	-	-
Total receipts	424,260	3,368	15,828	393,052	2,181	16,740	200
Disbursements:							
General government	-	-	-	-	-	8,116	-
Public safety	-	1,037	22,795	-	8,483	-	-
Highways and streets	423,175	-	-	-	-	-	-
Health and welfare	-	-	-	317,527	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	16,726	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	8,675	-	-	-
Total disbursements	423,175	1,037	22,795	326,202	8,483	24,842	-
Excess (deficiency) of receipts over disbursements	1,085	2,331	(6,967)	66,850	(6,302)	(8,102)	200
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	28	-	-	-
Total other financing sources (uses)	-	-	-	28	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,085	2,331	(6,967)	66,878	(6,302)	(8,102)	200
Cash and investment fund balance - beginning	279,476	2,499	72,080	400,569	26,273	50,229	3,070
Cash and investment fund balance - ending	<u>\$ 280,561</u>	<u>\$ 4,830</u>	<u>\$ 65,113</u>	<u>\$ 467,447</u>	<u>\$ 19,971</u>	<u>\$ 42,127</u>	<u>\$ 3,270</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 4,830	\$ 65,113	\$ -	\$ 19,971	\$ 42,127	\$ 3,270
Restricted assets:							
Cash and investments	280,561	-	-	467,447	-	-	-
Total cash and investment assets - ending	<u>\$ 280,561</u>	<u>\$ 4,830</u>	<u>\$ 65,113</u>	<u>\$ 467,447</u>	<u>\$ 19,971</u>	<u>\$ 42,127</u>	<u>\$ 3,270</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	280,561	-	-	-	-	-	-
Health and welfare	-	-	-	467,447	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	4,830	65,113	-	19,971	42,127	3,270
Total cash and investment fund balance - ending	<u>\$ 280,561</u>	<u>\$ 4,830</u>	<u>\$ 65,113</u>	<u>\$ 467,447</u>	<u>\$ 19,971</u>	<u>\$ 42,127</u>	<u>\$ 3,270</u>

MARSHALL 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, 2010
 (Continued)

	Emergency Telephone System	County Drug Free Community	Drain Maintenance	Emergency Planning and Right to Know	Convention and Visitors Bureau	2006 Property Reassessment	Prosecutor Title IV-D No. 1
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 143,053	\$ 292,668	\$ -
Special assessments	-	-	467,598	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	49,488	-	26,086	-	26,375	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	326,473	-	-	-	-	3,515	-
Total receipts	326,473	49,488	467,598	26,086	143,053	322,558	-
Disbursements:							
General government	-	-	292,815	-	-	560,241	-
Public safety	424,670	44,944	-	24,785	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	61,732
Culture and recreation	-	-	-	-	144,668	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	1,563	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	424,670	44,944	292,815	26,348	144,668	560,241	61,732
Excess (deficiency) of receipts over disbursements	(98,197)	4,544	174,783	(262)	(1,615)	(237,683)	(61,732)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(24,049)	-	-	-	-
Other receipts	-	-	644	-	-	3,927	40,413
Total other financing sources (uses)	-	-	(23,405)	-	-	3,927	40,413
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(98,197)	4,544	151,378	(262)	(1,615)	(233,756)	(21,319)
Cash and investment fund balance - beginning	353,789	78,305	1,716,336	42,679	8,469	988,054	149,327
Cash and investment fund balance - ending	<u>\$ 255,592</u>	<u>\$ 82,849</u>	<u>\$ 1,867,714</u>	<u>\$ 42,417</u>	<u>\$ 6,854</u>	<u>\$ 754,298</u>	<u>\$ 128,008</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 82,849	\$ 1,867,714	\$ 42,417	\$ 6,854	\$ 754,298	\$ 128,008
Restricted assets:							
Cash and investments	255,592	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 255,592</u>	<u>\$ 82,849</u>	<u>\$ 1,867,714</u>	<u>\$ 42,417</u>	<u>\$ 6,854</u>	<u>\$ 754,298</u>	<u>\$ 128,008</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ 255,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	82,849	1,867,714	42,417	6,854	754,298	128,008
Total cash and investment fund balance - ending	<u>\$ 255,592</u>	<u>\$ 82,849</u>	<u>\$ 1,867,714</u>	<u>\$ 42,417</u>	<u>\$ 6,854</u>	<u>\$ 754,298</u>	<u>\$ 128,008</u>

MARSHALL 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, 2010
 (Continued)

	County Extradition	Juvenile Probation Services	Probation User Fees	Recorder's Records Perpetuation	County User's Fees	Family and Children	Local Health Maintenance
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	33,139
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	88,828	45,465	18,575	-	-
Other	10,966	-	-	-	-	695	-
Total receipts	10,966	-	88,828	45,465	18,575	695	33,139
Disbursements:							
General government	-	-	-	21,730	18,051	-	-
Public safety	1,669	-	4,401	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	28,842
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	31,077	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	1,669	-	35,478	21,730	18,051	-	28,842
Excess (deficiency) of receipts over disbursements	9,297	-	53,350	23,735	524	695	4,297
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(35,833)	-	-	-	-
Other receipts	-	-	-	146	-	-	-
Total other financing sources (uses)	-	-	(35,833)	146	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,297	-	17,517	23,881	524	695	4,297
Cash and investment fund balance - beginning	128,385	3,309	464,487	33,537	37,491	-	29,191
Cash and investment fund balance - ending	<u>\$ 137,682</u>	<u>\$ 3,309</u>	<u>\$ 482,004</u>	<u>\$ 57,418</u>	<u>\$ 38,015</u>	<u>\$ 695</u>	<u>\$ 33,488</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 137,682	\$ 3,309	\$ 482,004	\$ 57,418	\$ 38,015	\$ -	\$ 33,488
Restricted assets:							
Cash and investments	-	-	-	-	-	695	-
Total cash and investment assets - ending	<u>\$ 137,682</u>	<u>\$ 3,309</u>	<u>\$ 482,004</u>	<u>\$ 57,418</u>	<u>\$ 38,015</u>	<u>\$ 695</u>	<u>\$ 33,488</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	695	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	137,682	3,309	482,004	57,418	38,015	-	33,488
Total cash and investment fund balance - ending	<u>\$ 137,682</u>	<u>\$ 3,309</u>	<u>\$ 482,004</u>	<u>\$ 57,418</u>	<u>\$ 38,015</u>	<u>\$ 695</u>	<u>\$ 33,488</u>

MARSHALL 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, 2010
 (Continued)

	Community Corrections Home Detention	Pretrial Diversion	Court Appointed Special Advocate	Plat Book	County Corrections- Misdemeanant	Supplemental Public Defender Services	Prior Clerk Title IV-D
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	17,655	-	35,050	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	94,239	-	10,582	-	-	-
Other	-	-	-	-	-	2,976	-
Total receipts	-	94,239	17,655	10,582	35,050	2,976	-
Disbursements:							
General government	-	-	12,500	5,020	-	-	-
Public safety	-	55,460	-	-	10,385	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	6,586	-	-	2,526	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	-	62,046	12,500	5,020	12,911	-	-
Excess (deficiency) of receipts over disbursements	-	32,193	5,155	5,562	22,139	2,976	-
Other financing sources (uses):							
Transfers in	-	-	12,233	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	12,233	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	32,193	17,388	5,562	22,139	2,976	-
Cash and investment fund balance - beginning	200	80,285	85,365	50,753	167,735	25,716	5,550
Cash and investment fund balance - ending	<u>200</u>	<u>112,478</u>	<u>102,753</u>	<u>56,315</u>	<u>189,874</u>	<u>28,692</u>	<u>5,550</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 200	\$ 112,478	\$ 102,753	\$ 56,315	\$ 189,874	\$ 28,692	\$ 5,550
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>200</u>	<u>112,478</u>	<u>102,753</u>	<u>56,315</u>	<u>189,874</u>	<u>28,692</u>	<u>5,550</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	200	112,478	102,753	56,315	189,874	28,692	5,550
Total cash and investment fund balance - ending	<u>200</u>	<u>112,478</u>	<u>102,753</u>	<u>56,315</u>	<u>189,874</u>	<u>28,692</u>	<u>5,550</u>

MARSHALL 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, 2010
 (Continued)

	Surveyor's Corner Perpetuation	Sales Disclosure	Sheriff's Commissary	DARE Grant	Surplus Dog Tax	Levy Excess	Identification Security Protection
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	83,069	-	-	-	-
Fines and forfeits	7,680	3,995	-	-	-	-	14,080
Other	-	-	-	7,486	-	-	-
Total receipts	7,680	3,995	83,069	7,486	-	-	14,080
Disbursements:							
General government	7,578	20,456	-	-	-	-	-
Public safety	-	-	70,300	7,634	-	-	20,000
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Total disbursements	7,578	20,456	70,300	7,634	-	-	20,000
Excess (deficiency) of receipts over disbursements	102	(16,461)	12,769	(148)	-	-	(5,920)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	37,353	-
Total other financing sources (uses)	-	-	-	-	-	37,353	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	102	(16,461)	12,769	(148)	-	37,353	(5,920)
Cash and investment fund balance - beginning	12,759	35,315	17,529	29,382	26	-	16,196
Cash and investment fund balance - ending	<u>\$ 12,861</u>	<u>\$ 18,854</u>	<u>\$ 30,298</u>	<u>\$ 29,234</u>	<u>\$ 26</u>	<u>\$ 37,353</u>	<u>\$ 10,276</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 12,861	\$ 18,854	\$ 30,298	\$ 29,234	\$ 26	\$ 37,353	\$ 10,276
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 12,861</u>	<u>\$ 18,854</u>	<u>\$ 30,298</u>	<u>\$ 29,234</u>	<u>\$ 26</u>	<u>\$ 37,353</u>	<u>\$ 10,276</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	12,861	18,854	30,298	29,234	26	37,353	10,276
Total cash and investment fund balance - ending	<u>\$ 12,861</u>	<u>\$ 18,854</u>	<u>\$ 30,298</u>	<u>\$ 29,234</u>	<u>\$ 26</u>	<u>\$ 37,353</u>	<u>\$ 10,276</u>

MARSHALL 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, 2010
 (Continued)

	Operation Pullover	Clerk Title IV-D No. 2	Multi-County Drug Task Force No. 1	Multi-County Drug Task Force No. 2	Sheriff Pension	Campaign Enforcement	Emergency Management Assistance Grants
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	6,500	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	18	-	-	-	-
Other	-	-	854	-	-	-	-
Total receipts	6,500	-	872	-	-	-	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	6,473	-	2,503	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	27,130	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	23,701	-	-	-	-	-
Total disbursements	6,473	50,831	2,503	-	-	-	-
Excess (deficiency) of receipts over disbursements	27	(50,831)	(1,631)	-	-	-	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	25,493	-	-	-	-	-
Total other financing sources (uses)	-	25,493	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	27	(25,338)	(1,631)	-	-	-	-
Cash and investment fund balance - beginning	25	64,727	27,250	488	-	842	3,276
Cash and investment fund balance - ending	\$ 52	\$ 39,389	\$ 25,619	\$ 488	\$ -	\$ 842	\$ 3,276
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 39,389	\$ 25,619	\$ 488	\$ -	\$ 842	\$ 3,276
Restricted assets:							
Cash and investments	52	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 52	\$ 39,389	\$ 25,619	\$ 488	\$ -	\$ 842	\$ 3,276
Cash and Investment Fund Balance - Ending							
Restricted for:							
Public safety	\$ 52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	-	39,389	25,619	488	-	842	3,276
Total cash and investment fund balance - ending	\$ 52	\$ 39,389	\$ 25,619	\$ 488	\$ -	\$ 842	\$ 3,276

MARSHALL 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, 2010
 (Continued)

	Road Cut Bonds	Interstate Compact Fees	Administrative Probation Fees	EPICS Fund	County Alcohol and Drug Program	Tobacco Cessation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	25,242
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	150	56,780	-	-	-
Other	9,000	-	-	8,702	-	-
Total receipts	9,000	150	56,780	8,702	-	25,242
Disbursements:						
General government	6,000	150	-	581	-	39,702
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	6,000	150	-	581	-	39,702
Excess (deficiency) of receipts over disbursements	3,000	-	56,780	8,121	-	(14,460)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(62,000)	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(62,000)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,000	-	(5,220)	8,121	-	(14,460)
Cash and investment fund balance - beginning	15,200	-	8,488	191	253	80,265
Cash and investment fund balance - ending	\$ 18,200	\$ -	\$ 3,268	\$ 8,312	\$ 253	\$ 65,805
Cash and Investment Assets - Ending						
Cash and investments	\$ 18,200	\$ -	\$ 3,268	\$ 8,312	\$ 253	\$ 65,805
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 18,200	\$ -	\$ 3,268	\$ 8,312	\$ 253	\$ 65,805
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	18,200	-	3,268	8,312	253	65,805
Total cash and investment fund balance - ending	\$ 18,200	\$ -	\$ 3,268	\$ 8,312	\$ 253	\$ 65,805

MARSHALL 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, 2010
 (Continued)

	Prosecutor Continuing Education	WIC No. 1	Victim Assistance No. 2	Victim Impact	Sheriff's Pretrial Diversion	Crossroads Project
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	144,183	2,772	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	15,701
Total receipts	-	144,183	2,772	-	-	15,701
Disbursements:						
General government	-	153,138	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	153,138	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(8,955)	2,772	-	-	15,701
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(11,356)	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(11,356)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(8,955)	(8,584)	-	-	15,701
Cash and investment fund balance - beginning	476	(22,908)	11,356	2,346	4,055	-
Cash and investment fund balance - ending	<u>\$ 476</u>	<u>\$ (31,863)</u>	<u>\$ 2,772</u>	<u>\$ 2,346</u>	<u>\$ 4,055</u>	<u>\$ 15,701</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 476	\$ (31,863)	\$ 2,772	\$ 2,346	\$ 4,055	\$ 15,701
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 476</u>	<u>\$ (31,863)</u>	<u>\$ 2,772</u>	<u>\$ 2,346</u>	<u>\$ 4,055</u>	<u>\$ 15,701</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	476	(31,863)	2,772	2,346	4,055	15,701
Total cash and investment fund balance - ending	<u>\$ 476</u>	<u>\$ (31,863)</u>	<u>\$ 2,772</u>	<u>\$ 2,346</u>	<u>\$ 4,055</u>	<u>\$ 15,701</u>

MARSHALL 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, 2010
 (Continued)

	Personal Property Judgments	Wireless 9/1/2001	Sex Offender Registration Fees	Sex Offender Registration Fees- State	GIS Data Enhanced Access	Older Adult Services Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	144,296
Charges for services	-	-	-	-	2,034	-
Fines and forfeits	-	179,454	1,839	314	-	-
Other	-	-	-	-	-	-
Total receipts	-	179,454	1,839	314	2,034	144,296
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	99,733	-	42	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	144,296
Culture and recreation	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	99,733	-	42	-	144,296
Excess (deficiency) of receipts over disbursements	-	79,721	1,839	272	2,034	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	79,721	1,839	272	2,034	-
Cash and investment fund balance - beginning	3,065	357,363	4,437	(272)	3,220	-
Cash and investment fund balance - ending	<u>\$ 3,065</u>	<u>\$ 437,084</u>	<u>\$ 6,276</u>	<u>\$ -</u>	<u>\$ 5,254</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 3,065	\$ 437,084	\$ 6,276	\$ -	\$ 5,254	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 3,065</u>	<u>\$ 437,084</u>	<u>\$ 6,276</u>	<u>\$ -</u>	<u>\$ 5,254</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	3,065	437,084	6,276	-	5,254	-
Total cash and investment fund balance - ending	<u>\$ 3,065</u>	<u>\$ 437,084</u>	<u>\$ 6,276</u>	<u>\$ -</u>	<u>\$ 5,254</u>	<u>\$ -</u>

MARSHALL 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, 2010
 (Continued)

	Alcohol and Drug Services- MCDAP Program	Public Health Emergency Response	Intrastate Compact Fees	Juvenile Probation User Fees	DUI Task Force	Prosecutor ARRA Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	17,613	-	-	2,500	36,320
Charges for services	-	-	-	-	-	-
Fines and forfeits	278,190	-	478	4,124	-	-
Other	-	-	-	-	-	-
Total receipts	278,190	17,613	478	4,124	2,500	36,320
Disbursements:						
General government	348,349	6,377	-	-	-	-
Public safety	-	-	-	-	366	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay:						
General government	38	23,820	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	348,387	30,197	-	-	366	-
Excess (deficiency) of receipts over disbursements	(70,197)	(12,584)	478	4,124	2,134	36,320
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	4	-	-	-	-	-
Total other financing sources (uses)	4	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(70,193)	(12,584)	478	4,124	2,134	36,320
Cash and investment fund balance - beginning	227,705	33,481	485	1,063	-	-
Cash and investment fund balance - ending	<u>\$ 157,512</u>	<u>\$ 20,897</u>	<u>\$ 963</u>	<u>\$ 5,187</u>	<u>\$ 2,134</u>	<u>\$ 36,320</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 157,512	\$ 20,897	\$ 963	\$ 5,187	\$ 2,134	\$ 36,320
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 157,512</u>	<u>\$ 20,897</u>	<u>\$ 963</u>	<u>\$ 5,187</u>	<u>\$ 2,134</u>	<u>\$ 36,320</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	157,512	20,897	963	5,187	2,134	36,320
Total cash and investment fund balance - ending	<u>\$ 157,512</u>	<u>\$ 20,897</u>	<u>\$ 963</u>	<u>\$ 5,187</u>	<u>\$ 2,134</u>	<u>\$ 36,320</u>

MARSHALL 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, 2010
 (Continued)

	Clerk ARRA Fund	HAVA Title II	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ 443,963	\$ 649,823	\$ -	\$ 1,817,215
Special assessments	-	-	-	-	43,690	511,288
Licenses and permits	-	-	-	-	-	35,345
Intergovernmental	25,414	5,000	40,009	58,560	-	1,155,294
Charges for services	-	-	-	-	-	101,859
Fines and forfeits	-	-	-	-	250	824,162
Other	-	-	2,201	4,361	4,174	434,711
Total receipts	25,414	5,000	486,173	712,744	48,114	4,879,874
Disbursements:						
General government	-	5,000	252,513	-	40,260	1,798,577
Public safety	-	-	-	-	-	805,680
Highways and streets	-	-	-	516,362	-	939,537
Health and welfare	-	-	-	-	-	579,527
Culture and recreation	-	-	-	-	-	144,668
Capital outlay:						
General government	-	-	113,880	-	-	154,464
Public safety	-	-	-	-	-	41,752
Highways and streets	-	-	-	307,605	-	307,605
Health and welfare	-	-	-	-	-	32,376
Total disbursements	-	5,000	366,393	823,967	40,260	4,804,186
Excess (deficiency) of receipts over disbursements	25,414	-	119,780	(111,223)	7,854	75,688
Other financing sources (uses):						
Transfers in	-	-	-	-	24,049	36,282
Transfers out	-	-	-	-	-	(133,238)
Other receipts	-	-	-	123,428	-	231,436
Total other financing sources (uses)	-	-	-	123,428	24,049	134,480
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,414	-	119,780	12,205	31,903	210,168
Cash and investment fund balance - beginning	-	-	575,525	1,019,229	390,736	8,206,733
Cash and investment fund balance - ending	\$ 25,414	\$ -	\$ 695,305	\$ 1,031,434	\$ 422,639	\$ 8,416,901
Cash and Investment Assets - Ending						
Cash and investments	\$ 25,414	\$ -	\$ -	\$ -	\$ -	\$ 5,263,176
Restricted assets:						
Cash and investments	-	-	695,305	1,031,434	422,639	3,153,725
Total cash and investment assets - ending	\$ 25,414	\$ -	\$ 695,305	\$ 1,031,434	\$ 422,639	\$ 8,416,901
Cash and Investment Fund Balance - Ending						
Restricted for:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 255,644
Highways and streets	-	-	-	-	-	280,561
Health and welfare	-	-	-	-	-	468,142
Capital outlay	-	-	695,305	1,031,434	422,639	2,149,378
Unrestricted	25,414	-	-	-	-	5,263,176
Total cash and investment fund balance - ending	\$ 25,414	\$ -	\$ 695,305	\$ 1,031,434	\$ 422,639	\$ 8,416,901

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2010

	<u>Sheriff's Pension Trust</u>	<u>Sheriff's Benefit Trust</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 284,861	\$ -	\$ 284,861
Plan members	<u>31,142</u>	<u>-</u>	<u>31,142</u>
Total contributions	<u>316,003</u>	<u>-</u>	<u>316,003</u>
Investment receipts:			
Interest	242,888	18,074	260,962
Total additions	<u>558,891</u>	<u>18,074</u>	<u>576,965</u>
Deductions:			
Benefits	227,409	7,200	234,609
Administrative and general	<u>80,313</u>	<u>4,270</u>	<u>84,583</u>
Total deductions	<u>307,722</u>	<u>11,470</u>	<u>319,192</u>
Excess of total additions over total deductions	251,169	6,604	257,773
Cash and investment fund balance - beginning	<u>4,556,553</u>	<u>199,594</u>	<u>4,756,147</u>
Cash and investment fund balance - ending	<u>\$ 4,807,722</u>	<u>\$ 206,198</u>	<u>\$ 5,013,920</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010

	<u>City and Town Court Costs</u>	<u>Congressional School Interest</u>	<u>Clerk</u>	<u>Surplus Tax Sale</u>	<u>Tax Sale Redemption</u>	<u>Surplus Tax</u>
Additions:						
Agency fund additions	\$ 17,634	\$ 92	\$ 8,073,791	\$ 8,204	\$ 107,522	\$ 38,864
Deductions:						
Agency fund deductions	<u>19,273</u>	<u>849</u>	<u>8,018,090</u>	<u>482,191</u>	<u>111,956</u>	<u>53,222</u>
Excess (deficiency) of total additions over total deductions	(1,639)	(757)	55,701	(473,987)	(4,434)	(14,358)
Cash and investment fund balance - beginning	<u>3,027</u>	<u>17,642</u>	<u>777,722</u>	<u>522,030</u>	<u>4,239</u>	<u>84,036</u>
Cash and investment fund balance - ending	<u>\$ 1,388</u>	<u>\$ 16,885</u>	<u>\$ 833,423</u>	<u>\$ 48,043</u>	<u>\$ (195)</u>	<u>\$ 69,678</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010
 (Continued)

	State Fines and Forfeitures	State Sales Disclosure Fee	Overweight Vehicle Fines	Recorder	Sheriff	Infraction Judgments
Additions:						
Agency fund additions	\$ 88,295	\$ 3,995	\$ -	\$ 169,469	\$ 3,409,872	\$ 105,586
Deductions:						
Agency fund deductions	<u>89,902</u>	<u>3,985</u>	<u>146</u>	<u>166,107</u>	<u>3,409,200</u>	<u>105,013</u>
Excess (deficiency) of total additions over total deductions	(1,607)	10	(146)	3,362	672	573
Cash and investment fund balance - beginning	<u>6,599</u>	<u>420</u>	<u>146</u>	<u>15,442</u>	<u>14</u>	<u>9,338</u>
Cash and investment fund balance - ending	<u>\$ 4,992</u>	<u>\$ 430</u>	<u>\$ -</u>	<u>\$ 18,804</u>	<u>\$ 686</u>	<u>\$ 9,911</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010
 (Continued)

	Inheritance Tax	Military Fines	Payroll	Inmate Trust	Special Death Benefit	Education License Plate Fees
Additions:						
Agency fund additions	\$ 1,477,744	\$ -	\$ -	\$ 213,654	\$ 4,646	\$ 1,781
Deductions:						
Agency fund deductions	1,013,131	-	-	210,954	4,785	1,688
Excess (deficiency) of total additions over total deductions	464,613	-	-	2,700	(139)	93
Cash and investment fund balance - beginning	240,794	4	-	2,038	445	(93)
Cash and investment fund balance - ending	<u>\$ 705,407</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 4,738</u>	<u>\$ 306</u>	<u>\$ -</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010
 (Continued)

	Mortgage Fees- State Share	Child Restraint Violations Fines	Payroll Clearing	Homestead Credit Rebate	HEA 1001-2008 State HC	Tax Distribution
Additions:						
Agency fund additions	\$ 5,204	\$ 2,288	\$ 11,234,992	\$ 393	\$ 397,525	\$ 48,264,980
Deductions:						
Agency fund deductions	5,167	2,238	11,239,251	2,402	398,728	48,518,714
Excess (deficiency) of total additions over total deductions	37	50	(4,259)	(2,009)	(1,203)	(253,734)
Cash and investment fund balance - beginning	391	50	152,228	31,712	3,588	253,734
Cash and investment fund balance - ending	<u>\$ 428</u>	<u>\$ 100</u>	<u>\$ 147,969</u>	<u>\$ 29,703</u>	<u>\$ 2,385</u>	<u>\$ -</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010
 (Continued)

	<u>Treasurer</u>	<u>Welfare Excise Tax</u>	<u>Special Assessment</u>	<u>Coroner's Training- Continuing Education</u>	<u>Additional Judgment Excise Tax</u>	<u>County Child Advocacy</u>
Additions:						
Agency fund additions	\$ 1,095,319	\$ 1,635,846	\$ 22,427	\$ 4,802	\$ -	\$ 590
Deductions:						
Agency fund deductions	<u>1,335,779</u>	<u>1,635,846</u>	<u>22,427</u>	<u>4,796</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of total additions over total deductions	(240,460)	-	-	6	-	590
Cash and investment fund balance - beginning	<u>1,335,829</u>	<u>-</u>	<u>488</u>	<u>477</u>	<u>2,649</u>	<u>1,620</u>
Cash and investment fund balance - ending	<u>\$ 1,095,369</u>	<u>\$ -</u>	<u>\$ 488</u>	<u>\$ 483</u>	<u>\$ 2,649</u>	<u>\$ 2,210</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2010
 (Continued)

	DEA Forfeiture	State 2008 Prior Delinquent Tax	County 2008 Prior Tax Welfare	School Levy Shortfall Delinquent Tax	Family Violence- Victim Assistance	Totals
Additions:						
Agency fund additions	\$ 153	\$ 1,568	\$ 16,599	\$ 5	\$ 600	\$ 76,404,440
Deductions:						
Agency fund deductions	-	1,568	16,599	5	416	76,874,428
Excess (deficiency) of total additions over total deductions	153	-	-	-	184	(469,988)
Cash and investment fund balance - beginning	35,657	-	-	-	510	3,502,776
Cash and investment fund balance - ending	<u>\$ 35,810</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 694</u>	<u>\$ 3,032,788</u>

MARSHALL COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 985,798
Infrastructure	50,465,607
Buildings	22,764,176
Machinery and equipment	<u>8,657,163</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 82,709,886</u>

MARSHALL COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital lease:		
Correctional facility	<u>\$ 13,905,000</u>	<u>\$ 1,215,500</u>

MARSHALL COUNTY
OTHER REPORT

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

County Sheriff

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 MARSHALL COUNTY, INDIANA

Compliance

We have audited the compliance of the Marshall 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, 2010. 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 of America; 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, 2010.

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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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)

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

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

April 19, 2011

MARSHALL COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Health Special Supplemental Nutrition Program for Women, Infants, and Children WIC 149-1	10.557	FY 2010	\$ 143,701
<u>U.S. DEPARTMENT OF THE INTERIOR</u>			
Pass-Through Indiana Department of Natural Resources Wildlife Restoration	15.611	FY 2010	488
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance VOCA	16.575	09VA099	2,772
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation ARRA-Formula Grants for Other Than Urbanized Areas, Recovery Act	20.509	ARRA	34,387
Formula Grants for Other Than Urbanized Areas FTA Section 5311	20.509	180028	73,532
FTA Section 5317 New Freedom Operating Grant		09NWFR70O	10,477
FTA Section 5316 JARC Planning Grant		09JARC7OP	2,430
Total - Formula Grants for Other Than Urbanized Areas			86,439
Total for program			120,826
New Freedom Program	20.521	FY 2009	7,407
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600	OP11-02-01-22	1,000
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8-2011-03-03-22	2,500
Safety Belt Performance Grants	20.609	OP10-02-01-26	5,500
Total for cluster			9,000
Pass-Through Indiana Department of Homeland Security Interagency Hazardous Materials Public Sector Training and Planning Grants Preparedness Grant Program	20.703	EDS#C44P-0-144A	20,911
Total for federal grantor agency			158,144
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Public Health Emergency Preparedness H1N1 Assistance	93.069	H1N1 149-66	4,108
		H1N1 149-67	13,505
Total for program			17,613
Centers for Disease Control and Prevention - Investigations and Technical Assistance Bioterrorism Grant	93.283	BPRS 149-4	8,905
Voting Access for Individuals with Disabilities-Grants to States	93.617	FY 2009	5,000
Pass-Through Indiana Department of Children's Services ARRA-Child Support Enforcement, Recovery Act	93.563	ARRA	73,955
Child Support Enforcement	93.563	FY 2010	218,595
Total for program			292,550
Total for federal grantor agency			324,068
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grants 2009 Emergency Management Performance	97.042	FY 2009	18,534
Total federal awards expended			\$ 647,707

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

MARSHALL COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Marshall County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of Counties with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

MARSHALL 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
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

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

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

CFDA Number	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
93.563	Child Support Enforcement
93.563	ARRA Child Support Enforcement

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

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

MARSHALL COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

MARSHALL COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 19, 2011, with Penny Lukenbill, Auditor; Ward Byers, Councilman; and Kevin Overmyer, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.