

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

ANNUAL FINANCIAL REPORT

2010

FRANKLIN COUNTY, INDIANA



FILED

08/15/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Susan A. Jones Erica Hudson	01-01-08 to 12-31-10 01-01-11 to 12-31-14
Treasurer	Rebecca Oglesby	01-01-09 to 12-31-12
Clerk	Linda D. Vaughan Karla J. Bauman	01-01-10 to 12-31-10 01-01-11 to 12-31-14
Sheriff	Dale Maxie Kenneth A. Murphy	01-01-07 to 12-31-10 01-01-11 to 12-31-14
Recorder	Pamela Beneker	01-01-09 to 12-31-12
President of the Board of County Commissioners	Eric Roberts Thomas Wilson	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the County Council	Hollie Maxie Jeffery C. Koch	01-01-10 to 12-31-10 01-01-11 to 12-31-11



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

TO: THE OFFICIALS OF FRANKLIN COUNTY, INDIANA

We have audited the accompanying financial statement of Franklin County (County), for the year ended December 31, 2010. This financial statement is the responsibility of the County's management. Our responsibility is to express opinions on this financial statement 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 statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 1, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 16, 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 an opinion on the County's financial statement. 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 financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Included in the financial statement is 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 Indiana Code 36-8-16-14 and Indiana Code 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 financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

June 16, 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 FRANKLIN COUNTY, INDIANA

We have audited the financial statement of Franklin County (County), for the year ended December 31, 2010, and have issued our report thereon dated June 16, 2011. 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 statement, 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 deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be 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 statement 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, the Board of County Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 16, 2011

FINANCIAL STATEMENT(S)

FRANKLIN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 1,459,591	\$ 5,473,799	\$ 5,579,597	\$ 1,353,793
Local Road And Street	499,818	257,083	136,461	620,440
Accident Report	3,059	741	1,372	2,428
Firearms Training	11,884	7,631	8,457	11,058
Health	35,489	297,479	285,236	47,732
Choices Saturday Program	35,026	19,903	31,338	23,591
Probation	1,490	24,062	24,137	1,415
Donation Health Department	432	925	594	763
Franklin County Economic Development	92,155	91,099	67,267	115,987
County Law Enforcement Continuing ED	1,240	-	-	1,240
Clerk's Record Perpetuation	21,390	7,639	885	28,144
Deferral Program	18,899	9,570	-	28,469
Election	37,122	111,931	117,317	31,736
Riverboat Tax Distribution	-	638,622	638,622	-
E911 Landline	352,916	240,390	338,419	254,887
Drug Free Community	88,990	40,934	45,800	84,124
Stayin' Alive DUI	4,353	8,000	8,360	3,993
Drainage Maintenance	15,613	33,457	27,177	21,893
Emergency Planning/Right To Know	7,301	3,149	1,514	8,936
Levy Excess Welfare	4,548	-	-	4,548
Highway	740,542	1,646,645	1,963,459	423,728
Park And Recreation	50,742	179,742	165,349	65,135
Reassessment	657,962	118,461	252,326	524,097
Title IV-D Prosecuting Attorney	3,805	-	124	3,681
Supplemental Juvenile Probation	24,413	6,034	-	30,447
Supplemental Adult Probation	29,740	123,382	146,569	6,553
Recorder's Records Perpetuation	47,895	25,058	21,241	51,712
Jury Fee	29,873	2,906	-	32,779
Covered Bridge	36,098	3,700	-	39,798
Marijuana Eradication	18	-	-	18
Health Maintenance	27,846	20,000	18,694	29,152
In-Home Detention	11,388	7,188	2,892	15,684
Pretrial Diversion-User Fees	41,293	26,319	39,212	28,400
Solid Waste Planning	-	140,922	140,922	-
Guardian Ad Litem/Court User Fee	3,605	-	-	3,605
Plat Book Fees	57,975	5,415	10,010	53,380
County Misdemeanant	70,702	14,626	12,457	72,871
Supplemental Public Defender	3,742	-	-	3,742
Title IV-D Clerk	19,167	21,063	27,455	12,775
Surplus Dog	308	-	-	308
Surveyor's Corner Perpetuation	32,412	4,085	8,173	28,324
Park Donations	215	-	-	215
Cholesterol	54	-	27	27
Waste Management And Recycling	13,082	12,200	14,938	10,344
Salary Donations	10	-	-	10
Title II Hava Clerk	-	1,487	1,487	-
Operation Pullover	1,701	4,728	6,235	194
Emergency Gas Award	550	-	-	550
Tobacco Money	172,886	30,800	13,555	190,131
Park Grants	1	-	-	1
Historic Metamora	785	180	300	665
Public Mass Transportation	-	695,607	695,607	-
CAGIT Tax Distribution	1	5,016,767	5,016,768	-
Rainy Day	1,171,215	477,286	589,170	1,059,331
Inmate Medical	6,638	-	-	6,638
County Sales Disclosure	20,120	2,235	55	22,300
Record Check Fee-Sheriff	450	140	-	590
State Welfare Allocation	-	858,008	858,008	-
EDIT Tax	1	1,259,296	1,259,297	-
Bio-Terrorism	2,144	-	-	2,144
Restricted Sac Donations	2,517	1,665	2,558	1,624
Flu Vaccine	16,865	9,968	7,402	19,431
Indiana Tobacco Prevention & Cessation	18,546	28,001	24,292	22,255
Rushshelby Energy Grant Sheriff	-	1,225	1,225	-
WW Valley REMC Sheriff Grant	-	1,000	1,000	-

The notes to the financial statement(s) is an integral part of this statement.

FRANKLIN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010
(Continued)

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Open Alcohol Beverages	1,031	-	-	1,031
H1N1 Grant Phase I	12,391	1,505	12,554	1,342
H1N1 Grant Phase III	13,917	8,803	27,717	(4,997)
National Disaster Grant	1,400	-	-	1,400
Pandemic Influenza	2,000	-	-	2,000
ARRA Public Transportation	-	159,651	159,651	-
Prosecutor ARRA	-	10,380	-	10,380
Clerk ARRA	-	15,483	-	15,483
Bridge 94 ARRA	-	46,494	39,450	7,044
Levy Excess County	-	11,821	-	11,821
Local Public Health Coordinator	392	16,611	18,484	(1,481)
EMA Law Enforcement Terrorism	-	14,519	14,519	-
Andersonville Storm Water Drainage	-	225,064	202,135	22,929
Immunization Program Grant	-	-	5,705	(5,705)
Marine Patrol Grant	-	30,000	27,626	2,374
SEMA EMA Emergency Planning	-	3,146	3,146	-
Coroner Training	72	715	719	68
Grant Holsters	725	-	-	725
Health Dept Grant Brookville Foundation	762	680	1,399	43
Landscaping Grant Brookville Foundation	100	-	-	100
Teppco G.P. / EMA	1,675	-	689	986
Law Enforcement Continuing Education	11,640	5,333	5,866	11,107
County ID Protection (Recorder)	20,887	7,900	-	28,787
Collection Agency	13	136	149	-
E911 Wireless	68,589	100,636	39,281	129,944
Title IV-D Prosecutor	15,080	19,627	23,760	10,947
Title IV-D County Clerk Incentive	5	-	-	5
State Assessment Training	50	447	449	48
Sperry Rice Expansion Grant	-	500,000	500,000	-
Tower Maintenance	12,265	3,678	1,693	14,250
Highway EDIT	523,012	760,237	550,144	733,105
Radio E911	890	-	-	890
Bond Government Center	229,599	436,850	421,185	245,264
Jail Lease Rental	229,087	-	-	229,087
Government Building Renovations	25	-	-	25
Park Nonreverting	11,405	1,152	-	12,557
Cumulative Bridge	1,002,335	627,372	396,662	1,233,045
Cumulative Capital Development	422,022	177,370	151,044	448,348
Drainage Bond Redemption	11,581	128	-	11,709
Rockies Express Fees	65,000	-	-	65,000
General Drain Improvement	8,315	-	-	8,315
Rex Road Repairs	3,153,428	23,164	2,349,924	826,668
Sheriff Service (Police Pension)	14,990	6,764	-	21,754
City And Town Court Cost	4,062	6,463	7,247	3,278
Tax Sale Surplus	47,137	33,611	36,455	44,293
Tax Sale Redemption	13,636	31,051	33,691	10,996
Surplus Tax	40,806	32,828	56,687	16,947
Refund Due To State	-	1,923	1,923	-
Fines And Forfeitures	16,585	103,137	113,100	6,622
Sales Disclosure	200	1,788	1,796	192
Sheriff Bond Collection	9,904	1,820	-	11,724
Infractions And Judgements	806	17,890	17,325	1,371
Inheritance Tax	221,172	180,847	345,385	56,634
Victim Assistance	22	15,000	15,000	22
Commissioner Certificate Sale	-	18,488	7,283	11,205
Health Self Insurance	1,181,855	1,102,147	694,962	1,589,040
Restricted Cemetery Donations	31	1,155	855	331
Education Plate Fees	-	1,013	1,013	-
Innkeepers Tax	184,196	76,018	99,131	161,083
Financial Institutions Tax	-	85,919	85,919	-
Sheriffs' Retirement	1,147,540	162,741	47,855	1,262,426
Recorder Enhancement	2,571	2,012	-	4,583
Mortgage Fee (Recorder)	153	2,645	2,575	223
Child Restraint System Violation	50	1,370	1,320	100
Interstate Compact Fee	-	638	525	113

The notes to the financial statement(s) is an integral part of this statement.

FRANKLIN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010
(Continued)

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Commercial Vehicle Excise Tax	-	87,045	87,045	-
Homestead Refund	8,100	23	2,691	5,432
HEA 1001-2008 State HSC	127	184,373	184,012	488
State Share Delinquent Tax	-	2,023	2,023	-
Tax Distribution	-	11,189,109	11,189,109	-
Final HEA 1001-2007 PTRC & HSC	-	75,806	75,806	-
Inmate Trust Fund	2,161	4,263	5,282	1,142
Jail Commissary Fund	8,429	29,429	21,614	16,244
Sheriff	7,956	652,107	660,051	12
Clerk	364,697	1,724,969	1,861,914	227,752
Clerk Child Support	2,817	443,632	443,021	3,428
Treasurer	716,500	13,981,883	14,162,548	535,835
Recorder	8,425	98,951	97,434	9,942
Totals	<u>\$ 15,833,244</u>	<u>\$ 51,582,336</u>	<u>\$ 53,929,908</u>	<u>\$ 13,485,672</u>

The notes to the financial statement(s) is an integral part of this statement.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)

Note 1. 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 some or all of 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 accompanying financial statement(s) present(s) the financial information for the County (primary government), and does not include financial information for any of the County's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the County (primary government).

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), 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 regulatory 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.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The County may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the County. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the County. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

H. Restatements

For the year ended December 31, 2009, certain changes have been made to the financial statements to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances by fund. The restatement represents investments sold prior to December 31, 2009 that were erroneously included in the balance reported.

Fund	Balance as Reported December 31, 2009	Prior Period Adjustments	Balance as Restated January 1, 2010
Dare Ditch	<u>\$ 11,104</u>	<u>\$ (11,104)</u>	<u>\$ -</u>

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the County submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. 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. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the County by recording as a disbursement and replacement items purchased.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 6. Pension Plan(s)

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 this 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 members' contributions, set by state statute at 3 percent 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. That report may be obtained by contacting:

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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan 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.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

C. *County Police Benefit Plan*

Plan Description

The County Police Benefit Plan 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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Franklin County's Annual Report(s) can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Local Road And Street	Accident Report	Firearms Training	Health	Choices Saturday Program
Cash and investments - beginning	\$ 1,459,591	\$ 499,818	\$ 3,059	\$ 11,884	\$ 35,489	\$ 35,026
Receipts:						
Taxes	3,974,619	-	-	-	194,709	-
Intergovernmental	748,677	254,388	-	-	1,982	-
Charges for services	354,727	-	741	7,631	13,785	-
Fines and forfeits	80,935	-	-	-	-	19,903
Other receipts	314,841	2,695	-	-	87,003	-
Total receipts	<u>5,473,799</u>	<u>257,083</u>	<u>741</u>	<u>7,631</u>	<u>297,479</u>	<u>19,903</u>
Disbursements:						
Personal services	3,906,593	-	-	-	190,234	-
Supplies	245,140	136,461	-	-	2,910	-
Other services and charges	1,286,167	-	-	-	4,730	30,120
Capital outlay	19,344	-	-	-	362	1,218
Other disbursements	122,353	-	1,372	8,457	87,000	-
Total disbursements	<u>5,579,597</u>	<u>136,461</u>	<u>1,372</u>	<u>8,457</u>	<u>285,236</u>	<u>31,338</u>
Excess (deficiency) of receipts over disbursements	<u>(105,798)</u>	<u>120,622</u>	<u>(631)</u>	<u>(826)</u>	<u>12,243</u>	<u>(11,435)</u>
Cash and investments - ending	<u>\$ 1,353,793</u>	<u>\$ 620,440</u>	<u>\$ 2,428</u>	<u>\$ 11,058</u>	<u>\$ 47,732</u>	<u>\$ 23,591</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Probation	Donation Health Department	Franklin County Economic Development	County Law Enforcement Continuing Ed	Clerk's Record Perpetuation	Deferral Program
Cash and investments - beginning	\$ 1,490	\$ 432	\$ 92,155	\$ 1,240	\$ 21,390	\$ 18,899
Receipts:						
Taxes	-	-	89,999	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	1,100	-	76	-
Fines and forfeits	-	-	-	-	7,563	9,570
Other receipts	<u>24,062</u>	<u>925</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>24,062</u>	<u>925</u>	<u>91,099</u>	<u>-</u>	<u>7,639</u>	<u>9,570</u>
Disbursements:						
Personal services	-	-	48,740	-	-	-
Supplies	-	-	67	-	-	-
Other services and charges	-	-	17,315	-	-	-
Capital outlay	-	-	1,145	-	885	-
Other disbursements	<u>24,137</u>	<u>594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>24,137</u>	<u>594</u>	<u>67,267</u>	<u>-</u>	<u>885</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(75)</u>	<u>331</u>	<u>23,832</u>	<u>-</u>	<u>6,754</u>	<u>9,570</u>
Cash and investments - ending	<u>\$ 1,415</u>	<u>\$ 763</u>	<u>\$ 115,987</u>	<u>\$ 1,240</u>	<u>\$ 28,144</u>	<u>\$ 28,469</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Election	Riverboat Tax Distribution	E911 Landline	Drug Free Community	Stayin' Alive DUI	Drainage Maintenance
Cash and investments - beginning	\$ 37,122	\$ -	\$ 352,916	\$ 88,990	\$ 4,353	\$ 15,613
Receipts:						
Taxes	110,803	-	-	-	-	33,457
Intergovernmental	1,128	638,622	-	-	8,000	-
Charges for services	-	-	231,645	40,934	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	8,745	-	-	-
Total receipts	<u>111,931</u>	<u>638,622</u>	<u>240,390</u>	<u>40,934</u>	<u>8,000</u>	<u>33,457</u>
Disbursements:						
Personal services	14,037	-	192,025	-	8,360	-
Supplies	19,299	-	-	-	-	-
Other services and charges	83,921	-	104,690	45,800	-	27,177
Capital outlay	60	-	18,975	-	-	-
Other disbursements	-	638,622	22,729	-	-	-
Total disbursements	<u>117,317</u>	<u>638,622</u>	<u>338,419</u>	<u>45,800</u>	<u>8,360</u>	<u>27,177</u>
Excess (deficiency) of receipts over disbursements	<u>(5,386)</u>	<u>-</u>	<u>(98,029)</u>	<u>(4,866)</u>	<u>(360)</u>	<u>6,280</u>
Cash and investments - ending	<u>\$ 31,736</u>	<u>\$ -</u>	<u>\$ 254,887</u>	<u>\$ 84,124</u>	<u>\$ 3,993</u>	<u>\$ 21,893</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Emergency Planning/Right To Know	Levy Excess Welfare	Highway	Park And Recreation	Reassessment	Title IV-D Prosecuting Attorney
Cash and investments - beginning	\$ 7,301	\$ 4,548	\$ 740,542	\$ 50,742	\$ 657,962	\$ 3,805
Receipts:						
Taxes	-	-	-	124,786	110,801	-
Intergovernmental	3,146	-	1,587,356	1,270	1,128	-
Charges for services	-	-	47,977	52,871	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3	-	11,312	815	6,532	-
Total receipts	<u>3,149</u>	<u>-</u>	<u>1,646,645</u>	<u>179,742</u>	<u>118,461</u>	<u>-</u>
Disbursements:						
Personal services	-	-	1,189,664	132,444	79,160	-
Supplies	-	-	390,909	10,301	2,118	-
Other services and charges	-	-	253,799	19,012	167,417	-
Capital outlay	-	-	128,223	2,439	2,834	-
Other disbursements	1,514	-	864	1,153	797	124
Total disbursements	<u>1,514</u>	<u>-</u>	<u>1,963,459</u>	<u>165,349</u>	<u>252,326</u>	<u>124</u>
Excess (deficiency) of receipts over disbursements	<u>1,635</u>	<u>-</u>	<u>(316,814)</u>	<u>14,393</u>	<u>(133,865)</u>	<u>(124)</u>
Cash and investments - ending	<u>\$ 8,936</u>	<u>\$ 4,548</u>	<u>\$ 423,728</u>	<u>\$ 65,135</u>	<u>\$ 524,097</u>	<u>\$ 3,681</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Supplemental Juvenile Probation	Supplemental Adult Probation	Recorder's Records Perpetuation	Jury Fee	Covered Bridge	Marijuana Eradication
Cash and investments - beginning	\$ 24,413	\$ 29,740	\$ 47,895	\$ 29,873	\$ 36,098	\$ 18
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,700	-
Charges for services	6,034	123,353	25,058	-	-	-
Fines and forfeits	-	-	-	2,906	-	-
Other receipts	-	29	-	-	-	-
Total receipts	<u>6,034</u>	<u>123,382</u>	<u>25,058</u>	<u>2,906</u>	<u>3,700</u>	<u>-</u>
Disbursements:						
Personal services	-	61,114	-	-	-	-
Supplies	-	435	-	-	-	-
Other services and charges	-	33,320	-	-	-	-
Capital outlay	-	51,700	-	-	-	-
Other disbursements	-	-	21,241	-	-	-
Total disbursements	<u>-</u>	<u>146,569</u>	<u>21,241</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>6,034</u>	<u>(23,187)</u>	<u>3,817</u>	<u>2,906</u>	<u>3,700</u>	<u>-</u>
Cash and investments - ending	<u>\$ 30,447</u>	<u>\$ 6,553</u>	<u>\$ 51,712</u>	<u>\$ 32,779</u>	<u>\$ 39,798</u>	<u>\$ 18</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Health Maintenance	In-Home Detention	Pretrial Diversion-User Fees	Solid Waste Planning	Guardian Ad Litem/Court User Fee	Plat Book Fees
Cash and investments - beginning	\$ 27,846	\$ 11,388	\$ 41,293	\$ -	\$ 3,605	\$ 57,975
Receipts:						
Taxes	-	-	-	140,922	-	-
Intergovernmental	20,000	-	-	-	-	-
Charges for services	-	-	25,820	-	-	5,415
Fines and forfeits	-	7,188	-	-	-	-
Other receipts	-	-	499	-	-	-
Total receipts	<u>20,000</u>	<u>7,188</u>	<u>26,319</u>	<u>140,922</u>	<u>-</u>	<u>5,415</u>
Disbursements:						
Personal services	18,694	-	19,502	-	-	-
Supplies	-	-	4,395	-	-	-
Other services and charges	-	2,892	930	-	-	10,000
Capital outlay	-	-	14,385	-	-	-
Other disbursements	-	-	-	140,922	-	10
Total disbursements	<u>18,694</u>	<u>2,892</u>	<u>39,212</u>	<u>140,922</u>	<u>-</u>	<u>10,010</u>
Excess (deficiency) of receipts over disbursements	<u>1,306</u>	<u>4,296</u>	<u>(12,893)</u>	<u>-</u>	<u>-</u>	<u>(4,595)</u>
Cash and investments - ending	<u>\$ 29,152</u>	<u>\$ 15,684</u>	<u>\$ 28,400</u>	<u>\$ -</u>	<u>\$ 3,605</u>	<u>\$ 53,380</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	County Misdemeanant	Supplemental Public Defender	Title IV-D Clerk	Surplus Dog	Surveyor's Corner Perpetuation	Park Donations
Cash and investments - beginning	\$ 70,702	\$ 3,742	\$ 19,167	\$ 308	\$ 32,412	\$ 215
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	14,626	-	-	-	-	-
Charges for services	-	-	21,063	-	4,085	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>14,626</u>	<u>-</u>	<u>21,063</u>	<u>-</u>	<u>4,085</u>	<u>-</u>
Disbursements:						
Personal services	-	-	5,658	-	8,173	-
Supplies	-	-	-	-	-	-
Other services and charges	2,457	-	-	-	-	-
Capital outlay	10,000	-	-	-	-	-
Other disbursements	-	-	21,797	-	-	-
Total disbursements	<u>12,457</u>	<u>-</u>	<u>27,455</u>	<u>-</u>	<u>8,173</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,169</u>	<u>-</u>	<u>(6,392)</u>	<u>-</u>	<u>(4,088)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 72,871</u>	<u>\$ 3,742</u>	<u>\$ 12,775</u>	<u>\$ 308</u>	<u>\$ 28,324</u>	<u>\$ 215</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Cholesterol	Waste Management And Recycling	Salary Donations	Title II Hava Clerk	Operation Pullover	Emergency Gas Award
Cash and investments - beginning	\$ 54	\$ 13,082	\$ 10	\$ -	\$ 1,701	\$ 550
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	12,200	-	1,487	4,300	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	428	-
Total receipts	-	12,200	-	1,487	4,728	-
Disbursements:						
Personal services	-	1,304	-	-	6,235	-
Supplies	-	-	-	1,487	-	-
Other services and charges	-	13,634	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	27	-	-	-	-	-
Total disbursements	27	14,938	-	1,487	6,235	-
Excess (deficiency) of receipts over disbursements	(27)	(2,738)	-	-	(1,507)	-
Cash and investments - ending	\$ 27	\$ 10,344	\$ 10	\$ -	\$ 194	\$ 550

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Tobacco Money	Park Grants	Historic Metamora	Public Mass Transportation	CAGIT Tax Distribution	Rainy Day
Cash and investments - beginning	\$ 172,886	\$ 1	\$ 785	\$ -	\$ 1	\$ 1,171,215
Receipts:						
Taxes	-	-	-	-	5,016,767	360,104
Intergovernmental	30,621	-	-	535,956	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	180	-	-	-
Other receipts	179	-	-	159,651	-	117,182
Total receipts	<u>30,800</u>	<u>-</u>	<u>180</u>	<u>695,607</u>	<u>5,016,767</u>	<u>477,286</u>
Disbursements:						
Personal services	13,555	-	-	-	-	330,464
Supplies	-	-	-	-	-	-
Other services and charges	-	-	300	-	-	115,466
Capital outlay	-	-	-	-	-	56,240
Other disbursements	-	-	-	695,607	5,016,768	87,000
Total disbursements	<u>13,555</u>	<u>-</u>	<u>300</u>	<u>695,607</u>	<u>5,016,768</u>	<u>589,170</u>
Excess (deficiency) of receipts over disbursements	<u>17,245</u>	<u>-</u>	<u>(120)</u>	<u>-</u>	<u>(1)</u>	<u>(111,884)</u>
Cash and investments - ending	<u>\$ 190,131</u>	<u>\$ 1</u>	<u>\$ 665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,059,331</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Inmate Medical	County Sales Disclosure	Record Check Fee-Sheriff	State Welfare Allocation	EDIT Tax	Bio-Terrorism
Cash and investments - beginning	\$ 6,638	\$ 20,120	\$ 450	\$ -	\$ 1	\$ 2,144
Receipts:						
Taxes	-	-	-	-	1,259,296	-
Intergovernmental	-	-	-	858,008	-	-
Charges for services	-	2,235	140	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	2,235	140	858,008	1,259,296	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	55	-	858,008	1,259,297	-
Total disbursements	-	55	-	858,008	1,259,297	-
Excess (deficiency) of receipts over disbursements	-	2,180	140	-	(1)	-
Cash and investments - ending	\$ 6,638	\$ 22,300	\$ 590	\$ -	\$ -	\$ 2,144

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Restricted Sac Donations	Flu Vaccine	Indiana Tobacco Prevention & Cessation	Rushshelby Energy Grant Sheriff	WW Valley REMC Sheriff Grant	Open Alcohol Beverages
Cash and investments - beginning	\$ 2,517	\$ 16,865	\$ 18,546	\$ -	\$ -	\$ 1,031
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	28,001	1,225	-	-
Charges for services	-	-	-	-	1,000	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,665	9,968	-	-	-	-
Total receipts	1,665	9,968	28,001	1,225	1,000	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	2,558	-	513	-	-	-
Other services and charges	-	-	23,779	-	-	-
Capital outlay	-	-	-	1,225	1,000	-
Other disbursements	-	7,402	-	-	-	-
Total disbursements	2,558	7,402	24,292	1,225	1,000	-
Excess (deficiency) of receipts over disbursements	(893)	2,566	3,709	-	-	-
Cash and investments - ending	\$ 1,624	\$ 19,431	\$ 22,255	\$ -	\$ -	\$ 1,031

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	H1N1 Grant Phase I	H1N1 Grant Phase III	National Disaster Grant	Pandemic Influenza	ARRA Public Transportation	Prosecutor ARRA
Cash and investments - beginning	\$ 12,391	\$ 13,917	\$ 1,400	\$ 2,000	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	727	3,512	-	-	71,298	7,794
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>778</u>	<u>5,291</u>	<u>-</u>	<u>-</u>	<u>88,353</u>	<u>2,586</u>
Total receipts	<u>1,505</u>	<u>8,803</u>	<u>-</u>	<u>-</u>	<u>159,651</u>	<u>10,380</u>
Disbursements:						
Personal services	5,599	10,980	-	-	-	-
Supplies	778	1,597	-	-	-	-
Other services and charges	637	587	-	-	-	-
Capital outlay	5,540	14,553	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,651</u>	<u>-</u>
Total disbursements	<u>12,554</u>	<u>27,717</u>	<u>-</u>	<u>-</u>	<u>159,651</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(11,049)</u>	<u>(18,914)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,380</u>
Cash and investments - ending	<u>\$ 1,342</u>	<u>\$ (4,997)</u>	<u>\$ 1,400</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 10,380</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Clerk ARRA	Bridge 94 ARRA	Levy Excess County	Local Public Health Coordinator	EMA Law Enforcement Terrorism	Andersonville Storm Water Drainage
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 392	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	5,747	46,494	-	16,611	14,519	225,064
Charges for services	-	-	11,821	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	9,736	-	-	-	-	-
Total receipts	15,483	46,494	11,821	16,611	14,519	225,064
Disbursements:						
Personal services	-	-	-	13,790	-	-
Supplies	-	-	-	1,073	-	-
Other services and charges	-	-	-	1,126	-	181,349
Capital outlay	-	-	-	2,495	14,519	-
Other disbursements	-	39,450	-	-	-	20,786
Total disbursements	-	39,450	-	18,484	14,519	202,135
Excess (deficiency) of receipts over disbursements	15,483	7,044	11,821	(1,873)	-	22,929
Cash and investments - ending	<u>\$ 15,483</u>	<u>\$ 7,044</u>	<u>\$ 11,821</u>	<u>\$ (1,481)</u>	<u>\$ -</u>	<u>\$ 22,929</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Immunization Program Grant	Marine Patrol Grant	SEMA EMA Emergency Planning	Coroner Training	Grant Holsters	Health Dept Grant Brookville Foundation
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 72	\$ 725	\$ 762
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	30,000	3,146	-	-	680
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	715	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>30,000</u>	<u>3,146</u>	<u>715</u>	<u>-</u>	<u>680</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	796	-	-	-	-	-
Other services and charges	140	-	-	-	-	-
Capital outlay	4,769	27,626	-	-	-	1,399
Other disbursements	-	-	3,146	719	-	-
Total disbursements	<u>5,705</u>	<u>27,626</u>	<u>3,146</u>	<u>719</u>	<u>-</u>	<u>1,399</u>
Excess (deficiency) of receipts over disbursements	<u>(5,705)</u>	<u>2,374</u>	<u>-</u>	<u>(4)</u>	<u>-</u>	<u>(719)</u>
Cash and investments - ending	<u>\$ (5,705)</u>	<u>\$ 2,374</u>	<u>\$ -</u>	<u>\$ 68</u>	<u>\$ 725</u>	<u>\$ 43</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Landscaping Grant Brookville Foundation	Teppco G.P./ EMA	Law Enforcement Continuing Education	County ID Protection (Recorder)	Collection Agency	E911 Wireless
Cash and investments - beginning	\$ 100	\$ 1,675	\$ 11,640	\$ 20,887	\$ 13	\$ 68,589
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	5,333	7,900	136	100,636
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	5,333	7,900	136	100,636
Disbursements:						
Personal services	-	-	-	-	-	36,564
Supplies	-	-	-	-	-	-
Other services and charges	-	689	-	-	-	2,717
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	5,866	-	149	-
Total disbursements	-	689	5,866	-	149	39,281
Excess (deficiency) of receipts over disbursements	-	(689)	(533)	7,900	(13)	61,355
Cash and investments - ending	\$ 100	\$ 986	\$ 11,107	\$ 28,787	\$ -	\$ 129,944

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Title IV-D Prosecutor	Title IV-D County Clerk Incentive	State Assessment Training	Sperry Rice Expansion Grant	Tower Maintenance	Highway EDIT
Cash and investments - beginning	\$ 15,080	\$ 5	\$ 50	\$ -	\$ 12,265	\$ 523,012
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	500,000	-	748,685
Charges for services	19,627	-	447	-	3,678	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	11,552
Total receipts	<u>19,627</u>	<u>-</u>	<u>447</u>	<u>500,000</u>	<u>3,678</u>	<u>760,237</u>
Disbursements:						
Personal services	11,810	-	-	-	-	-
Supplies	-	-	-	-	40	539,909
Other services and charges	-	-	-	-	1,600	10,235
Capital outlay	-	-	-	500,000	53	-
Other disbursements	11,950	-	449	-	-	-
Total disbursements	<u>23,760</u>	<u>-</u>	<u>449</u>	<u>500,000</u>	<u>1,693</u>	<u>550,144</u>
Excess (deficiency) of receipts over disbursements	<u>(4,133)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>1,985</u>	<u>210,093</u>
Cash and investments - ending	<u>\$ 10,947</u>	<u>\$ 5</u>	<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 14,250</u>	<u>\$ 733,105</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Radio E911	Bond Government Center	Jail Lease Rental	Government Building Renovations	Park Nonreverting	Cumulative Bridge
Cash and investments - beginning	\$ 890	\$ 229,599	\$ 229,087	\$ 25	\$ 11,405	\$ 1,002,335
Receipts:						
Taxes	-	432,448	-	-	-	524,962
Intergovernmental	-	4,402	-	-	-	45,014
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	1,152	57,396
Total receipts	-	436,850	-	-	1,152	627,372
Disbursements:						
Personal services	-	-	-	-	-	34,122
Supplies	-	-	-	-	-	55,020
Other services and charges	-	421,185	-	-	-	275,114
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	32,406
Total disbursements	-	421,185	-	-	-	396,662
Excess (deficiency) of receipts over disbursements	-	15,665	-	-	1,152	230,710
Cash and investments - ending	\$ 890	\$ 245,264	\$ 229,087	\$ 25	\$ 12,557	\$ 1,233,045

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Cumulative Capital Development	Drainage Bond Redemption	Rockies Express Fees	General Drain Improvement	Rex Road Repairs	Sheriff Service (Police Pension)
Cash and investments - beginning	\$ 422,022	\$ 11,581	\$ 65,000	\$ 8,315	\$ 3,153,428	\$ 14,990
Receipts:						
Taxes	174,270	-	-	-	-	-
Intergovernmental	1,774	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,326	128	-	-	23,164	6,764
Total receipts	177,370	128	-	-	23,164	6,764
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	2,111,456	-
Other services and charges	42,964	-	-	-	211,173	-
Capital outlay	108,080	-	-	-	27,295	-
Other disbursements	-	-	-	-	-	-
Total disbursements	151,044	-	-	-	2,349,924	-
Excess (deficiency) of receipts over disbursements	26,326	128	-	-	(2,326,760)	6,764
Cash and investments - ending	\$ 448,348	\$ 11,709	\$ 65,000	\$ 8,315	\$ 826,668	\$ 21,754

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	City and Town Court Costs	Tax Sale Surplus	Tax Sale Redemption	Surplus Tax	Refund Due To State	Fines And Forfeitures
Cash and investments - beginning	\$ 4,062	\$ 47,137	\$ 13,636	\$ 40,806	\$ -	\$ 16,585
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	6,463	33,611	31,051	32,828	1,923	103,137
Total receipts	6,463	33,611	31,051	32,828	1,923	103,137
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	7,247	36,455	33,691	56,687	1,923	113,100
Total disbursements	7,247	36,455	33,691	56,687	1,923	113,100
Excess (deficiency) of receipts over disbursements	(784)	(2,844)	(2,640)	(23,859)	-	(9,963)
Cash and investments - ending	\$ 3,278	\$ 44,293	\$ 10,996	\$ 16,947	\$ -	\$ 6,622

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Sales Disclosure	Sheriff Bond Collection	Infractions And Judgements	Inheritance Tax	Victim Assistance	Commissioner Certificate Sale
Cash and investments - beginning	\$ 200	\$ 9,904	\$ 806	\$ 221,172	\$ 22	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>1,788</u>	<u>1,820</u>	<u>17,890</u>	<u>180,847</u>	<u>15,000</u>	<u>18,488</u>
Total receipts	<u>1,788</u>	<u>1,820</u>	<u>17,890</u>	<u>180,847</u>	<u>15,000</u>	<u>18,488</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>1,796</u>	<u>-</u>	<u>17,325</u>	<u>345,385</u>	<u>15,000</u>	<u>7,283</u>
Total disbursements	<u>1,796</u>	<u>-</u>	<u>17,325</u>	<u>345,385</u>	<u>15,000</u>	<u>7,283</u>
Excess (deficiency) of receipts over disbursements	<u>(8)</u>	<u>1,820</u>	<u>565</u>	<u>(164,538)</u>	<u>-</u>	<u>11,205</u>
Cash and investments - ending	<u>\$ 192</u>	<u>\$ 11,724</u>	<u>\$ 1,371</u>	<u>\$ 56,634</u>	<u>\$ 22</u>	<u>\$ 11,205</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Health Self Insurance	Restricted Cemetery Donations	Education Plate Fees	Innkeepers Tax	Financial Institutions Tax	Sheriffs' Retirement
Cash and investments - beginning	\$ 1,181,855	\$ 31	\$ -	\$ 184,196	\$ -	\$ 1,147,540
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>1,102,147</u>	<u>1,155</u>	<u>1,013</u>	<u>76,018</u>	<u>85,919</u>	<u>162,741</u>
Total receipts	<u>1,102,147</u>	<u>1,155</u>	<u>1,013</u>	<u>76,018</u>	<u>85,919</u>	<u>162,741</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	855	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>694,962</u>	<u>-</u>	<u>1,013</u>	<u>99,131</u>	<u>85,919</u>	<u>47,855</u>
Total disbursements	<u>694,962</u>	<u>855</u>	<u>1,013</u>	<u>99,131</u>	<u>85,919</u>	<u>47,855</u>
Excess (deficiency) of receipts over disbursements	<u>407,185</u>	<u>300</u>	<u>-</u>	<u>(23,113)</u>	<u>-</u>	<u>114,886</u>
Cash and investments - ending	<u>\$ 1,589,040</u>	<u>\$ 331</u>	<u>\$ -</u>	<u>\$ 161,083</u>	<u>\$ -</u>	<u>\$ 1,262,426</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Recorder Enhancement	Mortgage Fee (Recorder)	Child Restraint System Violation	Interstate Compact Fee	Commercial Vehicle Excise Tax	Homestead Refund
Cash and investments - beginning	\$ 2,571	\$ 153	\$ 50	\$ -	\$ -	\$ 8,100
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>2,012</u>	<u>2,645</u>	<u>1,370</u>	<u>638</u>	<u>87,045</u>	<u>23</u>
Total receipts	<u>2,012</u>	<u>2,645</u>	<u>1,370</u>	<u>638</u>	<u>87,045</u>	<u>23</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>2,575</u>	<u>1,320</u>	<u>525</u>	<u>87,045</u>	<u>2,691</u>
Total disbursements	<u>-</u>	<u>2,575</u>	<u>1,320</u>	<u>525</u>	<u>87,045</u>	<u>2,691</u>
Excess (deficiency) of receipts over disbursements	<u>2,012</u>	<u>70</u>	<u>50</u>	<u>113</u>	<u>-</u>	<u>(2,668)</u>
Cash and investments - ending	<u>\$ 4,583</u>	<u>\$ 223</u>	<u>\$ 100</u>	<u>\$ 113</u>	<u>\$ -</u>	<u>\$ 5,432</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	HEA 1001-2008 State HSC	State Share Delinquent Tax	Tax Distribution	Final HEA 1001-2007 PTRC & HSC	Inmate Trust Fund	Jail Commissary Fund
Cash and investments - beginning	\$ 127	\$ -	\$ -	\$ -	\$ 2,161	\$ 8,429
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>184,373</u>	<u>2,023</u>	<u>11,189,109</u>	<u>75,806</u>	<u>4,263</u>	<u>29,429</u>
Total receipts	<u>184,373</u>	<u>2,023</u>	<u>11,189,109</u>	<u>75,806</u>	<u>4,263</u>	<u>29,429</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>184,012</u>	<u>2,023</u>	<u>11,189,109</u>	<u>75,806</u>	<u>5,282</u>	<u>21,614</u>
Total disbursements	<u>184,012</u>	<u>2,023</u>	<u>11,189,109</u>	<u>75,806</u>	<u>5,282</u>	<u>21,614</u>
Excess (deficiency) of receipts over disbursements	<u>361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,019)</u>	<u>7,815</u>
Cash and investments - ending	<u>\$ 488</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,142</u>	<u>\$ 16,244</u>

FRANKLIN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Sheriff	Clerk	Clerk Child Support	Treasurer	Recorder	Totals
Cash and investments - beginning	\$ 7,956	\$ 364,697	\$ 2,817	\$ 716,500	\$ 8,425	\$ 15,833,244
Receipts:						
Taxes	-	-	-	-	-	12,547,943
Intergovernmental	-	-	-	-	-	6,481,288
Charges for services	-	-	-	-	-	1,115,268
Fines and forfeits	-	-	-	-	-	128,960
Other receipts	652,107	1,724,969	443,632	13,981,883	98,951	31,308,877
Total receipts	652,107	1,724,969	443,632	13,981,883	98,951	51,582,336
Disbursements:						
Personal services	-	-	-	-	-	6,338,821
Supplies	-	-	-	-	-	3,527,262
Other services and charges	-	-	-	-	-	3,393,297
Capital outlay	-	-	-	-	-	1,016,364
Other disbursements	660,051	1,861,914	443,021	14,162,548	97,434	39,654,164
Total disbursements	660,051	1,861,914	443,021	14,162,548	97,434	53,929,908
Excess (deficiency) of receipts over disbursements	(7,944)	(136,945)	611	(180,665)	1,517	(2,347,572)
Cash and investments - ending	\$ 12	\$ 227,752	\$ 3,428	\$ 535,835	\$ 9,942	\$ 13,485,672

FRANKLIN 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	\$ 41,800
Infrastructure	230,717,119
Buildings	13,556,631
Improvements other than buildings	120,522
Machinery and equipment	<u>3,371,147</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 247,807,219</u>

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

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Patcher/Distributor Equipment	\$ 217,231	\$ 79,312
Computer Software	41,155	43,443
Notes and loans payable:		
911 Radio Equipment Loan	61,679	45,309
Interest Free Bridge Loan	194,981	194,981
Bonds payable:		
General obligation bonds:		
Government Center Renovations	<u>3,680,000</u>	<u>421,473</u>
Total governmental activities debt	<u>\$ 4,195,046</u>	<u>\$ 784,518</u>

FRANKLIN COUNTY
OTHER REPORT(S)

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

County Auditor
County Sheriff
Circuit Court

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 FRANKLIN COUNTY, INDIANA

Compliance

We have audited the compliance of Franklin 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

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, 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 deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

STATE BOARD OF ACCOUNTS

June 16, 2011

FRANKLIN 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 HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grant-State Administered Small Cities Program Cluster Community Development Block Grant/State's Program Andersonville Storm Water Drainage	14.228	CF-09-205	\$ 202,135
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance	16.575	09VA037	15,000
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute State and Community Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants Operation Pullover	20.601	OP-10-02-01-87	6,235
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Grants Bridge NBIS 578 ARRA - Bridge 94	20.205	2010 RFP-9224012	7,183 39,450
Total for cluster			46,633
Formula Grants for Other Than Urbanized Areas Operating Grant ARRA - Capital Grant	20.509	18028190 8600119S	230,137 159,651
Total for program			389,788
Total for federal grantor agency			442,656
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Public Health Emergency Preparedness H1N1 Phase 1 H1N1 Phase 3 Local Public Health Coordinator	93.069	H1N1 123-66 H1N1 123-67 BPRS 123-20	12,133 27,717 18,845
Total for program			58,695
Pass - Through Indiana Department of Child Services Child Support Enforcement Prosecutor Direct Expenditures Clerk Direct Expenditures Clerk's Incentive Expenditures ARRA - Clerk's Incentive Expenditures Prosecutor's Incentive Expenditures ARRA - Prosecutor's Incentive Expenditures Indirect Costs General Fund Collection Incentives	93.563	2010 2010 2010 2010 2010 2010 2010 2010	81,705 37,683 21,063 15,483 19,627 10,379 8,779 11,327
Total for program			206,046
Pass-Through Indiana Secretary of State Voting Access for Individuals with Disabilities - Grants to States	93.617	24-HHS-2009	1,487
Total for federal grantor agency			266,228
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grants	97.042	C44P-0-2748	8,500
Law Enforcement Terrorism Prevention Program	97.074	C44P-0-194A	14,519
Total for federal grantor agency			23,019
Total federal awards expended			\$ 949,038

The accompanying note(s) are an integral part of the Schedule of Expenditures of Federal Awards.

FRANKLIN COUNTY
NOTE(S) TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Franklin 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.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2010:

Program Title	Federal CFDA Number	2010
Formula Grants for Other Than Urbanized Areas	20.509	\$ 230,137

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement(s):

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	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
20.509	Formula Grants for Other than Urbanized Areas
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.

FRANKLIN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

FRANKLIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 16, 2011, with Erica Hudson, Auditor; Jeffery C. Koch, President of the County Council; and Thomas Wilson, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.