

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

ANNUAL FINANCIAL REPORT

2004

RIPLEY COUNTY, INDIANA



FILED
12/29/2006

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mary Ann McCoy	01-01-03 to 12-31-06
Treasurer	Earline Copeland	01-01-03 to 12-31-08
Clerk	Ginger Bradford	01-01-02 to 12-31-09
Sheriff	William Davison	01-01-03 to 12-31-06
Recorder	Tammy Borgman	01-01-02 to 12-31-09
President of the Board of County Commissioners	John P. Little Robert C. Reiners	01-01-04 to 12-31-04 01-01-05 to 12-31-06
President of the County Council	Donald Dunbar	01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

TO: THE OFFICIALS OF RIPLEY COUNTY, INDIANA

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

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

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash 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, 2004, 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 December 5, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the table of contents, are presented for additional analysis and are not a required part of the basic financial statements. The Combining Schedules, 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.

STATE BOARD OF ACCOUNTS

December 5, 2006



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

TO: THE OFFICIALS OF RIPLEY COUNTY, INDIANA

We have audited the financial statements of Ripley County (County), as of and for the year ended December 31, 2004, and have issued our report thereon dated December 5, 2006. The opinion to the financial statements was qualified due to the omission of a component unit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

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

December 5, 2006

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

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>			<u>Net (Disbursement) Receipt and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 3,658,098	\$ 307,705	\$ 67,226	\$ -	\$ (3,283,167)
Public safety	3,973,339	1,198,534	686,662	-	(2,088,143)
Highways and streets	2,167,010	-	2,454,046	-	287,036
Sanitation	20,017	1,565	25,900	-	7,448
Health and welfare	2,701,128	42,868	809,961	-	(1,848,299)
Culture and recreation	362,406	61,294	66,230	-	(234,882)
Economic development	692,526	-	672,138	-	(20,388)
Debt service	219,993	-	-	-	(219,993)
Capital outlay	763,142	-	-	94,484	(668,658)
Total primary government	\$ 14,557,659	\$ 1,611,966	\$ 4,782,163	\$ 94,484	(8,069,046)
General receipts:					
Property taxes					7,574,429
Other local sources					38,858
Interest					435,478
Unrestricted intergovernmental receipts					96,857
Riverboat revenue sharing					912,270
Proceeds from sale of assets					7,783
Insurance proceeds					28,674
Intergovernmental disbursements					(306,300)
Other operating receipts					411,745
Total general receipts					9,199,794
Change in net assets					1,130,748
Net assets - beginning					7,803,352
Net assets - ending					\$ 8,934,100
<u>Assets</u>					
Cash and investments					\$ 3,472,457
Restricted assets:					
Cash and investments					5,461,643
Total assets					\$ 8,934,100
<u>Net Assets</u>					
Restricted for:					
General government					\$ 178,980
Public safety					1,066,918
Highways and streets					1,074,599
Sanitation					20,800
Health and welfare					408,265
Culture and recreation					64,824
Economic development					306,423
Capitol outlay					2,340,834
Unrestricted					3,472,457
Total net assets					\$ 8,934,100

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

RIPLEY COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2004

	General	County Highway	County Family and Children	Cumulative Capital Development	Other Governmental Funds	Totals
Receipts:						
Taxes	\$ 4,870,449	\$ -	\$ 1,360,133	\$ 344,705	\$ 1,038,002	\$ 7,613,289
Intergovernmental	96,857	2,099,363	674,929	53,590	2,801,215	5,725,954
Charges for services	807,303	-	-	-	804,663	1,611,966
Other	644,153	14,436	113,131	712	271,067	1,043,499
Total receipts	6,418,762	2,113,799	2,148,193	399,007	4,914,947	15,994,708
Disbursements:						
General government	2,809,611	-	-	-	848,487	3,658,098
Public safety	2,108,027	-	-	-	1,865,312	3,973,339
Highways and streets	-	1,869,180	-	-	297,830	2,167,010
Sanitation	-	-	-	-	20,017	20,017
Health and welfare	237,857	-	2,107,768	-	355,503	2,701,128
Culture and recreation	91,663	-	-	-	270,743	362,406
Economic development	-	-	-	-	692,526	692,526
Debt service:						
Principal	-	-	-	-	155,000	155,000
Interest	-	-	-	-	64,993	64,993
Capital outlay:						
Highways and streets	-	-	-	96,052	667,090	763,142
Total disbursements	5,247,158	1,869,180	2,107,768	96,052	5,237,501	14,557,659
Excess (deficiency) of receipts over disbursements	1,171,604	244,619	40,425	302,955	(322,554)	1,437,049
Other financing sources (uses)						
Transfers in	20,779	-	19,458	1,394	1,191,279	1,232,910
Transfers out	(603,295)	(60,010)	(19,885)	-	(549,720)	(1,232,910)
Intergovernmental disbursements	-	-	-	-	(306,300)	(306,300)
Total other financing sources (uses)	(582,516)	(60,010)	(427)	1,394	335,259	(306,300)
Excess of receipts and other financing sources over disbursements and other financing uses	589,088	184,609	39,998	304,349	12,705	1,130,749
Cash and investment fund balance - beginning	1,336,411	734,560	277,559	675,030	4,779,791	7,803,351
Cash and investment fund balance - ending	\$ 1,925,499	\$ 919,169	\$ 317,557	\$ 979,379	\$ 4,792,496	\$ 8,934,100
Cash and Investment Assets - December 31						
Cash and investments	\$ 1,925,499	\$ -	\$ -	\$ -	\$ 1,546,958	\$ 3,472,457
Restricted assets:						
Cash and investments	-	919,169	317,557	979,379	3,245,538	5,461,643
Total cash and investment assets - December 31	\$ 1,925,499	\$ 919,169	\$ 317,557	\$ 979,379	\$ 4,792,496	\$ 8,934,100
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ 178,980	\$ 178,980
Public safety	-	-	-	-	1,066,918	1,066,918
Highways and streets	-	919,169	-	-	155,430	1,074,599
Sanitation	-	-	-	-	20,800	20,800
Health and welfare	-	-	317,557	-	90,706	408,263
Culture and recreation	-	-	-	-	64,826	64,826
Economic development	-	-	-	-	306,423	306,423
Capitol outlay	-	-	-	979,379	1,361,455	2,340,834
Unrestricted	1,925,499	-	-	-	1,546,958	3,472,457
Total cash and investment fund balance - December 31	\$ 1,925,499	\$ 919,169	\$ 317,557	\$ 979,379	\$ 4,792,496	\$ 8,934,100

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

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

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Employer	\$ 83,542	\$ -	\$ -
Plan members	<u>11,481</u>	<u>-</u>	<u>-</u>
Total contributions	<u>95,023</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net in fair value of investments	5,213	-	-
Dividends and interest	<u>53,872</u>	<u>-</u>	<u>-</u>
Total investment earnings	59,085	-	-
Agency fund additions	<u>-</u>	<u>-</u>	<u>77,548,620</u>
Total additions	<u>154,108</u>	<u>-</u>	<u>77,548,620</u>
Deductions:			
Benefits	6,818	-	-
Administrative and general	7,350	-	-
Agency fund deductions	<u>-</u>	<u>-</u>	<u>75,423,206</u>
Total deductions	<u>14,168</u>	<u>-</u>	<u>75,423,206</u>
Excess of total additions over total deductions	139,940	-	2,125,414
Cash and investment fund balance - beginning	<u>839,472</u>	<u>18,617</u>	<u>11,395,914</u>
Cash and investment fund balance - ending	<u>\$ 979,412</u>	<u>\$ 18,617</u>	<u>\$ 13,521,328</u>

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

RIPLEY 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:	Ripley County
Discretely Presented Component Unit:	Ripley County Tourism Commission

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

The Ripley County Tourism Commission, a discretely presented component unit, has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement 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, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

The County reports the following major governmental funds:

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

The county highway fund is used principally for the construction and maintenance of streets and alleys.

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

The cumulative capital development fund is used to account for receipts and disbursements of taxes levied under Indiana Code 36-9-15.5 for capital project uses.

Additionally, the County reports the following fund types:

The pension trust fund accounts for the activities of the sheriff pension fund which accumulates resources for pension benefit payments.

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

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

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash 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. All government-wide financials would be presented on the accrual basis of accounting.

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

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Capital Assets

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

3. Long-Term Debt

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

4. Equity Classification

Government-Wide Statements

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

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

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit 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. The County does not have any proprietary funds.

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

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

Government-Wide Financial Statements

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

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

II. Stewardship, Compliance and Accountability

Budgetary Information

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

On or before August 31, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

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

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

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

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2004, the County had the following investments:

<u>Investment Type</u>	<u>Sheriff's Retirement and Benefit Pension Plans</u>
Mutual Funds	\$ <u>866,088</u>

Investment Policies

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

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

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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. At December 31, 2004, the Sheriff's Retirement and Benefit Pension Plans held investments in open end mutual funds in the amount of \$866,088.

Interest Rate Risk

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

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

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County has no investments which require disclosure of credit ratings.

Concentration of Credit Risk

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

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk. More than 5% of the Sheriff's Retirement and Benefit investments are in open end mutual funds. These investments represent 100% of the total investments.

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.

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Interfund Transfers

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

Transfer From	Transfer To	2004
General fund	Family and children	\$ 19,458
General fund	Cumulative capital development	1,394
General fund	Other governmental	582,443
County highway	Other governmental	60,010
Family and children	General fund	3,385
Family and children	Other governmental	16,500
Other governmental	General fund	17,394
Other governmental	Other governmental	<u>532,326</u>
 Total		 <u>\$ 1,232,910</u>

The County typically uses transfers to fund ongoing operating subsidies.

IV. Other Information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

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

Job Related Illnesses or Injuries to Employees

During 1990, the County joined with other governmental entities in the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 376 member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of workers compensation claims. The County pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Administration of Welfare Programs

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

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>County Police Retirement Plan</u>	<u>County Police Benefit Plan</u>
Annual required contribution	\$ 187,870	\$ 58,668	\$ 3,588
Interest on net pension obligation	(11,625)	(46)	-
Adjustment to annual required contribution	<u>13,247</u>	<u>106</u>	<u>-</u>
Annual pension cost	189,492	58,728	3,588
Contributions made	<u>188,549</u>	<u>55,288</u>	<u>3,588</u>
Increase in net pension obligation	943	3,440	-
Net pension obligation, beginning of year	<u>(160,338)</u>	<u>(663)</u>	<u>-</u>
Net pension obligation, end of year	<u>\$ (159,395)</u>	<u>\$ 2,777</u>	<u>\$ -</u>
Contribution rates:			
County	5.5%	16%	1%
Plan members	3%	3%	none
Actuarial valuation date	07-01-05	01-01-06	01-01-06
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

RIPLEY COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-03	\$ 172,967	89%	\$ (156,690)
	06-30-04	164,881	102%	(160,338)
	06-30-05	189,492	100%	(159,395)
County Police Retirement Plan	12-31-03	71,608	91%	29,108
	12-31-04	52,556	153%	(663)
	12-31-05	58,668	94%	2,777
County Police Benefit Plan	12-31-03	4,814	100%	-
	12-31-04	3,323	100%	-
	12-31-05	3,588	100%	-

RIPLEY COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-03	\$ 1,183,877	\$ 1,452,189	\$ (268,312)	82%	\$ 2,977,718	(9%)
07-01-04	1,287,043	1,691,618	(404,575)	76%	3,240,934	(12%)
07-01-05	1,436,577	2,027,047	(590,470)	71%	3,346,265	(18%)

County Police Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 517,740	\$ 517,740	\$ -	100%	\$ 311,083	0%
01-01-02	581,059	581,059	-	100%	319,165	0%
01-01-03	625,463	625,463	-	100%	341,378	0%
01-01-04	837,321	837,321	-	100%	343,373	0%
01-01-05	986,154	986,154	-	100%	355,780	0%
01-01-06	1,108,204	1,108,204	-	100%	355,887	0%

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004

	Riverboat	Riverboat Belterra	Riverboat Wagering Revenue Sharing	County Health	Local Road and Street	Park and Recreation	Accident Report
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 220,342	\$ -	\$ 86,913	\$ -
Intergovernmental	424,340	320,683	167,247	8,495	307,183	13,511	-
Charges for services	-	-	-	35,087	-	61,294	2,233
Other	31,330	-	-	1,371	-	276	-
Total receipts	455,670	320,683	167,247	265,295	307,183	161,994	2,233
Disbursements:							
General government	659,689	-	-	-	-	-	-
Public safety	501,628	-	-	-	-	-	1,187
Highways and streets	-	-	-	-	297,830	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	250,183	-	-	-
Culture and recreation	45,000	-	-	-	-	118,890	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	155,000	-	-	-	-	-
Interest	-	64,993	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	1,206,317	219,993	-	250,183	297,830	118,890	1,187
Excess (deficiency) of receipts over disbursements	(750,647)	100,690	167,247	15,112	9,353	43,104	1,046
Other financing sources (uses)							
Transfers in	86,208	-	-	1,545	-	368	-
Transfers out	(59,951)	-	-	-	-	(198)	-
Intergovernmental disbursements	-	(306,300)	-	-	-	-	-
Total other financing sources (uses)	26,257	(306,300)	-	1,545	-	170	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(724,390)	(205,610)	167,247	16,657	9,353	43,274	1,046
Cash and investment fund balance - beginning	1,112,428	674,078	95,362	(1,343)	68,499	13,473	4,819
Cash and investment fund balance - ending	<u>\$ 388,038</u>	<u>\$ 468,468</u>	<u>\$ 262,609</u>	<u>\$ 15,314</u>	<u>\$ 77,852</u>	<u>\$ 56,747</u>	<u>\$ 5,865</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ 388,038	\$ 468,468	\$ 262,609	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	15,314	77,852	56,747	5,865
Total cash and investment assets - December 31	<u>\$ 388,038</u>	<u>\$ 468,468</u>	<u>\$ 262,609</u>	<u>\$ 15,314</u>	<u>\$ 77,852</u>	<u>\$ 56,747</u>	<u>\$ 5,865</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	5,865
Highways and streets	-	-	-	-	77,852	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	15,314	-	-	-
Culture and recreation	-	-	-	-	-	56,747	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	388,038	468,468	262,609	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 388,038</u>	<u>\$ 468,468</u>	<u>\$ 262,609</u>	<u>\$ 15,314</u>	<u>\$ 77,852</u>	<u>\$ 56,747</u>	<u>\$ 5,865</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Firearms Training	County Drug Free Community	Property Reassessment 2004	Property Reassessment 2006	Surveyor's Corner Perpetuation	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ 98,698	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	16,126	-	-	-
Charges for services	3,756	39,750	-	-	7,825	120,784	18,409
Other	-	-	309	1,932	-	86	-
Total receipts	3,756	39,750	309	116,756	7,825	120,870	18,409
Disbursements:							
General government	-	-	20,393	61,018	-	-	-
Public safety	9,184	33,560	-	-	-	95,028	41,720
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	9,184	33,560	20,393	61,018	-	95,028	41,720
Excess (deficiency) of receipts over disbursements	(5,428)	6,190	(20,084)	55,738	7,825	25,842	(23,311)
Other financing sources (uses)							
Transfers in	-	-	-	163,415	-	5,500	12,304
Transfers out	-	-	(162,988)	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(162,988)	163,415	-	5,500	12,304
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,428)	6,190	(183,072)	219,153	7,825	31,342	(11,007)
Cash and investment fund balance - beginning	9,437	31,701	183,072	79,622	38,206	53,346	46,262
Cash and investment fund balance - ending	<u>\$ 4,009</u>	<u>\$ 37,891</u>	<u>\$ -</u>	<u>\$ 298,775</u>	<u>\$ 46,031</u>	<u>\$ 84,688</u>	<u>\$ 35,255</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ 298,775	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	4,009	37,891	-	-	46,031	84,688	35,255
Total cash and investment assets - December 31	<u>\$ 4,009</u>	<u>\$ 37,891</u>	<u>\$ -</u>	<u>\$ 298,775</u>	<u>\$ 46,031</u>	<u>\$ 84,688</u>	<u>\$ 35,255</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 46,031	\$ -	\$ -
Public safety	4,009	37,891	-	-	-	84,688	35,255
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	298,775	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 4,009</u>	<u>\$ 37,891</u>	<u>\$ -</u>	<u>\$ 298,775</u>	<u>\$ 46,031</u>	<u>\$ 84,688</u>	<u>\$ 35,255</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	<u>County Extradition</u>	<u>Recorder's Records Perpetuation</u>	<u>Emergency Telephone System</u>	<u>County Law Enforcement Continuing Education</u>	<u>Pretrial Diversion</u>	<u>Local Health Maintenance</u>	<u>Sheriff's Commissary</u>
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	6,434	26,570	-
Charges for services	-	37,536	253,353	1,052	24,125	-	-
Other	-	-	90	-	179	-	48,320
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>37,536</u>	<u>253,443</u>	<u>1,052</u>	<u>30,738</u>	<u>26,570</u>	<u>48,320</u>
Disbursements:							
General government	-	43,737	-	-	-	-	-
Public safety	-	-	311,406	938	69,496	-	29,086
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	14,904	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>43,737</u>	<u>311,406</u>	<u>938</u>	<u>69,496</u>	<u>14,904</u>	<u>29,086</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(6,201)</u>	<u>(57,963)</u>	<u>114</u>	<u>(38,758)</u>	<u>11,666</u>	<u>19,234</u>
Other financing sources (uses)							
Transfers in	-	-	1,000	-	-	1,800	-
Transfers out	-	-	-	-	-	(450)	-
Intergovernmental disbursements	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(6,201)</u>	<u>(56,963)</u>	<u>114</u>	<u>(38,758)</u>	<u>13,016</u>	<u>19,234</u>
Cash and investment fund balance - beginning	<u>65</u>	<u>81,420</u>	<u>265,230</u>	<u>3,617</u>	<u>31,621</u>	<u>20,957</u>	<u>28,588</u>
Cash and investment fund balance - ending	<u>\$ 65</u>	<u>\$ 75,219</u>	<u>\$ 208,267</u>	<u>\$ 3,731</u>	<u>\$ (7,137)</u>	<u>\$ 33,973</u>	<u>\$ 47,822</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ (7,137)	\$ -	\$ -
Restricted assets:							
Cash and investments	<u>65</u>	<u>75,219</u>	<u>208,267</u>	<u>3,731</u>	<u>-</u>	<u>33,973</u>	<u>47,822</u>
Total cash and investment assets - December 31	<u>\$ 65</u>	<u>\$ 75,219</u>	<u>\$ 208,267</u>	<u>\$ 3,731</u>	<u>\$ (7,137)</u>	<u>\$ 33,973</u>	<u>\$ 47,822</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ 65	\$ 75,219	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	208,267	3,731	-	-	47,822
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	33,973	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,137)</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 65</u>	<u>\$ 75,219</u>	<u>\$ 208,267</u>	<u>\$ 3,731</u>	<u>\$ (7,137)</u>	<u>\$ 33,973</u>	<u>\$ 47,822</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	SISWD Grant	County Misdemeanant	Emergency Planning and Right to Know	Covered Bridge	In Home Incarceration	Guardian Ad Litem	Sheriff Improvement
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	25,900	18,221	10,541	2,500	-	3,165	-
Charges for services	1,565	-	-	-	26,875	900	70,875
Other	420	-	20	-	-	-	-
Total receipts	27,885	18,221	10,561	2,500	26,875	4,065	70,875
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	7,886	-	2,653	1,570	32,081
Highways and streets	-	-	-	-	-	-	-
Sanitation	20,017	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	20,017	-	7,886	-	2,653	1,570	32,081
Excess (deficiency) of receipts over disbursements	7,868	18,221	2,675	2,500	24,222	2,495	38,794
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(21,216)
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(21,216)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	7,868	18,221	2,675	2,500	24,222	2,495	17,578
Cash and investment fund balance - beginning	12,932	58,987	16,591	30,078	8,447	18,578	80,203
Cash and investment fund balance - ending	<u>\$ 20,800</u>	<u>\$ 77,208</u>	<u>\$ 19,266</u>	<u>\$ 32,578</u>	<u>\$ 32,669</u>	<u>\$ 21,073</u>	<u>\$ 97,781</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ 77,208	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	20,800	-	19,266	32,578	32,669	21,073	97,781
Total cash and investment assets - December 31	\$ 20,800	\$ 77,208	\$ 19,266	\$ 32,578	\$ 32,669	\$ 21,073	\$ 97,781
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	19,266	-	32,669	21,073	97,781
Highways and streets	-	-	-	32,578	-	-	-
Sanitation	20,800	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	77,208	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ 20,800	\$ 77,208	\$ 19,266	\$ 32,578	\$ 32,669	\$ 21,073	\$ 97,781

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Supplemental Public Defender Services	Clerk's Records Perpetuation	Economic Development Income Tax	Plat Book	Community Policing	Air Purifying Respirator Grant	IU Automotive Safety Program
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	672,138	-	-	30,832	2,500
Charges for services	9,896	4,357	-	7,475	3,160	-	-
Other	-	-	-	-	-	-	-
Total receipts	9,896	4,357	672,138	7,475	3,160	30,832	2,500
Disbursements:							
General government	-	-	-	5	-	-	-
Public safety	-	-	-	-	1,670	-	2,473
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	692,526	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	-	692,526	5	1,670	-	2,473
Excess (deficiency) of receipts over disbursements	9,896	4,357	(20,388)	7,470	1,490	30,832	27
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(279,093)	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(279,093)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	9,896	4,357	(299,481)	7,470	1,490	30,832	27
Cash and investment fund balance - beginning	72,912	9,659	566,888	31,717	584	-	-
Cash and investment fund balance - ending	<u>\$ 82,808</u>	<u>\$ 14,016</u>	<u>\$ 267,407</u>	<u>\$ 39,187</u>	<u>\$ 2,074</u>	<u>\$ 30,832</u>	<u>\$ 27</u>
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ 14,016	\$ -	\$ 39,187	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	82,808	-	267,407	-	2,074	30,832	27
Total cash and investment assets - December 31	<u>\$ 82,808</u>	<u>\$ 14,016</u>	<u>\$ 267,407</u>	<u>\$ 39,187</u>	<u>\$ 2,074</u>	<u>\$ 30,832</u>	<u>\$ 27</u>
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	82,808	-	-	-	2,074	30,832	27
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	267,407	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	14,016	-	39,187	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 82,808</u>	<u>\$ 14,016</u>	<u>\$ 267,407</u>	<u>\$ 39,187</u>	<u>\$ 2,074</u>	<u>\$ 30,832</u>	<u>\$ 27</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Jury Pay	Juvenile Accountability Incentive Block Grants	Criminal Justice Forfeitures	Prosecutor Title IV-D	Clerk Title IV-D	Micro Loan Grant	IDFA Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	15,000	-	12,235	12,236	-	-
Charges for services	4,944	-	-	-	-	-	-
Other	-	-	-	-	-	25,525	-
Total receipts	4,944	15,000	-	12,235	12,236	25,525	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	15,000	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	5,237	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	15,000	-	-	5,237	-	-
Excess (deficiency) of receipts over disbursements	4,944	-	-	12,235	6,999	25,525	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,944	-	-	12,235	6,999	25,525	-
Cash and investment fund balance - beginning	40,419	-	616	8,419	5,558	13,026	465
Cash and investment fund balance - ending	45,363	-	616	20,654	12,557	38,551	465
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	45,363	-	616	20,654	12,557	38,551	465
Total cash and investment assets - December 31	45,363	-	616	20,654	12,557	38,551	465
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	45,363	-	616	20,654	12,557	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	38,551	465
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	45,363	-	616	20,654	12,557	38,551	465

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Soil and Water Grant	RSRF Park Grant	Tobacco Settlement	Endowment Fund Grant	Endowment Fund	Lilly Grant RC Comprehensive	RSRF 466 Surveyor Aerial Maps
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	20,935	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	20,935	-	-	-	-
Disbursements:							
General government	-	-	-	-	-	5,625	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	24,037	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	-	24,037	-	-	5,625	-
Excess (deficiency) of receipts over disbursements	-	-	(3,102)	-	-	(5,625)	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(3,448)	-	-	(11,078)	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(3,448)	-	-	(11,078)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(6,550)	-	-	(16,703)	-
Cash and investment fund balance - beginning	7	30	21,078	100	14,317	66,867	6,294
Cash and investment fund balance - ending	<u>7</u>	<u>30</u>	<u>14,528</u>	<u>100</u>	<u>14,317</u>	<u>50,164</u>	<u>6,294</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 14,317	\$ -	\$ -
Restricted assets:							
Cash and investments	7	30	14,528	100	-	50,164	6,294
Total cash and investment assets - December 31	<u>7</u>	<u>30</u>	<u>14,528</u>	<u>100</u>	<u>14,317</u>	<u>50,164</u>	<u>6,294</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
General government	\$ 7	\$ -	\$ -	\$ 100	\$ -	\$ 50,164	\$ 6,294
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	14,528	-	-	-	-
Culture and recreation	-	30	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	14,317	-	-
Total cash and investment fund balance - December 31	<u>7</u>	<u>30</u>	<u>14,528</u>	<u>100</u>	<u>14,317</u>	<u>50,164</u>	<u>6,294</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	RSRF 467 Sheriff Bus	RSRF 234 Land Use	Reynolds 0178 Park PA System	Reynolds Park Playground	Juvenile Detention In Home	Juvenile Substance Abuse	Community Transition Program
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	1,525	1,587	385
Other	-	19	-	-	-	-	-
Total receipts	-	19	-	-	1,525	1,587	385
Disbursements:							
General government	-	7,383	-	-	-	-	-
Public safety	275	-	-	-	1,206	-	7,440
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	1,350	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Highways and streets	-	-	-	-	-	-	-
Total disbursements	275	7,383	-	1,350	1,206	-	7,440
Excess (deficiency) of receipts over disbursements	(275)	(7,364)	-	(1,350)	319	1,587	(7,055)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(275)	(7,364)	-	(1,350)	319	1,587	(7,055)
Cash and investment fund balance - beginning	275	7,364	9	1,367	3,446	19,393	24,804
Cash and investment fund balance - ending	\$ -	\$ -	\$ 9	\$ 17	\$ 3,765	\$ 20,980	\$ 17,749
Cash and Investment Assets - December 31							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	9	17	3,765	20,980	17,749
Total cash and investment assets - December 31	\$ -	\$ -	\$ 9	\$ 17	\$ 3,765	\$ 20,980	\$ 17,749
Cash and Investment Fund Balance - December 31							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	3,765	20,980	17,749
Highways and streets	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	9	17	-	-	-
Economic development	-	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total cash and investment fund balance - December 31	\$ -	\$ -	\$ 9	\$ 17	\$ 3,765	\$ 20,980	\$ 17,749

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Drug Free School Resource	Victim Assistance Grant	RSRF 304 LEPC	Community Tobacco Grant	Reynolds Park Bobcat	Drug Free Grant Prosecutor Camera
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	32,697	-	28,960	-	-
Charges for services	-	-	-	-	-	-
Other	-	-	-	550	-	-
Total receipts	<u>-</u>	<u>32,697</u>	<u>-</u>	<u>29,510</u>	<u>-</u>	<u>-</u>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	49,528	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	48,783	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>49,528</u>	<u>-</u>	<u>48,783</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(16,831)</u>	<u>-</u>	<u>(19,273)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)						
Transfers in	-	-	-	9,806	-	-
Transfers out	-	-	-	(4,610)	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,196</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(16,831)</u>	<u>-</u>	<u>(14,077)</u>	<u>-</u>	<u>-</u>
Cash and investment fund balance - beginning	<u>284</u>	<u>8,308</u>	<u>744</u>	<u>40,598</u>	<u>1</u>	<u>82</u>
Cash and investment fund balance - ending	<u>\$ 284</u>	<u>\$ (8,523)</u>	<u>\$ 744</u>	<u>\$ 26,521</u>	<u>\$ 1</u>	<u>\$ 82</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ (8,523)	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	<u>284</u>	<u>-</u>	<u>744</u>	<u>26,521</u>	<u>1</u>	<u>82</u>
Total cash and investment assets - December 31	<u>\$ 284</u>	<u>\$ (8,523)</u>	<u>\$ 744</u>	<u>\$ 26,521</u>	<u>\$ 1</u>	<u>\$ 82</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	284	-	744	-	-	82
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	26,521	-	-
Culture and recreation	-	-	-	-	1	-
Economic development	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-
Unrestricted	<u>-</u>	<u>(8,523)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment fund balance - December 31	<u>\$ 284</u>	<u>\$ (8,523)</u>	<u>\$ 744</u>	<u>\$ 26,521</u>	<u>\$ 1</u>	<u>\$ 82</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Adult Detention In-Home	911 Wireless Communications	Bioterrorism Grant	Local EMA Planning Grant	Probation Adult Administrative Fees	Probation Juvenile Administrative Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	52,356	25,600	15,107	-	-
Charges for services	28,427	-	-	-	31,512	3,385
Other	-	-	-	-	-	-
Total receipts	28,427	52,356	25,600	15,107	31,512	3,385
Disbursements:						
General government	-	-	-	-	-	-
Public safety	16,682	126,802	-	15,901	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	12,359	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	16,682	126,802	12,359	15,901	-	-
Excess (deficiency) of receipts over disbursements	11,745	(74,446)	13,241	(794)	31,512	3,385
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,745	(74,446)	13,241	(794)	31,512	3,385
Cash and investment fund balance - beginning	40,431	107,991	3,412	795	8,889	750
Cash and investment fund balance - ending	<u>\$ 52,176</u>	<u>\$ 33,545</u>	<u>\$ 16,653</u>	<u>\$ 1</u>	<u>\$ 40,401</u>	<u>\$ 4,135</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	52,176	33,545	16,653	1	40,401	4,135
Total cash and investment assets - December 31	<u>\$ 52,176</u>	<u>\$ 33,545</u>	<u>\$ 16,653</u>	<u>\$ 1</u>	<u>\$ 40,401</u>	<u>\$ 4,135</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	52,176	33,545	16,653	1	40,401	4,135
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 52,176</u>	<u>\$ 33,545</u>	<u>\$ 16,653</u>	<u>\$ 1</u>	<u>\$ 40,401</u>	<u>\$ 4,135</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Interstate Compact Administrative Fee	Healthy Heart Grant	Ripley County Veterans	Reynolds Park Building	Juvenile Account Incentive Block Grant 3	RSRF RV Sanitary Hook Ups
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	30,000	-	-
Charges for services	525	-	-	-	-	-
Other	-	-	1,100	-	-	-
Total receipts	525	-	1,100	30,000	-	-
Disbursements:						
General government	637	-	-	-	-	-
Public safety	-	-	-	-	2,222	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	84,370	-	2,512
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	637	-	-	84,370	2,222	2,512
Excess (deficiency) of receipts over disbursements	(112)	-	1,100	(54,370)	(2,222)	(2,512)
Other financing sources (uses)						
Transfers in	-	-	-	-	-	198
Transfers out	-	-	-	(1,706)	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(1,706)	-	198
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(112)	-	1,100	(56,076)	(2,222)	(2,314)
Cash and investment fund balance - beginning	112	370	-	60,000	2,222	2,314
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 1,100</u>	<u>\$ 3,924</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	370	1,100	3,924	-	-
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 1,100</u>	<u>\$ 3,924</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ 1,100	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	370	-	-	-	-
Culture and recreation	-	-	-	3,924	-	-
Economic development	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 1,100</u>	<u>\$ 3,924</u>	<u>\$ -</u>	<u>\$ -</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	RSRF Video Arraignment	Cumulative Bridge	Cumulative Jail	RSRF EMS Building Renovation	RC Substance Abuse Grant	Emergency Medical Services
Receipts:						
Taxes	\$ -	\$ 632,049	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	40,893	-	-	-	-
Charges for services	-	-	-	-	-	2,066
Other	-	803	-	40,000	1,000	18
Total receipts	-	673,745	-	40,000	1,000	2,084
Disbursements:						
General government	-	-	-	-	-	-
Public safety	10,000	-	-	35,766	-	59,969
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	646,454	20,636	-	-	-
Total disbursements	10,000	646,454	20,636	35,766	-	59,969
Excess (deficiency) of receipts over disbursements	(10,000)	27,291	(20,636)	4,234	1,000	(57,885)
Other financing sources (uses)						
Transfers in	-	2,348	980	-	-	59,951
Transfers out	-	(4,982)	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	(2,634)	980	-	-	59,951
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,000)	24,657	(19,656)	4,234	1,000	2,066
Cash and investment fund balance - beginning	10,000	490,942	19,656	-	-	-
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 515,599</u>	<u>\$ -</u>	<u>\$ 4,234</u>	<u>\$ 1,000</u>	<u>\$ 2,066</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	515,599	-	4,234	1,000	2,066
Total cash and investment assets - December 31	<u>\$ -</u>	<u>\$ 515,599</u>	<u>\$ -</u>	<u>\$ 4,234</u>	<u>\$ 1,000</u>	<u>\$ 2,066</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	4,234	1,000	2,066
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capitol outlay	-	515,599	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ -</u>	<u>\$ 515,599</u>	<u>\$ -</u>	<u>\$ 4,234</u>	<u>\$ 1,000</u>	<u>\$ 2,066</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	CASA Mini Training Grant	RF Grant Cattle Barn Repair	RF Park Grant	Park Improvements Grant	RSRF Road Grader Grant	RSRF Grant Computer Systems
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	994	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other	-	8,000	12,719	2,000	45,000	50,000
Total receipts	994	8,000	12,719	2,000	45,000	50,000
Disbursements:						
General government	-	-	-	-	-	50,000
Public safety	993	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	8,000	10,621	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Total disbursements	993	8,000	10,621	-	-	50,000
Excess (deficiency) of receipts over disbursements	1	-	2,098	2,000	45,000	-
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Intergovernmental disbursements	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1	-	2,098	2,000	45,000	-
Cash and investment fund balance - beginning	-	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,098</u>	<u>\$ 2,000</u>	<u>\$ 45,000</u>	<u>\$ -</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	1	-	2,098	2,000	45,000	-
Total cash and investment assets - December 31	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,098</u>	<u>\$ 2,000</u>	<u>\$ 45,000</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	1	-	-	-	-	-
Highways and streets	-	-	-	-	45,000	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	2,098	2,000	-	-
Economic development	-	-	-	-	-	-
Capitol outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,098</u>	<u>\$ 2,000</u>	<u>\$ 45,000</u>	<u>\$ -</u>

RIPLEY COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2004
 (Continued)

	Rainy Day	Office of Domestic Preparedness	1st Responder Communication Equipment Grant	Homeland Security Sub-Grant	Probation Info Exchange Grant	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,038,002
Intergovernmental	-	25,000	272,000	149,676	11,140	2,801,215
Charges for services	-	-	-	-	-	804,663
Other	-	-	-	-	-	271,067
Total receipts	-	25,000	272,000	149,676	11,140	4,914,947
Disbursements:						
General government	-	-	-	-	-	848,487
Public safety	-	25,000	258,728	87,094	11,140	1,865,312
Highways and streets	-	-	-	-	-	297,830
Sanitation	-	-	-	-	-	20,017
Health and welfare	-	-	-	-	-	355,503
Culture and recreation	-	-	-	-	-	270,743
Economic development	-	-	-	-	-	692,526
Debt service:						
Principal	-	-	-	-	-	155,000
Interest	-	-	-	-	-	64,993
Capital outlay:						
Highways and streets	-	-	-	-	-	667,090
Total disbursements	-	25,000	258,728	87,094	11,140	5,237,501
Excess (deficiency) of receipts over disbursements	-	-	13,272	62,582	-	(322,554)
Other financing sources (uses)						
Transfers in	845,856	-	-	-	-	1,191,279
Transfers out	-	-	-	-	-	(549,720)
Intergovernmental disbursements	-	-	-	-	-	(306,300)
Total other financing sources (uses)	845,856	-	-	-	-	335,259
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	845,856	-	13,272	62,582	-	12,705
Cash and investment fund balance - beginning	-	-	-	-	-	4,779,791
Cash and investment fund balance - ending	<u>\$ 845,856</u>	<u>\$ -</u>	<u>\$ 13,272</u>	<u>\$ 62,582</u>	<u>\$ -</u>	<u>\$ 4,792,496</u>
Cash and Investment Assets - December 31						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,546,958
Restricted assets:						
Cash and investments	845,856	-	13,272	62,582	-	3,245,538
Total cash and investment assets - December 31	<u>\$ 845,856</u>	<u>\$ -</u>	<u>\$ 13,272</u>	<u>\$ 62,582</u>	<u>\$ -</u>	<u>\$ 4,792,496</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,980
Public safety	-	-	13,272	62,582	-	1,066,918
Highways and streets	-	-	-	-	-	155,430
Sanitation	-	-	-	-	-	20,800
Health and welfare	-	-	-	-	-	90,706
Culture and recreation	-	-	-	-	-	64,826
Economic development	-	-	-	-	-	306,423
Capitol outlay	845,856	-	-	-	-	1,361,455
Unrestricted	-	-	-	-	-	1,546,958
Total cash and investment fund balance - December 31	<u>\$ 845,856</u>	<u>\$ -</u>	<u>\$ 13,272</u>	<u>\$ 62,582</u>	<u>\$ -</u>	<u>\$ 4,792,496</u>

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

	County Treasurer	Tax Sale Redemption	Tax Sale Surplus	Inheritance Tax	Surplus Tax	Congressional Interest	County Sales Disclosure Fees
Additions:							
Agency fund additions	\$ 30,800,793	\$ 11,788	\$ -	\$ 493,324	\$ 1,581,573	\$ 310	\$ 3,963
Deductions:							
Agency fund deductions	28,703,474	11,788	18,577	500,962	1,582,473	1,117	-
Excess (deficiency) of total additions over total deductions	2,097,319	-	(18,577)	(7,638)	(900)	(807)	3,963
Cash and investment fund balance - beginning	10,140,083	70	29,758	72,508	1,579	12,094	7,130
Cash and investment fund balance - ending	<u>\$ 12,237,402</u>	<u>\$ 70</u>	<u>\$ 11,181</u>	<u>\$ 64,870</u>	<u>\$ 679</u>	<u>\$ 11,287</u>	<u>\$ 11,093</u>

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

	Education Plate Fee	Building Permits Bonds	Surplus Dog	State Sales Disclosure Fees	Infraction Judgments	Coroner's Continuing Education
Additions:						
Agency fund additions	\$ 2,025	\$ 96,500	\$ 2,236	\$ 3,927	\$ 45,721	\$ 1,154
Deductions:						
Agency fund deductions	2,025	86,525	2,235	4,168	72,176	1,964
Excess (deficiency) of total additions over total deductions	-	9,975	1	(241)	(26,455)	(810)
Cash and investment fund balance - beginning	38	190,185	351	456	29,618	873
Cash and investment fund balance - ending	<u>\$ 38</u>	<u>\$ 200,160</u>	<u>\$ 352</u>	<u>\$ 215</u>	<u>\$ 3,163</u>	<u>\$ 63</u>

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

	Law Enforcement Continuing Education	City/Town Court Costs	State Fines And Forfeitures	Overweight Vehicle Fines	Innkeepers Tax	Welfare Trust
Additions:						
Agency fund additions	\$ 1,716	\$ 5,158	\$ 35,134	\$ 3,029	\$ 46,689	\$ 2,985
Deductions:						
Agency fund deductions	500	18,324	33,458	6,823	47,103	6,291
Excess (deficiency) of total additions over total deductions	1,216	(13,166)	1,676	(3,794)	(414)	(3,306)
Cash and investment fund balance - beginning	8,564	13,166	4,033	3,794	3,306	8,473
Cash and investment fund balance - ending	<u>\$ 9,780</u>	<u>\$ -</u>	<u>\$ 5,709</u>	<u>\$ -</u>	<u>\$ 2,892</u>	<u>\$ 5,167</u>

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

	Levy Excess	County Payroll	Tax Distributions	Clerk Of The Circuit Court	County Recorder	County Sheriff
Additions:						
Agency fund additions	\$ -	\$ 5,393,644	\$ 31,169,878	\$ 5,665,069	\$ 143,460	\$ 1,603,662
Deductions:						
Agency fund deductions	88,742	5,377,226	30,969,248	5,699,652	146,758	1,603,162
Excess (deficiency) of total additions over total deductions	(88,742)	16,418	200,630	(34,583)	(3,298)	500
Cash and investment fund balance - beginning	88,742	40,190	128,877	570,787	14,043	759
Cash and investment fund balance - ending	\$ -	\$ 56,608	\$ 329,507	\$ 536,204	\$ 10,745	\$ 1,259

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

	Sheriff's Inmate Trust	County Prosecutor Bad Check	Probation Department	County Area Planning Commission	Park Petty Cash	Total
Additions:						
Agency fund additions	\$ -	\$ 47,718	\$ 188,377	\$ 198,737	\$ 50	\$ 77,548,620
Deductions:						
Agency fund deductions	-	48,278	196,805	193,352	-	75,423,206
Excess (deficiency) of total additions over total deductions	-	(560)	(8,428)	5,385	50	2,125,414
Cash and investment fund balance - beginning	1,045	627	24,765	-	-	11,395,914
Cash and investment fund balance - ending	<u>\$ 1,045</u>	<u>\$ 67</u>	<u>\$ 16,337</u>	<u>\$ 5,385</u>	<u>\$ 50</u>	<u>\$ 13,521,328</u>

RIPLEY COUNTY
OTHER REPORTS

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

County Treasurer
County Prosecutor

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF RIPLEY COUNTY, INDIANA

Compliance

We have audited the compliance of the Ripley County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2004. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

As described in items 2004-1, 2004-2, 2004-3, 2004-4, and 2004-5 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding reporting, cash management, period of availability, equipment records, and procurement that are applicable to its Homeland Security Grant Program Cluster. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

Internal Control Over Compliance

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

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

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2004-1, 2004-2, 2004-3, 2004-4, and 2004-5.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2004-1, 2004-2, 2004-3, 2004-4, and 2004-5 to be material weaknesses.

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

STATE BOARD OF ACCOUNTS

December 5, 2006

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Victims of Child Abuse Rural Mini Grant	16.547	IN 4700-2001-R	\$ <u>993</u>
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grants	16.523		
Adolescent Treatment & Recovery Group Intensified Program		02 JB 057	15,000
Interagency Information Exchange Website		03 JB 052	<u>11,140</u>
Total for program			<u>26,140</u>
Crime Victim Assistance	16.575		
Victim Assistance Program		03 VA 135	30,017
Victim Assistance Program		04 VA 134	<u>19,378</u>
Total for program			<u>49,395</u>
Total for federal grantor agency			<u>76,528</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
Bridge Reinspection Phase II		BR-NBIS (436)	<u>14,400</u>
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
State and Community Highway Safety	20.600		
Operation Pull Over		154AL-04-03-03-110	2,000
Operation Pull Over		154AL-04-03-03-64	2,250
Operation Pull Over		154AL-05-03-03-32	750
Pass-Through Indiana University			
Automotive Safety Program		FY 2004	<u>2,473</u>
Total for cluster			<u>7,473</u>
Pass-Through Indiana Emergency Response Commission			
Interagency Hazardous Materials Public Sector Training and Planning	20.703		
HMEP Training		FY 2004	3,196
HMEP Planning		FY 2004	<u>1,472</u>
Total for program			<u>4,668</u>
Total for federal grantor agency			<u>26,541</u>

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

RIPLEY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2004
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health			
Centers for Disease Control and Prevention-Investigations and Techn	93.283		
Bioterrorism Preparedness and Response:			
Strategic National Stockpile Assessment		BPRS-A-04-SNS	4,200
Mass Prophylaxis Plan		BPRS-04-A-2	10,800
Emergency Supplies Plan		BPRS 168-1	10,600
Public Health Coordinator		BPRS 168-2	<u>5,887</u>
Total for program			<u>31,487</u>
Pass-Through Indiana Department of Family and Child Services			
Child Support Enforcement	93.563		
County Prosecutor's Expenditures		FY 2004	69,299
County Clerk's Expenditures		FY 2004	33,424
Collection Incentives		FY 2004	17,472
Indirect Costs		FY 2004	<u>2,369</u>
Total for program			<u>122,564</u>
Pass-Through Indiana State Department of Health			
Preventive Health and Health Services Block Grant	93.991		-
West Nile Control		FY 2004	3,000
Mosquito Control		FY 2004	<u>1,030</u>
Total for program			<u>4,030</u>
Total for federal grantor agency			<u>158,081</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Homeland Security Grant Program Cluster			
State Domestic Preparedness Equipment Support Program	16.007		
First Responder Equipment		FY03 Part 1	25,000
First Responder Communications Equipment		FY03 Part II	<u>258,728</u>
Total for program			<u>283,728</u>
Homeland Security Grant Program	97.004		
State Homeland Security		FY 2004	<u>87,094</u>
Emergency Management Performance Grants	97.042		
FY 2004		FY 2004	<u>10,779</u>
Total for cluster			<u>381,601</u>
Hazardous Materials Training Program	97.020		
Local Emergency Planning Sub Grants		FY 2002	<u>15,902</u>
Total for federal grantor agency			<u>397,503</u>
Total federal awards expended			<u>\$ 658,653</u>

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

RIPLEY 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 Ripley County (County) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

RIPLEY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

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

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

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
N/A	Homeland Security Grant Program Cluster

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

Finding 2004-1, Reporting

Federal Agency: U.S. Department of Homeland Security
 Federal Program: Homeland Security Grant Program Cluster
 CFDA Numbers: 97.042 and 97.004
 Pass-Through Entity: Indiana Department of Homeland Security

RIPLEY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

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

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

Finding 2004-2, Cash Management

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Numbers: 97.004 and 16.007
Pass-Through Entity: Indiana Department of Homeland Security

We found the following in regards to the expenditure of grant funds:

1. In some instances, funds were held for up to 15 months prior to being expended. Month end balances on deposit during 2004 ranged from \$25,000 to \$452,508.

OMB Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Subpart C, Section 20, Subsection 7 (*Cash Management*) states in part the following:

"Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursements by grantees and subgrantees must be followed whenever advance payment procedures are used. . . . the grantee must make drawdowns as close as possible to the time of making disbursements. . . ."

Noncompliance with cash management requirements results in the loss of interest income to the grantor.

We recommended that the grantee implement procedures that will reduce the time elapsed between the transfer of funds from grantors and the disbursement of these funds.

2. Advances of subgrant funds were deposited in an interest bearing account. However, the County has not separately accounted for and remitted interest earned on the advances from the time of deposit until expenditure. Using the interest rates actually paid on the account the funds were deposited in, we estimate that interest of \$4,636 was earned during the year 2004.

RIPLEY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

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

Finding 2004-3. Period of Availability

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Number: 16.007
Pass-Through Entity: Indiana Department of Homeland Security

Payments totaling \$271,981 were made from grant funds after the deadline dates set forth in the grant award letters and/or grant agreements with \$258,728 disbursed on September 27, 2004, from the First Responder Equipment, Part 2, project which had a deadline date of June 30, 2004. Additional payments of \$13,253 were made from this project during 2005. Approval from the Indiana Department of Homeland Security for an extension of time to expend funds was not presented for audit.

The County has not implemented internal accounting control procedures to ensure that grant transactions including payment for equipment occur within the individual project's period of availability; and to ensure that an extension of time is requested if all grant activities cannot be completed by the initial deadline date. As a result, federal grant funds were held beyond the allowable period and expended after the period of availability expired.

The grant agreement for the First Responder Equipment project states: "The county must complete all purchases of equipment under this Agreement by no later than June 30, 2004, unless the County has requested and received an extension from the State."

We recommended that the County adopt adequate internal control policies and procedures to ensure that all grant expenditures are made within the applicable period of availability.

RIPLEY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Finding 2004-4, Equipment Records

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Numbers: 97.004 and 16.007
Pass-Through Entity: Indiana Department of Homeland Security

Information presented for audit indicated that equipment purchased from Homeland Security Grant Program (HSGP) funds in 2004 totaling \$369,772 was not recorded on the inventory or record of fixed assets of the County, or on records of the emergency management department of the County.

The County's internal control procedures require a "Fixed Assets & Inventory Maintenance" form to be completed by the applicable department head, and submitted to the County Auditor with claims for purchase of equipment. This procedure notifies the County Auditor that the items are to be included on the fixed asset records. These forms were not submitted with the claims for purchase of equipment from the HSGP, and therefore were not recorded on the fixed asset records. As a result, proper accountability of assets acquired from grant funds cannot be maintained, and information needed for taking of periodic inventories is not available.

The HSGP grant agreements require the County to comply with the applicable federal requirements pertaining to equipment in 28 CFR 66.32.

Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable General Fixed Asset Account Group Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Indiana Counties, Chapter 1)

We recommended that the County adopt procedures to monitor compliance with their fixed asset policies to ensure that all equipment purchased in whole or in part from grant funds are properly recorded on the County's fixed asset records.

Finding 2004-5, Procurement

Federal Agency: U.S. Department of Homeland Security
Federal Program: Homeland Security Grant Program Cluster
CFDA Numbers: 97.004 and 16.007
Pass-Through Entity: Indiana Department of Homeland Security

The County purchased a 2004 Ford Explorer for \$25,000, and a 2004 Daybreak Motorhome for \$59,900 from grant funds during 2004. No evidence was presented for audit that quotes were invited from at least three persons prior to purchase of these items.

The A-102 Common Rule requires States, and governmental subrecipients of States, to use the same State policies and procedures used for procurements from non-Federal funds. Counties are required to follow the procurement procedures in the Indiana Code (IC). Indiana Code 5-22-8-3 states in part:

RIPLEY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

"(a) This section applies only if the purchasing agent expects the purchase to be:

- (1) at least twenty-five thousand dollars (\$25,000); and
- (2) not more than seventy-five thousand dollars (\$75,000)."

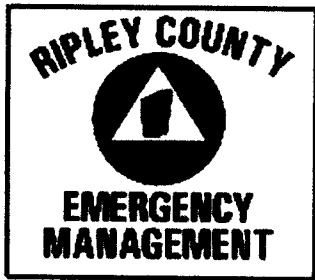
"(b) A purchasing agent may purchase supplies under this section by inviting quotes from at least three (3) persons known to deal in the lines or classes of supplies to be purchased.

The County does not have policies and procedures to monitor compliance with procurement procedures required by Indiana Statute.

We recommended that the County adopt a formal policy that communicates required procurement procedures to department heads and implement a system such as a purchase order system for purchases subject to be quoted or bid.

RIPLEY COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.



RIPLEY COUNTY EMERGENCY MANAGEMENT AGENCY

P.O. 718 VERSAILLES, IN. 47042
OFFICE: 812-689-0505 FAX: 812-689-4374
WEBPAGE: WWW.RCEMA.COM
EMAIL: disaster@seidata.com

State Board of Accounts
402 West Washington St. E418
Indianapolis, IN 46207

CORRECTION ACTION PLAN 2004 Audit Findings

Contact Person: Wayne Peace
Title: Director, Ripley County Emergency Management
Phone Number: 812-689-0505

Finding No.2004-1, Homeland Security Grant Program Cluster, Reporting

During 2006 the Indiana Department of Homeland Security (IDHS) implemented a new on-line grants management tracking system. This process will ensure that the county is compliant with the reporting requirements stated in the grant agreements.

Finding No.2004-2, Homeland Security Grant Program Cluster, Cash Management, Interest Not Remitted

Interest earned in excess of \$100 during 2004 on advanced grant funds has not been remitted to the Indiana Department of Homeland Security (IDHS). Also interest earned during 2005 on grant funds has not been calculated and remitted to IDHS. However, if IDHS requests remittance of this interest, Ripley County will comply. Currently in 2006 IDHS is reimbursing counties for authorized grant expenditures, rather than advancing funds. This process has eliminated the earning of interest by the county on grant funds.

Finding No.2004-3, Homeland Security Grant Program Cluster, Period Availability

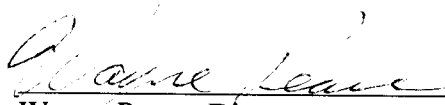
During 2006 the Indiana Department of Homeland Security (IDHS) implemented a new on-line grants management tracking system. Verbal requests for extensions will not be accepted. Verbal responses from IDHS will not be allowed. This process will ensure that the county is compliant with the period of availability deadlines and other requirements stated in the grant agreements

Finding No. 2004-4, Homeland Security Grant Program Cluster, Equipment Records

Corrective action has not yet been completed. Ripley County officials are presently taking steps to ensure that all equipment purchased from grant funds is recorded on the county's capital asset records. The records will indicate the federal funds used to acquire the equipment. Records will be maintained in compliance with state and federal guidelines, and in accordance with the County's capitalization policies.

Finding No. 2004-5, Homeland Security Grant Program Cluster, Procurement

Ripley County officials have adopted procedures which should ensure that all acquisitions of items from grant funds subsequent to the 2004 audit have been made in compliance with the applicable state procurement requirements.



Wayne Peace, Director
Ripley County Emergency Management

11/20/06 (Date)

RIPLEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 5, 2006, with Robert C. Reiners, President of the Board of County Commissioners; Mary Ann McCoy, Auditor; and Donald Dunbar, President of the County Council.