

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

ANNUAL FINANCIAL REPORT

2009

HOWARD COUNTY, INDIANA



FILED

06/04/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Ann Wells	01-01-09 to 12-31-12
Treasurer	Martha Lake	01-01-09 to 12-31-12
Clerk	Mona Myers	01-01-08 to 12-31-11
Sheriff	Marshall Talbert	01-01-07 to 12-31-10
Recorder	Linda Koontz	01-01-07 to 12-31-10
President of the Board of County Commissioners	David Trine	01-01-09 to 12-31-10
President of the County Council	Richard Miller	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF HOWARD COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Howard County (County), as of and for the year ended December 31, 2009, 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.

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

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

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

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2009, 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 March 17, 2010, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

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

The 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, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

March 17, 2010



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

TO: THE OFFICIALS OF HOWARD COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Howard County (County), as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 17, 2010. The opinions to the financial statements were qualified due to due to the omission of a number of component units of the County, which should have been included to fairly present the financial position of the County. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in item 2009-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

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

March 17, 2010

HOWARD COUNTY
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts			<u>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	\$ 30,296,709	\$ 1,094,517	\$ 338,212	\$ -	\$ (28,863,980)
Public safety	6,079,745	2,687,685	688,849	153,531	(2,549,680)
Highways and streets	4,707,754	-	2,309,401	529,934	(1,868,419)
Health and welfare	2,222,058	546,290	225,759	-	(1,450,009)
Culture and recreation	165,426	-	-	-	(165,426)
Principal and interest on indebtedness	2,634,625	-	-	-	(2,634,625)
Total primary government	46,106,317	4,328,492	3,562,221	683,465	(37,532,139)
General receipts:					
Property taxes					15,412,826
Income taxes					8,755,799
Intergovernmental					4,013,765
Other local sources					10,198,701
Grants and contributions not restricted to specific programs					13,026
Investment earnings					385,679
Total general receipts					38,779,796
Change in net assets					1,247,657
Net assets - beginning					29,241,226
Net assets - ending					\$ 30,488,883
Assets					
Cash and investments					\$ 24,829,863
Restricted assets:					
Cash and investments					5,659,020
Total assets					\$ 30,488,883
Net Assets					
Restricted for:					
General government					\$ 374,856
Public safety					668,624
Highways and streets					688,283
Health and welfare					238,516
Debt service					909,954
Capital outlay					2,778,787
Unrestricted					24,829,863
Total net assets					\$ 30,488,883

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

HOWARD 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, 2009

	General	Jail and Juvenile County Option Income Tax	Economic Development Income Tax	Other Governmental Funds	Totals
Receipts:					
Taxes	\$ 13,588,872	\$ 6,213,247	\$ 1,357,294	\$ 4,618,003	\$ 25,777,416
Licenses and permits	-	-	-	38,630	38,630
Intergovernmental	1,288,122	275,628	-	6,013,047	7,576,797
Charges for services	948,956	-	-	2,212,801	3,161,757
Fines and forfeits	465,013	-	-	630,397	1,095,410
Other	2,104,008	1,015,778	-	363,355	3,483,141
Total receipts	18,394,971	7,504,653	1,357,294	13,876,233	41,133,151
Disbursements:					
General government	13,880,759	5,909,172	716,018	4,079,397	24,585,346
Public safety	4,286,790	-	-	1,676,520	5,963,310
Highways and streets	-	-	-	4,673,125	4,673,125
Health and welfare	191,978	-	-	1,439,970	1,631,948
Culture and recreation	165,426	-	-	-	165,426
Debt service:					
Principal	-	-	-	2,282,977	2,282,977
Interest	-	-	-	351,648	351,648
Capital outlay:					
General government	12,033	-	-	724,290	736,323
Public safety	119	-	-	100,621	100,740
Highways and streets	-	-	-	34,629	34,629
Health and welfare	-	-	-	4,465	4,465
Total disbursements	18,537,105	5,909,172	716,018	15,367,642	40,529,937
Excess (deficiency) of receipts over disbursements	(142,134)	1,595,481	641,276	(1,491,409)	603,214
Other financing sources (uses):					
Transfers in	50,000	-	-	767,016	817,016
Transfers out	(47,407)	-	-	(769,609)	(817,016)
Other receipts	-	-	-	671,017	671,017
Total other financing sources (uses)	2,593	-	-	668,424	671,017
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(139,541)	1,595,481	641,276	(822,985)	1,274,231
Cash and investment fund balance - beginning	8,162,175	815,544	2,368,085	14,166,025	25,511,829
Cash and investment fund balance - ending	<u>\$ 8,022,634</u>	<u>\$ 2,411,025</u>	<u>\$ 3,009,361</u>	<u>\$ 13,343,040</u>	<u>26,786,060</u>
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal services funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>3,702,823</u>
Net assets of governmental activities					<u>\$ 30,488,883</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 8,022,634	\$ 2,411,025	\$ 3,009,361	\$ 7,684,020	\$ 21,127,040
Restricted assets:					
Cash and investments	-	-	-	5,659,020	5,659,020
Total cash and investment assets - ending	<u>\$ 8,022,634</u>	<u>\$ 2,411,025</u>	<u>\$ 3,009,361</u>	<u>\$ 13,343,040</u>	<u>\$ 26,786,060</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 374,856	\$ 374,856
Public safety	-	-	-	668,624	668,624
Highways and streets	-	-	-	688,283	688,283
Health and welfare	-	-	-	238,516	238,516
Debt service	-	-	-	909,954	909,954
Capital outlay	-	-	-	2,778,787	2,778,787
Unrestricted	8,022,634	2,411,025	3,009,361	7,684,020	21,127,040
Total cash and investment fund balance - ending	<u>\$ 8,022,634</u>	<u>\$ 2,411,025</u>	<u>\$ 3,009,361</u>	<u>\$ 13,343,040</u>	<u>\$ 26,786,060</u>

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

HOWARD COUNTY
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As of and for the Year Ended December 31, 2009

	<u>Internal Service Funds</u>
Operating receipts:	
Charges for services	\$ 4,731,471
Miscellaneous	<u>48,726</u>
Total operating receipts	<u>4,780,197</u>
Operating disbursements:	
Insurance claims and expense	4,802,764
Equipment and capital improvements	<u>4,007</u>
Total operating disbursements	<u>4,806,771</u>
Deficiency of operating receipts over operating disbursements	<u>(26,574)</u>
Cash and investment fund balance - beginning	<u>3,729,397</u>
Cash and investment fund balance - ending	<u>\$ 3,702,823</u>
<u>Cash and Investment Assets - December 31</u>	
Cash and investments	<u>\$ 3,702,823</u>
Total cash and investment assets - December 31	<u>\$ 3,702,823</u>
<u>Cash and Investment Fund Balance - December 31</u>	
Unrestricted	<u>\$ 3,702,823</u>
Total cash and investment fund balance - December 31	<u>\$ 3,702,823</u>

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

HOWARD COUNTY
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2009

	Pension Trust Funds	Private-Purpose Trust Funds	Agency Funds
Additions:			
Contributions:			
Employer	\$ 392,156	\$ -	
Plan members	95,984	-	
Total contributions	488,140	-	
Investment earnings:			
Interest	(1,200,925)	-	
Total investment earnings	(1,200,925)	-	
Net investment earnings	(1,200,925)	-	
Total additions	(712,785)	-	
Deductions:			
Benefits	595,924	-	
Administrative and general	43,848	-	
Total deductions	639,772	-	
Deficiency of total additions over total deductions	(1,352,557)	-	
Cash and investment fund balance - beginning	10,577,501	22,478	
Cash and investment fund balance - ending	\$ 9,224,944	\$ 22,478	\$ 8,585,057

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

HOWARD 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:	Howard County
Discretely Presented Component Unit:	Howard County Hospital Howard County Redevelopment Authority

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

The Howard County Hospital and the Howard County Redevelopment Authority, component units, have been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints the board members of the Howard County Hospital, Howard County Economic Development Commission, Howard County Solid Waste Management District, Kokomo Howard County Emergency Management Advisory Board, Howard County Alcoholic Beverage Commission, Howard County Convention and Visitors Commission, and the Kokomo/Howard County Governmental Coordinating Council.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County does not have business-type activities.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds,

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 jail and juvenile county option income tax fund accounts for expenses related to the incarceration of adult and juvenile inmates. Financing is provided by a county option income tax.

The economic development income tax fund accounts for promoting and developing businesses. Additionally, the county can use economic development funds for any lawful purpose for operating its entity. Financing is provided by a county imposed income tax.

Additionally, the County reports the following fund types:

The internal service fund accounts for medical insurance provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the sheriff retirement and benefit plans which accumulate resources for pension benefit payments.

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

The agency fund accounts for assets held by the County as an agent for the federal government, state government, various organizations, and employee insurance companies.

C. Measurement Focus and Basis of Accounting

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

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

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

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the county on or prior to December 31 of the year collected.

3. 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.

4. Long-Term Debt

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

5. 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."

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

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

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.

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:

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash and Investment Balance Deficits

At December 31, 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2009
Home Detention - Community Corrections	\$ (3,589)
2007 LETPP - GIS Server	(5,000)
Public Health Emergency Response Grant	(132)
Governing Coordinating Council Payroll	(5,094)

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

HOWARD 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 County does not have a deposit policy for custodial credit risk. At December 31, 2009, 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

As of December 31, 2009, the County and the Sheriff's Retirement and Benefit Plan had the following investments:

Investment Type	Sheriff's Retirement and Benefit Pension Plans
Mutual bond funds	\$ 9,224,870

Statutory Authorization for Investments

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 County to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

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

HOWARD 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 County's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

The Sheriff's Pension Plan is not subject to the same investment laws as the County. The Sheriff's Merit Board has not adopted an investment policy for interest rate and credit risk.

Investment Custodial Credit Risk

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

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

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

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	2009	
	In the Government's Name	Not in the Government's Name
Mutual funds	\$ 9,224,870	\$ -

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years. The County does not have a formal investment policy for interest rate risk for investments.

The Sheriff's Merit Board has not adopted a formal investment policy for interest rate risk. The Sheriff's Merit Board for the Sheriff's Retirement and Benefit Pension Plans manages interest rate risk by authorizing investments with stated final maturities of less than one year.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Mutual bond funds	\$ 9,224,870	\$ -	\$ -

Credit Risk

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

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

Sheriff's Retirement and Benefit Pension Plans:

Standard and Poor's Rating	Moody's Rating	County Sheriff's Investments			
		Mutual Bond Funds	Corporate Bonds	Government Sponsored Enterprise	Investment Pools
Unrated	Unrated	\$ 9,224,870	\$ -	\$ -	\$ -

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.

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.

IV. Other Information

A. Risk Management

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Medical Benefits to Employees, Retirees, and Dependents

The County has chosen to establish a risk financing fund for risks associated with medical benefits. The risk financing fund is accounted for in the Self-Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$100,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon an overall premium percentage which is applied to each affected fund and are reported as quasi-external interfund transactions.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2009, were as follows:

Transfer From	Transfer To	2009
General Fund	Other governmental funds	\$ 47,407
Other governmental funds	General Fund	50,000
	Other governmental funds	719,609
Total		\$ 817,016

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

C. Holding Corporation

The County has entered into a capital lease with Howard County Jail and Detention Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year totaled \$1,649,000.

D. Subsequent Events

The unit has had to operate with the economic hardships of two major companies, in the county, filing for bankruptcy reorganization. Property taxes still owed by these companies at December 31, 2009, totaled approximately \$36,730,000. During the first three months of 2010, the county collected \$13,572,756 and the remaining balance will be collected based on a payment schedule, entered into, with each company.

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Conduit Debt Obligation

From time to time, the County has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying notes to the financial statements.

F. Termination Benefits

During the current year, the County offered postemployment insurance benefits, as authorized by Indiana Code 5-10-8, to retired merit officers of the Howard County Sheriff's department who have retired from the County on or after attaining age 50 with at least 20 years of service. Currently, three retirees meet these eligibility requirements. The County provides \$150 each month towards these termination benefits. Disbursements for these benefits are recognized on a pay-as-you-go basis.

G. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for the 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.

H. 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:

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Funding Policy and Annual Pension Cost

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

2. County Police Retirement Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

3. County Police Benefit Plan

Plan Description

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

Funding Policy and Annual Pension Cost

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 843,337	\$ 258,881	\$ 23,805
Interest on net pension obligation	(39,386)	(32,921)	-
Adjustment to annual required contribution	44,883	66,994	-
Annual pension cost	848,834	292,954	23,805
Contributions made	923,353	346,498	22,829
Decrease in net pension obligation	(74,519)	(53,544)	976
Net pension obligation, beginning of year	(543,256)	(470,296)	-
Net pension obligation, end of year	\$ (617,775)	\$ (523,840)	\$ 976

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	6.5%	9%	1%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-10	01-01-10
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	30 years	30 years	30 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

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

HOWARD COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-06	\$ 808,597	116%	\$ (548,554)
	06-30-07	819,629	99%	\$ (543,256)
	06-30-08	848,834	109%	(617,775)
County Police Retirement Plan	12-31-07	110,082	324%	(269,864)
	12-31-08	152,885	275%	(470,296)
	12-31-09	292,954	134%	(523,840)
County Police Benefit Plan	12-31-07	15,840	100%	-
	12-31-08	14,890	100%	-
	12-31-09	22,829	100%	976

HOWARD 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)
07-01-06	\$ 11,618,160	\$ 12,571,685	\$ (953,525)	92%	\$ 12,651,113	(8%)
07-01-07	13,097,802	13,780,335	(682,533)	95%	13,178,541	(5%)
07-01-08	14,240,366	15,131,589	(891,223)	94%	14,036,150	(6%)

County Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-05	\$ 7,624,745	\$ 8,300,150	\$ (675,405)	92%	\$ 1,344,325	(50%)
01-01-06	8,337,828	9,033,471	(695,643)	92%	1,288,104	(54%)
01-01-07	9,188,758	9,796,813	(608,055)	94%	1,403,763	(43%)
01-01-08	10,062,977	10,062,977	-	100%	1,465,091	0%
01-01-09	9,391,688	9,792,322	(400,634)	96%	1,430,245	(28%)
01-01-10	9,846,889	10,404,365	(557,476)	95%	1,433,372	(39%)

County Police Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-08	\$ 301,761	\$ 301,761	\$ -	100%	\$ 1,465,091	0%
01-01-09	253,690	253,690	-	100%	1,430,245	0%
01-01-10	269,327	269,327	-	100%	1,433,372	0%

HOWARD 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, 2009

	Local Road and Street	Accident Report	Firearms Training	Health	Alcohol and Drug Services	Electronic Map Generation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 462,242	\$ -	\$ -
Licenses and permits	-	-	38,630	-	-	-
Intergovernmental	529,934	-	-	46,170	-	-
Charges for services	55,239	10,665	-	245,837	-	1,212
Fines and forfeits	-	-	-	-	249,164	-
Other	6,277	-	-	189	-	-
Total receipts	591,450	10,665	38,630	754,438	249,164	1,212
Disbursements:						
General government	-	-	-	-	-	3,000
Public safety	-	9,729	20,489	-	285,376	-
Highways and streets	565,883	-	-	-	-	-
Health and welfare	-	-	-	647,969	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	565,883	9,729	20,489	647,969	285,376	3,000
Excess (deficiency) of receipts over disbursements	25,567	936	18,141	106,469	(36,212)	(1,788)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,567	936	18,141	106,469	(36,212)	(1,788)
Cash and investment fund balance - beginning	420,128	2,523	10,950	132,047	300,983	7,319
Cash and investment fund balance - ending	<u>\$ 445,695</u>	<u>\$ 3,459</u>	<u>\$ 29,091</u>	<u>\$ 238,516</u>	<u>\$ 264,771</u>	<u>\$ 5,531</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 264,771	\$ 5,531
Restricted assets:						
Cash and investments	445,695	3,459	29,091	238,516	-	-
Total cash and investment assets - ending	\$ 445,695	\$ 3,459	\$ 29,091	\$ 238,516	\$ 264,771	\$ 5,531
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	3,459	29,091	-	-	-
Highways and streets	445,695	-	-	-	-	-
Health and welfare	-	-	-	238,516	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	-	-	264,771	5,531
Total cash and investment fund balance - ending	\$ 445,695	\$ 3,459	\$ 29,091	\$ 238,516	\$ 264,771	\$ 5,531

HOWARD 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, 2009
 (Continued)

	Emergency Telephone System	Drug Free Community	Drainage Maintenance	Emergency Planning Right to Know	Highway	Prosecutor Title IV-D
Receipts:						
Taxes	\$ -	\$ -	\$ 394,009	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,084,161	38,840
Charges for services	549,734	-	-	-	-	-
Fines and forfeits	-	111,660	-	-	-	-
Other	-	-	-	4,866	22,211	-
Total receipts	549,734	111,660	394,009	4,866	3,106,372	38,840
Disbursements:						
General government	-	-	364,264	-	-	-
Public safety	472,138	119,286	-	2,856	-	-
Highways and streets	-	-	-	-	3,029,453	-
Health and welfare	-	-	-	-	-	742
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	20,598	-	-	-	-	-
Highways and streets	-	-	-	-	34,629	-
Health and welfare	-	-	-	-	-	-
Total disbursements	492,736	119,286	364,264	2,856	3,064,082	742
Excess (deficiency) of receipts over disbursements	56,998	(7,626)	29,745	2,010	42,290	38,098
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	56,998	(7,626)	29,745	2,010	42,290	38,098
Cash and investment fund balance - beginning	94,540	191,209	1,748,791	8,796	200,298	61,888
Cash and investment fund balance - ending	<u>\$ 151,538</u>	<u>\$ 183,583</u>	<u>\$ 1,778,536</u>	<u>\$ 10,806</u>	<u>\$ 242,588</u>	<u>\$ 99,986</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 1,778,536	\$ 10,806	\$ -	\$ 99,986
Restricted assets:						
Cash and investments	151,538	183,583	-	-	242,588	-
Total cash and investment assets - ending	<u>\$ 151,538</u>	<u>\$ 183,583</u>	<u>\$ 1,778,536</u>	<u>\$ 10,806</u>	<u>\$ 242,588</u>	<u>\$ 99,986</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	151,538	183,583	-	-	-	-
Highways and streets	-	-	-	-	242,588	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	1,778,536	10,806	-	99,986
Total cash and investment fund balance - ending	<u>\$ 151,538</u>	<u>\$ 183,583</u>	<u>\$ 1,778,536</u>	<u>\$ 10,806</u>	<u>\$ 242,588</u>	<u>\$ 99,986</u>

HOWARD 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, 2009
 (Continued)

	Recorder's Records Perpetuation	Family And Children	Health Maintenance	Pretrial Diversion	Plat Book	Misdemeanant
Receipts:						
Taxes	\$ -	\$ 98	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	48,859	-	-	66,550
Charges for services	157,990	-	-	-	19,239	-
Fines and forfeits	-	-	-	114,508	-	-
Other	-	-	-	-	-	-
Total receipts	157,990	98	48,859	114,508	19,239	66,550
Disbursements:						
General government	113,564	-	-	-	955	-
Public safety	-	-	-	119,571	-	7,430
Highways and streets	-	-	-	-	-	-
Health and welfare	-	701,804	53,756	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	11,814	-	29,008
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	554	-	-	-
Total disbursements	113,564	701,804	54,310	131,385	955	36,438
Excess (deficiency) of receipts over disbursements	44,426	(701,706)	(5,451)	(16,877)	18,284	30,112
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(585,645)	-	(15,695)	-	-
Other receipts	-	252,217	-	-	-	-
Total other financing sources (uses)	-	(333,428)	-	(15,695)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	44,426	(1,035,134)	(5,451)	(32,572)	18,284	30,112
Cash and investment fund balance - beginning	299,627	1,035,134	42,139	262,210	108,546	85,196
Cash and investment fund balance - ending	<u>\$ 344,053</u>	<u>\$ -</u>	<u>\$ 36,688</u>	<u>\$ 229,638</u>	<u>\$ 126,830</u>	<u>\$ 115,308</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ 36,688	\$ -	\$ 126,830	\$ 115,308
Restricted assets:						
Cash and investments	344,053	-	-	229,638	-	-
Total cash and investment assets - ending	<u>\$ 344,053</u>	<u>\$ -</u>	<u>\$ 36,688</u>	<u>\$ 229,638</u>	<u>\$ 126,830</u>	<u>\$ 115,308</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ 344,053	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	229,638	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	-	-	36,688	-	126,830	115,308
Total cash and investment fund balance - ending	<u>\$ 344,053</u>	<u>\$ -</u>	<u>\$ 36,688</u>	<u>\$ 229,638</u>	<u>\$ 126,830</u>	<u>\$ 115,308</u>

HOWARD 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, 2009
 (Continued)

	Clerk Title IV-D	Surveyor's Corner Perpetuation	Inmate Medical Care	Sales Disclosure	Law Enforcement	Riverboat Revenue Sharing
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	25,815	-	-	-	-	531,708
Charges for services	-	14,960	9,767	7,720	-	-
Fines and forfeits	-	-	-	-	85,429	-
Other	-	-	-	-	-	-
Total receipts	25,815	14,960	9,767	7,720	85,429	531,708
Disbursements:						
General government	-	5,681	-	7,786	-	531,708
Public safety	-	-	-	-	46,539	-
Highways and streets	-	-	-	-	-	-
Health and welfare	463	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	21,742	-
Highways and streets	-	-	-	-	-	-
Health and welfare	2,084	-	-	-	-	-
Total disbursements	2,547	5,681	-	7,786	68,281	531,708
Excess (deficiency) of receipts over disbursements	23,268	9,279	9,767	(66)	17,148	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	23,268	9,279	9,767	(66)	17,148	-
Cash and investment fund balance - beginning	64,658	21,524	1,749	991	82,596	-
Cash and investment fund balance - ending	<u>\$ 87,926</u>	<u>\$ 30,803</u>	<u>\$ 11,516</u>	<u>\$ 925</u>	<u>\$ 99,744</u>	<u>\$ -</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 87,926	\$ -	\$ 11,516	\$ 925	\$ 99,744	\$ -
Restricted assets:						
Cash and investments	-	30,803	-	-	-	-
Total cash and investment assets - ending	<u>\$ 87,926</u>	<u>\$ 30,803</u>	<u>\$ 11,516</u>	<u>\$ 925</u>	<u>\$ 99,744</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ 30,803	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	87,926	-	11,516	925	99,744	-
Total cash and investment fund balance - ending	<u>\$ 87,926</u>	<u>\$ 30,803</u>	<u>\$ 11,516</u>	<u>\$ 925</u>	<u>\$ 99,744</u>	<u>\$ -</u>

HOWARD 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, 2009
 (Continued)

	Work Crew	Project Income - Community Corrections	Clearing	Home Detention - Community Corrections	DARE - Sheriff Department	Tobacco Settlement
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	133,480	228,539	-	38,698
Charges for services	8,680	428,128	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	3,435	-
Total receipts	8,680	428,128	133,480	228,539	3,435	38,698
Disbursements:						
General government	-	435,662	-	-	-	-
Public safety	2,915	-	-	226,013	3,924	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	35,236
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	12,692	-	-	-	-
Public safety	772	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,827
Total disbursements	3,687	448,354	-	226,013	3,924	37,063
Excess (deficiency) of receipts over disbursements	4,993	(20,226)	133,480	2,526	(489)	1,635
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,993	(20,226)	133,480	2,526	(489)	1,635
Cash and investment fund balance - beginning	13,410	437,119	-	(6,115)	589	54,239
Cash and investment fund balance - ending	\$ 18,403	\$ 416,893	\$ 133,480	\$ (3,589)	\$ 100	\$ 55,874
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 18,403	\$ 416,893	\$ 133,480	\$ (3,589)	\$ 100	\$ 55,874
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 18,403	\$ 416,893	\$ 133,480	\$ (3,589)	\$ 100	\$ 55,874
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	18,403	416,893	133,480	(3,589)	100	55,874
Total cash and investment fund balance - ending	\$ 18,403	\$ 416,893	\$ 133,480	\$ (3,589)	\$ 100	\$ 55,874

HOWARD 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, 2009
 (Continued)

	Child Advocacy	Identification Security Protection	Operation Pullover	Public Defender	Drunk Driving/Drug Court Program Fees	Wireless Emergency Telephone System
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	13,092	-	-	-
Charges for services	-	43,928	-	96,968	3,336	118,638
Fines and forfeits	69,636	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	69,636	43,928	13,092	96,968	3,336	118,638
Disbursements:						
General government	-	-	-	-	-	-
Public safety	89,990	26,312	14,964	83,564	1,155	77,582
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	14,438	-	-	-	2,249
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	89,990	40,750	14,964	83,564	1,155	79,831
Excess (deficiency) of receipts over disbursements	(20,354)	3,178	(1,872)	13,404	2,181	38,807
Other financing sources (uses):						
Transfers in	20,102	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	20,102	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(252)	3,178	(1,872)	13,404	2,181	38,807
Cash and investment fund balance - beginning	2,876	67,136	2,873	202,586	1,024	-
Cash and investment fund balance - ending	<u>\$ 2,624</u>	<u>\$ 70,314</u>	<u>\$ 1,001</u>	<u>\$ 215,990</u>	<u>\$ 3,205</u>	<u>\$ 38,807</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 2,624	\$ -	\$ -	\$ 215,990	\$ 3,205	\$ 38,807
Restricted assets:						
Cash and investments	-	70,314	1,001	-	-	-
Total cash and investment assets - ending	<u>\$ 2,624</u>	<u>\$ 70,314</u>	<u>\$ 1,001</u>	<u>\$ 215,990</u>	<u>\$ 3,205</u>	<u>\$ 38,807</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	70,314	1,001	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	2,624	-	-	215,990	3,205	38,807
Total cash and investment fund balance - ending	<u>\$ 2,624</u>	<u>\$ 70,314</u>	<u>\$ 1,001</u>	<u>\$ 215,990</u>	<u>\$ 3,205</u>	<u>\$ 38,807</u>

HOWARD 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, 2009
 (Continued)

	Drug Task Force	Stormwater District - MS4	Courts Translator Grant	2007 LETPP - GIS Server	2007 SHSP - Races Grant	Public Health Emergency Response Grant
Receipts:						
Taxes	\$ -	\$ 377,728	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	18,114	-	4,260	9,985	1,628	85,400
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	18,114	377,728	4,260	9,985	1,628	85,400
Disbursements:						
General government	-	114,460	2,502	14,985	1,628	59,448
Public safety	66,687	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	16,397	-	-	-	26,085
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	66,687	130,857	2,502	14,985	1,628	85,533
Excess (deficiency) of receipts over disbursements	(48,573)	246,871	1,758	(5,000)	-	(133)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(48,573)	246,871	1,758	(5,000)	-	(133)
Cash and investment fund balance - beginning	61,624	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 13,051</u>	<u>\$ 246,871</u>	<u>\$ 1,758</u>	<u>\$ (5,000)</u>	<u>\$ -</u>	<u>\$ (133)</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 13,051	\$ 246,871	\$ 1,758	\$ (5,000)	\$ -	\$ (133)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 13,051</u>	<u>\$ 246,871</u>	<u>\$ 1,758</u>	<u>\$ (5,000)</u>	<u>\$ -</u>	<u>\$ (133)</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	13,051	246,871	1,758	(5,000)	-	(133)
Total cash and investment fund balance - ending	<u>\$ 13,051</u>	<u>\$ 246,871</u>	<u>\$ 1,758</u>	<u>\$ (5,000)</u>	<u>\$ -</u>	<u>\$ (133)</u>

HOWARD 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, 2009
 (Continued)

	Howard County Law Enforcement	Question and Answer Project-Health Department	Reassessment	Adult Probation	Juvenile Probation	Informal Probation User Fees
Receipts:						
Taxes	\$ -	\$ -	\$ 392,732	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	49,132	20,000	39,226	-	-	-
Charges for services	-	-	-	171,792	31,761	18,668
Fines and forfeits	-	-	-	-	-	-
Other	-	-	22,553	-	-	-
Total receipts	49,132	20,000	454,511	171,792	31,761	18,668
Disbursements:						
General government	-	-	411,618	117,882	24,474	45,765
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	9,966	4,366	400	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	-	421,584	122,248	24,874	45,765
Excess (deficiency) of receipts over disbursements	49,132	20,000	32,927	49,544	6,887	(27,097)
Other financing sources (uses):						
Transfers in	-	-	-	60,000	-	-
Transfers out	-	-	-	(100,000)	(10,000)	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(40,000)	(10,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	49,132	20,000	32,927	9,544	(3,113)	(27,097)
Cash and investment fund balance - beginning	-	-	1,888,243	231,525	12,693	27,097
Cash and investment fund balance - ending	\$ 49,132	\$ 20,000	\$ 1,921,170	\$ 241,069	\$ 9,580	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 49,132	\$ 20,000	\$ 1,921,170	\$ 241,069	\$ 9,580	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 49,132	\$ 20,000	\$ 1,921,170	\$ 241,069	\$ 9,580	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	49,132	20,000	1,921,170	241,069	9,580	-
Total cash and investment fund balance - ending	\$ 49,132	\$ 20,000	\$ 1,921,170	\$ 241,069	\$ 9,580	\$ -

HOWARD 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, 2009
 (Continued)

	Juvenile Restitution	Kinsey Food Service Fund	Kinsey Inmate Medical	Concessions/ County General	Indiana AIDS Fund Grant	Highway Safety DUI Taskforce
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	50,904	-	-	13,500	19,254
Charges for services	-	-	211	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	14,850	-	-	-	-	-
Total receipts	14,850	50,904	211	-	13,500	19,254
Disbursements:						
General government	14,410	32,778	196	-	13,432	18,928
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	14,410	32,778	196	-	13,432	18,928
Excess (deficiency) of receipts over disbursements	440	18,126	15	-	68	326
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	440	18,126	15	-	68	326
Cash and investment fund balance - beginning	35,787	150	-	2,774	414	4,856
Cash and investment fund balance - ending	<u>\$ 36,227</u>	<u>\$ 18,276</u>	<u>\$ 15</u>	<u>\$ 2,774</u>	<u>\$ 482</u>	<u>\$ 5,182</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 36,227	\$ 18,276	\$ 15	\$ 2,774	\$ 482	\$ 5,182
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 36,227</u>	<u>\$ 18,276</u>	<u>\$ 15</u>	<u>\$ 2,774</u>	<u>\$ 482</u>	<u>\$ 5,182</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	36,227	18,276	15	2,774	482	5,182
Total cash and investment fund balance - ending	<u>\$ 36,227</u>	<u>\$ 18,276</u>	<u>\$ 15</u>	<u>\$ 2,774</u>	<u>\$ 482</u>	<u>\$ 5,182</u>

HOWARD 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, 2009
 (Continued)

	Controlled Substance Excise Tax	FEMA Community Emergency Response Grant	Juvenile Drug Court Program Fee	Adult Probation Administration Fee	Juvenile Probation Administration Fee	Juvenile Informal Probation User Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	103,754	7,656	2,066
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	-	-	-	103,754	7,656	2,066
Disbursements:						
General government	-	-	-	139,719	10,000	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total disbursements	-	-	-	139,719	10,000	-
Excess (deficiency) of receipts over disbursements	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	(35,965)	(2,344)	2,066
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	(35,965)	(2,344)	2,066
Cash and investment fund balance - beginning	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	188	420	175	114,002	10,664	3,714
Cash and investment fund balance - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 188	\$ 420	\$ 175	\$ 78,037	\$ 8,320	\$ 5,780
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 188	\$ 420	\$ 175	\$ 78,037	\$ 8,320	\$ 5,780
Restricted assets:						
Cash and investments	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-	-
Total cash and investment assets - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 188	\$ 420	\$ 175	\$ 78,037	\$ 8,320	\$ 5,780
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	188	420	175	78,037	8,320	5,780
Total cash and investment fund balance - ending	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 188	\$ 420	\$ 175	\$ 78,037	\$ 8,320	\$ 5,780

HOWARD 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, 2009
 (Continued)

	Juvenile Drug Court Grant	Howard County Rainy Day Fund	Bioterrorism Grant	CPRT - Family And Children	Flood Mitigation Assistance Grant	Howard Haven Donation Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 19	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	39,296	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	4,331
Total receipts	-	39,296	-	19	-	4,331
Disbursements:						
General government	-	-	-	135,019	-	2,678
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	-	-	135,019	-	2,678
Excess (deficiency) of receipts over disbursements	-	39,296	-	(135,000)	-	1,653
Other financing sources (uses):						
Transfers in	-	643,914	-	-	-	-
Transfers out	-	-	-	(58,269)	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	643,914	-	(58,269)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	683,210	-	(193,269)	-	1,653
Cash and investment fund balance - beginning	471	718	464	193,269	26,393	4,012
Cash and investment fund balance - ending	<u>\$ 471</u>	<u>\$ 683,928</u>	<u>\$ 464</u>	<u>\$ -</u>	<u>\$ 26,393</u>	<u>\$ 5,665</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 471	\$ 683,928	\$ 464	\$ -	\$ 26,393	\$ 5,665
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 471</u>	<u>\$ 683,928</u>	<u>\$ 464</u>	<u>\$ -</u>	<u>\$ 26,393</u>	<u>\$ 5,665</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	471	683,928	464	-	26,393	5,665
Total cash and investment fund balance - ending	<u>\$ 471</u>	<u>\$ 683,928</u>	<u>\$ 464</u>	<u>\$ -</u>	<u>\$ 26,393</u>	<u>\$ 5,665</u>

HOWARD 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, 2009
 (Continued)

	Drug Free Community Donation	Prosecutor Bad Check and Copy Fund	Rainy Day Loan - Howard County	MS4 Fees Collected	Radio Rebanding	Drug Court Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	19,852
Charges for services	-	-	-	1,650	-	-
Fines and forfeits	-	-	-	-	-	-
Other	1,000	-	-	-	-	-
Total receipts	1,000	-	-	1,650	-	19,852
Disbursements:						
General government	814	-	-	19,874	-	10,150
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	814	-	-	19,874	-	10,150
Excess (deficiency) of receipts over disbursements	186	-	-	(18,224)	-	9,702
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	186	-	-	(18,224)	-	9,702
Cash and investment fund balance - beginning	112	10,000	389,946	18,224	17,000	7,235
Cash and investment fund balance - ending	<u>\$ 298</u>	<u>\$ 10,000</u>	<u>\$ 389,946</u>	<u>\$ -</u>	<u>\$ 17,000</u>	<u>\$ 16,937</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 298	\$ 10,000	\$ 389,946	\$ -	\$ 17,000	\$ 16,937
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 298</u>	<u>\$ 10,000</u>	<u>\$ 389,946</u>	<u>\$ -</u>	<u>\$ 17,000</u>	<u>\$ 16,937</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	298	10,000	389,946	-	17,000	16,937
Total cash and investment fund balance - ending	<u>\$ 298</u>	<u>\$ 10,000</u>	<u>\$ 389,946</u>	<u>\$ -</u>	<u>\$ 17,000</u>	<u>\$ 16,937</u>

HOWARD 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, 2009
 (Continued)

	Courthouse Security Fund	Juvenile Victim Impact	Youth Center DMHA Grant	Multi Hazard Mitigation Plan	Step Ahead Discretionary Grant	Stop Domestic Violence Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	17,815	-	-	84,175
Charges for services	200	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	200	-	17,815	-	-	84,175
Disbursements:						
General government	-	338	13,025	-	-	102,262
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	1,391	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	-	338	14,416	-	-	102,262
Excess (deficiency) of receipts over disbursements	200	(338)	3,399	-	-	(18,087)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	43,000
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	43,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	200	(338)	3,399	-	-	24,913
Cash and investment fund balance - beginning	1,050	500	(3,399)	2,500	1,369	(6,821)
Cash and investment fund balance - ending	<u>\$ 1,250</u>	<u>\$ 162</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 1,369</u>	<u>\$ 18,092</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,250	\$ 162	\$ -	\$ 2,500	\$ 1,369	\$ 18,092
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,250</u>	<u>\$ 162</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 1,369</u>	<u>\$ 18,092</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	1,250	162	-	2,500	1,369	18,092
Total cash and investment fund balance - ending	<u>\$ 1,250</u>	<u>\$ 162</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 1,369</u>	<u>\$ 18,092</u>

HOWARD 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, 2009
 (Continued)

	Document Storage Fee	Shocap Grant 2007	Shocap Grant 2008	Community Corrections Per Diem	Flood Mitigation Assistance Grant	Bio - Public Health Coordinator Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	33,252	131,942	153,531	19,302
Charges for services	26,139	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	26,139	-	33,252	131,942	153,531	19,302
Disbursements:						
General government	225	10,133	40,237	103,997	152,489	2,235
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	82	-	-	-	-	17,094
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Total disbursements	307	10,133	40,237	103,997	152,489	19,329
Excess (deficiency) of receipts over disbursements	25,832	(10,133)	(6,985)	27,945	1,042	(27)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,832	(10,133)	(6,985)	27,945	1,042	(27)
Cash and investment fund balance - beginning	87,177	10,133	18,156	130,420	1,816	1,799
Cash and investment fund balance - ending	<u>\$ 113,009</u>	<u>\$ -</u>	<u>\$ 11,171</u>	<u>\$ 158,365</u>	<u>\$ 2,858</u>	<u>\$ 1,772</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 113,009	\$ -	\$ 11,171	\$ 158,365	\$ 2,858	\$ 1,772
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 113,009</u>	<u>\$ -</u>	<u>\$ 11,171</u>	<u>\$ 158,365</u>	<u>\$ 2,858</u>	<u>\$ 1,772</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	113,009	-	11,171	158,365	2,858	1,772
Total cash and investment fund balance - ending	<u>\$ 113,009</u>	<u>\$ -</u>	<u>\$ 11,171</u>	<u>\$ 158,365</u>	<u>\$ 2,858</u>	<u>\$ 1,772</u>

HOWARD 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, 2009
 (Continued)

	PSIC Radio Grant	Shocap Grant 2009	Sheriff Commissary Account	Kinsey Commissary Account	Jail Lease
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,195,574
Licenses and permits	-	-	-	-	-
Intergovernmental	129,266	43,631	-	-	119,416
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	511
Total receipts	129,266	43,631	-	-	1,315,501
Disbursements:					
General government	129,266	28,020	329,573	14,190	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	2,149,225
Interest	-	-	-	-	323,775
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Total disbursements	129,266	28,020	329,573	14,190	2,473,000
Excess (deficiency) of receipts over disbursements	-	15,611	(329,573)	(14,190)	(1,157,499)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other receipts	-	-	339,748	16,224	-
Total other financing sources (uses)	-	-	339,748	16,224	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	15,611	10,175	2,034	(1,157,499)
Cash and investment fund balance - beginning	-	-	18,524	2,298	1,638,337
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 15,611</u>	<u>\$ 28,699</u>	<u>\$ 4,332</u>	<u>\$ 480,838</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 15,611	\$ 28,699	\$ 4,332	\$ -
Restricted assets:					
Cash and investments	-	-	-	-	480,838
Total cash and investment assets - ending	<u>\$ -</u>	<u>\$ 15,611</u>	<u>\$ 28,699</u>	<u>\$ 4,332</u>	<u>\$ 480,838</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health and welfare	-	-	-	-	-
Debt service	-	-	-	-	480,838
Capital outlay	-	-	-	-	-
Unrestricted	-	15,611	28,699	4,332	-
Total cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ 15,611</u>	<u>\$ 28,699</u>	<u>\$ 4,332</u>	<u>\$ 480,838</u>

HOWARD 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, 2009
 (Continued)

	Heritage Museum/ Convention Center	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	Totals
Receipts:					
Taxes	\$ -	\$ 827,170	\$ 849,326	\$ 119,105	\$ 4,618,003
Licenses and permits	-	-	-	-	38,630
Intergovernmental	-	82,971	41,349	-	6,013,047
Charges for services	-	-	76,863	-	2,212,801
Fines and forfeits	-	-	-	-	630,397
Other	147,636	126,654	8,842	-	363,355
Total receipts	147,636	1,036,795	976,380	119,105	13,876,233
Disbursements:					
General government	-	401,474	-	98,553	4,079,397
Public safety	-	-	-	-	1,676,520
Highways and streets	-	-	1,077,789	-	4,673,125
Health and welfare	-	-	-	-	1,439,970
Debt service:					
Principal	133,752	-	-	-	2,282,977
Interest	27,873	-	-	-	351,648
Capital outlay:					
General government	-	635,817	-	-	724,290
Public safety	-	-	-	-	100,621
Highways and streets	-	-	-	-	34,629
Health and welfare	-	-	-	-	4,465
Total disbursements	161,625	1,037,291	1,077,789	98,553	15,367,642
Excess (deficiency) of receipts over disbursements	(13,989)	(496)	(101,409)	20,552	(1,491,409)
Other financing sources (uses):					
Transfers in	-	-	-	-	767,016
Transfers out	-	-	-	-	(769,609)
Other receipts	-	62,828	-	-	671,017
Total other financing sources (uses)	-	62,828	-	-	668,424
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(13,989)	62,332	(101,409)	20,552	(822,985)
Cash and investment fund balance - beginning	443,105	1,520,277	697,342	579,693	14,166,025
Cash and investment fund balance - ending	<u>\$ 429,116</u>	<u>\$ 1,582,609</u>	<u>\$ 595,933</u>	<u>\$ 600,245</u>	<u>\$ 13,343,040</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 7,684,020
Restricted assets:					
Cash and investments	429,116	1,582,609	595,933	600,245	5,659,020
Total cash and investment assets - ending	<u>\$ 429,116</u>	<u>\$ 1,582,609</u>	<u>\$ 595,933</u>	<u>\$ 600,245</u>	<u>\$ 13,343,040</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 374,856
Public safety	-	-	-	-	668,624
Highways and streets	-	-	-	-	688,283
Health and welfare	-	-	-	-	238,516
Debt service	429,116	-	-	-	909,954
Capital outlay	-	1,582,609	595,933	600,245	2,778,787
Unrestricted	-	-	-	-	7,684,020
Total cash and investment fund balance - ending	<u>\$ 429,116</u>	<u>\$ 1,582,609</u>	<u>\$ 595,933</u>	<u>\$ 600,245</u>	<u>\$ 13,343,040</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 INTERNAL SERVICE FUNDS
 As of and for the Year Ended December 31, 2009

	Anthem Insurance Fund	Anthem Insurance Refunds	Insurance Hold Fund	Totals
Operating receipts:				
Charges for services	\$ 4,731,471	\$ -	\$ -	\$ 4,731,471
Miscellaneous	<u>-</u>	<u>4,064</u>	<u>44,662</u>	<u>48,726</u>
Total operating receipts	<u>4,731,471</u>	<u>4,064</u>	<u>44,662</u>	<u>4,780,197</u>
Operating disbursements:				
Insurance claims and expense	4,802,764	-	-	4,802,764
Miscellaneous	<u>-</u>	<u>4,007</u>	<u>-</u>	<u>4,007</u>
Total operating disbursements	<u>4,802,764</u>	<u>4,007</u>	<u>-</u>	<u>4,806,771</u>
Excess (deficiency) of receipts over disbursements	<u>(71,293)</u>	<u>57</u>	<u>44,662</u>	<u>(26,574)</u>
Cash and investment fund balance - beginning	<u>530,149</u>	<u>943</u>	<u>3,198,305</u>	<u>3,729,397</u>
Cash and investment fund balance - ending	<u>\$ 458,856</u>	<u>\$ 1,000</u>	<u>\$ 3,242,967</u>	<u>\$ 3,702,823</u>
<u>Cash and Investment Assets - December 31</u>				
Cash and investments	<u>\$ 458,856</u>	<u>\$ 1,000</u>	<u>\$ 3,242,967</u>	<u>\$ 3,702,823</u>
<u>Cash and Investment Fund Balance - December 31</u>				
Unrestricted	<u>458,856</u>	<u>1,000</u>	<u>3,242,967</u>	<u>3,702,823</u>
Total cash and investment fund balance - December 31	<u>\$ 458,856</u>	<u>\$ 1,000</u>	<u>\$ 3,242,967</u>	<u>\$ 3,702,823</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2009

	<u>County Police Retirement Plan Fund</u>	<u>County Police Benefit Plan Fund</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	369,327	22,829	392,156
Plan members	<u>95,984</u>	<u>-</u>	<u>95,984</u>
Total contributions	<u>465,311</u>	<u>22,829</u>	<u>488,140</u>
Investment receipts:			
Net decrease in fair value of investments	<u>(1,166,720)</u>	<u>(34,205)</u>	<u>(1,200,925)</u>
Total investment receipts	<u>(1,166,720)</u>	<u>(34,205)</u>	<u>(1,200,925)</u>
Total additions	<u>(701,409)</u>	<u>(11,376)</u>	<u>(712,785)</u>
Deductions:			
Benefits	581,547	14,377	595,924
Administrative and general	<u>43,518</u>	<u>330</u>	<u>43,848</u>
Total deductions	<u>625,065</u>	<u>14,707</u>	<u>639,772</u>
Excess (deficiency) of total additions over total deductions	(1,326,474)	(26,083)	(1,352,557)
Cash and investment fund balance - beginning	<u>10,308,053</u>	<u>269,448</u>	<u>10,577,501</u>
Cash and investment fund balance - ending	<u>\$ 8,981,579</u>	<u>\$ 243,365</u>	<u>\$ 9,224,944</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009

	City and Town Court Costs	Coroners Training and Continuing Education	Congressional School Interest	Weed Cutting	Surplus Tax Sale	Tax Sale Redemption	Sewage Collections
Additions:							
Agency fund additions	\$ 29,586	\$ 9,810	\$ 899	\$ 41,606	\$ 1,051,057	\$ 78,995	\$ 756,211
Deductions:							
Agency fund deductions	30,658	10,209	899	41,606	511,843	84,875	756,211
Excess (deficiency) of total additions over total deductions	(1,072)	(399)	-	-	539,214	(5,880)	-
Cash and investment fund balance - beginning	7,719	1,783	-	-	78,851	5,880	-
Cash and investment fund balance - ending	<u>\$ 6,647</u>	<u>\$ 1,384</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 618,065</u>	<u>\$ -</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Overweight Vehicle Fines	Township Assistance Agency	Infraction Judgements	Inheritance Tax	Public Employees Retirement Fund	Payroll Withholding - Federal	Payroll Withholding - State
Additions:							
Agency fund additions	\$ 5	\$ 763,515	\$ 171,692	\$ 1,776,368	\$ 1,534,308	\$ 1,514,041	\$ 565,652
Deductions:							
Agency fund deductions	-	763,515	171,687	1,850,639	1,531,920	1,514,041	565,652
Excess (deficiency) of total additions over total deductions	5	-	5	(74,271)	2,388	-	-
Cash and investment fund balance - beginning	-	-	11,185	644,216	399,328	409	-
Cash and investment fund balance - ending	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 11,190</u>	<u>\$ 569,945</u>	<u>\$ 401,716</u>	<u>\$ 409</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Payroll Withholding - OASI	Payroll Withholding - Local Tax	Insurance	Special Death Benefit	Education Plate Fees Agency	Innkeepers Tax	Financial Institution Tax
Additions:							
Agency fund additions	\$ 2,565,374	\$ 260,652	\$ 85,680	\$ 11,707	\$ 1,388	\$ 369,090	\$ 344,176
Deductions:							
Agency fund deductions	2,565,374	260,652	84,892	12,335	1,388	369,090	344,176
Excess (deficiency) of total additions over total deductions	-	-	788	(628)	-	-	-
Cash and investment fund balance - beginning	-	-	7,996	698	-	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ 8,784	\$ 70	\$ -	\$ -	\$ -

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Donation Agency	Wheel Tax	Surplus Tax	County Options Income Tax	Mortgage Fees - State Share	Child Restraint Violations Fines
Additions:						
Agency fund additions	\$ -	\$ 108,151	\$ 1,319,462	\$ 12,087,936	\$ 7,745	\$ 6,038
Deductions:						
Agency fund deductions	-	108,151	1,319,462	12,087,936	7,655	6,448
Excess (deficiency) of total additions over total deductions	-	-	-	-	90	(410)
Cash and investment fund balance - beginning	6	-	-	-	458	410
Cash and investment fund balance - ending	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 548</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	County Vehicle Excise Tax	Department of Natural Resources Settlement	Welfare Trust	Homestead Credit Rebate	Payroll Withholding Garnishments	HEA 1001 State Homestead Credit
Additions:						
Agency fund additions	\$ 348,732	\$ 167	\$ 400	\$ -	\$ 100,116	\$ 1,539,614
Deductions:						
Agency fund deductions	348,732	167	400	4,465	100,116	1,546,657
Excess (deficiency) of total additions over total deductions	-	-	-	(4,465)	-	(7,043)
Cash and investment fund balance - beginning	-	-	-	103,212	-	8,135
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,747</u>	<u>\$ -</u>	<u>\$ 1,092</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	<u>Local Options Income Tax</u>	<u>Levy Excess Fund</u>	<u>2008 and Prior Delinquent Tax</u>	<u>Cemetery Regents</u>	<u>Corporation Tax</u>	<u>Cumulative Fire</u>
Additions:						
Agency fund additions	\$ 8,635,105	\$ 700,995	\$ 1,632,119	\$ 167,997	\$ 25,914,676	\$ 74,239
Deductions:						
Agency fund deductions	<u>8,632,621</u>	<u>683,210</u>	<u>1,632,119</u>	<u>167,997</u>	<u>25,914,676</u>	<u>74,240</u>
Excess (deficiency) of total additions over total deductions	2,484	17,785	-	-	-	(1)
Cash and investment fund balance - beginning	<u>165,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Cash and investment fund balance - ending	<u>\$ 167,946</u>	<u>\$ 17,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Property Tax Collection Services	Debt Service	Excess Tax	Overpayment Tax	Fines and Forfeitures	Firefighting Tax
Additions:						
Agency fund additions	\$ 6,424	\$ 12,556,651	\$ 94,347	\$ 51,944	\$ 15,964	\$ 425,477
Deductions:						
Agency fund deductions	6,424	12,556,651	97,103	28,033	14,784	425,477
Excess (deficiency) of total additions over total deductions	-	-	(2,756)	23,911	1,180	-
Cash and investment fund balance - beginning	-	-	142,147	6,902	462	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ 139,391	\$ 30,813	\$ 1,642	\$ -

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Firemen's Pension Settlement	School Capital Projects Settlement	Library Tax Settlement	Park Trustees Settlement	Plan Commission Settlement	City Police Pension
Additions:						
Agency fund additions	\$ 842,690	\$ 13,648,987	\$ 4,127,456	\$ 1,518,519	\$ 34,908	\$ 770,168
Deductions:						
Agency fund deductions	842,690	13,648,987	4,127,456	1,518,519	34,908	770,168
Excess (deficiency) of total additions over total deductions	-	-	-	-	-	-
Cash and investment fund balance - beginning	-	-	-	-	-	-
Cash and investment fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Jury Pay Fund	Excise Tax Allocation	Park and Recreation	Solid Waste Settlement	Town or Corporation MVH Settlement	Township Civil Tax Settlement
Additions:						
Agency fund additions	\$ 10,660	\$ 3,044,622	\$ 15,282	\$ 687,140	\$ 101,066	\$ 897,681
Deductions:						
Agency fund deductions	14,993	3,044,622	15,282	687,140	101,066	897,681
Excess (deficiency) of total additions over total deductions	(4,333)	-	-	-	-	-
Cash and investment fund balance - beginning	26,628	-	-	-	-	-
Cash and investment fund balance - ending	<u>\$ 22,295</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	County Sales Disclosure Fees	Transportation Fund Settlement	Aviation/Airport Settlement	Bus Replacement Settlement	County Economic Development Income Tax	Law Enforcement Education Excise
Additions:						
Agency fund additions	\$ 7,805	\$ 5,349,685	\$ 163,633	\$ 1,126,448	\$ 3,461,994	\$ 32
Deductions:						
Agency fund deductions	-	5,349,685	163,633	1,126,448	3,461,994	-
Excess (deficiency) of total additions over total deductions	7,805	-	-	-	-	32
Cash and investment fund balance - beginning	54,256	-	-	-	-	18
Cash and investment fund balance - ending	<u>\$ 62,061</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Law Enforcement Education State	Law Enforcement Education Kokomo	Law Enforcement Education County	Law Enforcement Education Greentown	Law Enforcement Education Russiaville	Pension Debt Settlement
Additions:						
Agency fund additions	\$ 5,584	\$ 10,980	\$ 2,985	\$ 286	\$ 603	\$ 1,442,425
Deductions:						
Agency fund deductions	3,821	10,980	1,804	-	-	1,442,425
Excess (deficiency) of total additions over total deductions	1,763	-	1,181	286	603	-
Cash and investment fund balance - beginning	10,686	1,367	4,170	368	679	-
Cash and investment fund balance - ending	<u>\$ 12,449</u>	<u>\$ 1,367</u>	<u>\$ 5,351</u>	<u>\$ 654</u>	<u>\$ 1,282</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Adult Offender Interstate	Recycling District/Payroll	Corporation Cumulative Capital Development	Sheriff Process Service Fees	Governing Coordinating Council Payroll	Barrett Law Agency
Additions:						
Agency fund additions	\$ 1,125	\$ 184,275	\$ 9,737	\$ 82,976	\$ 305,817	\$ 307
Deductions:						
Agency fund deductions	1,200	184,275	9,737	82,976	288,677	307
Excess (deficiency) of total additions over total deductions	(75)	-	-	-	17,140	-
Cash and investment fund balance - beginning	150	207	-	-	(22,234)	-
Cash and investment fund balance - ending	<u>\$ 75</u>	<u>\$ 207</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,094)</u>	<u>\$ -</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Unsafe Building Agency	Bond Forfeitures	County Clerk Trust	County Clerk Child Support	Sheriff Inmate Trust	Sheriff Work Release
Additions:						
Agency fund additions	\$ 2,992	\$ 6,775	\$ 11,425,642	\$ 1,925,112	\$ 548,649	\$ 10,107
Deductions:						
Agency fund deductions	2,992	6,775	10,992,988	1,925,685	557,251	10,067
Excess (deficiency) of total additions over total deductions	-	-	432,654	(573)	(8,602)	40
Cash and investment fund balance - beginning	-	-	3,229,246	14,503	41,892	461
Cash and investment fund balance - ending	\$ -	\$ -	\$ 3,661,900	\$ 13,930	\$ 33,290	\$ 501

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Sheriff Cash Book	Health Cash Account	Recorder Cash Account	Adult Probation Cash Account	Kinsey Food Service Cash Account	Kinsey Shelter Care Cash Account
Additions:						
Agency fund additions	\$ 2,063,540	\$ 234,564	\$ 460,143	\$ 173,529	\$ 2,718	\$ -
Deductions:						
Agency fund deductions	2,064,407	233,837	407,380	171,864	2,837	-
Excess (deficiency) of total additions over total deductions	(867)	727	52,763	1,665	(119)	-
Cash and investment fund balance - beginning	23,086	68,488	11,792	9,083	279	7
Cash and investment fund balance - ending	<u>\$ 22,219</u>	<u>\$ 69,215</u>	<u>\$ 64,555</u>	<u>\$ 10,748</u>	<u>\$ 160</u>	<u>\$ 7</u>

HOWARD COUNTY
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009
 (Continued)

	Prosecutor Copy Machine	Prosecutor Trust Fund	Prosecutor Cash Account	County Treasurer Cash Account	Sheriff Equipment and Technology Fund	Totals
Additions:						
Agency fund additions	\$ 1,078	\$ 6,782	\$ 1,865	\$ 97,456,355	\$ 116,171	\$ 230,018,009
Deductions:						
Agency fund deductions	247	5,716	28	96,684,845	32,398	228,165,977
Excess (deficiency) of total additions over total deductions	831	1,066	1,837	771,510	83,773	1,852,032
Cash and investment fund balance - beginning	2,497	1,098	8,909	1,660,129	-	6,733,025
Cash and investment fund balance - ending	<u>\$ 3,328</u>	<u>\$ 2,164</u>	<u>\$ 10,746</u>	<u>\$ 2,431,639</u>	<u>\$ 83,773</u>	<u>\$ 8,585,057</u>

HOWARD COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

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

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ -
Infrastructure	46,814,799
Buildings	150,155
Improvements other than buildings	1,100
Machinery and equipment	3,936,161
Construction in progress	<u>2,903</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 50,905,118</u>

HOWARD COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Civic Center	\$ 498,576	\$ 161,625
Jail and Juvenile Detention Center	3,095,000	826,000
Notes and loans payable:		
Dephi loan	<u>4,987,558</u>	<u>-</u>
Total governmental activities debt	<u>\$ 8,581,134</u>	<u>\$ 987,625</u>

HOWARD COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
County Sheriff
County Prosecutor

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 HOWARD COUNTY, INDIANA

Compliance

We have audited the compliance of Howard 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, 2009. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2009-2.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in 2009-2 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

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

STATE BOARD OF ACCOUNTS

March 17, 2010

HOWARD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Education Child Nutrition Cluster			
School Breakfast Program	10.553	FY 2009	\$ 20,256
National School Lunch Program	10.555	FY 2009	<u>30,613</u>
Total for cluster			<u>50,869</u>
Total for federal grantor agency			<u>50,869</u>
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Pass-Through Indiana Department of Homeland Security Public Safety Interoperable Communications Grant Program	11.555	C44P-9-27A	<u>129,266</u>
Total for federal grantor agency			<u>129,266</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through City of Kokomo Edward Byrne Memorial Formula Grant Program	16.579	05-DJ-086 08-DJ-028	8,114 <u>51,789</u>
Total for program			<u>59,903</u>
Pass-Through Indiana Criminal Justice Institute Violence Against Women Formula Grants	16.588	08ST022 09VA055	34,221 <u>41,792</u>
Total for program			<u>76,013</u>
Total for federal grantor agency			<u>135,916</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Traffic Safety Cluster			
State and Community Highway Safety	20.600	PT-09-04-01-12 PT-10-04-04-10	7,465 <u>7,499</u>
Total for program			<u>14,964</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8-2010-03-03-14 K8-2009-03-03-14	1,956 <u>16,214</u>
Total for program			<u>18,170</u>
Total for cluster			<u>33,134</u>
Pass-Through Indiana Department of Transportation Highway Planning and Construction	20.205	0710023 SRS-32187-A STP-9934(034) 06006972	52,908 2,331 46,793 <u>30,069</u>
Total for program			<u>132,101</u>
Total for federal grantor agency			<u>165,235</u>

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

HOWARD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009
(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 Public Health Emergency Preparedness Grant	93.069	1H75TP000339-01	<u>85,533</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	C44P-8-242A	<u>23,923</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
County Prosecutor's Expenditures		FY 2009	310,641
Clerk of the Circuit Court Expenditures		FY 2009	97,161
IV-D Incentives		FY 2009	90,470
Indirect Costs		FY 2009	<u>136,274</u>
Total for program			<u>634,546</u>
Total for federal grantor agency			<u>744,002</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Flood Mitigation Assistance	97.029	FY 2009	<u>152,489</u>
Emergency Management Performance Grants	97.042	C44P-9-643A	<u>74,754</u>
State Homeland Security Program	97.073	C44P-9-485A	<u>1,628</u>
Law Enforcement Terrorism Prevention Program	97.074	C44P-9-562A	<u>14,984</u>
Total for federal grantor agency			<u>243,855</u>
Total federal awards expended			<u>\$ 1,469,143</u>

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

HOWARD COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

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

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2009:

Program Title	Federal CFDA Number	2009
Alcohol Impaired Driving Countermeasures Incentives Grants I	20.601	\$ 11,939
Emergency Management Performance Grants	97.042	41,115

HOWARD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	yes

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	yes

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

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

Identification of Major Programs:

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

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

FINDING 2009-1, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Howard County, in conjunction with the Indiana Family and Social Services Administration, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2009. The following deficiency was identified:

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion system implementation, computer application processing errors and user errors. The errors are currently being corrected on a case by case basis as they are identified.

HOWARD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 2)

We recommended that action should be expedited to ensure that all subaccount balances are researched and corrected in a timely manner.

Section III – Federal Award Findings and Questioned Costs

FINDING 2009-2, REPORTABLE CONDITION – CHILD SUPPORT ENFORCEMENT CASE BALANCES

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA No.: 93.563
Federal Award Number: N/A
Pass-Through Agency: Indiana Department of Child Services

Howard County, in conjunction with the Indiana Family and Social Services Administration, accounted for child support collections and payments through the Indiana Support Enforcement Tracking System (ISETS) during 2009. The following deficiency was identified:

Balances of child support cases included errors resulting from data conversion, information not recorded during the time period from data conversion to system implementation, computer application processing errors and user errors. The errors are currently being corrected on a case by case basis as they are identified.

45 CFR section 303.6 states in part:

"Enforcement of support obligations. For all cases referred to the IV-D agency or applying for services under § 302.33 in which the obligation to support and the amount of the obligation have been established, the IV-D agency must maintain and use an effective system for: (a) monitoring compliance with the support obligation . . ."

45 CFR section 303.11 Case closure criteria:

"(a) The IV-D agency shall establish a system for case closure. (b) In order to be eligible for closure, the case must meet at least one of the following criteria: (1) There is no longer a current support order and arrearages are under \$500 or unenforceable under State law; (2) The noncustodial parent or putative father is deceased and no further action, including a levy against the estate, can be taken; (3) Paternity cannot be established because (i) The child is at least 18 years old and action to establish paternity is barred by a statute of limitations which meets the requirements of § 302.70 (a)(5) of this chapter. . . ."

As a result of the inaccurate balances enforcement actions may be initiated improperly or may not be initiated when required.

We recommended that action should be expedited to ensure that all subaccount balances are researched and corrected in a timely manner.

JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

March 23, 2010

Summary Schedule Of Prior Audit Findings

Finding 2008-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
Contact Phone Number: (765) 456-2230

The purpose of this communication is to provide an update regarding the ongoing corrective action plan for Howard County's Title IV-D Child Support Program.

To the extent that the balance finding of the audit does not match up with the State Board of Accounts is due to the individual case balances and information that was input into the computer originally by an outside agency provided by the State was incorrect.

Howard County Title IV-D Child Support Program continues to strive to make every effort to comply with the federally mandated standards for data reliability. The IV-D Child Support office is required to maintain accurate and updated case activity and court order information with the ISETS database in order to meet the federal standard for 95% accuracy.

Our plan for corrective action is on an individual case by case basis. We will review each case, input information as far as court orders and participant data, correct account balances and make sure they are current.

Sincerely,

James R. Fleming
Prosecutor, Howard County
62nd Judicial Circuit

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765-456-2230 Office
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IV-D CHILD SUPPORT
Howard County Courthouse
Kokomo, IN 46901
765-456-2231 Office
765-456-2235 Fax

JAMES R. FLEMING
PROSECUTING ATTORNEY
HOWARD COUNTY, INDIANA
62ND JUDICIAL CIRCUIT

March 23, 2010

Corrective Action Plan

Finding 2009-2, Special Tests and Provisions

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Program
CFDA Number: 93.563
Federal Award No: N/A
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: James R. Fleming
Contact Person Title: Prosecutor, Howard County
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HOWARD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 24, 2010, with Ann Wells, Auditor.