

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
SPENCER COUNTY, INDIANA
January 1, 2011 to December 31, 2011



FILED
05/14/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Donna J. Lynam (Vacant) Betty Jane Lynam	01-01-11 to 04-06-12 04-07-12 to 04-09-12 04-10-12 to 12-31-14
Treasurer	Anita Frakes	01-01-09 to 12-31-12
Clerk	Gay Ann Harney	01-01-09 to 12-31-12
Sheriff	Kermitt Lindsey, Jr.	01-01-11 to 12-31-14
Recorder	Sharon Dugas	01-01-09 to 12-31-12
President of the Board of County Commissioners	David J. Gogel	01-01-11 to 12-31-12
President of the County Council	William J. Spaetti	01-01-11 to 12-31-12



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF SPENCER COUNTY, INDIANA

We have audited the accompanying financial statement of Spencer County (County), for the year ended December 31, 2011. The financial statement is the responsibility of the County's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 12, 2012, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

April 12, 2012



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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 SPENCER COUNTY, INDIANA

We have audited the financial statement of Spencer County (County), for the year ended December 31, 2011, and have issued our report thereon dated April 12, 2012. 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

April 12, 2012

FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
County General Fund	\$ 3,436,724	\$ 6,758,543	\$ 6,741,359	\$ 3,453,908
County Highway Fund	791,206	1,835,518	1,679,435	947,289
L.R.&S.	69,825	196,716	199,823	66,718
Accident & Theft Report	3,196	1,838	-	5,034
Fire Arms & Training	18,029	7,700	2,986	22,743
Health	161,584	280,782	312,893	129,473
Continuing Education Fund	873	792	210	1,455
Clerk's Perp	7,897	8,360	9,311	6,946
Electronic Map	780	-	-	780
Riverboat Revenue	277,707	127,608	363,649	41,666
County Drug Free Comm	14,050	12,365	14,050	12,365
General Drain Maintenance	130,598	40,580	26,112	145,066
Local Emergency Plan Commission	7,545	6,868	5,724	8,689
Ivd Prosecutor	7,611	20,846	12,432	16,025
Recorder Record Perp	118,763	33,243	37,767	114,239
County Users Fees	77,006	5,357	2,119	80,244
Covered Bridge	10,617	925	-	11,542
Local Health Maintenance	87,308	33,139	28,226	92,221
Pre-Trial Diversion	82,019	102,099	77,581	106,537
Plat Book Update	24,456	7,810	3,144	29,122
Surveyor Corner Perp	36,505	4,385	486	40,404
Jury Fee	27,945	2,787	1,060	29,672
Prisoner Reimb Fund	4,159	4,318	5,551	2,926
Rainy Day Fund	401,726	214	320,540	81,400
Co Medical Care For Inmates	643	2,760	1,106	2,297
State Sales Disclosure Fee	245	2,105	2,120	230
Community Corrections Gt	9,897	-	-	9,897
Tobacco Grant	43,749	85,887	-	129,636
County Child Advocacy	-	150	-	150
Sheriff's Sale	4,984	5,670	1,875	8,779
Id Security Protection	27,243	5,624	22,734	10,133
Co. Opt. Income Tax	-	1,002,188	1,002,188	-
Sp Co Elected Officials Training	-	852	-	852
Cumulative Cap Dev	201,833	262,370	249,925	214,278
Cumulative Bridge	1,051,259	595,432	531,565	1,115,126
General Drain Const.	128,826	3,000	-	131,826
Self Insurance Fund	95,257	1,756,369	1,787,454	64,172
Police Pension	1,660,314	313,053	114,176	1,859,191
Congressional School Prin	1	-	-	1
City & Town Court Costs	-	6,393	5,963	430
Congressional School Int	54,211	377	504	54,084
Clerk's Trust	859,254	1,425,255	1,638,240	646,269
Tax Sale Surplus	48,150	168,218	26,322	190,046
Tax Sale Redemption	7,073	17,015	23,213	875
Surplus Tax	10,524	27,525	21,716	16,333
Poor Relief	-	119,621	119,621	-
Fines & Forf	485	3,387	3,197	675
Delinquent Sewage	60	14,008	14,008	60
Overweight Vehicle	14	1,399	1,413	-
Sheriff	13,722	290,954	300,525	4,151
Infraction Judgement	694	12,291	11,928	1,057
Inheritance Tax	26,592	1,479,099	1,423,214	82,477
Special Death Benefit	-	1,655	1,655	-
Education Plate Fee	-	413	413	-
Innkeeper Tax	3,065	311,585	305,430	9,220
Financial Institution	-	21,293	21,293	-
Mortgage Fee Fund	263	2,493	2,493	263
Interest. Compact Fee	-	275	-	275
Homes Credit Rebate	-	2,302	2,302	-
After Settlement Collections	348,802	26,717,557	26,715,370	350,989
Co General IVD Incentive	-	13,854	-	13,854
Super Responsible County Election Board	-	37,209	-	37,209
Com Corr Income	-	208,546	86,762	121,784

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

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
IOCRA Sewer Grant	-	7,821,607	7,821,607	-
Luce Sewer Retainage	-	386,670	-	386,670
Carter Fire District	-	106,713	106,713	-
Excise Tax Allocations	-	763,953	763,953	-
Township Tax	-	230,705	230,705	-
Recreation	-	23,504	23,504	-
Fire Fighting	-	354,449	354,449	-
Library Tax	-	1,325,422	1,325,422	-
Spencer Co Library Debt	-	180,780	180,780	-
School Debt	-	3,547,161	3,547,161	-
Corp Tax	-	1,184,660	1,184,660	-
Cum Capital (Towns)	-	24,878	24,878	-
Cum Buildings (Towns)	-	27,041	27,041	-
Street Tax	-	123,828	123,828	-
4 H Building Maint	317	70,853	70,921	249
Recreation (Town)	-	210,526	210,526	-
Cum Fire	-	55,782	55,782	-
Fire Equipment Debt	-	167,911	167,911	-
School Transportation	-	2,140,814	2,140,814	-
Capital Project	-	3,362,645	3,362,645	-
Solid Waste Management District	-	350,393	350,393	-
Bus Replacement	-	340,718	340,718	-
Retire/Serv Bond Debt	-	1,260,470	1,260,470	-
Community Corrections Gt 11/12	-	153,167	121,121	32,046
Reassessment	634,276	141,465	221,967	553,774
Probation Users Fees	94,134	48,338	75,885	66,587
Welfare H C I	77	-	-	77
Co. Medical Assist To Wards	2	-	-	2
Law Enforcement Fund	12,488	5,095	8,363	9,220
County Corrections	20,528	14,261	15,433	19,356
Redevelopment Comm.	-	3,071,884	3,071,884	-
Capital Trial Expense	99,025	-	99,025	-
Child Support Impact	2,971	-	-	2,971
Coit Special Purpose Fund	1,771,042	564,960	411,116	1,924,886
Community Defense Fund	664	-	-	664
911 Surcharge	24,517	144,695	89,796	79,416
Emergency Management	847	1,086	1,518	415
Excess Levy Fund	53,762	-	-	53,762
Federal Topic	16,901	-	-	16,901
Flu Clinic	15,068	16,825	20,997	10,896
Ivd Clerk	2,273	13,854	8,560	7,567
State Rd. Relinquish	432,623	-	-	432,623
Photo Id	40	-	-	40
911 Wireless	65,787	87,364	60,150	93,001
Scema Search & Rescue	2,336	2,324	1,177	3,483
Sri Tax Sale	(1,072)	13,427	10,844	1,511
Sex/Vio Offender Reg.	2,781	1,250	3,459	572
Homestead Credit	-	163,210	163,210	-
Tax Replace. & Pp Credit	-	2,381	2,381	-
State Hsc	(512)	461	420	(471)
Com. Corr. Income	101,478	7,127	108,605	-
Comm Corrections 09/10	11,385	-	9,019	2,366
Property Maint Fund	1,025	1,000	300	1,725
Community Transition 09/10	2,840	-	-	2,840
St. Share Del Tax & Pen	-	76	76	-
10/11 Comm. Transition	1,595	-	-	1,595
Hava Voting System	6,010	-	459	5,551
Drug Court Grant	(1,955)	34,320	28,178	4,187
Community Corr Grant 10/11	33,213	118,624	153,702	(1,865)
Arra IV-D Clerk	6,411	1,002	-	7,413
Arra IV-D Prosecutor	6,625	2,723	5,185	4,163
Christian Resource Center Grant	-	18,000	18,000	-
Spencer Cedit Construction	3,354,453	1,463,133	2,170,288	2,647,298

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

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Indiana Deferred Comp	-	44,680	44,680	-
P.E.R.F.	92,312	381,874	372,207	101,979
Federal Withholding	2	362,771	362,771	2
State Withholding	-	131,361	131,361	-
O.A.S.I.	197	539,833	539,833	197
Coit/Cedit (Pr)	-	32,019	32,019	-
Spencer County Benefits Trust	3,615	144,468	148,083	-
American Family Ins	1	19,600	19,600	1
Anderson River	11,121	-	-	11,121
Boston Mutual	46	17,027	17,027	46
Spencer County X-Mas Club	-	95,794	95,794	-
Colonial Insurance	11	2,405	2,405	11
Coroner Perp	80	1,118	1,172	26
Cvet	-	169,970	169,970	-
Health Resources	4	40,860	40,860	4
Life Investors Insur Co.	-	8,057	8,057	-
Spectera	22	12,635	12,611	46
Transamerica	18	31,161	30,931	248
Hwy Union Dues Fund	-	9,606	9,606	-
Vacation Club	-	41,532	41,532	-
Garnishment	-	8,472	8,472	-
County Econ Income Tax	-	1,706,140	1,706,140	-
Commissary	56,894	69,429	77,233	49,090
Sheriff Sp Investigations	6,410	25	560	5,875
Police Retirement	1,494	22,465	23,959	-
Clerk - Isets	2,998	362,700	363,097	2,601
Animal Control	21,568	7,738	7,914	21,392
Payment In Lieu Of Taxes	161	162	323	-
County Recorder - Car-1	11,266	104,445	104,801	10,910
Inmate Trust	531	62,731	61,343	1,919
Totals	<u>\$ 17,377,995</u>	<u>\$ 78,995,590</u>	<u>\$ 79,273,543</u>	<u>\$ 17,100,042</u>

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

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

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

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

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

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

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

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

F. Interfund Transfers

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

SPENCER COUNTY
 NOTES TO FINANCIAL STATEMENT
 (Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

C. County Police Benefit Plan

Plan Description

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

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

Note 7. Restatement

For the year ended December 31, 2010, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balance.

<u>Fund Name</u>	<u>Balance as of December 31, 2010</u>	<u>Prior Period Adjustment</u>	<u>Balance as of January 1, 2011</u>
Self-Insurance	\$	-	\$ 95,257
		\$ 95,257	\$ 95,257

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the County which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was prepared and/or approved by management of the County. It is presented as intended by the County.

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	County General Fund	County Highway Fund	L.R.&S.	Accident & Theft Report	Fire Arms & Training	Health	Continuing Education Fund	Clerk's Perp
Cash and investments - beginning	\$ 3,436,724	\$ 791,206	\$ 69,825	\$ 3,196	\$ 18,029	\$ 161,584	\$ 873	\$ 7,897
Receipts:								
Taxes	3,053	-	-	-	-	252,448	-	-
Intergovernmental	37,393	1,799,653	196,716	-	-	1,795	-	-
Charges for services	249,437	-	-	1,838	7,700	26,539	792	-
Fines and forfeits	83,189	-	-	-	-	-	-	8,360
Other receipts	<u>6,385,471</u>	<u>35,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>6,758,543</u>	<u>1,835,518</u>	<u>196,716</u>	<u>1,838</u>	<u>7,700</u>	<u>280,782</u>	<u>792</u>	<u>8,360</u>
Disbursements:								
Personal services	4,401,370	934,936	-	-	-	214,143	-	-
Supplies	198,794	521,790	199,823	-	-	1,864	-	-
Other services and charges	1,906,261	42,616	-	-	-	27,886	-	-
Capital outlay	86,335	176,289	-	-	-	-	-	-
Other disbursements	<u>148,599</u>	<u>3,804</u>	<u>-</u>	<u>-</u>	<u>2,986</u>	<u>69,000</u>	<u>210</u>	<u>9,311</u>
Total disbursements	<u>6,741,359</u>	<u>1,679,435</u>	<u>199,823</u>	<u>-</u>	<u>2,986</u>	<u>312,893</u>	<u>210</u>	<u>9,311</u>
Excess (deficiency) of receipts over disbursements	<u>17,184</u>	<u>156,083</u>	<u>(3,107)</u>	<u>1,838</u>	<u>4,714</u>	<u>(32,111)</u>	<u>582</u>	<u>(951)</u>
Cash and investments - ending	<u>\$ 3,453,908</u>	<u>\$ 947,289</u>	<u>\$ 66,718</u>	<u>\$ 5,034</u>	<u>\$ 22,743</u>	<u>\$ 129,473</u>	<u>\$ 1,455</u>	<u>\$ 6,946</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Electronic Map	Riverboat Revenue	County Drug Free Comm	General Drain Maintenance	Local Emergency Plan Commission	Ivd Prosecutor	Recorder Record Perp	County Users Fees
Cash and investments - beginning	\$ 780	\$ 277,707	\$ 14,050	\$ 130,598	\$ 7,545	\$ 7,611	\$ 118,763	\$ 77,006
Receipts:								
Taxes	-	-	-	40,580	-	-	-	-
Intergovernmental	-	127,608	-	-	-	-	-	-
Charges for services	-	-	-	-	6,868	20,846	33,243	-
Fines and forfeits	-	-	12,365	-	-	-	-	5,357
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	127,608	12,365	40,580	6,868	20,846	33,243	5,357
Disbursements:								
Personal services	-	-	-	-	-	12,432	8,562	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	2,700	11,112	-	-	-	-
Capital outlay	-	224	-	-	-	-	-	-
Other disbursements	-	363,425	11,350	15,000	5,724	-	29,205	2,119
Total disbursements	-	363,649	14,050	26,112	5,724	12,432	37,767	2,119
Excess (deficiency) of receipts over disbursements	-	(236,041)	(1,685)	14,468	1,144	8,414	(4,524)	3,238
Cash and investments - ending	\$ 780	\$ 41,666	\$ 12,365	\$ 145,066	\$ 8,689	\$ 16,025	\$ 114,239	\$ 80,244

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Covered Bridge	Local Health Maintenance	Pre-Trial Diversion	Plat Book Update	Surveyor Corner Perp	Jury Fee	Prisoner Reimb Fund	Rainy Day Fund
Cash and investments - beginning	\$ 10,617	\$ 87,308	\$ 82,019	\$ 24,456	\$ 36,505	\$ 27,945	\$ 4,159	\$ 401,726
Receipts:								
Taxes	-	-	-	-	-	-	-	214
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	925	33,139	-	7,810	4,385	-	4,318	-
Fines and forfeits	-	-	102,099	-	-	2,787	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	925	33,139	102,099	7,810	4,385	2,787	4,318	214
Disbursements:								
Personal services	-	-	34,803	-	-	-	-	-
Supplies	-	5,860	2,002	344	486	-	-	-
Other services and charges	-	9,300	20,356	2,800	-	-	-	20,540
Capital outlay	-	13,066	5,000	-	-	-	-	-
Other disbursements	-	-	15,420	-	-	1,060	5,551	300,000
Total disbursements	-	28,226	77,581	3,144	486	1,060	5,551	320,540
Excess (deficiency) of receipts over disbursements	925	4,913	24,518	4,666	3,899	1,727	(1,233)	(320,326)
Cash and investments - ending	\$ 11,542	\$ 92,221	\$ 106,537	\$ 29,122	\$ 40,404	\$ 29,672	\$ 2,926	\$ 81,400

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Co Medical Care For Inmates	State Sales Disclosure Fee	Community Corrections Gt	Tobacco Grant	County Child Advocacy	Sheriff's Sale	Id Security Protection
Cash and investments - beginning	\$ 643	\$ 245	\$ 9,897	\$ 43,749	\$ -	\$ 4,984	\$ 27,243
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	2,760	2,105	-	85,887	-	5,670	5,624
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	150	-	-
Total receipts	<u>2,760</u>	<u>2,105</u>	<u>-</u>	<u>85,887</u>	<u>150</u>	<u>5,670</u>	<u>5,624</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,106	2,120	-	-	-	1,875	22,734
Total disbursements	<u>1,106</u>	<u>2,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,875</u>	<u>22,734</u>
Excess (deficiency) of receipts over disbursements	<u>1,654</u>	<u>(15)</u>	<u>-</u>	<u>85,887</u>	<u>150</u>	<u>3,795</u>	<u>(17,110)</u>
Cash and investments - ending	<u>\$ 2,297</u>	<u>\$ 230</u>	<u>\$ 9,897</u>	<u>\$ 129,636</u>	<u>\$ 150</u>	<u>\$ 8,779</u>	<u>\$ 10,133</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Co. Opt. Income Tax	Sp Co Elected Officials Training	Cumulative Cap Dev	Cumulative Bridge	General Drain Const.	Self Insurance Fund	Police Pension
Cash and investments - beginning	\$ -	\$ -	\$ 201,833	\$ 1,051,259	\$ 128,826	\$ 95,257	\$ 1,660,314
Receipts:							
Taxes	1,002,188	-	212,443	532,487	-	-	-
Intergovernmental	-	-	1,511	3,787	-	-	-
Charges for services	-	852	-	-	-	1,756,369	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	48,416	59,158	3,000	-	313,053
Total receipts	1,002,188	852	262,370	595,432	3,000	1,756,369	313,053
Disbursements:							
Personal services	-	-	-	178,518	-	-	-
Supplies	-	-	-	136,782	-	-	-
Other services and charges	-	-	151,161	69,668	-	-	-
Capital outlay	-	-	76,327	146,597	-	-	-
Other disbursements	1,002,188	-	22,437	-	-	1,787,454	114,176
Total disbursements	1,002,188	-	249,925	531,565	-	1,787,454	114,176
Excess (deficiency) of receipts over disbursements	-	852	12,445	63,867	3,000	(31,085)	198,877
Cash and investments - ending	\$ -	\$ 852	\$ 214,278	\$ 1,115,126	\$ 131,826	\$ 64,172	\$ 1,859,191

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Congressional School Prin	City & Town Court Costs	Congressional School Int	Clerk's Trust	Tax Sale Surplus	Tax Sale Redemption	Surplus Tax
Cash and investments - beginning	\$ 1	\$ -	\$ 54,211	\$ 859,254	\$ 48,150	\$ 7,073	\$ 10,524
Receipts:							
Taxes	-	-	-	-	-	-	27,525
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	6,393	-	1,425,255	-	-	-
Other receipts	-	-	377	-	168,218	17,015	-
Total receipts	-	6,393	377	1,425,255	168,218	17,015	27,525
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	5,963	504	1,638,240	26,322	23,213	21,716
Total disbursements	-	5,963	504	1,638,240	26,322	23,213	21,716
Excess (deficiency) of receipts over disbursements	-	430	(127)	(212,985)	141,896	(6,198)	5,809
Cash and investments - ending	\$ 1	\$ 430	\$ 54,084	\$ 646,269	\$ 190,046	\$ 875	\$ 16,333

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Poor Relief	Fines & Forf	Delinquent Sewage	Overweight Vehicle	Sheriff	Infraction Judgement	Inheritance Tax
Cash and investments - beginning	\$ -	\$ 485	\$ 60	\$ 14	\$ 13,722	\$ 694	\$ 26,592
Receipts:							
Taxes	119,621	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	14,008	-	290,954	-	-
Fines and forfeits	-	3,387	-	1,399	-	12,291	-
Other receipts	-	-	-	-	-	-	1,479,099
Total receipts	<u>119,621</u>	<u>3,387</u>	<u>14,008</u>	<u>1,399</u>	<u>290,954</u>	<u>12,291</u>	<u>1,479,099</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	119,621	3,197	14,008	1,413	300,525	11,928	1,423,214
Total disbursements	<u>119,621</u>	<u>3,197</u>	<u>14,008</u>	<u>1,413</u>	<u>300,525</u>	<u>11,928</u>	<u>1,423,214</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>190</u>	<u>-</u>	<u>(14)</u>	<u>(9,571)</u>	<u>363</u>	<u>55,885</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 4,151</u>	<u>\$ 1,057</u>	<u>\$ 82,477</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Special Death Benefit	Education Plate Fee	Innkeeper Tax	Financial Institution	Mortgage Fee Fund	Interest. Compact Fee	Homes Credit Rebate
Cash and investments - beginning	\$ -	\$ -	\$ 3,065	\$ -	\$ 263	\$ -	\$ -
Receipts:							
Taxes	-	-	311,585	-	-	-	-
Intergovernmental	-	413	-	21,293	-	-	-
Charges for services	170	-	-	-	2,493	-	2,302
Fines and forfeits	1,485	-	-	-	-	275	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,655</u>	<u>413</u>	<u>311,585</u>	<u>21,293</u>	<u>2,493</u>	<u>275</u>	<u>2,302</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,655	413	305,430	21,293	2,493	-	2,302
Total disbursements	<u>1,655</u>	<u>413</u>	<u>305,430</u>	<u>21,293</u>	<u>2,493</u>	<u>-</u>	<u>2,302</u>
Excess (deficiency) of receipts over disbursements	-	-	6,155	-	-	275	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,220</u>	<u>\$ -</u>	<u>\$ 263</u>	<u>\$ 275</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	After Settlement Collections	Co General IVD Incentive	Super Responsible County Election Board	Com Corr Income	IOCRA Sewer Grant	Luce Sewer Retainage	Carter Fire District
Cash and investments - beginning	\$ 348,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	106,713
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	13,854	37,209	-	7,821,607	386,670	-
Fines and forfeits	-	-	-	104,656	-	-	-
Other receipts	<u>26,717,557</u>	<u>-</u>	<u>-</u>	<u>103,890</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>26,717,557</u>	<u>13,854</u>	<u>37,209</u>	<u>208,546</u>	<u>7,821,607</u>	<u>386,670</u>	<u>106,713</u>
Disbursements:							
Personal services	-	-	-	11,171	-	-	-
Supplies	-	-	-	39,390	-	-	-
Other services and charges	-	-	-	29,540	-	-	-
Capital outlay	-	-	-	6,661	-	-	-
Other disbursements	<u>26,715,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,821,607</u>	<u>-</u>	<u>106,713</u>
Total disbursements	<u>26,715,370</u>	<u>-</u>	<u>-</u>	<u>86,762</u>	<u>7,821,607</u>	<u>-</u>	<u>106,713</u>
Excess (deficiency) of receipts over disbursements	<u>2,187</u>	<u>13,854</u>	<u>37,209</u>	<u>121,784</u>	<u>-</u>	<u>386,670</u>	<u>-</u>
Cash and investments - ending	<u>\$ 350,989</u>	<u>\$ 13,854</u>	<u>\$ 37,209</u>	<u>\$ 121,784</u>	<u>\$ -</u>	<u>\$ 386,670</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Excise Tax Allocations	Township Tax	Recreation	Fire Fighting	Library Tax	Spencer Co Library Debt	School Debt
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	763,953	230,705	23,504	354,449	1,325,422	180,780	3,547,161
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>763,953</u>	<u>230,705</u>	<u>23,504</u>	<u>354,449</u>	<u>1,325,422</u>	<u>180,780</u>	<u>3,547,161</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>763,953</u>	<u>230,705</u>	<u>23,504</u>	<u>354,449</u>	<u>1,325,422</u>	<u>180,780</u>	<u>3,547,161</u>
Total disbursements	<u>763,953</u>	<u>230,705</u>	<u>23,504</u>	<u>354,449</u>	<u>1,325,422</u>	<u>180,780</u>	<u>3,547,161</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Corp Tax	Cum Capital (Towns)	Cum Buildings (Towns)	Street Tax	4 H Building Maint	Recreation (Town)	Cum Fire
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 317	\$ -	\$ -
Receipts:							
Taxes	1,184,660	24,878	27,041	123,828	70,354	210,526	55,782
Intergovernmental	-	-	-	-	499	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,184,660</u>	<u>24,878</u>	<u>27,041</u>	<u>123,828</u>	<u>70,853</u>	<u>210,526</u>	<u>55,782</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,184,660	24,878	27,041	123,828	70,921	210,526	55,782
Total disbursements	<u>1,184,660</u>	<u>24,878</u>	<u>27,041</u>	<u>123,828</u>	<u>70,921</u>	<u>210,526</u>	<u>55,782</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	(68)	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Fire Equipment Debt	School Transportation	Capital Project	Solid Waste Management District	Bus Replacement	Retire/Serv Bond Debt	Community Corrections Grant 11/12
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	167,911	2,140,814	3,362,645	350,393	340,718	1,260,470	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	153,167
Total receipts	<u>167,911</u>	<u>2,140,814</u>	<u>3,362,645</u>	<u>350,393</u>	<u>340,718</u>	<u>1,260,470</u>	<u>153,167</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	167,911	2,140,814	3,362,645	350,393	340,718	1,260,470	121,121
Total disbursements	<u>167,911</u>	<u>2,140,814</u>	<u>3,362,645</u>	<u>350,393</u>	<u>340,718</u>	<u>1,260,470</u>	<u>121,121</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	32,046
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,046</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Reassessment	Probation Users Fees	Welfare H C I	Co. Medical Assist To Wards	Law Enforcement Fund	County Corrections	Redevelopment Comm.
Cash and investments - beginning	\$ 634,276	\$ 94,134	\$ 77	\$ 2	\$ 12,488	\$ 20,528	\$ -
Receipts:							
Taxes	137,950	-	-	-	-	-	3,071,884
Intergovernmental	981	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	48,338	-	-	5,095	-	-
Other receipts	2,534	-	-	-	-	14,261	-
Total receipts	141,465	48,338	-	-	5,095	14,261	3,071,884
Disbursements:							
Personal services	87,698	45,499	-	-	4,710	-	-
Supplies	2,772	-	-	-	-	-	-
Other services and charges	128,548	27,126	-	-	1,000	6,143	-
Capital outlay	899	-	-	-	1,653	-	-
Other disbursements	2,050	3,260	-	-	1,000	9,290	3,071,884
Total disbursements	221,967	75,885	-	-	8,363	15,433	3,071,884
Excess (deficiency) of receipts over disbursements	(80,502)	(27,547)	-	-	(3,268)	(1,172)	-
Cash and investments - ending	\$ 553,774	\$ 66,587	\$ 77	\$ 2	\$ 9,220	\$ 19,356	\$ -

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Capital Trial Expense	Child Support Impact	Coit Special Purpose Fund	Community Defense Fund	911 Surcharge	Emergency Management	Excess Levy Fund
Cash and investments - beginning	\$ 99,025	\$ 2,971	\$ 1,771,042	\$ 664	\$ 24,517	\$ 847	\$ 53,762
Receipts:							
Taxes	-	-	559,557	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	144,695	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	5,403	-	-	1,086	-
Total receipts	-	-	564,960	-	144,695	1,086	-
Disbursements:							
Personal services	-	-	-	-	71,202	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	8,594	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	99,025	-	411,116	-	10,000	1,518	-
Total disbursements	99,025	-	411,116	-	89,796	1,518	-
Excess (deficiency) of receipts over disbursements	(99,025)	-	153,844	-	54,899	(432)	-
Cash and investments - ending	\$ -	\$ 2,971	\$ 1,924,886	\$ 664	\$ 79,416	\$ 415	\$ 53,762

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Federal Topic	Flu Clinic	Ivd Clerk	State Rd. Relinquish	Photo Id	911 Wireless	Scema Search & Rescue
Cash and investments - beginning	\$ 16,901	\$ 15,068	\$ 2,273	\$ 432,623	\$ 40	\$ 65,787	\$ 2,336
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	16,825	13,854	-	-	87,364	2,324
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	16,825	13,854	-	-	87,364	2,324
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	60,150	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	20,997	8,560	-	-	-	1,177
Total disbursements	-	20,997	8,560	-	-	60,150	1,177
Excess (deficiency) of receipts over disbursements	-	(4,172)	5,294	-	-	27,214	1,147
Cash and investments - ending	\$ 16,901	\$ 10,896	\$ 7,567	\$ 432,623	\$ 40	\$ 93,001	\$ 3,483

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Sri Tax Sale	Sex/Vio Offender Reg.	Homestead Credit	Tax Replace. & Pp Credit	State Hsc	Com. Corr. Income	Comm Corrections 09/10
Cash and investments - beginning	\$ (1,072)	\$ 2,781	\$ -	\$ -	\$ (512)	\$ 101,478	\$ 11,385
Receipts:							
Taxes	-	-	163,210	2,381	461	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	1,250	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	7,127	-
Other receipts	13,427	-	-	-	-	-	-
Total receipts	<u>13,427</u>	<u>1,250</u>	<u>163,210</u>	<u>2,381</u>	<u>461</u>	<u>7,127</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	9,019
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	10,844	3,459	163,210	2,381	420	108,605	-
Total disbursements	<u>10,844</u>	<u>3,459</u>	<u>163,210</u>	<u>2,381</u>	<u>420</u>	<u>108,605</u>	<u>9,019</u>
Excess (deficiency) of receipts over disbursements	<u>2,583</u>	<u>(2,209)</u>	<u>-</u>	<u>-</u>	<u>41</u>	<u>(101,478)</u>	<u>(9,019)</u>
Cash and investments - ending	<u>\$ 1,511</u>	<u>\$ 572</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (471)</u>	<u>\$ -</u>	<u>\$ 2,366</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Property Maint Fund	Community Transition 09/10	St. Share Del Tax & Pen	10/11 Comm. Transition	Hava Voting System	Drug Court Grant	Community Corr Grant 10/11
Cash and investments - beginning	\$ 1,025	\$ 2,840	\$ -	\$ 1,595	\$ 6,010	\$ (1,955)	\$ 33,213
Receipts:							
Taxes	-	-	76	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	34,320	118,624
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,000	-	-	-	-	-	-
Total receipts	<u>1,000</u>	<u>-</u>	<u>76</u>	<u>-</u>	<u>-</u>	<u>34,320</u>	<u>118,624</u>
Disbursements:							
Personal services	-	-	-	-	-	13,753	137,647
Supplies	-	-	-	-	-	601	5,044
Other services and charges	-	-	-	-	-	11,724	11,011
Capital outlay	-	-	-	-	-	2,100	-
Other disbursements	300	-	76	-	459	-	-
Total disbursements	<u>300</u>	<u>-</u>	<u>76</u>	<u>-</u>	<u>459</u>	<u>28,178</u>	<u>153,702</u>
Excess (deficiency) of receipts over disbursements	<u>700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(459)</u>	<u>6,142</u>	<u>(35,078)</u>
Cash and investments - ending	<u>\$ 1,725</u>	<u>\$ 2,840</u>	<u>\$ -</u>	<u>\$ 1,595</u>	<u>\$ 5,551</u>	<u>\$ 4,187</u>	<u>\$ (1,865)</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Arra IV-D Clerk	Arra IV-D Prosecutor	Christian Resource Center Grant	Spencer Cedit Construction	Indiana Deferred Comp	P.E.R.F.	Federal Withholding
Cash and investments - beginning	\$ 6,411	\$ 6,625	\$ -	\$ 3,354,453	\$ -	\$ 92,312	\$ 2
Receipts:							
Taxes	-	-	-	1,430,974	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	1,002	2,723	18,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	32,159	44,680	381,874	362,771
Total receipts	<u>1,002</u>	<u>2,723</u>	<u>18,000</u>	<u>1,463,133</u>	<u>44,680</u>	<u>381,874</u>	<u>362,771</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	5,185	18,000	2,170,288	44,680	372,207	362,771
Total disbursements	<u>-</u>	<u>5,185</u>	<u>18,000</u>	<u>2,170,288</u>	<u>44,680</u>	<u>372,207</u>	<u>362,771</u>
Excess (deficiency) of receipts over disbursements	<u>1,002</u>	<u>(2,462)</u>	<u>-</u>	<u>(707,155)</u>	<u>-</u>	<u>9,667</u>	<u>-</u>
Cash and investments - ending	<u>\$ 7,413</u>	<u>\$ 4,163</u>	<u>\$ -</u>	<u>\$ 2,647,298</u>	<u>\$ -</u>	<u>\$ 101,979</u>	<u>\$ 2</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	State Withholding	O.A.S.I.	Coit/Cedit (Pr)	Spencer County Benefits Trust	American Family Ins	Anderson River	Boston Mutual
Cash and investments - beginning	\$ -	\$ 197	\$ -	\$ 3,615	\$ 1	\$ 11,121	\$ 46
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>131,361</u>	<u>539,833</u>	<u>32,019</u>	<u>144,468</u>	<u>19,600</u>	<u>-</u>	<u>17,027</u>
Total receipts	<u>131,361</u>	<u>539,833</u>	<u>32,019</u>	<u>144,468</u>	<u>19,600</u>	<u>-</u>	<u>17,027</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>131,361</u>	<u>539,833</u>	<u>32,019</u>	<u>148,083</u>	<u>19,600</u>	<u>-</u>	<u>17,027</u>
Total disbursements	<u>131,361</u>	<u>539,833</u>	<u>32,019</u>	<u>148,083</u>	<u>19,600</u>	<u>-</u>	<u>17,027</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,615)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 11,121</u>	<u>\$ 46</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Spencer County X-Mas Club	Colonial Insurance	Coroner Perp	Cvet	Health Resources	Life Investors Insur Co.	Spectera
Cash and investments - beginning	\$ -	\$ 11	\$ 80	\$ -	\$ 4	\$ -	\$ 22
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	169,970	-	-	-
Charges for services	-	-	1,118	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	95,794	2,405	-	-	40,860	8,057	12,635
Total receipts	<u>95,794</u>	<u>2,405</u>	<u>1,118</u>	<u>169,970</u>	<u>40,860</u>	<u>8,057</u>	<u>12,635</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	95,794	2,405	1,172	169,970	40,860	8,057	12,611
Total disbursements	<u>95,794</u>	<u>2,405</u>	<u>1,172</u>	<u>169,970</u>	<u>40,860</u>	<u>8,057</u>	<u>12,611</u>
Excess (deficiency) of receipts over disbursements	-	-	(54)	-	-	-	24
Cash and investments - ending	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 46</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Transamerica	Hwy Union Dues Fund	Vacation Club	Garnishment	County Econ Income Tax	Commissary	Sheriff Sp Investigations
Cash and investments - beginning	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ 56,894	\$ 6,410
Receipts:							
Taxes	-	-	-	-	1,706,140	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	69,429	25
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	31,161	9,606	41,532	8,472	-	-	-
Total receipts	<u>31,161</u>	<u>9,606</u>	<u>41,532</u>	<u>8,472</u>	<u>1,706,140</u>	<u>69,429</u>	<u>25</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	30,931	9,606	41,532	8,472	1,706,140	77,233	560
Total disbursements	<u>30,931</u>	<u>9,606</u>	<u>41,532</u>	<u>8,472</u>	<u>1,706,140</u>	<u>77,233</u>	<u>560</u>
Excess (deficiency) of receipts over disbursements	<u>230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,804)</u>	<u>(535)</u>
Cash and investments - ending	<u>\$ 248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,090</u>	<u>\$ 5,875</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Police Retirement	Clerk - Issets	Animal Control	Payment In Lieu Of Taxes	County Recorder - Car-1	Inmate Trust	Totals
Cash and investments - beginning	\$ 1,494	\$ 2,998	\$ 21,568	\$ 161	\$ 11,266	\$ 531	\$ 17,377,995
Receipts:							
Taxes	-	-	-	-	-	-	25,427,484
Intergovernmental	-	-	-	162	-	-	2,361,781
Charges for services	-	-	-	-	104,445	62,731	11,505,103
Fines and forfeits	5,746	362,700	-	-	-	-	2,198,304
Other receipts	16,719	-	7,738	-	-	-	37,502,918
Total receipts	22,465	362,700	7,738	162	104,445	62,731	78,995,590
Disbursements:							
Personal services	-	-	-	-	-	-	6,165,463
Supplies	-	-	-	-	-	-	1,115,552
Other services and charges	-	-	-	-	-	-	2,548,236
Capital outlay	-	-	-	-	-	-	515,151
Other disbursements	23,959	363,097	7,914	323	104,801	61,343	68,929,141
Total disbursements	23,959	363,097	7,914	323	104,801	61,343	79,273,543
Excess (deficiency) of receipts over disbursements	(1,494)	(397)	(176)	(161)	(356)	1,388	(277,953)
Cash and investments - ending	\$ -	\$ 2,601	\$ 21,392	\$ -	\$ 10,910	\$ 1,919	\$ 17,100,042

SPENCER COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Capital leases:		
Ambulance lease	\$ 28,586	\$ 29,710
Ambulance lease 2010	86,642	31,156
Guaranteed Energy Savings Contract	<u>34,037</u>	<u>34,616</u>
Total debt	<u>\$ 149,265</u>	<u>\$ 95,482</u>

SPENCER COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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.

	Ending Balance
Other:	
Capital assets, not being depreciated:	
Land	\$ 259,560
Infrastructure	102,430,490
Buildings	4,476,673
Machinery and equipment	3,255,954
Total other capital assets not being depreciated	\$ 110,422,677

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF SPENCER COUNTY, INDIANA

Compliance

We have audited the compliance of Spencer 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 its major federal program for the year ended December 31, 2011. The County's major federal program is 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 its major federal program 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 its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

STATE BOARD OF ACCOUNTS

April 12, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying note presented were approved by management of the County. The schedule and note are presented as intended by the County.

SPENCER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs			
CDBG - Entitlement Grants Cluster			
Community Development Block Grants/State's Program and Non Entitlement Grants in Hawaii	14.228		
Luce Township Regional Sewer District Grant		DR2-09-086	\$ 7,821,607
Christian Resource Center Grant		PL-09-009	18,000
Total for federal grantor agency			<u>7,839,607</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute			
Crime Victim Assistance	16.575		
		10-VA-APR164	9,755
		10-VA-APR280	4,936
		11-VA-APR169	6,405
Total for program			<u>21,096</u>
Drug Court Discretionary Grant Program	16.585		
		10-DC-004	28,178
Total for federal grantor agency			<u>49,274</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Homeland Security			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		
		EDS#C44P-1-191A	3,056
Total for federal grantor agency			<u>3,056</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
		Indirect Costs	56,915
		Collection Incentives	48,554
		Prosecutor Expense	55,171
		Clerk Expense	23,968
ARRA - Child Support Enforcement	93.563		
		Prosecutor ARRA Incentives	2,723
		Clerk ARRA Incentives	1,002
Total for program			<u>188,333</u>
Pass-Through Indiana Secretary of State			
Voting Access for Individuals with Disabilities Grants to States	93.617		
Election Assistance for Individuals with Disabilities - EAID		295	460
Total for federal grantor agency			<u>188,793</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		
		Disaster #1828	1,509
Emergency Management Performance Grants	97.042		
		EDS#CC44P-1-359A	35,250
		EDS#C44P-2-125A	3,623
Total for program			<u>38,873</u>
Total for federal grantor agency			<u>40,382</u>
Total federal awards expended			<u>\$ 8,121,112</u>

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

SPENCER COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

SPENCER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major program:	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:

Name of Federal Program or Cluster

CDBG - Entitlement Grants Cluster

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

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

SPENCER COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

SPENCER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 12, 2012, with Betty Jane Lynam, Auditor; David J. Gogel, President of the Board of County Commissioners; and William J. Spaetti, President of the County Council. Our audit disclosed no material items that warrant comment at this time.