

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

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



FILED
07/23/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Gail Doades	01-01-11 to 12-31-14
Treasurer	Martin L. Mumaw III	01-01-09 to 12-31-12
Clerk	Sherri Healy	01-01-09 to 12-31-12
Sheriff	Jerry Harbstreit	01-01-11 to 12-31-14
Recorder	Marcella Flint	01-01-09 to 12-31-12
President of the Board of County Commissioners	Anthony D. Wichman	01-01-11 to 12-31-12
President of the County Council	Kenneth Solliday Michael Sprinkle	01-01-11 to 12-31-11 01-01-12 to 12-31-12



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF DAVIESS COUNTY, INDIANA

We have audited the accompanying financial statement of Daviess 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.

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 June 4, 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 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 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 Payables and Receivables, 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

June 4, 2012



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

TO: THE OFFICIALS OF DAVIESS COUNTY, INDIANA

We have audited the financial statement of Daviess County (County), for the year ended December 31, 2011, and have issued our report thereon dated June 4, 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be a material weakness.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT
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.

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

STATE BOARD OF ACCOUNTS

June 4, 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.

DAVIESS 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
General	\$ 10,499,892	\$ 12,157,024	\$ 11,762,362	\$ 10,894,554
Highway	2,568,635	2,778,435	2,550,932	2,796,138
Local Road And Street	6,320	232,851	197,995	41,176
Aviation	672,374	359,223	219,992	811,605
Accident Report	10,817	873	-	11,690
Firearms Training	40,940	9,070	21,786	28,224
Park Nonreverting Operating	1,867	29,790	9,880	21,777
Health	274,973	256,066	207,068	323,971
Clerk's Records Perpetuation	9,348	7,042	12,730	3,660
Emergency Telephone System	279,943	202,633	266,617	215,959
Drug Free Community	26,224	18,436	26,917	17,743
Drainage Maintenance	209,111	75,216	115,819	168,508
Emergency Planning/Right To Know	7,778	-	2,727	5,051
Boggs	24,706	821,874	809,914	36,666
Extradition	95	-	-	95
Juvenile Probation Service	115,830	10,191	5,345	120,676
Adult Probation Services	298,812	85,008	25,447	358,373
Recorder's Records Perpetuation	411,813	55,475	2,875	464,413
User Fee	90,070	50,756	92,312	48,514
Health Maintenance	49,278	42,010	45,362	45,926
Pretrial Diversion	112,083	63,336	63,052	112,367
Guardian Ad Litem/Court	28,132	22,997	44,264	6,865
Surveyor's Corner Perpetuation	10,814	5,979	13,400	3,393
Rainy Day	1,477,007	2,262	-	1,479,269
Sales Disclosure	31,886	3,495	-	35,381
Community Corrections	22,063	319,697	313,138	28,622
Levy Excess	61,392	571	28,379	33,584
Identification Security Protection	48,869	6,971	826	55,014
Wireless Emergency Telephone System	801,251	120,013	429,035	492,229
Reassessment - 2015	-	215,966	-	215,966
Recorder's Cashbook	16,613	143,738	148,021	12,330
Co. Elec. Officials Training	-	947	-	947
Cumulative Capital Development	1,254,306	286,085	49,437	1,490,954
Cumulative Bridge	919,081	639,731	700,596	858,216
Cumulative Courthouse	21,754	-	21,754	-
Clerk's Trust	1,000,827	5,977,458	4,490,819	2,487,466
Surplus Tax Sale	38,770	11,400	6,957	43,213
Tax Sale Redemption	804	20,634	20,332	1,106
Surplus Tax	93	32,294	32,327	60
Settlement	-	7,127,702	7,127,487	215
State Fines And Forfeitures	-	1,755	1,555	200
Sewage Collections	-	16,822	16,822	-
Overweight Vehicle Fines	-	1	1	-
Infraction Judgements	-	18,679	17,255	1,424
Inheritance Tax	391,482	773,912	1,087,922	77,472
Special Death Benefit	-	2,455	2,195	260
Education Plate Fees Agency	-	506	506	-
Financial Institution Tax	-	139,903	139,903	-
Wheel Tax	-	120,412	120,412	-
Sur Tax	-	497,536	497,536	-
Interstate Compact	-	338	275	63
School Debt Service	-	2,450,084	2,450,084	-
School Pension Debt	-	668,734	668,734	-
Corp. M.V.H.	-	252,153	252,153	-
Barr Township Poor	-	4,031	4,031	-
Washington Township Poor	-	85,549	85,549	-
Harrison Township Poor	-	796	796	-
Madison Township Poor	-	991	991	-
Reeve Township Poor	-	999	999	-
Steele Township Poor	-	3,265	3,265	-
VanBuren Township Poor	-	1,945	1,945	-

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

DAVIESS 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
Veale Township Poor	-	2,243	2,243	-
Township Fire Fund	-	77,007	77,007	-
City and Town Court Costs	-	7,094	6,550	544
Fire District Debt	-	14,111	14,111	-
Corp. Fire Fighting	-	9,242	9,242	-
School Capital Projects	-	1,916,722	1,916,722	-
Township Recreation	-	602	602	-
Corp. Park Fund	-	153,739	153,739	-
Park Cum Building Fund	-	2,173	2,173	-
Township Tax Fund	-	97,147	97,147	-
Library Bond/Int. Redemp.	-	21,836	21,836	-
Library Tax	-	132,891	132,891	-
Township Library	-	5,882	5,882	-
Cum. Cap. Devel. (Corp.)	-	41,421	41,421	-
Corporation General	-	1,465,758	1,465,758	-
Corp. Bond	-	36,014	36,014	-
Fire District-General	-	50,296	50,296	-
Township Cum. Fire Fund	-	20,526	20,526	-
Corp. Transit Fund	-	23,802	23,802	-
School Transportation	-	1,126,492	1,126,492	-
School Bus Replacement	-	187,008	187,008	-
Daviess County Solid Waste	-	208,767	208,767	-
Co. Offender Transportation	-	188	-	188
Elnora Users Fees - Deferral	-	1,320	1,320	-
Donations - New Jail	-	295	-	295
Donations - Rescue Boat	-	1,377	-	1,377
Donations - Training Dog	-	1,806	-	1,806
Donations - Computer Equipment	-	3,000	-	3,000
Donations - Car Seat Safety	-	703	-	703
Emerg. Management Peror	-	30,871	-	30,871
Prosecutor Federal Enforcement	-	8,816	4,900	3,916
H1N1 Extension Grant	-	35,170	35,170	-
ARRA Clerk IV-D Incentive	-	16,024	-	16,024
County IV-D Incentive	-	23,934	-	23,934
Pros. IV-D Incent. Post 1	-	37,321	-	37,321
Clerk IV-D Incentive Post	-	31,530	2,600	28,930
Health Immunization	-	8,058	8,058	-
Lake & River Enhancement	-	49,500	49,500	-
TIF Debt Service - GPC	-	1,406,296	1,406,296	-
Sheriff Pension Trust	-	7,714	7,714	-
Jury Fee	-	42,009	-	42,009
Property Reassessment	1,817,445	5,140	246,200	1,576,385
Park Donation	2,984	9,425	8,870	3,539
Riverboat Revenue Sharing	-	186,615	186,615	-
County Corrections	37,312	20,238	15,113	42,437
Adult Protective Services	(5,794)	101,944	103,770	(7,620)
Coroners Education	305	2,891	2,872	324
Cedit Homestead Credit	24,304	1,074,458	1,075,349	23,413
Public Defender	33,946	98,563	97,647	34,862
Park Board	4,070	1,079	3,030	2,119
Community Corrections Home Detention	322,502	189,604	190,750	321,356
State Assess. Training	225	3,495	3,425	295
Comm. Trans. Prog.	13,993	16,215	2,489	27,719
Airport Imp. Grant 2004	9,142	760,144	760,145	9,141
Boggs Shoreline Stab. Grant	1,242	-	-	1,242
Co. Sheriff Donation	7,532	650	8,182	-
Airport Imp. Grant 2002	7,082	-	-	7,082
Boater Safety Education	11,448	15,000	25,383	1,065
Sheriff Federal Enforcement	77,647	5,147	51,748	31,046
Sheriff State Dbf	20,196	1,220	-	21,416
Bio-Terrorism	238	-	238	-
St Homeland Security 1 Grant	11,250	-	-	11,250

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

DAVISS 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
Clerks Title III	795	-	672	123
Convention And Visitors Bureau	-	225,967	225,967	-
County Law Enforcement Cont. Ed.	-	2,260	1,988	272
Community Corr. Project Income	140,991	70,896	46,927	164,960
Conservancy District	-	175,953	175,953	-
Prairie Creek Exceptional Benefits	-	123	123	-
City User Fees Deferral	170	2,250	2,420	-
Tobacco Master Settlement	20,660	20,072	5,453	35,279
Pros IV-D PCA Fee	4,437	1,392	3,050	2,779
Public Health Emerg Response	7	9,384	11,607	(2,216)
C.O.P.S. More	668	166,217	162,393	4,492
Odon Deferral	-	2,530	2,530	-
H1N1 Response	2,533	-	-	2,533
Daviess County Riverboat Share	515,405	95,185	31,356	579,234
Distressed Road	224,925	932	225,857	-
Prairie Creek Debt Service	-	8,830	8,830	-
SE Wash. Econ. Dev. Area	-	3,112	3,112	-
SW Wash. Econ. Dev. Area	-	5,618	5,618	-
County Jail Revenue	910,540	1,069,037	910,950	1,068,627
Daviess Cedit Fund	357,970	910,732	934,813	333,889
Treasurer	778,645	31,171,985	31,453,963	496,667
Probation Department Agency	6,140	97,522	97,106	6,556
Payroll	234,314	4,572,668	4,589,296	217,686
Certified Shares	-	3,385,284	3,385,284	-
State Share 2008 & Prior Delinquent	215	56	271	-
Commercial Vehicle Excise Tax	-	325,628	325,628	-
Local Option Replacement Credit	-	890,864	890,864	-
State Welfare Excise Tax Allocation	-	476,027	476,027	-
Recorder Mortg Fees	-	2,808	2,508	300
Cedit Dist (Cert Shares)	-	1,072,707	1,072,707	-
Hea-1001-St Hsc	187	184	-	371
Gpc Redevelop Allocation	165,791	-	268	165,523
Westgate Redevelop Allocation	74,861	74,021	105,000	43,882
Prosecuting Attorney Trust	22,152	102,261	110,336	14,077
Daviess Co. Sheriff's Cash Book	-	468,201	468,201	-
Daviess Co. Sheriff's Commissary	24,654	247,325	243,259	28,720
Daviess Co. Sheriff's Inmate Trust	18,679	259,231	251,865	26,045
County Police Retirement Plan	2,146,422	254,121	84,548	2,315,995
County Police Benefit Plan	142,463	13,825	10,104	146,184
Health Cash Book	100	54,538	45,571	9,067
Community Corrections Cash Book	-	364,161	364,161	-
Airport Cash Book	9,437	149,542	147,941	11,038
Totals	\$ 30,036,283	\$ 93,786,097	\$ 92,000,973	\$ 31,821,407

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

DAVIESS 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 may include, but are not limited to, the following sources:

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

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

DAVISS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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 may include, but are not limited to, the following uses:

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

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

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

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

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

DAVISS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

F. Interfund Transfers

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

G. Fund Accounting

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

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.

DAVISS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the County by recording as a disbursement 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 PERF Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

DAVIESS 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. Subsequent Event

Bennington Levee Lawsuit

A lawsuit was filed in the Daviess Circuit Court on February 16, 2012, involving the Bennington Levee, an 18 mile earthen levee located in Daviess County, which was damaged as a result of a levee breach and flooding which occurred in March 2011.

Count I of the complaint claims the levee breach was the result of the acts or negligence of Donald Villwock, Randall Bowman, and Shepard Construction, LLC in excavating a mile long ditch near the levee which destabilized the levee base. Count II is a Declaratory Judgment Action asking the Court to provide guidance as to Burns Statutes 27-810, 1970, by which Daviess County is obligated to initially pay out of County revenue for repairs to the Bennington Levee and then be reimbursed by an assessment to Bennington landowners or other entities. No trial date has been scheduled for this litigation although mediation has been scheduled on May 30, 2012, to discuss settlement.

DAVISS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

The full financial exposure of Daviess County for costs and repairs to the Bennington Levee is unknown at this time. Mr. Scott Ludlow, Earth Exploration, Indianapolis, Indiana, provided an estimate dated May 2, 2012, of repairs to Bennington Levee totaling \$1,899,318. Since January 26, 2012, \$25,140 has been paid out of Daviess County revenue for costs and repairs to the Bennington Levee.

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 approved by management of the County. It is presented as intended by the County.

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

	General	Highway	Local Road And Street	Aviation	Accident Report	Firearms Training	Park Nonreverting Operating
Cash and investments - beginning	\$ 10,499,892	\$ 2,568,635	\$ 6,320	\$ 672,374	\$ 10,817	\$ 40,940	\$ 1,867
Receipts:							
Taxes	10,158,268	430,189	-	194,145	-	-	-
Licenses and permits	-	119,220	-	-	-	-	-
Intergovernmental	711,896	1,971,506	-	18,529	-	-	-
Charges for services	860,868	160,327	-	24,750	-	-	-
Fines and forfeits	109,024	130	-	-	-	-	-
Other receipts	316,968	97,063	232,851	121,799	873	9,070	29,790
Total receipts	<u>12,157,024</u>	<u>2,778,435</u>	<u>232,851</u>	<u>359,223</u>	<u>873</u>	<u>9,070</u>	<u>29,790</u>
Disbursements:							
Personal services	8,051,421	1,014,443	-	46,446	-	-	-
Supplies	369,338	1,276,093	197,995	112,038	-	-	-
Other services and charges	2,530,825	165,455	-	31,105	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	642,503	94,941	-	863	-	-	-
Other disbursements	168,275	-	-	29,540	-	21,786	9,880
Total disbursements	<u>11,762,362</u>	<u>2,550,932</u>	<u>197,995</u>	<u>219,992</u>	<u>-</u>	<u>21,786</u>	<u>9,880</u>
Excess (deficiency) of receipts over disbursements	<u>394,662</u>	<u>227,503</u>	<u>34,856</u>	<u>139,231</u>	<u>873</u>	<u>(12,716)</u>	<u>19,910</u>
Cash and investments - ending	<u>\$ 10,894,554</u>	<u>\$ 2,796,138</u>	<u>\$ 41,176</u>	<u>\$ 811,605</u>	<u>\$ 11,690</u>	<u>\$ 28,224</u>	<u>\$ 21,777</u>

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

	Health	Clerk's Records Perpetuation	Emergency Telephone System	Drug Free Community	Drainage Maintenance	Emergency Planning/Right To Know	Boggs
Cash and investments - beginning	\$ 274,973	\$ 9,348	\$ 279,943	\$ 26,224	\$ 209,111	\$ 7,778	\$ 24,706
Receipts:							
Taxes	188,232	-	-	-	75,216	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	17,965	-	-	-	-	-	-
Charges for services	35,594	-	201,200	-	-	-	821,874
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	14,275	7,042	1,433	18,436	-	-	-
Total receipts	<u>256,066</u>	<u>7,042</u>	<u>202,633</u>	<u>18,436</u>	<u>75,216</u>	<u>-</u>	<u>821,874</u>
Disbursements:							
Personal services	187,741	-	70,000	-	-	-	342,247
Supplies	4,205	-	-	-	-	227	80,836
Other services and charges	14,379	-	120,927	26,917	-	-	268,841
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	743	-	921	-	-	2,500	110,169
Other disbursements	-	12,730	74,769	-	115,819	-	7,821
Total disbursements	<u>207,068</u>	<u>12,730</u>	<u>266,617</u>	<u>26,917</u>	<u>115,819</u>	<u>2,727</u>	<u>809,914</u>
Excess (deficiency) of receipts over disbursements	<u>48,998</u>	<u>(5,688)</u>	<u>(63,984)</u>	<u>(8,481)</u>	<u>(40,603)</u>	<u>(2,727)</u>	<u>11,960</u>
Cash and investments - ending	<u>\$ 323,971</u>	<u>\$ 3,660</u>	<u>\$ 215,959</u>	<u>\$ 17,743</u>	<u>\$ 168,508</u>	<u>\$ 5,051</u>	<u>\$ 36,666</u>

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

	Extradition	Juvenile Probation Service	Adult Probation Services	Recorder's Records Perpetuation	User Fee	Health Maintenance	Pretrial Diversion
Cash and investments - beginning	\$ 95	\$ 115,830	\$ 298,812	\$ 411,813	\$ 90,070	\$ 49,278	\$ 112,083
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	7,086	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	10,191	85,008	55,475	50,756	34,924	63,336
Total receipts	-	10,191	85,008	55,475	50,756	42,010	63,336
Disbursements:							
Personal services	-	-	2,576	-	-	23,715	21,747
Supplies	-	-	1,586	-	-	17,945	1,990
Other services and charges	-	5,345	17,334	-	92,312	3,702	16,626
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	3,951	-	-	-	22,689
Other disbursements	-	-	-	2,875	-	-	-
Total disbursements	-	5,345	25,447	2,875	92,312	45,362	63,052
Excess (deficiency) of receipts over disbursements	-	4,846	59,561	52,600	(41,556)	(3,352)	284
Cash and investments - ending	\$ 95	\$ 120,676	\$ 358,373	\$ 464,413	\$ 48,514	\$ 45,926	\$ 112,367

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

	Guardian Ad Litem/Court	Surveyor's Corner Perpetuation	Rainy Day	Sales Disclosure	Community Corrections	Levy Excess	Identification Security Protection
Cash and investments - beginning	\$ 28,132	\$ 10,814	\$ 1,477,007	\$ 31,886	\$ 22,063	\$ 61,392	\$ 48,869
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	22,997	5,979	2,262	3,495	319,697	571	6,971
Total receipts	22,997	5,979	2,262	3,495	319,697	571	6,971
Disbursements:							
Personal services	38,577	-	-	-	268,267	-	-
Supplies	506	-	-	-	2,996	-	-
Other services and charges	3,985	13,400	-	-	36,245	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	1,196	-	-	-	-	-	-
Other disbursements	-	-	-	-	5,630	28,379	826
Total disbursements	44,264	13,400	-	-	313,138	28,379	826
Excess (deficiency) of receipts over disbursements	(21,267)	(7,421)	2,262	3,495	6,559	(27,808)	6,145
Cash and investments - ending	\$ 6,865	\$ 3,393	\$ 1,479,269	\$ 35,381	\$ 28,622	\$ 33,584	\$ 55,014

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

	Wireless Emergency Telephone System	Reassessment - 2015	Recorder's Cashbook	Co. Elec. Officials Training	Cumulative Capital Development	Cumulative Bridge	Cumulative Courthouse
Cash and investments - beginning	\$ 801,251	\$ -	\$ 16,613	\$ -	\$ 1,254,306	\$ 919,081	\$ 21,754
Receipts:							
Taxes	-	197,102	-	-	261,160	533,160	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	18,811	-	-	24,925	50,885	-
Charges for services	120,013	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	53	143,738	947	-	55,686	-
Total receipts	120,013	215,966	143,738	947	286,085	639,731	-
Disbursements:							
Personal services	-	-	-	-	-	188,031	-
Supplies	-	-	-	-	-	229,147	-
Other services and charges	-	-	-	-	-	197,057	21,754
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	350,000	-	-	-	49,437	86,361	-
Other disbursements	79,035	-	148,021	-	-	-	-
Total disbursements	429,035	-	148,021	-	49,437	700,596	21,754
Excess (deficiency) of receipts over disbursements	(309,022)	215,966	(4,283)	947	236,648	(60,865)	(21,754)
Cash and investments - ending	\$ 492,229	\$ 215,966	\$ 12,330	\$ 947	\$ 1,490,954	\$ 858,216	\$ -

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

	Clerk's Trust	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax	Settlement	State Fines And Forfeitures	Sewage Collections
Cash and investments - beginning	\$ 1,000,827	\$ 38,770	\$ 804	\$ 93	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,977,458	11,400	20,634	32,294	7,127,702	1,755	16,822
Total receipts	5,977,458	11,400	20,634	32,294	7,127,702	1,755	16,822
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,490,819	6,957	20,332	32,327	7,127,487	1,555	16,822
Total disbursements	4,490,819	6,957	20,332	32,327	7,127,487	1,555	16,822
Excess (deficiency) of receipts over disbursements	1,486,639	4,443	302	(33)	215	200	-
Cash and investments - ending	\$ 2,487,466	\$ 43,213	\$ 1,106	\$ 60	\$ 215	\$ 200	\$ -

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

	Overweight Vehicle Fines	Infraction Judgements	Inheritance Tax	Special Death Benefit	Education Plate Fees Agency	Financial Institution Tax	Wheel Tax
Cash and investments - beginning	\$ -	\$ -	\$ 391,482	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>1</u>	<u>18,679</u>	<u>773,912</u>	<u>2,455</u>	<u>506</u>	<u>139,903</u>	<u>120,412</u>
Total receipts	<u>1</u>	<u>18,679</u>	<u>773,912</u>	<u>2,455</u>	<u>506</u>	<u>139,903</u>	<u>120,412</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1</u>	<u>17,255</u>	<u>1,087,922</u>	<u>2,195</u>	<u>506</u>	<u>139,903</u>	<u>120,412</u>
Total disbursements	<u>1</u>	<u>17,255</u>	<u>1,087,922</u>	<u>2,195</u>	<u>506</u>	<u>139,903</u>	<u>120,412</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,424</u>	<u>(314,010)</u>	<u>260</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,424</u>	<u>\$ 77,472</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Sur Tax	Interstate Compact	School Debt Service	School Pension Debt	Corp. M.V.H.	Barr Township Poor	Washington Township Poor
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	497,536	338	2,450,084	668,734	252,153	4,031	85,549
Total receipts	497,536	338	2,450,084	668,734	252,153	4,031	85,549
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	497,536	275	2,450,084	668,734	252,153	4,031	85,549
Total disbursements	497,536	275	2,450,084	668,734	252,153	4,031	85,549
Excess (deficiency) of receipts over disbursements	-	63	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 63	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Harrison Township Poor	Madison Township Poor	Reeve Township Poor	Steele Township Poor	VanBuren Township Poor	Veale Township Poor	Township Fire Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	796	991	999	3,265	1,945	2,243	77,007
Total receipts	796	991	999	3,265	1,945	2,243	77,007
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	796	991	999	3,265	1,945	2,243	77,007
Total disbursements	796	991	999	3,265	1,945	2,243	77,007
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	City and Town Court Costs	Fire District Debt	Corp. Fire Fighting	School Capital Projects	Township Recreation	Corp. Park Fund	Park Cum Building Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	7,094	14,111	9,242	1,916,722	602	153,739	2,173
Total receipts	<u>7,094</u>	<u>14,111</u>	<u>9,242</u>	<u>1,916,722</u>	<u>602</u>	<u>153,739</u>	<u>2,173</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	6,550	14,111	9,242	1,916,722	602	153,739	2,173
Total disbursements	<u>6,550</u>	<u>14,111</u>	<u>9,242</u>	<u>1,916,722</u>	<u>602</u>	<u>153,739</u>	<u>2,173</u>
Excess (deficiency) of receipts over disbursements	<u>544</u>	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 544</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Township Tax Fund	Library Bond/Int. Redemp.	Library Tax	Township Library	Cum. Cap. Devel. (Corp.)	Corporation General	Corp. Bond
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	97,147	21,836	132,891	5,882	41,421	1,465,758	36,014
Total receipts	<u>97,147</u>	<u>21,836</u>	<u>132,891</u>	<u>5,882</u>	<u>41,421</u>	<u>1,465,758</u>	<u>36,014</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	97,147	21,836	132,891	5,882	41,421	1,465,758	36,014
Total disbursements	<u>97,147</u>	<u>21,836</u>	<u>132,891</u>	<u>5,882</u>	<u>41,421</u>	<u>1,465,758</u>	<u>36,014</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>

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

	Fire District-General	Township Cum. Fire Fund	Corp. Transit Fund	School Transportation	School Bus Replacement	Daviess County Solid Waste	Co. Offender Transportation
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	50,296	20,526	23,802	1,126,492	187,008	208,767	188
Total receipts	<u>50,296</u>	<u>20,526</u>	<u>23,802</u>	<u>1,126,492</u>	<u>187,008</u>	<u>208,767</u>	<u>188</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	50,296	20,526	23,802	1,126,492	187,008	208,767	-
Total disbursements	<u>50,296</u>	<u>20,526</u>	<u>23,802</u>	<u>1,126,492</u>	<u>187,008</u>	<u>208,767</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	188
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188</u>

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

	Elnora Users Fees - Deferral	Donations - New Jail	Donations - Rescue Boat	Donations - Training Dog	Donations - Computer Equipment	Donations - Car Seat Safety	Emerg. Management Peror
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>1,320</u>	<u>295</u>	<u>1,377</u>	<u>1,806</u>	<u>3,000</u>	<u>703</u>	<u>30,871</u>
Total receipts	<u>1,320</u>	<u>295</u>	<u>1,377</u>	<u>1,806</u>	<u>3,000</u>	<u>703</u>	<u>30,871</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>295</u>	<u>1,377</u>	<u>1,806</u>	<u>3,000</u>	<u>703</u>	<u>30,871</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 295</u>	<u>\$ 1,377</u>	<u>\$ 1,806</u>	<u>\$ 3,000</u>	<u>\$ 703</u>	<u>\$ 30,871</u>

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

	Prosecutor Federal Enforcement	H1N1 Extension Grant	ARRA Clerk IV-D Incentive	County IV-D Incentive	Pros. IV-D Incent. Post 1	Clerk IV-D Incentive Post	Health Immunization
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	8,816	35,170	16,024	23,934	37,321	31,530	8,058
Total receipts	<u>8,816</u>	<u>35,170</u>	<u>16,024</u>	<u>23,934</u>	<u>37,321</u>	<u>31,530</u>	<u>8,058</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	35,170	-	-	-	-	3,058
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	5,000
Other disbursements	4,900	-	-	-	-	2,600	-
Total disbursements	<u>4,900</u>	<u>35,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600</u>	<u>8,058</u>
Excess (deficiency) of receipts over disbursements	<u>3,916</u>	<u>-</u>	<u>16,024</u>	<u>23,934</u>	<u>37,321</u>	<u>28,930</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,916</u>	<u>\$ -</u>	<u>\$ 16,024</u>	<u>\$ 23,934</u>	<u>\$ 37,321</u>	<u>\$ 28,930</u>	<u>\$ -</u>

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

	Lake & River Enhancement	TIF Debt Service - GPC	Sheriff Pension Trust	Jury Fee	Property Reassessment	Park Donation	Riverboat Revenue Sharing
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,817,445	\$ 2,984	\$ -
Receipts:							
Taxes	-	1,406,296	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	49,500	-	7,714	42,009	5,140	9,425	186,615
Total receipts	49,500	1,406,296	7,714	42,009	5,140	9,425	186,615
Disbursements:							
Personal services	-	-	-	-	95,378	-	-
Supplies	-	-	-	-	2,471	-	-
Other services and charges	-	-	-	-	104,196	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	44,155	-	-
Other disbursements	49,500	1,406,296	7,714	-	-	8,870	186,615
Total disbursements	49,500	1,406,296	7,714	-	246,200	8,870	186,615
Excess (deficiency) of receipts over disbursements	-	-	-	42,009	(241,060)	555	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 42,009	\$ 1,576,385	\$ 3,539	\$ -

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

	County Corrections	Adult Protective Services	Coroners Education	Cedit Homestead Credit	Public Defender	Park Board	Community Corrections Home Detention
Cash and investments - beginning	\$ 37,312	\$ (5,794)	\$ 305	\$ 24,304	\$ 33,946	\$ 4,070	\$ 322,502
Receipts:							
Taxes	-	-	-	-	-	985	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	94	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	20,238	101,944	2,891	1,074,458	98,563	-	189,604
Total receipts	20,238	101,944	2,891	1,074,458	98,563	1,079	189,604
Disbursements:							
Personal services	15,113	89,005	-	-	-	3,030	90,833
Supplies	-	73	-	-	-	-	-
Other services and charges	-	14,457	-	-	97,647	-	99,304
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	235	-	-	-	-	-
Other disbursements	-	-	2,872	1,075,349	-	-	613
Total disbursements	15,113	103,770	2,872	1,075,349	97,647	3,030	190,750
Excess (deficiency) of receipts over disbursements	5,125	(1,826)	19	(891)	916	(1,951)	(1,146)
Cash and investments - ending	\$ 42,437	\$ (7,620)	\$ 324	\$ 23,413	\$ 34,862	\$ 2,119	\$ 321,356

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

	State Assess. Training	Comm. Trans. Prog.	Airport Imp. Grant 2004	Boggs Shoreline Stab. Grant	Co. Sheriff Donation	Airport Imp. Grant 2002	Boater Safety Education
Cash and investments - beginning	\$ 225	\$ 13,993	\$ 9,142	\$ 1,242	\$ 7,532	\$ 7,082	\$ 11,448
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,495	16,215	760,144	-	650	-	15,000
Total receipts	3,495	16,215	760,144	-	650	-	15,000
Disbursements:							
Personal services	-	-	-	-	-	-	13,035
Supplies	-	139	-	-	-	-	-
Other services and charges	-	2,350	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	3,425	-	760,145	-	8,182	-	12,348
Total disbursements	3,425	2,489	760,145	-	8,182	-	25,383
Excess (deficiency) of receipts over disbursements	70	13,726	(1)	-	(7,532)	-	(10,383)
Cash and investments - ending	\$ 295	\$ 27,719	\$ 9,141	\$ 1,242	\$ -	\$ 7,082	\$ 1,065

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

	Sheriff Federal Enforcement	Sheriff State Dbf	Bio-Terrorism	St Homeland Security 1 Grant	Clerks Title III	Convention And Visitors Bureau	County Law Enforcement Cont. Ed.
Cash and investments - beginning	\$ 77,647	\$ 20,196	\$ 238	\$ 11,250	\$ 795	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,147	1,220	-	-	-	225,967	2,260
Total receipts	5,147	1,220	-	-	-	225,967	2,260
Disbursements:							
Personal services	-	-	-	-	-	-	894
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	225,967	1,094
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	51,748	-	238	-	672	-	-
Total disbursements	51,748	-	238	-	672	225,967	1,988
Excess (deficiency) of receipts over disbursements	(46,601)	1,220	(238)	-	(672)	-	272
Cash and investments - ending	\$ 31,046	\$ 21,416	\$ -	\$ 11,250	\$ 123	\$ -	\$ 272

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

	Community Corr. Project Income	Conservancy District	Prairie Creek Exceptional Benefits	City User Fees Deferral	Tobacco Master Settlement	Pros IV-D PCA Fee	Public Health Emerg Response
Cash and investments - beginning	\$ 140,991	\$ -	\$ -	\$ 170	\$ 20,660	\$ 4,437	\$ 7
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	70,896	175,953	123	2,250	20,072	1,392	9,384
Total receipts	70,896	175,953	123	2,250	20,072	1,392	9,384
Disbursements:							
Personal services	46,857	-	-	-	3,891	-	-
Supplies	-	-	-	-	1,375	-	1,779
Other services and charges	-	-	-	-	187	-	8,328
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,500
Other disbursements	70	175,953	123	2,420	-	3,050	-
Total disbursements	46,927	175,953	123	2,420	5,453	3,050	11,607
Excess (deficiency) of receipts over disbursements	23,969	-	-	(170)	14,619	(1,658)	(2,223)
Cash and investments - ending	\$ 164,960	\$ -	\$ -	\$ -	\$ 35,279	\$ 2,779	\$ (2,216)

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

	C.O.P.S. More	Odon Deferral	H1N1 Response	Daviss County Riverboat Share	Distressed Road	Prairie Creek Debt Service	SE Wash. Econ. Dev. Area
Cash and investments - beginning	\$ 668	\$ -	\$ 2,533	\$ 515,405	\$ 224,925	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	166,217	2,530	-	95,185	932	8,830	3,112
Total receipts	166,217	2,530	-	95,185	932	8,830	3,112
Disbursements:							
Personal services	12,014	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	19,326	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	225,857	-	-
Other disbursements	150,379	2,530	-	12,030	-	8,830	3,112
Total disbursements	162,393	2,530	-	31,356	225,857	8,830	3,112
Excess (deficiency) of receipts over disbursements	3,824	-	-	63,829	(224,925)	-	-
Cash and investments - ending	\$ 4,492	\$ -	\$ 2,533	\$ 579,234	\$ -	\$ -	\$ -

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

	SW Wash. Econ. Dev. Area	County Jail Revenue	Daviess Cedit Fund	Treasurer	Probation Department Agency	Payroll	Certified Shares
Cash and investments - beginning	\$ -	\$ 910,540	\$ 357,970	\$ 778,645	\$ 6,140	\$ 234,314	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	712,691
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	140,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,618	1,069,037	770,732	31,171,985	97,522	4,572,668	2,672,593
Total receipts	5,618	1,069,037	910,732	31,171,985	97,522	4,572,668	3,385,284
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	652,250	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,618	910,950	282,563	31,453,963	97,106	4,589,296	3,385,284
Total disbursements	5,618	910,950	934,813	31,453,963	97,106	4,589,296	3,385,284
Excess (deficiency) of receipts over disbursements	-	158,087	(24,081)	(281,978)	416	(16,628)	-
Cash and investments - ending	\$ -	\$ 1,068,627	\$ 333,889	\$ 496,667	\$ 6,556	\$ 217,686	\$ -

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

	State Share 2008 & Prior Delinquent	Commercial Vehicle Excise Tax	Local Option Replacement Credit	State Welfare Excise Tax Allocation	Recorder Mortg Fees	Cedit Dist (Cert Shares)	Hea-1001-St Hsc
Cash and investments - beginning	\$ 215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 187
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	56	325,628	890,864	476,027	2,808	1,072,707	184
Total receipts	56	325,628	890,864	476,027	2,808	1,072,707	184
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	271	325,628	890,864	476,027	2,508	1,072,707	-
Total disbursements	271	325,628	890,864	476,027	2,508	1,072,707	-
Excess (deficiency) of receipts over disbursements	(215)	-	-	-	300	-	184
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ -	\$ 371

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

	Gpc Redevelop Allocation	Westgate Redevelop Allocation	Prosecuting Attorney Trust	Davieess Co. Sheriff's Cash Book	Davieess Co. Sheriff's Commissary	Davieess Co. Sheriff's Inmate Trust
Cash and investments - beginning	\$ 165,791	\$ 74,861	\$ 22,152	\$ -	\$ 24,654	\$ 18,679
Receipts:						
Taxes	-	74,021	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	102,261	468,201	247,325	259,231
Total receipts	-	74,021	102,261	468,201	247,325	259,231
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	268	105,000	110,336	468,201	243,259	251,865
Total disbursements	268	105,000	110,336	468,201	243,259	251,865
Excess (deficiency) of receipts over disbursements	(268)	(30,979)	(8,075)	-	4,066	7,366
Cash and investments - ending	\$ 165,523	\$ 43,882	\$ 14,077	\$ -	\$ 28,720	\$ 26,045

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

	County Police Retirement Plan	County Police Benefit Plan	Health Cash Book	Community Corrections Cash Book	Airport Cash Book	Totals
Cash and investments - beginning	\$ 2,146,422	\$ 142,463	\$ 100	\$ -	\$ 9,437	\$ 30,036,283
Receipts:						
Taxes	-	-	-	-	-	14,231,465
Licenses and permits	-	-	-	-	-	119,220
Intergovernmental	-	-	-	-	-	2,814,611
Charges for services	-	-	-	-	-	2,371,712
Fines and forfeits	-	-	-	-	-	109,154
Other receipts	254,121	13,825	54,538	364,161	149,542	74,139,935
Total receipts	254,121	13,825	54,538	364,161	149,542	93,786,097
Disbursements:						
Personal services	-	-	-	-	-	10,625,261
Supplies	-	-	-	-	-	2,338,967
Other services and charges	-	-	-	-	-	4,139,065
Debt service - principal and interest	-	-	-	-	-	652,250
Capital outlay	-	-	-	-	-	1,643,021
Other disbursements	84,548	10,104	45,571	364,161	147,941	72,602,409
Total disbursements	84,548	10,104	45,571	364,161	147,941	92,000,973
Excess (deficiency) of receipts over disbursements	169,573	3,721	8,967	-	1,601	1,785,124
Cash and investments - ending	\$ 2,315,995	\$ 146,184	\$ 9,067	\$ -	\$ 11,038	\$ 31,821,407

DAVISS COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 331,130</u>	<u>\$ 628,374</u>

DAVISS COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Dav. Co. Economic Dev. Found. Inc	Economic Development	\$ -	09-29-11	02-01-26
Daviess Co. Hwy	2011 140M Cat Gradder	12,915	09-12-11	09-28-14
Daviess Co. Hwy	(2) 2010 Cat Graders	48,876	06-01-10	06-01-13
Daviess County Bldg. Corp.	Jail Construction	905,800	09-30-02	01-15-28
E911 Lease	E911 Equipment	<u>120,730</u>	08-09-05	06-01-15
Total governmental activities		<u>1,088,321</u>		
Total of annual lease payments		<u>\$ 1,088,321</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Fund EG&G Project Westgate Economic Development Area	\$ 1,335,000	\$ 190,038
Revenue bonds	Fund Olon Project east of the City of Washington	3,065,000	441,710
Revenue bonds	GPC Area 1 Economic Development Area	<u>7,543,527</u>	<u>2,266,749</u>
Total governmental activities		<u>11,943,527</u>	<u>2,898,497</u>
Totals		<u>\$ 11,943,527</u>	<u>\$ 2,898,497</u>

DAVISS COUNTY
 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.

	Ending Balance
Governmental activities:	
Land	\$ 679,286
Infrastructure	31,476,000
Buildings	16,401,241
Improvements other than buildings	2,358,414
Machinery, equipment and vehicles	6,933,392
Total governmental activities	57,848,333
Total capital assets	\$ 57,848,333

DAVIESS COUNTY
OTHER REPORT

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

County Auditor

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS 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 DAVIESS COUNTY, INDIANA

Compliance

We have audited the compliance of Daviess 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, 2011. 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, 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

June 4, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Public Safety Partnership and Community Policing Grants COPS Meth	16.710		\$ <u>143,661</u>
Direct Grant			
Equitable Sharing Program	16.922		<u>5,147</u>
Total for federal grantor agency			<u>148,808</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
Cannelburg Road, Phase I		DES 0300047	89,792
Cannelburg Road, Phase II		DES 1005974	16,310
Bridge Inspections			<u>42,424</u>
Total for cluster			<u>148,526</u>
Direct Grant			
Airport Improvement Program	20.106		
Project No. 3-18-0086-11			5,548
Project No. 3-18-0086-12			<u>744,652</u>
Total for program			<u>750,200</u>
Total for federal grantor agency			<u>898,726</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health			
Immunization Cluster	93.268		
Immunization Grant		IP 113-68	<u>8,058</u>
Total for cluster			<u>8,058</u>
Public Health Emergency Preparedness	93.069		
		BPRS 113-70 H1N1	9,384
			<u>35,170</u>
Total for program			<u>44,554</u>
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
County Prosecutor's Expense			187,885
Clerk's Expense			56,745
Indirect Costs			63,397
Collection Incentives - Clerk			9,060
Collection Incentives - Prosecutor			8,976
ARRA - Child Support Enforcement	93.563		
Clerk's Collection Incentive			<u>16,024</u>
Total for program			<u>342,087</u>
Total for federal grantor agency			<u>394,699</u>

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

DAVIESS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011
(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 HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Natural Resources Boating Safety Financial Assistance	97.012		<u>15,000</u>
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR-1766 DR-1997	<u>3,304</u> <u>17,131</u>
Total for program			<u>20,435</u>
Emergency Management Performance Grants	97.042	C44P-1-102A C44P-0-303A	<u>3,750</u> <u>23,727</u>
Total for program			<u>27,477</u>
Homeland Security Cluster Law Enforcement Terrorism Prevention Program (LETPP)	97.074	C44P-0-92A	<u>3,394</u>
Total for federal grantor agency			<u>66,306</u>
Total federal awards expended			<u>\$ 1,508,539</u>

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

DAVISS 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 Daviess 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.

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? yes

DAVIESS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROL OVER PAYROLL – COUNTY AUDITOR

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. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

Controls were not adequate to ensure that the payroll schedule and vouchers were accurate and reflected the actual hours worked and leave taken for the period noted, the amount of pay due the employee, and that the leave benefits actually taken for a period would not cause the employee to exceed the leave benefits allowed per the county policy. The payroll schedule and vouchers were being completed and certified prior to the end of the pay period. Salaried employees were being paid in advance of the pay period ending date.

Due to lack of controls over the payroll process, cash disbursements could be made erroneously and not detected in a timely manner. Payments for leave benefits could exceed the leave benefits allowed per the county policy.

We recommended that controls be implemented to ensure that information reported on the payroll schedule and voucher is accurate and reflects the actual hours worked and the leave taken for the period noted and is certified by the department heads after the work is performed. Salaried employees should not be paid until after the ending date of the pay period.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

DAVISS COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

Auditor of Daviess County

Gail L. Doades

Daviess County Courthouse

200 E. Walnut St.

Washington, IN 47501

812-254-8662

812-254-8697 Fax

CORRECTIVE ACTION PLAN

FINDING NO. 2011-1 – INTERNAL CONTROL OVER PAYROLL –COUNTY AUDITOR

AUDITEE CONTACT PERSON – GAIL DOADES

TITLE OF CONTACT PERSON – COUNTY AUDITOR

PHONE NUMBER OF CONTACT PERSON – 812-254-8662

EXPECTED COMPLETION DATE – APRIL 19, 2013

In looking at the calendar for the remaining months of 2012 Daviess County has decided to make the necessary changes in its payroll schedule in 2013. The goal is to have all Daviess County employees paid two weeks behind allowing payroll vouchers to be completed and certified prior to the end of the pay period. This two week period will be made up a week at a time with the first week being the first pay of 2013 and the second week being the first pay of April. As of May 4, 2012 as plan was in place and a memo has been distributed to all Daviess County office holders and department heads explaining the upcoming payroll change along with a 2013 payroll calendar. Daviess County understands the changes and is more than willing to comply with SBOA accounting practices even though all other previous audits by many different SBOA field auditors have not found these deficiencies. Daviess County has been processing its payroll the same each year for over 25 years and has never been found deficient or questioned in that process until the 2011 annual audit. The issue also is an inconsistency in the SBOA auditing process. As stated Daviess County is more than willing to change the procedure but request notification of the change and allowed time to implement the needed change to be in compliance before action is taken.



Gail Doades

Daviess County Auditor

May 7, 2012

DAVISS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2012, with Gail Doades, Auditor; Anthony D. Wichman, President of the Board of County Commissioners; and Michael Sprinkle, President of County Council. Our audit disclosed no material items that warrant comment at this time.