

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

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



**FILED**  
07/30/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Billie J. Tumey	01-01-09 to 12-31-12
Treasurer	Paula R. Stewart	10-28-09 to 12-31-12
Clerk	Myron D. Rainey	01-01-09 to 12-31-12
Sheriff	Samuel J. Craig	01-01-11 to 12-31-14
Recorder	Jessica Allen	01-01-09 to 12-31-12
President of the Board of County Commissioners	David Flinn Christopher May	01-01-11 to 12-31-11 01-01-12 to 12-31-12
President of the County Council	Gene McCracken James R. Edwards	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 LAWRENCE COUNTY, INDIANA

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 July 3, 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.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

STATE BOARD OF ACCOUNTS

July 3, 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 LAWRENCE COUNTY, INDIANA

We have audited the financial statement of Lawrence County (County), for the year ended December 31, 2011, and have issued our report thereon dated July 3, 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. However, we identified certain deficiencies in internal control over financial reporting, which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

STATE BOARD OF ACCOUNTS

July 3, 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.

LAWRENCE 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	\$ 2,637,983	\$ 46,767,489	\$ 46,684,249	\$ 2,721,223
Highway	1,390,798	2,995,505	2,928,404	1,457,899
Local Road Street	331,142	375,533	567,565	139,110
Aviation	49,460	146,692	184,819	11,333
Accident Reports	5,526	110	1,885	3,751
Firearms Training	58,667	16,784	15,004	60,447
Health	181,487	280,072	332,793	128,766
Adapt User Fees	1	119,903	118,208	1,696
Crime Control	-	27,527	27,527	-
Law Enforcement Continuing Education	5,023	25	-	5,048
Clerks Records Perpetuation	3,688	23,834	21,567	5,955
Infraction Deferral Fees	33	36,520	19,866	16,687
County Riverboat	-	165,431	-	165,431
Emergency Telephone System	151,562	302,257	396,024	57,795
Drug Free Community Fund	58,432	34,423	56,374	36,481
Emergency Management	34,193	34,420	59,207	9,406
93.563 Prosecutor's IVD Incentive	-	93,650	-	93,650
Juvenile Probation	1	45,638	23,693	21,946
Adult Probation	-	114,153	110,158	3,995
Recorder Records Perpetuation	36,352	66,086	70,142	32,296
County Users Fee	120,256	10,697	3,288	127,665
Local Health Maintenance	87,257	24,879	26,670	85,466
Pretrial Diversion	20,901	40,018	42,018	18,901
Guardian Ad Litem User Fee	1,602	8,643	4,163	6,082
Plat Book	13,699	9,354	15,146	7,907
Misdemeanant	63,740	52,550	45,492	70,798
Surveyor Corner Perpetuation	41,341	8,322	1,112	48,551
Jury Fee Fund	70	5,676	5,354	392
CAGIT PTRC	-	1,630,538	1,630,538	-
Tax Sale Fees	-	351,616	55,336	296,280
Rainy Day	1,360,295	1,033,805	177,880	2,216,220
Community Corrections	-	131,200	112,684	18,516
Tobacco Settlement-Local Health Department Acct	52,956	25,798	11,999	66,755
Child Advocacy Fund	200	-	-	200
Levy Excess Fund	106,743	-	106,743	-
Sheriff Sale Administration	24,755	26,260	18,900	32,115
Wireless Emergency Telephone System	304,237	188,158	202,072	290,323
Sex and Violent Offender Administration	-	9,202	3,500	5,702
Community Transition Program	-	3,195	-	3,195
Reassessment 2015	-	339,169	-	339,169
93.563 Clerk IVD Incentive Post October 99	-	152,590	-	152,590
93.563 County IVD Incentive	-	51,483	-	51,483
County Elected Officials Training	-	1,452	-	1,452
Cumulative Capital Development	1,078,108	175,714	34,674	1,219,148
Cumulative Bridge	1,895,667	1,052,860	825,568	2,122,959
Sheriff's Pension	3,371,275	383,623	201,408	3,553,490
City Town Court Cost Fund	6,433	13,072	10,153	9,352
Clerk's Trust	81,273	-	4,044	77,229
Tax Sale Redemption	-	23,274	22,004	1,270
Surplus Tax (Excess)	56,516	27,226	68,439	15,303
June 2011 Settlement Correct	-	788,188	784,901	3,287
Sewer Bill Tax	-	219	219	-
Infraction Judgements	-	50,176	50,176	-
Inheritance Tax	127,707	655,555	669,963	113,299
Sheriff's Inmate Trust	4,335	193,505	188,982	8,858
Education Plate Fees	573	7,434	7,434	573
CAGIT County Certified Shares	-	4,891,734	4,891,734	-
Lawrence County Redevelopment	-	67,621	20,375	47,246
Financial Institution Tax	-	224,858	224,858	-
Interstate Compact - State Share	-	63	-	63
CVET Agency	-	280,717	280,717	-
Riverboat Revenue Sharing	2,002	287,381	287,381	2,002
Homestead Credit Rebate	81	-	-	81
HEA 1001 2008 State Homestead Credit	3,635	-	2,525	1,110
LOIT PTRC	106,490	3,305,340	3,275,209	136,621
LOIT Public Safety	-	1,630,538	1,630,538	-
Economic Development Fee	-	83,176	82,676	500
Wheel Tax/Surtax Combined	-	1,175,430	1,175,430	-
Sheriff Donations	-	1,500	-	1,500
97.042 EMA Competitive Grant	-	3,750	1,630	2,120
97.073 Exercise and Training Grant	-	23,831	28,053	(4,222)
97. SHSP GRANT	-	230,493	231,207	(714)
Start the Peace Grant	-	1,595	1,311	284
C449-P-2-037A Fire Training	-	6,887	11,560	(4,673)
Pleasant Run Fire Department Grant	-	8,160	4,000	4,160

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

LAWRENCE 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
Project Income	-	319,944	123,222	196,722
Surplus Tax Replacement Credit	954	287	1,241	-
09-JB-010 JDAP09	-	6,053	6,053	-
Court Reform Grant	-	24,510	2,617	21,893
16.3738 JAG Video Recording Grant	-	8,448	8,448	-
Dare Sheriff Donations	8,574	5,818	5,601	8,791
LEP Subgrant FEMA Planning	16	-	-	16
Family and Children	1,125	-	1,125	-
Old Community Corrections	14,268	120,900	135,168	-
C449-0-075A ACAMS	4,607	135,286	198,839	(58,946)
HAVA Title III Grant	4,839	-	-	4,839
Bio Terrorism District Grant	66	-	-	66
Bio Terrorism District Part 2	1,092	-	151	941
Homeland Security 2006	72	-	-	72
Work Release Fund	63,144	-	2,055	61,089
Old Project Income	204,354	118,564	322,158	760
Coroners Training and Continuing Education	-	4,368	4,053	315
K8-2011-03-03-19 Operation Pullover	8,742	18,957	24,538	3,161
County Offender Transportation	-	63	-	63
Supplemental Public Defender Services	22,114	9,157	-	31,271
Circuit Court Bail Fees	4,729	3,700	4,017	4,412
Superior Court 1 Bail Fees	7,057	6,936	6,326	7,667
Superior Court II Bail Fees	8,507	15,949	20,511	3,945
Probation Administrative Fee	3	43,531	40,882	2,652
Extension Office Donations	424	-	-	424
Sheriff Pension Trust	-	20,671	17,400	3,271
Aviation Fuel Fund	37,117	52,794	63,595	26,316
County Bonds	141	-	-	141
Bio Terrorism Preparedness	1,240	-	-	1,240
Runway Paving Grant	85,108	1,294,917	1,364,227	15,798
Family Relations Fund	3,688	13,810	13,827	3,671
Reassessment 2009	432,708	81,564	262,141	252,131
Investigator's Cash Fund	572	-	-	572
Emergency Planning/Right to Know	21,017	6,913	23,681	4,249
Accident Investigation Fund	5,924	5,567	-	11,491
Lawrence County Police Training Fund	10,927	-	5,608	5,319
Community Transitional Program	375	25,759	26,134	-
Non Violence Program - Probation	-	23,517	19,793	3,724
08A-DJ-057 OVWI Drug Court	(6,722)	70,639	64,691	(774)
Alternative Dispute Resolution	12,720	6,640	10,800	8,560
JCS Juvenile Community Service	22,240	4,035	26,275	-
BPRS 146-2 Public Health Coordinator	5,345	8,285	70	13,560
022T IN Supreme Court Grant	1,231	2,500	1,231	2,500
Compas	-	1,990	1,908	82
National Forest Fund	(2,920)	4,420	1,500	-
Drug Seizure Fund	11,864	-	-	11,864
06JF013 Juvenile Detention Alternative Fund	5,702	-	-	5,702
ISP Marijuana Extrication	77	-	-	77
09RT003 Pathways To Recovery	(19,934)	63,984	62,734	(18,684)
09ST063 DV/Sexual Assault Prevention Grant	3	-	-	3
Police Office Equipment	6,240	1,071	-	7,311
Family Court Grant	16,725	6,500	19,300	3,925
Gun Range	55,000	-	43,705	11,295
TAP TEG Boot Camp (LLC)	212	3,583	3,794	1
OVWI Trust Fee Fund	118	-	-	118
Tobacco Settlement Grant	(1,794)	-	720	(2,514)
Immunization Fund	33,393	19,192	15,747	36,838
Mortgage Recording Fees - State Share	-	3,663	3,315	348
TAP-TEG DCLCC-10(LCC)	2,172	5,311	5,739	1,744
Recorder Redacting Fee	63,967	9,253	761	72,459
Pandemic Flu	2,226	-	-	2,226
Safe Haven NLCS Grant	(648)	12,581	11,259	674
ARRA Clerk IV-D Incentive	215	569	-	784
Hea 1001-2007 2008 PTRC and HSC	-	800	800	-
PCA Child Support Enforcement	3,031	3,094	1,511	4,614
Treasurers Collections	1,967,113	1,122,338	1,967,113	1,122,338
C449-9-491A Races Grant	260	-	260	-
C44P-9-818A District 8 Coordinator Grant	2,769	53,704	64,112	(7,639)
146-67 H1N1 Grant	2,135	-	2,135	-
10VAPR187 Victim Assistance Grant	(8,757)	38,531	38,717	(8,943)
Prosecutor CEF	20,247	-	2,819	17,428
County Lease Rental	2,572	711	1,067	2,216
09-JF-012 Juvenile Detention Alternative 12	-	71	-	71

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

LAWRENCE 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
Public Health Preparedness Grant	(3,539)	-	5,985	(9,524)
TAP-TEG ERT Training (LCC)	1,652	6,420	3,950	4,122
ARRA Funding	97	69	166	-
SHSP Grant	1,742	52,203	45,394	8,551
HD-009-011 Indiana Housing Grant	-	41,010	41,009	1
4700501 T-Hangar Grant	3,500	91,752	98,752	(3,500)
16.738 JAG Sheriff Grant	7,930	-	8,053	(123)
C440-0-075A WEBGIS Grant	8,691	100,829	112,268	(2,748)
Jail Lease Rental	7,745	-	-	7,745
Courthouse Plaza Lease/Rental	40,746	277,875	262,278	56,343
Extension Building Lease/Rental	91,832	188,621	192,468	87,985
Covered Bridge	23,748	1,850	-	25,598
Self Insurance	996,953	1,292,764	1,292,649	997,068
Congressional Schools Interest	163	-	163	-
Surplus Dog	1,987	-	-	1,987
Probation GiftsTrust	228	-	-	228
Payroll	231,692	5,288,705	5,001,315	519,082
Welfare Trust	42,656	-	-	42,656
Sex and Violent Offender Administration State	-	355	355	-
Clerk's ISETS	10,645	1,414,606	1,411,586	13,665
Tax Sale Reimbursement	27,468	921	28,389	-
State Fines Forfeitures	76	54,340	54,416	-
Innkeepers Tax Collections	-	214,850	214,850	-
Overweight Vehicles Fines	-	114	114	-
Child Restraint Violations Fines	-	1,489	1,489	-
Special Death Benefit	-	3,511	3,511	-
Excess CAGIT	3	-	-	3
Homestead Uncashed 07	29,077	-	29,077	-
Recorder Collections	15,706	159,470	160,559	14,617
State Disclosures State Share	310	4,728	4,740	298
Sheriff Evidence	15,575	-	-	15,575
Surplus Excess 2007 Plus	520,380	26,651	528,398	18,633
Tax Sale Redemption 2007	1	-	1	-
Aviation Checking	6,871	90,704	76,939	20,636
Tax Sale Redemption 2008	-	2,725	2,725	-
Tax Sale Surplus 2008	5,902	-	3,062	2,840
Health Department Collections	14,839	103,062	106,972	10,929
Prosecutor's Bad Check Collections	4,459	41,558	43,878	2,139
Sheriff Public Funds	200	448,908	448,903	205
Sales Disclosure County Share	9,068	4,718	5,407	8,379
LOIT Public Safety - County Share	162,836	879,636	838,950	203,522
Settlement Tax Distribution	-	40,532,051	40,426,070	105,981
Dunn County Rental Fund	369,591	-	48,332	321,259
Dunn Post Closing	4,711,908	599,538	1,321,733	3,989,713
2010 Tax Sale Surplus	479,575	-	449,089	30,486
2010 Tax Sale Redemption	3,861	158,959	161,938	882
08JB008 JDAP 13	-	2,705	2,705	-
Sheriffs Commisary	43,796	167,112	148,139	62,769
Clerk's Trust - CSI	464,805	2,747,819	2,740,351	472,273
<b>Totals</b>	<b>\$ 25,381,576</b>	<b>\$ 130,158,653</b>	<b>\$ 130,480,171</b>	<b>\$ 25,060,058</b>

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

LAWRENCE 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.

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial 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.

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.

LAWRENCE 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 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.

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.

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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.

LAWRENCE 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 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 PERF.

LAWRENCE 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.

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

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

	General	Highway	Local Road Street	Aviation	Accident Reports	Firearms Training
Cash and investments - beginning	\$ 2,637,983	\$ 1,390,798	\$ 331,142	\$ 49,460	\$ 5,526	\$ 58,667
Receipts:						
Taxes	7,447,753	-	-	40,096	-	-
Intergovernmental	941,123	2,849,444	375,533	4,008	-	-
Charges for services	1,334,542	-	-	102,578	110	16,784
Fines and forfeits	197,560	-	-	-	-	-
Other receipts	36,846,511	146,061	-	10	-	-
Total receipts	<u>46,767,489</u>	<u>2,995,505</u>	<u>375,533</u>	<u>146,692</u>	<u>110</u>	<u>16,784</u>
Disbursements:						
Personal services	7,904,452	1,212,626	-	22,669	-	-
Supplies	138,280	273,058	296,926	42,170	-	15,004
Other services and charges	1,955,223	1,083,148	-	58,463	1,885	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	113,495	359,572	270,639	39,196	-	-
Other disbursements	36,572,799	-	-	22,321	-	-
Total disbursements	<u>46,684,249</u>	<u>2,928,404</u>	<u>567,565</u>	<u>184,819</u>	<u>1,885</u>	<u>15,004</u>
Excess (deficiency) of receipts over disbursements	<u>83,240</u>	<u>67,101</u>	<u>(192,032)</u>	<u>(38,127)</u>	<u>(1,775)</u>	<u>1,780</u>
Cash and investments - ending	<u>\$ 2,721,223</u>	<u>\$ 1,457,899</u>	<u>\$ 139,110</u>	<u>\$ 11,333</u>	<u>\$ 3,751</u>	<u>\$ 60,447</u>

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

	Health	Adapt User Fees	Crime Control	Law Enforcement Continuing Education	Clerks Records Perpetuation	Infraction Deferral Fees
Cash and investments - beginning	\$ 181,487	\$ 1	\$ -	\$ 5,023	\$ 3,688	\$ 33
Receipts:						
Taxes	173,534	-	-	-	-	-
Intergovernmental	17,346	-	-	-	-	-
Charges for services	89,004	-	-	25	-	-
Fines and forfeits	-	103,708	25,642	-	23,834	32,020
Other receipts	188	16,195	1,885	-	-	4,500
Total receipts	<u>280,072</u>	<u>119,903</u>	<u>27,527</u>	<u>25</u>	<u>23,834</u>	<u>36,520</u>
Disbursements:						
Personal services	237,290	117,837	11,108	-	-	10,394
Supplies	1,852	-	16,419	-	-	183
Other services and charges	8,953	371	-	-	21,567	2,950
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,839
Other disbursements	84,698	-	-	-	-	4,500
Total disbursements	<u>332,793</u>	<u>118,208</u>	<u>27,527</u>	<u>-</u>	<u>21,567</u>	<u>19,866</u>
Excess (deficiency) of receipts over disbursements	<u>(52,721)</u>	<u>1,695</u>	<u>-</u>	<u>25</u>	<u>2,267</u>	<u>16,654</u>
Cash and investments - ending	<u>\$ 128,766</u>	<u>\$ 1,696</u>	<u>\$ -</u>	<u>\$ 5,048</u>	<u>\$ 5,955</u>	<u>\$ 16,687</u>

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

	County Riverboat	Emergency Telephone System	Drug Free Community Fund	Emergency Management	93.563 Prosecutor's IVD Incentive	Juvenile Probation
Cash and investments - beginning	\$ -	\$ 151,562	\$ 58,432	\$ 34,193	\$ -	\$ 1
Receipts:						
Taxes	-	-	-	8,228	-	-
Intergovernmental	165,431	-	-	806	-	-
Charges for services	-	281,612	-	18,176	-	-
Fines and forfeits	-	-	34,423	-	-	45,638
Other receipts	-	20,645	-	7,210	93,650	-
Total receipts	<u>165,431</u>	<u>302,257</u>	<u>34,423</u>	<u>34,420</u>	<u>93,650</u>	<u>45,638</u>
Disbursements:						
Personal services	-	46,513	-	42,660	-	23,477
Supplies	-	-	-	561	-	-
Other services and charges	-	348,684	56,374	9,242	-	216
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	1,326	-	-
Other disbursements	-	827	-	5,418	-	-
Total disbursements	<u>-</u>	<u>396,024</u>	<u>56,374</u>	<u>59,207</u>	<u>-</u>	<u>23,693</u>
Excess (deficiency) of receipts over disbursements	<u>165,431</u>	<u>(93,767)</u>	<u>(21,951)</u>	<u>(24,787)</u>	<u>93,650</u>	<u>21,945</u>
Cash and investments - ending	<u>\$ 165,431</u>	<u>\$ 57,795</u>	<u>\$ 36,481</u>	<u>\$ 9,406</u>	<u>\$ 93,650</u>	<u>\$ 21,946</u>

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

	Adult Probation	Recorder Records Perpetuation	County Users Fee	Local Health Maintenance	Pretrial Diversion	Guardian Ad Litem User Fee
Cash and investments - beginning	\$ -	\$ 36,352	\$ 120,256	\$ 87,257	\$ 20,901	\$ 1,602
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	66,086	-	24,853	-	8,643
Fines and forfeits	114,153	-	10,697	-	40,018	-
Other receipts	-	-	-	26	-	-
Total receipts	<u>114,153</u>	<u>66,086</u>	<u>10,697</u>	<u>24,879</u>	<u>40,018</u>	<u>8,643</u>
Disbursements:						
Personal services	109,308	-	-	1,244	7,135	-
Supplies	-	42,921	-	2,826	1,537	3,955
Other services and charges	-	-	3,288	22,600	13,157	208
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	850	-	-	-	15,689	-
Other disbursements	-	27,221	-	-	4,500	-
Total disbursements	<u>110,158</u>	<u>70,142</u>	<u>3,288</u>	<u>26,670</u>	<u>42,018</u>	<u>4,163</u>
Excess (deficiency) of receipts over disbursements	<u>3,995</u>	<u>(4,056)</u>	<u>7,409</u>	<u>(1,791)</u>	<u>(2,000)</u>	<u>4,480</u>
Cash and investments - ending	<u>\$ 3,995</u>	<u>\$ 32,296</u>	<u>\$ 127,665</u>	<u>\$ 85,466</u>	<u>\$ 18,901</u>	<u>\$ 6,082</u>

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

	Plat Book	Misdemeanant	Surveyor Corner Perpetuation	Jury Fee Fund	CAGIT PTRC	Tax Sale Fees
Cash and investments - beginning	\$ 13,699	\$ 63,740	\$ 41,341	\$ 70	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	1,630,538	-
Intergovernmental	-	-	-	-	-	-
Charges for services	9,354	52,550	8,322	-	-	351,616
Fines and forfeits	-	-	-	5,676	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>9,354</u>	<u>52,550</u>	<u>8,322</u>	<u>5,676</u>	<u>1,630,538</u>	<u>351,616</u>
Disbursements:						
Personal services	9,333	-	73	-	-	-
Supplies	4,816	12,395	200	-	-	-
Other services and charges	997	11,097	-	5,354	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	22,000	839	-	-	-
Other disbursements	-	-	-	-	1,630,538	55,336
Total disbursements	<u>15,146</u>	<u>45,492</u>	<u>1,112</u>	<u>5,354</u>	<u>1,630,538</u>	<u>55,336</u>
Excess (deficiency) of receipts over disbursements	<u>(5,792)</u>	<u>7,058</u>	<u>7,210</u>	<u>322</u>	<u>-</u>	<u>296,280</u>
Cash and investments - ending	<u>\$ 7,907</u>	<u>\$ 70,798</u>	<u>\$ 48,551</u>	<u>\$ 392</u>	<u>\$ -</u>	<u>\$ 296,280</u>

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

	Rainy Day	Community Corrections	Tobacco Settlement - Local Health Department Acct	Child Advocacy Fund	Levy Excess Fund	Sheriff Sale Administration
Cash and investments - beginning	\$ 1,360,295	\$ -	\$ 52,956	\$ 200	\$ 106,743	\$ 24,755
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	4,903	131,200	25,511	-	-	26,260
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,028,902	-	287	-	-	-
Total receipts	<u>1,033,805</u>	<u>131,200</u>	<u>25,798</u>	<u>-</u>	<u>-</u>	<u>26,260</u>
Disbursements:						
Personal services	-	95,431	986	-	-	-
Supplies	-	3,363	530	-	-	-
Other services and charges	-	13,890	10,483	-	-	18,900
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	174,960	-	-	-	-	-
Other disbursements	2,920	-	-	-	106,743	-
Total disbursements	<u>177,880</u>	<u>112,684</u>	<u>11,999</u>	<u>-</u>	<u>106,743</u>	<u>18,900</u>
Excess (deficiency) of receipts over disbursements	<u>855,925</u>	<u>18,516</u>	<u>13,799</u>	<u>-</u>	<u>(106,743)</u>	<u>7,360</u>
Cash and investments - ending	<u>\$ 2,216,220</u>	<u>\$ 18,516</u>	<u>\$ 66,755</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 32,115</u>

LAWRENCE 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	Sex and Violent Offender Administration	Community Transition Program	Reassessment 2015	93.563 Clerk IVD Incentive Post October 99	93.563 County IVD Incentive
Cash and investments - beginning	\$ 304,237	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	313,441	-	-
Intergovernmental	-	-	-	25,728	-	-
Charges for services	166,564	-	3,195	-	-	-
Fines and forfeits	-	9,202	-	-	-	-
Other receipts	21,594	-	-	-	152,590	51,483
Total receipts	<u>188,158</u>	<u>9,202</u>	<u>3,195</u>	<u>339,169</u>	<u>152,590</u>	<u>51,483</u>
Disbursements:						
Personal services	125,000	-	-	-	-	-
Supplies	-	3,500	-	-	-	-
Other services and charges	18,112	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	58,960	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>202,072</u>	<u>3,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(13,914)</u>	<u>5,702</u>	<u>3,195</u>	<u>339,169</u>	<u>152,590</u>	<u>51,483</u>
Cash and investments - ending	<u>\$ 290,323</u>	<u>\$ 5,702</u>	<u>\$ 3,195</u>	<u>\$ 339,169</u>	<u>\$ 152,590</u>	<u>\$ 51,483</u>

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

	County Elected Officials Training	Cumulative Capital Development	Cumulative Bridge	Sheriff's Pension	City Town Court Cost Fund	Clerk's Trust
Cash and investments - beginning	\$ -	\$ 1,078,108	\$ 1,895,667	\$ 3,371,275	\$ 6,433	\$ 81,273
Receipts:						
Taxes	-	158,885	819,059	-	-	-
Intergovernmental	-	16,829	86,755	-	-	-
Charges for services	1,452	-	137,504	-	-	-
Fines and forfeits	-	-	-	-	13,072	-
Other receipts	-	-	9,542	383,623	-	-
Total receipts	<u>1,452</u>	<u>175,714</u>	<u>1,052,860</u>	<u>383,623</u>	<u>13,072</u>	<u>-</u>
Disbursements:						
Personal services	-	-	270,268	-	-	-
Supplies	-	-	149,601	-	-	-
Other services and charges	-	-	122,402	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	34,674	283,297	-	-	-
Other disbursements	-	-	-	201,408	10,153	4,044
Total disbursements	<u>-</u>	<u>34,674</u>	<u>825,568</u>	<u>201,408</u>	<u>10,153</u>	<u>4,044</u>
Excess (deficiency) of receipts over disbursements	<u>1,452</u>	<u>141,040</u>	<u>227,292</u>	<u>182,215</u>	<u>2,919</u>	<u>(4,044)</u>
Cash and investments - ending	<u>\$ 1,452</u>	<u>\$ 1,219,148</u>	<u>\$ 2,122,959</u>	<u>\$ 3,553,490</u>	<u>\$ 9,352</u>	<u>\$ 77,229</u>

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

	Tax Sale Redemption	Surplus Tax (Excess)	June 2011 Settlement Correct	Sewer Bill Tax	Infraction Judgements	Inheritance Tax
Cash and investments - beginning	\$ -	\$ 56,516	\$ -	\$ -	\$ -	\$ 127,707
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	23,274	-	-	219	-	655,555
Fines and forfeits	-	-	-	-	50,176	-
Other receipts	-	27,226	788,188	-	-	-
Total receipts	<u>23,274</u>	<u>27,226</u>	<u>788,188</u>	<u>219</u>	<u>50,176</u>	<u>655,555</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	22,004	68,439	784,901	219	50,176	669,963
Total disbursements	<u>22,004</u>	<u>68,439</u>	<u>784,901</u>	<u>219</u>	<u>50,176</u>	<u>669,963</u>
Excess (deficiency) of receipts over disbursements	<u>1,270</u>	<u>(41,213)</u>	<u>3,287</u>	<u>-</u>	<u>-</u>	<u>(14,408)</u>
Cash and investments - ending	<u>\$ 1,270</u>	<u>\$ 15,303</u>	<u>\$ 3,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,299</u>

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

	Sheriff's Inmate Trust	Education Plate Fees	CAGIT County Certified Shares	Lawrence County Redevelopment	Financial Institution Tax	Interstate Compact - State Share
Cash and investments - beginning	\$ 4,335	\$ 573	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	4,891,734	67,621	-	-
Intergovernmental	-	-	-	-	224,858	-
Charges for services	193,505	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	63
Other receipts	-	7,434	-	-	-	-
Total receipts	<u>193,505</u>	<u>7,434</u>	<u>4,891,734</u>	<u>67,621</u>	<u>224,858</u>	<u>63</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	375	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	188,982	7,434	4,891,734	20,000	224,858	-
Total disbursements	<u>188,982</u>	<u>7,434</u>	<u>4,891,734</u>	<u>20,375</u>	<u>224,858</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>4,523</u>	<u>-</u>	<u>-</u>	<u>47,246</u>	<u>-</u>	<u>63</u>
Cash and investments - ending	<u>\$ 8,858</u>	<u>\$ 573</u>	<u>\$ -</u>	<u>\$ 47,246</u>	<u>\$ -</u>	<u>\$ 63</u>

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

	CVET Agency	Riverboat Revenue Sharing	Homestead Credit Rebate	HEA 1001 2008 State Homestead Credit	LOIT PTRC	LOIT Public Safety
Cash and investments - beginning	\$ -	\$ 2,002	\$ 81	\$ 3,635	\$ 106,490	\$ -
Receipts:						
Taxes	-	-	-	-	3,305,340	1,630,538
Intergovernmental	280,717	287,381	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>280,717</u>	<u>287,381</u>	<u>-</u>	<u>-</u>	<u>3,305,340</u>	<u>1,630,538</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	280,717	287,381	-	2,525	3,275,209	1,630,538
Total disbursements	<u>280,717</u>	<u>287,381</u>	<u>-</u>	<u>2,525</u>	<u>3,275,209</u>	<u>1,630,538</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,525)</u>	<u>30,131</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,002</u>	<u>\$ 81</u>	<u>\$ 1,110</u>	<u>\$ 136,621</u>	<u>\$ -</u>

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

	Economic Development Fee	Wheel Tax/Surtax Combined	Sheriff Donations	97.042 EMA Competitive Grant	97.073 Exercise and Training Grant	97. SHSP GRANT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	1,175,430	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	83,176	-	-	3,750	23,831	230,493
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	1,500	-	-	-
Total receipts	<u>83,176</u>	<u>1,175,430</u>	<u>1,500</u>	<u>3,750</u>	<u>23,831</u>	<u>230,493</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	28,053	231,207
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	82,676	1,175,430	-	1,630	-	-
Total disbursements	<u>82,676</u>	<u>1,175,430</u>	<u>-</u>	<u>1,630</u>	<u>28,053</u>	<u>231,207</u>
Excess (deficiency) of receipts over disbursements	<u>500</u>	<u>-</u>	<u>1,500</u>	<u>2,120</u>	<u>(4,222)</u>	<u>(714)</u>
Cash and investments - ending	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 2,120</u>	<u>\$ (4,222)</u>	<u>\$ (714)</u>

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

	Start the Peace Grant	C449-P-2-037A Fire Training	Pleasant Run Fire Department Grant	Project Income	Surplus Tax Replacement Credit	09-JB-010 JDAP09
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 954	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	1,595	6,887	8,160	-	287	6,053
Fines and forfeits	-	-	-	303,077	-	-
Other receipts	-	-	-	16,867	-	-
<b>Total receipts</b>	<b>1,595</b>	<b>6,887</b>	<b>8,160</b>	<b>319,944</b>	<b>287</b>	<b>6,053</b>
Disbursements:						
Personal services	-	-	-	79,555	-	-
Supplies	-	-	-	1,870	-	-
Other services and charges	1,311	11,560	4,000	41,797	-	6,053
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	1,241	-
<b>Total disbursements</b>	<b>1,311</b>	<b>11,560</b>	<b>4,000</b>	<b>123,222</b>	<b>1,241</b>	<b>6,053</b>
Excess (deficiency) of receipts over disbursements	284	(4,673)	4,160	196,722	(954)	-
Cash and investments - ending	<u>\$ 284</u>	<u>\$ (4,673)</u>	<u>\$ 4,160</u>	<u>\$ 196,722</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Court Reform Grant	16.3738 JAG Video Recording Grant	Dare Sheriff Donations	LEP Subgrant FEMA Planning	Family and Children	Old Community Corrections
Cash and investments - beginning	\$ -	\$ -	\$ 8,574	\$ 16	\$ 1,125	\$ 14,268
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	24,510	8,448	5,818	-	-	120,900
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>24,510</u>	<u>8,448</u>	<u>5,818</u>	<u>-</u>	<u>-</u>	<u>120,900</u>
Disbursements:						
Personal services	-	-	-	-	-	94,813
Supplies	2,617	-	5,601	-	-	3,408
Other services and charges	-	-	-	-	-	9,505
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	8,448	-	-	1,125	27,442
Total disbursements	<u>2,617</u>	<u>8,448</u>	<u>5,601</u>	<u>-</u>	<u>1,125</u>	<u>135,168</u>
Excess (deficiency) of receipts over disbursements	<u>21,893</u>	<u>-</u>	<u>217</u>	<u>-</u>	<u>(1,125)</u>	<u>(14,268)</u>
Cash and investments - ending	<u>\$ 21,893</u>	<u>\$ -</u>	<u>\$ 8,791</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>

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

	C449-0-075A ACAMS	HAVA Title III Grant	Bio Terrorism District Grant	Bio Terrorism District Part 2	Homeland Security 2006	Work Release Fund
Cash and investments - beginning	\$ 4,607	\$ 4,839	\$ 66	\$ 1,092	\$ 72	\$ 63,144
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	41,160	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	94,126	-	-	-	-	-
Total receipts	<u>135,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	2,055
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	151	-	-
Other disbursements	198,839	-	-	-	-	-
Total disbursements	<u>198,839</u>	<u>-</u>	<u>-</u>	<u>151</u>	<u>-</u>	<u>2,055</u>
Excess (deficiency) of receipts over disbursements	<u>(63,553)</u>	<u>-</u>	<u>-</u>	<u>(151)</u>	<u>-</u>	<u>(2,055)</u>
Cash and investments - ending	<u>\$ (58,946)</u>	<u>\$ 4,839</u>	<u>\$ 66</u>	<u>\$ 941</u>	<u>\$ 72</u>	<u>\$ 61,089</u>

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

	Old Project Income	Coroners Training and Continuing Education	K8-2011-03-03-19 Operation Pullover	County Offender Transportation	Supplemental Public Defender Services	Circuit Court Bail Fees
Cash and investments - beginning	\$ 204,354	\$ -	\$ 8,742	\$ -	\$ 22,114	\$ 4,729
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	118,564	4,368	18,957	-	-	-
Fines and forfeits	-	-	-	63	9,157	3,700
Other receipts	-	-	-	-	-	-
Total receipts	<u>118,564</u>	<u>4,368</u>	<u>18,957</u>	<u>63</u>	<u>9,157</u>	<u>3,700</u>
Disbursements:						
Personal services	72,250	-	24,538	-	-	-
Supplies	10,667	-	-	-	-	-
Other services and charges	39,540	-	-	-	-	4,017
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>199,701</u>	<u>4,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>322,158</u>	<u>4,053</u>	<u>24,538</u>	<u>-</u>	<u>-</u>	<u>4,017</u>
Excess (deficiency) of receipts over disbursements	<u>(203,594)</u>	<u>315</u>	<u>(5,581)</u>	<u>63</u>	<u>9,157</u>	<u>(317)</u>
Cash and investments - ending	<u>\$ 760</u>	<u>\$ 315</u>	<u>\$ 3,161</u>	<u>\$ 63</u>	<u>\$ 31,271</u>	<u>\$ 4,412</u>

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

	Superior Court I Bail Fees	Superior Court II Bail Fees	Probation Administrative Fee	Extension Office Donations	Sheriff Pension Trust	Aviation Fuel Fund
Cash and investments - beginning	\$ 7,057	\$ 8,507	\$ 3	\$ 424	\$ -	\$ 37,117
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	52,146
Fines and forfeits	6,936	15,949	43,531	-	20,671	-
Other receipts	-	-	-	-	-	648
Total receipts	<u>6,936</u>	<u>15,949</u>	<u>43,531</u>	<u>-</u>	<u>20,671</u>	<u>52,794</u>
Disbursements:						
Personal services	-	-	40,882	-	-	-
Supplies	6,326	20,511	-	-	-	63,595
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	17,400	-
Total disbursements	<u>6,326</u>	<u>20,511</u>	<u>40,882</u>	<u>-</u>	<u>17,400</u>	<u>63,595</u>
Excess (deficiency) of receipts over disbursements	<u>610</u>	<u>(4,562)</u>	<u>2,649</u>	<u>-</u>	<u>3,271</u>	<u>(10,801)</u>
Cash and investments - ending	<u>\$ 7,667</u>	<u>\$ 3,945</u>	<u>\$ 2,652</u>	<u>\$ 424</u>	<u>\$ 3,271</u>	<u>\$ 26,316</u>

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

	County Bonds	Bio Terrorism Preparedness	Runway Paving Grant	Family Relations Fund	Reassessment 2009	Investigator's Cash Fund
Cash and investments - beginning	\$ 141	\$ 1,240	\$ 85,108	\$ 3,688	\$ 432,708	\$ 572
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	1,294,917	-	-	-
Fines and forfeits	-	-	-	13,810	-	-
Other receipts	-	-	-	-	81,564	-
Total receipts	-	-	1,294,917	13,810	81,564	-
Disbursements:						
Personal services	-	-	-	-	35,581	-
Supplies	-	-	-	-	2,989	-
Other services and charges	-	-	-	13,827	222,554	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	1,364,227	-	1,017	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	1,364,227	13,827	262,141	-
Excess (deficiency) of receipts over disbursements	-	-	(69,310)	(17)	(180,577)	-
Cash and investments - ending	\$ 141	\$ 1,240	\$ 15,798	\$ 3,671	\$ 252,131	\$ 572

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

	Emergency Planning/Right to Know	Accident Investigation Fund	Lawrence County Police Training Fund	Community Transitional Program	Non Violence Program - Probation	08A-DJ-057 OVWI Drug Court
Cash and investments - beginning	\$ 21,017	\$ 5,924	\$ 10,927	\$ 375	\$ -	\$ (6,722)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	6,913	5,567	-	22,777	-	61,384
Fines and forfeits	-	-	-	-	21,107	9,255
Other receipts	-	-	-	2,982	2,410	-
Total receipts	<u>6,913</u>	<u>5,567</u>	<u>-</u>	<u>25,759</u>	<u>23,517</u>	<u>70,639</u>
Disbursements:						
Personal services	-	-	-	-	18,871	56,751
Supplies	513	-	1,934	-	922	7,940
Other services and charges	3,148	-	3,674	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	20,020	-	-	26,134	-	-
Total disbursements	<u>23,681</u>	<u>-</u>	<u>5,608</u>	<u>26,134</u>	<u>19,793</u>	<u>64,691</u>
Excess (deficiency) of receipts over disbursements	<u>(16,768)</u>	<u>5,567</u>	<u>(5,608)</u>	<u>(375)</u>	<u>3,724</u>	<u>5,948</u>
Cash and investments - ending	<u>\$ 4,249</u>	<u>\$ 11,491</u>	<u>\$ 5,319</u>	<u>\$ -</u>	<u>\$ 3,724</u>	<u>\$ (774)</u>

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

	Alternative Dispute Resolution	JCS Juvenile Community Service	BPRS 146-2 Public Health Coordinator	022T IN Supreme Court Grant	Compas	National Forest Fund
Cash and investments - beginning	\$ 12,720	\$ 22,240	\$ 5,345	\$ 1,231	\$ -	\$ (2,920)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	8,285	2,500	-	1,500
Fines and forfeits	6,640	4,035	-	-	1,990	-
Other receipts	-	-	-	-	-	2,920
Total receipts	<u>6,640</u>	<u>4,035</u>	<u>8,285</u>	<u>2,500</u>	<u>1,990</u>	<u>4,420</u>
Disbursements:						
Personal services	10,800	-	-	-	-	1,500
Supplies	-	-	70	-	-	-
Other services and charges	-	-	-	1,231	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	26,275	-	-	1,908	-
Total disbursements	<u>10,800</u>	<u>26,275</u>	<u>70</u>	<u>1,231</u>	<u>1,908</u>	<u>1,500</u>
Excess (deficiency) of receipts over disbursements	<u>(4,160)</u>	<u>(22,240)</u>	<u>8,215</u>	<u>1,269</u>	<u>82</u>	<u>2,920</u>
Cash and investments - ending	<u>\$ 8,560</u>	<u>\$ -</u>	<u>\$ 13,560</u>	<u>\$ 2,500</u>	<u>\$ 82</u>	<u>\$ -</u>

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

	Drug Seizure Fund	06JF013 Juvenile Detention Alternative Fund	ISP Marijuana Extrication	09RT003 Pathways To Recovery	09ST063 DV/Sexual Assault Prevention Grant	Police Office Equipment
Cash and investments - beginning	\$ 11,864	\$ 5,702	\$ 77	\$ (19,934)	\$ 3	\$ 6,240
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	61,599	-	1,071
Fines and forfeits	-	-	-	2,385	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	63,984	-	1,071
Disbursements:						
Personal services	-	-	-	62,541	-	-
Supplies	-	-	-	20	-	-
Other services and charges	-	-	-	173	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	62,734	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	1,250	-	1,071
Cash and investments - ending	\$ 11,864	\$ 5,702	\$ 77	\$ (18,684)	\$ 3	\$ 7,311

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

	Family Court Grant	Gun Range	TAP TEG Boot Camp (LLC)	OVWI Trust Fee Fund	Tobacco Settlement Grant	Immunization Fund
Cash and investments - beginning	\$ 16,725	\$ 55,000	\$ 212	\$ 118	\$ (1,794)	\$ 33,393
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	6,500	-	3,583	-	-	19,192
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>6,500</u>	<u>-</u>	<u>3,583</u>	<u>-</u>	<u>-</u>	<u>19,192</u>
Disbursements:						
Personal services	19,300	-	2,689	-	-	-
Supplies	-	43,705	-	-	8	315
Other services and charges	-	-	1,105	-	500	625
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	135	4,890
Other disbursements	-	-	-	-	77	9,917
Total disbursements	<u>19,300</u>	<u>43,705</u>	<u>3,794</u>	<u>-</u>	<u>720</u>	<u>15,747</u>
Excess (deficiency) of receipts over disbursements	<u>(12,800)</u>	<u>(43,705)</u>	<u>(211)</u>	<u>-</u>	<u>(720)</u>	<u>3,445</u>
Cash and investments - ending	<u>\$ 3,925</u>	<u>\$ 11,295</u>	<u>\$ 1</u>	<u>\$ 118</u>	<u>\$ (2,514)</u>	<u>\$ 36,838</u>

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

	Mortgage Recording Fees - State Share	TAP-TEG DCLCC-10(LCC)	Recorder Redacting Fee	Pandemic Flu	Safe Haven NLCS Grant	ARRA Clerk IV-D Incentive
Cash and investments - beginning	\$ -	\$ 2,172	\$ 63,967	\$ 2,226	\$ (648)	\$ 215
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	569
Charges for services	3,663	5,311	9,253	-	12,581	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>3,663</u>	<u>5,311</u>	<u>9,253</u>	<u>-</u>	<u>12,581</u>	<u>569</u>
Disbursements:						
Personal services	-	4,870	-	-	11,259	-
Supplies	-	869	761	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	3,315	-	-	-	-	-
Total disbursements	<u>3,315</u>	<u>5,739</u>	<u>761</u>	<u>-</u>	<u>11,259</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>348</u>	<u>(428)</u>	<u>8,492</u>	<u>-</u>	<u>1,322</u>	<u>569</u>
Cash and investments - ending	<u>\$ 348</u>	<u>\$ 1,744</u>	<u>\$ 72,459</u>	<u>\$ 2,226</u>	<u>\$ 674</u>	<u>\$ 784</u>

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

	Hea 1001-2007 2008 PTRC and HSC	PCA Child Support Enforcement	Treasurers Collections	C449-9-491A Races Grant	C44P-9-818A District 8 Coordinator Grant	146-67 H1N1 Grant
Cash and investments - beginning	\$ -	\$ 3,031	\$ 1,967,113	\$ 260	\$ 2,769	\$ 2,135
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	1,122,338	-	53,704	-
Fines and forfeits	-	2,519	-	-	-	-
Other receipts	800	575	-	-	-	-
Total receipts	<u>800</u>	<u>3,094</u>	<u>1,122,338</u>	<u>-</u>	<u>53,704</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,511	-	-	33,136	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	800	-	1,967,113	260	30,976	2,135
Total disbursements	<u>800</u>	<u>1,511</u>	<u>1,967,113</u>	<u>260</u>	<u>64,112</u>	<u>2,135</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,583</u>	<u>(844,775)</u>	<u>(260)</u>	<u>(10,408)</u>	<u>(2,135)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,614</u>	<u>\$ 1,122,338</u>	<u>\$ -</u>	<u>\$ (7,639)</u>	<u>\$ -</u>

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

	10VAPR187 Victim Assistance Grant	Prosecutor CEF	County Lease Rental	09-JF-012 Juvenile Detention Alternative 12	Public Health Preparedness Grant	TAP-TEG ERT Training (LCC)
Cash and investments - beginning	\$ (8,757)	\$ 20,247	\$ 2,572	\$ -	\$ (3,539)	\$ 1,652
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	711	-	-	-
Charges for services	31,341	-	-	-	-	6,420
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,190	-	-	71	-	-
Total receipts	<u>38,531</u>	<u>-</u>	<u>711</u>	<u>71</u>	<u>-</u>	<u>6,420</u>
Disbursements:						
Personal services	38,717	-	-	-	-	-
Supplies	-	2,819	-	-	-	-
Other services and charges	-	-	-	-	-	3,950
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	1,067	-	5,985	-
Total disbursements	<u>38,717</u>	<u>2,819</u>	<u>1,067</u>	<u>-</u>	<u>5,985</u>	<u>3,950</u>
Excess (deficiency) of receipts over disbursements	<u>(186)</u>	<u>(2,819)</u>	<u>(356)</u>	<u>71</u>	<u>(5,985)</u>	<u>2,470</u>
Cash and investments - ending	<u>\$ (8,943)</u>	<u>\$ 17,428</u>	<u>\$ 2,216</u>	<u>\$ 71</u>	<u>\$ (9,524)</u>	<u>\$ 4,122</u>

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

	ARRA Funding	SHSP Grant	HD-009-011 Indiana Housing Grant	4700501 T-Hangar Grant	16.738 JAG Sheriff Grant	C440-0-075A WEBGIS Grant
Cash and investments - beginning	\$ 97	\$ 1,742	\$ -	\$ 3,500	\$ 7,930	\$ 8,691
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	69	-	-	-	-	-
Charges for services	-	51,733	41,010	91,752	-	100,582
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	470	-	-	-	247
Total receipts	<u>69</u>	<u>52,203</u>	<u>41,010</u>	<u>91,752</u>	<u>-</u>	<u>100,829</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	44,999	41,009	-	-	160
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	98,752	8,053	-
Other disbursements	166	395	-	-	-	112,108
Total disbursements	<u>166</u>	<u>45,394</u>	<u>41,009</u>	<u>98,752</u>	<u>8,053</u>	<u>112,268</u>
Excess (deficiency) of receipts over disbursements	<u>(97)</u>	<u>6,809</u>	<u>1</u>	<u>(7,000)</u>	<u>(8,053)</u>	<u>(11,439)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 8,551</u>	<u>\$ 1</u>	<u>\$ (3,500)</u>	<u>\$ (123)</u>	<u>\$ (2,748)</u>

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

	Jail Lease Rental	Courthouse Plaza Lease/Rental	Extension Building Lease/Rental	Covered Bridge	Self Insurance	Congressional Schools Interest
Cash and investments - beginning	\$ 7,745	\$ 40,746	\$ 91,832	\$ 23,748	\$ 996,953	\$ 163
Receipts:						
Taxes	-	251,024	169,768	-	-	-
Intergovernmental	-	26,851	18,853	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	1,850	1,292,764	-
Total receipts	-	277,875	188,621	1,850	1,292,764	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	262,278	186,728	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	5,740	-	1,292,649	163
Total disbursements	-	262,278	192,468	-	1,292,649	163
Excess (deficiency) of receipts over disbursements	-	15,597	(3,847)	1,850	115	(163)
Cash and investments - ending	\$ 7,745	\$ 56,343	\$ 87,985	\$ 25,598	\$ 997,068	\$ -

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

	Surplus Dog	Probation GiftsTrust	Payroll	Welfare Trust	Sex and Violent Offender Administration State	Clerk's ISETS
Cash and investments - beginning	\$ 1,987	\$ 228	\$ 231,692	\$ 42,656	\$ -	\$ 10,645
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,414,606
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	355	-
Other receipts	-	-	5,288,705	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>5,288,705</b>	<b>-</b>	<b>355</b>	<b>1,414,606</b>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	5,001,315	-	355	1,411,586
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>5,001,315</b>	<b>-</b>	<b>355</b>	<b>1,411,586</b>
Excess (deficiency) of receipts over disbursements	-	-	287,390	-	-	3,020
Cash and investments - ending	<u>\$ 1,987</u>	<u>\$ 228</u>	<u>\$ 519,082</u>	<u>\$ 42,656</u>	<u>\$ -</u>	<u>\$ 13,665</u>

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

	Tax Sale Reimbursement	State Fines Forfeitures	Innkeepers Tax Collections	Overweight Vehicles Fines	Child Restraint Violations Fines	Special Death Benefit
Cash and investments - beginning	\$ 27,468	\$ 76	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	214,850	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	921	-	-	-	-	-
Fines and forfeits	-	54,340	-	114	1,489	3,511
Other receipts	-	-	-	-	-	-
Total receipts	<u>921</u>	<u>54,340</u>	<u>214,850</u>	<u>114</u>	<u>1,489</u>	<u>3,511</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	28,389	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	54,416	214,850	114	1,489	3,511
Total disbursements	<u>28,389</u>	<u>54,416</u>	<u>214,850</u>	<u>114</u>	<u>1,489</u>	<u>3,511</u>
Excess (deficiency) of receipts over disbursements	<u>(27,468)</u>	<u>(76)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Excess CAGIT	Homestead Uncashed 07	Recorder Collections	State Disclosures State Share	Sheriff Evidence	Surplus Excess 2007 Plus
Cash and investments - beginning	\$ 3	\$ 29,077	\$ 15,706	\$ 310	\$ 15,575	\$ 520,380
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	159,470	4,728	-	26,651
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	159,470	4,728	-	26,651
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	29,077	160,559	4,740	-	528,398
Total disbursements	-	29,077	160,559	4,740	-	528,398
Excess (deficiency) of receipts over disbursements	-	(29,077)	(1,089)	(12)	-	(501,747)
Cash and investments - ending	\$ 3	\$ -	\$ 14,617	\$ 298	\$ 15,575	\$ 18,633

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

	Tax Sale Redemption 2007	Aviation Checking	Tax Sale Redemption 2008	Tax Sale Surplus 2008	Health Department Collections	Prosecutor's Bad Check Collections
Cash and investments - beginning	\$ 1	\$ 6,871	\$ -	\$ 5,902	\$ 14,839	\$ 4,459
Receipts:						
Taxes		-	-	-	-	-
Intergovernmental		-	-	-	-	-
Charges for services		90,704	2,725	-	103,062	-
Fines and forfeits		-	-	-	-	41,558
Other receipts	-	-	-	-	-	-
Total receipts	-	90,704	2,725	-	103,062	41,558
Disbursements:						
Personal services		-	-	-	-	-
Supplies		-	-	-	-	-
Other services and charges		76,939	-	-	-	-
Debt service - principal and interest		-	-	-	-	-
Capital outlay		-	-	-	-	-
Other disbursements	1	-	2,725	3,062	106,972	43,878
Total disbursements	1	76,939	2,725	3,062	106,972	43,878
Excess (deficiency) of receipts over disbursements	(1)	13,765	-	(3,062)	(3,910)	(2,320)
Cash and investments - ending	\$ -	\$ 20,636	\$ -	\$ 2,840	\$ 10,929	\$ 2,139

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

	Sheriff Public Funds	Sales Disclosure County Share	LOIT Public Safety - County Share	Settlement Tax Distribution	Dunn County Rental Fund	Dunn Post Closing
Cash and investments - beginning	\$ 200	\$ 9,068	\$ 162,836	\$ -	\$ 369,591	\$ 4,711,908
Receipts:						
Taxes	-	-	879,636	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	448,908	4,718	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	40,532,051	-	599,538
Total receipts	<u>448,908</u>	<u>4,718</u>	<u>879,636</u>	<u>40,532,051</u>	<u>-</u>	<u>599,538</u>
Disbursements:						
Personal services	-	-	316,973	-	-	-
Supplies	-	-	132,735	-	-	-
Other services and charges	-	5,407	288,742	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	100,500	-	-	-
Other disbursements	448,903	-	-	40,426,070	48,332	1,321,733
Total disbursements	<u>448,903</u>	<u>5,407</u>	<u>838,950</u>	<u>40,426,070</u>	<u>48,332</u>	<u>1,321,733</u>
Excess (deficiency) of receipts over disbursements	<u>5</u>	<u>(689)</u>	<u>40,686</u>	<u>105,981</u>	<u>(48,332)</u>	<u>(722,195)</u>
Cash and investments - ending	<u>\$ 205</u>	<u>\$ 8,379</u>	<u>\$ 203,522</u>	<u>\$ 105,981</u>	<u>\$ 321,259</u>	<u>\$ 3,989,713</u>

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

	2010 Tax Sale Surplus	2010 Tax Sale Redemption	08JB008 JDAP 13	Sheriffs Commisary	Clerk's Trust - CSI	Totals
Cash and investments - beginning	\$ 479,575	\$ 3,861	\$ -	\$ 43,796	\$ 464,805	\$ 25,381,576
Receipts:						
Taxes	-	-	-	-	-	23,177,475
Intergovernmental	-	-	-	-	-	6,737,618
Charges for services	-	158,959	2,705	167,112	-	8,688,639
Fines and forfeits	-	-	-	-	2,747,819	4,019,893
Other receipts	-	-	-	-	-	87,535,028
Total receipts	-	158,959	2,705	167,112	2,747,819	130,158,653
Disbursements:						
Personal services	-	-	2,705	-	-	11,142,399
Supplies	-	-	-	-	-	1,322,347
Other services and charges	-	-	-	-	-	4,936,061
Debt service - principal and interest	-	-	-	-	-	449,006
Capital outlay	-	-	-	-	-	2,955,061
Other disbursements	449,089	161,938	-	148,139	2,740,351	109,675,297
Total disbursements	449,089	161,938	2,705	148,139	2,740,351	130,480,171
Excess (deficiency) of receipts over disbursements	(449,089)	(2,979)	-	18,973	7,468	(321,518)
Cash and investments - ending	\$ 30,486	\$ 882	\$ -	\$ 62,769	\$ 472,273	\$ 25,060,058

LAWRENCE 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>\$ 404,333</u>	<u>\$ -</u>

LAWRENCE COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Lawrence County Board of Commissioners	Government Obligation Contract	\$ 2,135,000	01-15-11	11-15-14
Total of annual lease payments		<u>\$ 2,135,000</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	COURTHOUSE PLAZA LEASE	\$ 1,439,099	\$ 1,220,077
General obligation bonds	EXTENSION BUILDING LEASE	605,000	184,838
Total governmental activities		<u>2,044,099</u>	<u>1,404,915</u>
Totals		<u>\$ 2,044,099</u>	<u>\$ 1,404,915</u>

LAWRENCE 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,668,500
Infrastructure	28,380,356
Buildings	21,568,000
Machinery, equipment and vehicles	<u>6,995,473</u>
Total governmental activities	<u>58,612,329</u>
Total capital assets	<u>\$ 58,612,329</u>

LAWRENCE 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

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
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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 LAWRENCE COUNTY, INDIANA

Compliance

We have audited the compliance of Lawrence 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. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2.

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.

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

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

STATE BOARD OF ACCOUNTS

July 3, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

LAWRENCE 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
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Pass-Through Indiana Housing and Community Development Authority CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	HD-009-011	\$ <u>40,671</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Pass-Through Indiana Criminal Justice Institute JAG Program Cluster Edward Byrne Memorial Justice Assistance Grant Program	16.738		
OVWI Drug Court 2008-DJ-BX-0018		08(a)-DJ-057	28,896
Lawrence County Drug Court 2010-DJ-BX-0254		10-DJ-045	32,488
JAG 10K & Under Equipment Grant 2009-DJ-BX-0049		09-DJ-080	<u>8,448</u>
Total for cluster			<u>69,832</u>
Direct Grant Equitable Sharing Program FY 2011	16.922	IN047025A	<u>2,819</u>
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants FY 2008-08-JB-FX-4403 03209JBFX006603	16.523	08-JB-008 09-JB-010	2,705 <u>6,053</u>
Total for program			<u>8,758</u>
Crime Victim Assistance 2010-VA-GX-0100 2010-VA-GX-0049	16.575	10VAPR187 10VAPR146	6,030 <u>20,188</u>
Total for program			<u>26,218</u>
Residential Substance Abuse Treatment for State Prisoners Pathways to Recovery 2009-BX-052 Pathways to Recovery 2010-DJ-BX-0254	16.593	09-RT-003 10-RT-005	12,959 <u>43,641</u>
Total for program			<u>56,600</u>
Total for federal grantor agency			<u>164,227</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspections	20.205	DES#1005118	<u>57,034</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety Operation Pullover Operation Pullover	20.600	OP-12-04-02-54 OP-11-02-01-67	6,453 <u>2,250</u>
Total for program			<u>8,703</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI Task Force Indiana Enforcement Grant	20.601	K8-2011-03-03-19	<u>10,255</u>
Total for cluster			<u>18,958</u>
Direct Grant Airport Improvement Program AIP 3-18-0005-07 AIP 3-18-0005-09 AIP 3-18-0005-010-2011	20.106		13,330 1,251,659 <u>7,785</u>
Total for program			<u>1,272,774</u>
Total for federal grantor agency			<u>1,348,766</u>

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

LAWRENCE 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 HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health Immunization Cluster			
Immunization Grants	93.268		5,830
H23/CCH522522-06			<u>5,830</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
Child Support - Prosecutor			286,971
Child Support - Clerk			56,979
Child Support - Court Costs			49,827
Child Support - Indirect Costs			89,186
Child Support - Incentive			<u>122,039</u>
Total for program			<u>605,002</u>
Pass-Through Indiana Criminal Justice Institute State Court Improvement Program	93.586		
State Court Improvement Program			<u>6,500</u>
Total for federal grantor agency			<u>617,332</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	093-06415-00	<u>15,575</u>
Emergency Management Performance Grants 2010-EP-00-0005	97.042	C44P-1-336A A44P-1-128A	17,938 <u>3,750</u>
Total for program			<u>21,688</u>
Homeland Security Cluster State Homeland Security Program (SHSP)	97.073		
2009-SS-T9-0032		C44P-1-221A	2,500
2010-SS-TO-0038		C44P-1-072A	231,111
2008-GE-T8-0032		C44P-O-414A	40,745
2008-GE-E8-0032		C44P-0-402A	23,831
2009-SS-T9-0032		C44P-0-205A	<u>57,717</u>
Total for program			<u>355,904</u>
Law Enforcement Terrorism Prevention Program (LETPP) 2007-GE-T7-0026	97.074	C44P-0-075A	106,579
2007-GE-T7-0026		C44P-0-192A	2,003
2007-GE-T7-0026		C44P-1-390A	<u>33,280</u>
Total for program			<u>141,862</u>
Total for cluster			<u>497,766</u>
Total for federal grantor agency			<u>535,029</u>
Total federal awards expended			<u>\$ 2,706,025</u>

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

LAWRENCE COUNTY  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

***Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Lawrence County (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.

LAWRENCE 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?	yes
Noncompliance material to 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?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program
93.563	Child Support Enforcement
97.073	State Homeland Security Program (SHSP)

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

**FINDING 2011-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

We noted significant deficiencies in the internal controls over financial transactions and reporting as follows:

1. Duplicate payments:

On three occasions accounts payable claims submitted to the Board of County Commissioners for payment were supported by duplicate copies of an invoice. These invoices were questioned during the audit. The EMS Director, Valerie Luchauer, researched these invoices and produced additional invoices that should have been submitted instead. She indicated that the duplicate invoices had been attached by mistake.

LAWRENCE COUNTY  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 (Continued)

The \$586.04 duplicate payment to E Electric and Communications should have been supported by an invoice for \$490. This resulted in an overpayment of \$96.04 and this refund was received on April 23, 2012. Although the County had overpaid this vendor, the proper amount was reported to the State for reimbursement.

Invoice 1088688 from Sierra Pacific Innovations Corporation for \$2,923 was also paid twice. However, invoice 1089020 for the same amount was provided to support the second payment.

An invoice for \$3,238.65 was paid to Anchortex Corporation on February 4, 2011, and on March 15, 2011. A refund was received from Anchortex on April 30, 2012. Although the County had overpaid this vendor, the proper amount was reported to the State for reimbursement.

2. New funds were not established as required:

Lawrence County entered into several grant agreements with the Indiana Department of Homeland Security. The grants were to be reimbursable and the County was required to establish a new fund for each grant; however, it was found that three funds accounted for more than one grant. Grant number C44P-0-402A for \$31,285 and grant number C44P-1-221A for \$75,500 were posted to fund 9129. Grant number C44P-0-075A for \$161,250 and grant number C44P-1-390A for \$33,280.60 were posted to fund 9118. Grant number C44P-0-414A for \$50,000 and grant number C44P-9-818A for \$36,200 were posted to fund 9119.

3. The following grant activity was posted to the wrong funds:

Expenditures and receipts totaling \$1,721.57 were posted to grant C44P-0-402A (fund 9129); however, these expenses were reported to the State as grant C44P-1-221A (fund 9124).

Expenditures and receipts totaling \$8,859.76 were posted to fund 9119 which was used for grants C44P-9-818A and C44P-0-414A; however, these expenses were reported to the State as grant C44P-0-205A (fund 9124).

The following adjustments need to be posted to the ledger to correct errors caused by receipts being posted to a different fund than the disbursement:

DUE TO		DUE FROM		
FUND NUMBER	GRANT/FUND	FUND NUMBER	GRANT/FUND	AMOUNT
8100	Runway Paving Grant	1107	Aviation	\$ 21,271.11
1176	Highway	9137	C44P-2-037A	2,272.61
9137	C44P-2-037A	1176	Highway	75.00
9137	C44P-2-037A	9124	C44P-0-205A	3,736.20
9118	C44P-1-390A	9130	C44P-1-072A	120.00
9130	C44P-1-072A	9124	C44P-0-205A	490.00
9129	C44P-1-221A	9124	C44P-0-205A	2,500.00
9130	C44P-1-072A	9124	C44P-0-205A	248.14
		Total		<u>\$ 30,713.06</u>

LAWRENCE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objections, 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 of Indiana, Chapter 14)

We recommended that the County establish proper controls to address the deficiencies noted with the disbursing funds and posting receipts and disbursements to the ledger.

**Section III – Federal Award Findings and Questioned Costs**

**FINDING 2011-2 - CASH MANAGEMENT**

Federal Agency: Department of Transportation  
Federal Program: Airport Improvement Program  
CFDA Number: 20.106  
Federal Award Number and Year: 3-18-0005-07, 3-18-0005-09, 3-18-0005-10

Amounts received for the Airport Improvement Program Grants were supposed to be disbursed before the reimbursement was received from the federal agency. However, the County had requested and received the reimbursement before the funds were disbursed. The following table indicates the dates the funds were received and disbursed.

Federal Program	Date of Reimbursement Request	Receipt Date	Check Date	Check Number	Vendor	Check Amount	Federal Share	Days Held
3-18-0005-09	12-14-10	01-20-11	01-21-11	69418	Woolpert	\$ 53,879.12	\$ 51,185.16	1
3-18-0005-09	12-14-10	01-20-11	01-21-11	62268	The Harper Group	944,454.48	897,231.76	1
3-18-0005-09	12-14-10	01-20-11	01-21-11	62269	Woolpert	15,723.49	14,937.32	1
3-18-0005-09	12-14-10	01-20-11	01-21-11	62270	The Harper Group	63,533.03	60,356.38	1
3-18-0005-09	02-08-11	03-04-11	03-29-11	70750	Woolpert	41,250.00	39,188.00	25
3-18-0005-07	04-12-11	05-12-11	05-13-11	71576	Woolpert	14,000.00	13,330.31	1
3-18-0005-09	06-21-11	07-27-11	09-13-11	73927	Woolpert	29,714.21	28,228.00	46
3-18-0005-09	05-10-11	07-27-11	09-13-11	73927	Woolpert	8,540.00	8,113.00	46
3-18-0005-09	07-12-11	07-27-11	09-13-11	73926	The Harper Group	65,221.74	61,961.00	46
3-18-0005-09	09-13-11	09-29-11	10-25-11	74777	Woolpert	20,347.69	19,330.00	26
3-18-0005-10	09-13-11	09-29-11	04-24-12	79045	Woolpert	8,195.00	7,785.00	206
3-18-0005-09	11-08-11	12-09-11	12-22-11	76658	The Harper Group	71,131.11	67,574.55	13
3-18-0005-09	11-08-11	12-09-11	12-22-11	76659	Woolpert	3,740.00	3,553.00	13
						<u>\$ 1,339,729.87</u>	<u>\$ 1,272,773.48</u>	

49 CFR 18.21 (d) states:

"Reimbursement. Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's actual rate of disbursement."

LAWRENCE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Surplus cash indicates noncompliance with the cash management requirement as set forth by the grant agreement. Additionally, failure to minimize the cash on hand may cause future funding to be reduced by the federal agency.

We recommended that the Aviation Board and County Officials comply with the compliance requirements set forth in the grant agreement for cash management and the reimbursement of expenditures.



# Lawrence County Emergency Management Agency

*Lawrence County Complex  
One County Complex Road Bedford, IN 47421  
Phone: 812-277-9680 Fax: 812-275-5835  
Email: lcema@lawrencecounty.in.gov*

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Valerie Luchauer, Director

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### Finding Number 2010-2, INTERNAL CONTROL OVER COMPLIANCE

Federal Agency: U.S. Department of Homeland Security  
Federal Program: State Homeland Security Program (SHSP)  
CFDA number: 97.073  
Federal award numbers: C44P-0-113A 07SHSP; C44P9818A ODP 07 SHSP; C44P-9-491A  
ODP 07 SHSP; C44P-O-414A; C44P-0-402A; C44P-0-205A  
Pass-through entity: Indiana Department of Homeland Security

Original SBA Audit Report Number:	B39184
Fiscal Year	2010
Auditee Contact Person	Valerie Luchauer
Title of Contact Person 8 Fiscal Agent	Lawrence County EMA and District
Phone Number	(812) 277-9680

### Status of Finding:

As of June 1, 2012 in response to the findings of the 2010 Audit an Improvement Plan was discussed with our State Board of Accounts Auditor and changes have been made.

By being able to have a negative balance in the grant accounts I no longer have to pay claims from existing county accounts and reimburse those accounts.

I reimbursed the accounts that were negative from the accounts the reimbursements had been deposited in. I also reimbursed the grant balance from the county EMA fund to pay for the microwave and refrigerator that was not applicable grant expenditure.

I have contacted Rachel Woodall of the Indiana Department of Homeland Security Grants Division and she emailed me that and indicated she was satisfied that the matter was completed. There were no requests from that department or Rachel herself for any additional information.



Valerie Luchauer,  
Director



**Lawrence County**  
**E-911 Readdressing**  
Lawrence County Complex, One County Complex Road, Bedford, IN 47421  
Phone: 812-277-9680 Fax: 812-275-5835

Response to SBA internal control findings 2011 Audit

June 11, 2012

During the meeting with SBA Auditor Phyllis Moffit, she provided suggestions on improving the deficiencies that were found.

1. As of June 1, 2012 in response to the findings of the 2010 Audit an Improvement Plan was discussed with our State Board of Accounts Auditor and changes have been made.
2. By being able to have a negative balance in the grant accounts I no longer have to pay claims from existing county accounts and reimburse those accounts.
3. Only pay grant claims through the normal claims process. In the past some of the claims were paid on the same date as utility claims to avoid late fees that are not an allowable grant expenditure.
4. Each grant is awarded a federal EDS specific number. Reimbursements from the State Treasurer are identified by the federal EDS specific number. All grant fund accounts should have the EDS number as part of the grant fund. That allows a clear and direct path for the Auditor to know exactly which fund should be reimbursed the correct amount. Any and all grant fund claims are being submitted with the EDS number on the claim as well.
5. The EMA director will ensure with the assistance of the Auditor's office that all grants have a 0 balance in them once all 100% of the reimbursement requests have been submitted to the Indiana Department of Homeland Security and payment has been made to Lawrence County. As the grants funds are dwindling the amount of open grants should be minimal and easier to manage.

Sincerely,

Valerie Luchauer, Director



OFFICE OF  
AUDITOR OF LAWRENCE COUNTY  
BILLIE TUMEY  
916 15TH STREET, SUITE 28  
BEDFORD, INDIANA 47421

July 2, 2012

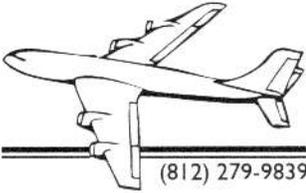
Response and Corrective Action to Finding 2011-1 Internal Controls over Financial Transaction and Reporting

The Auditors Office relies on the EMS Director, as grant administrator to provide the proper documents to correctly set up the appropriate funds, post payments and pay claims. The Auditors Office bookkeeper was informed that all the funds in questions were part of one grant and different funds were not necessary. Claims were paid in duplicate due to the claims being filed had different invoice numbers for the duplicate invoice or no invoice numbers. The EFT notices were sent to the director for guidance as to where the funds were to be posted. Some EFT notices lack information to correctly identify the appropriate fund. The Airport employees misdirected the information to the wrong fund and it was a simple mistake that should have been identified quickly.

The county will now require a Grant Summary Sheet for all grants the county is receiving funds for. All grant administrators have been directed to notify the bookkeeper in advance with a claims voucher for any deposits are anticipated. EFT notices have been providing additional information in the last few months. Claims for EMS were given to the bookkeeper and assistant bookkeeper for payment. All claims for EMS are to be given only to one bookkeeper in order to eliminate the possibility of paying the claim twice.

Thank you,

Billie Tumey  
Lawrence County Auditor



(812) 279-9839

*Board of Aviation Commissioners*  
Lawrence County, Indiana

3213 TUNNELTON ROAD • BEDFORD, INDIANA 47421



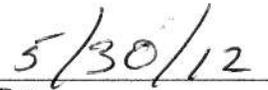
**Federal Agency: Department of Transportation**  
**Federal Program: Airport Improvement Program**  
**CFDA Number: 20.106**  
**Federal Award Number and Year: 3-18-0005-07, 3-18-0005 09, 3-18-0005-10**

The problems with internal control and timely cash management were related to new personnel in County and Board of Aviation Commissioners positions. There wasn't a good transfer of information to new personnel so each person understood the requirements or the Grant procedure.

Problems listed in the Finding have been discussed with all the personnel, new and old. Methods were identified to insure understanding and compliance with Grant regulations. Ways to make each step of the process easier, consistent, and traceable.

These operational procedures along with the Grant requirements will be documented for futures use in training new personnel. The Personnel involved have been interviewed at this time and the documentation of new Board of Aviation procedures will be done by August 30<sup>th</sup>, 2012.

  
Board of Aviation Commissioners

  
Date

**VIRGIL I. GRISSOM AIRPORT**

LAWRENCE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 3, 2012, with Billie J. Tumey, Auditor, and Christopher May, President of the Board of County Commissioners.