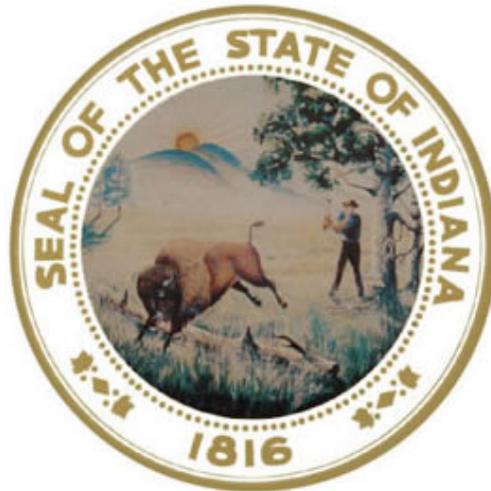


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

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



**FILED**  
08/27/2012



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-4
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 .....	5-6
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	8-9
Notes to Financial Statement .....	10-14
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	16-39
Schedule of Leases and Debt .....	40
Schedule of Capital Assets.....	41
Other Reports.....	42
Supplemental Audit of Federal Awards:	
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 .....	44-45
Schedule of Expenditures of Federal Awards .....	48
Notes to Schedule of Expenditures of Federal Awards.....	49
Schedule of Findings and Questioned Costs .....	50-51
Auditee Prepared Schedules:	
Summary Schedule of Prior Audit Findings .....	52
Corrective Action Plan.....	53
Exit Conference.....	54

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Robin Lowder	01-01-11 to 12-31-14
Treasurer	Phyllis Vest	01-01-09 to 12-31-12
Clerk	Marcia R. Moore	01-01-11 to 12-31-14
Sheriff	Michael Shepherd	01-01-11 to 12-31-14
Recorder	Debra Carnes	01-01-11 to 12-31-14
President of the Board of County Commissioners	Brad Armstrong Tom Stevens	01-01-11 to 12-31-11 01-01-12 to 12-31-12
President of the County Council	William Bolander	01-01-11 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF HANCOCK COUNTY, INDIANA

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

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated August 07, 2012, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

This report is intended solely for the information and use of the County's management, 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

August 7, 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 HANCOCK COUNTY, INDIANA

We have audited the financial statement of Hancock County (County), for the year ended December 31, 2011, and have issued our report thereon dated August 7, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

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

August 7, 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.

HANCOCK 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	\$ 1,243,592	\$ 14,670,876	\$ 13,818,922	\$ 2,095,546
Highway	968,281	3,632,508	4,104,706	496,083
Local Road And Street	244,839	669,762	531,860	382,741
Accident Report	74	5,210	4,213	1,071
Firearms Training	6,704	20,127	15,661	11,170
Health	75,685	348,439	349,038	75,086
Alcohol And Drug Services	-	305,259	305,259	-
Law Enforcement Continuing Ed	663	29,703	29,703	663
Clerk's Records Perpetuation	62,647	29,165	24,790	67,022
Unsafe Building	2,185	-	-	2,185
E911 Operating	447,754	1,317,742	1,269,549	495,947
Drug Free Community	95,771	67,761	65,136	98,396
Drainage Maintenance	2,408,866	458,610	389,411	2,478,065
Emergency Planning/Right To Know	8,379	744	3,783	5,340
Prosecutor Title IV-D #1	1,712	-	1,712	-
Juvenile Probation Service	12,716	13,013	20,470	5,259
Recorder's Records Perpetuation	218,535	124,224	104,641	238,118
User Fee	244,689	307,046	349,596	202,139
Pretrial Diversion	158,575	109,189	86,221	181,543
Misdemeanant	35,945	34,013	34,012	35,946
Supplemental Public Defender Svc	178,660	81,821	108,611	151,870
Clerk Title IV-D #1	15,823	-	-	15,823
Jury Pay	37,703	14,361	16,494	35,570
Rainy Day	3,271,345	-	-	3,271,345
County Sales Disclosure	3,408	9,770	9,860	3,318
Cedit Special Tax	57,110	-	14,354	42,756
Community Corrections	403,316	857,473	947,275	313,514
Tobacco Settlement	97,951	28,709	6,193	120,467
Levy Excess	109,821	167	31,568	78,420
Identification Security Protection	94,368	17,000	13,105	98,263
Food And Beverage Tax	437,331	401,535	243,729	595,137
Prosecutor Title IV-D #2	29,736	58,922	21,513	67,145
Clerk Title IV-D #2	32,012	39,164	13,379	57,797
Sex & Violent Offender Fund	-	2,005	800	1,205
County Portion Cedit Econ Dev	859,051	-	40,000	819,051
GAL/CASA	-	22,329	19,890	2,439
Reassessment 2009	284,265	10,000	200,531	93,734
2015 Reassessment	-	261,052	-	261,052
Supplemental Adult Probation Svces	77,851	187,109	197,615	67,345
Elected Officials Training	-	2,612	-	2,612
Cumulative Capital Development	809,417	1,025,561	1,081,305	753,673
Cumulative Bridge	1,742,494	1,599,882	1,925,815	1,416,561
General Drain Improvement	919,969	129,541	116,041	933,469
Reconstruction Drains	-	28,599	25,669	2,930
Police Pension	5,903,671	13,120,580	13,099,179	5,925,072
Congressional School Principal	10,741	-	-	10,741
City And Town Court Costs	5,066	25,360	28,165	2,261
Coroners Training & Education	646	6,248	6,316	578
Congressional School Interest	24,559	140	-	24,699
Weed Lien	-	3,925	3,525	400
Surplus Tax Sale	707,922	503,003	721,736	489,189
Tax Sale Redemption	67,440	184,179	178,665	72,954
Surplus Tax	70,135	82,218	93,890	58,463
Personal Property Audit 2009	-	663,102	663,102	-
Sewage Collections	-	43,450	43,450	-
Overweight Vehicle Fines	490	6,534	6,774	250
Infraction Judgements	29,213	122,778	140,486	11,505
Inheritance Tax	192,581	2,416,594	1,931,300	677,875
Special Death Benefit	965	5,730	6,280	415
Education Plate Fees Agency	525	2,175	1,872	828
Cagit Certified Shares	-	10,704,458	10,704,458	-
Financial Institution Tax	-	57,287	57,287	-
Wheel Tax	480	230,072	230,552	-
Mortgage Fees - State Share	908	8,208	8,803	313
CVET Agency	-	438,109	438,109	-
Homestead Credit Rebate	81	35,239	35,320	-
LOIT Homestead	-	3,568,154	3,495,362	72,792
LOIT Public Safety - County Portion	-	1,162,661	957,608	205,053
Bid Deposits And Bonds Holding	49,309	25,230	30,593	43,946
Wheel & Surtax Excise	-	221,742	110,306	111,436
Tax Distribution	837,963	66,531,936	66,767,210	602,689
General Obligation of 2011 Capital Improvement	-	1,100,000	352,862	747,138
Federal \$ Bullet Proof Vests	-	1,050	1,050	-
LOIT Public Safety	-	2,140,892	2,140,892	-
FED 97.042 Emergency Management	-	3,500	3,500	-
ICJI MADD for PBT	-	1,204	1,204	-
BJA ARRA Grant Crusier Equipment	-	11,338	11,338	-
Law Enforcement Federal Equitable Sharing	-	63,621	-	63,621
Car-1 Sheriff Department	67,962	2,279,100	2,245,880	101,182
Cash Change Fund	-	500	-	500
Auto Rental	-	30,924	13,600	17,324
Demand Fees	-	590	590	-
Redevelopment Capital	6,736,221	37,461	808,336	5,965,346
Redevelopment Debt Service Reserve	1,064,834	10,258	10,292	1,064,800
Redevelopment Bond Principal & Interest	835,782	3,802	443,688	395,896
Allocation Fund-Redevelopment Bond	-	230,330	-	230,330
Community Corrections Grant	48,501	288,742	316,182	21,061
State Homeland Security Grant	2,302	-	-	2,302
Convention And Tourism	12,766	225,761	229,072	9,455
Sheriff's Continuing Education	10,645	8	3,000	7,653

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

HANCOCK 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
Hancock Area Rural Transit	1	249,282	249,283	-
Public Hlth H1N1 Phase III Federal	36,380	-	36,290	90
Public Hlth Emergency H1N1 Federal	51	-	-	51
Health Maintenance Grant	62,712	48,859	60,729	50,842
IDEM Grant	1,154	-	1,086	68
Operation Pullover	6,173	19,946	20,895	5,224
Riverboat Revenue Sharing	-	346,639	346,639	-
JAG GRANT	8,790	11,328	30,060	(9,942)
Bio Terrorism Grant	51,946	23,729	31,812	43,863
JAIBJ Jobs Grant	395	-	-	395
DARE	451	-	-	451
Drug Court	14,601	15,977	4,487	26,091
Mrc-Medical Reserve Corp	2,784	6,254	3,794	5,244
Pace Grant Drug Interdiction	8,676	48,471	46,389	10,758
Metro Drug Task Force	472	13,103	6,198	7,377
Bureau Of Justice Assistance Grant	-	57,758	57,372	386
Hava Section 102	47,596	-	-	47,596
Hava Section 101	11,604	-	1,425	10,179
Cornerstone Perpetuation	48,540	12,301	20,536	40,305
Auditor's Transfer Fee	22,922	13,675	11,135	25,462
Assessment Training Fund	29,977	6,380	5,365	30,992
Superior I Transcript	650	9,629	8,378	1,901
Superior Court II Transcripts	32	1,775	1,775	32
Circuit Court Transcripts	1,914	5,054	6,334	634
Drug Screen Probation	13,589	14,963	10,919	17,633
County Child Abuse Prevention Fee	35	-	-	35
Courthouse Renovation	279	-	-	279
Health Department Donations	2,739	2,625	-	5,364
Conservation Training	96	40	40	96
E911 Landline Revenue Fund	-	648,610	640,137	8,473
E911 Wireless	-	230,200	230,200	-
Fines & Forfeitures	9,106	25,309	30,049	4,366
Pension Clearing Fund	2,639	30,425	33,064	-
93.563 CFDA Clerk ARRA Funding	4,752	-	-	4,752
Prosecutor Arra Fund 93.5	42,126	-	-	42,126
HC Rural Transit ARRA Fed Grant	-	11,958	11,958	-
Community Corrections Vending	38,584	77,947	36,683	79,848
Ada Drug Screen Probation	320	48,641	32,740	16,221
General Obligations Bond of 2001	91,344	192,823	284,167	-
General Obligation Bond of 2002	601,739	1,216,264	1,268,425	549,578
General Obligation Bond of 2005	371,445	412,343	779,843	3,945
General Obligation Bond of 2007	133,234	952,245	739,959	345,520
E911 Revenue Bond	63,892	1,209,320	286,387	986,825
EOC Construction Fund	98,460	-	85,141	13,319
Health Claims Fund	157,172	1,800,000	1,814,515	142,657
Payroll	837,617	3,968,921	3,786,083	1,020,455
Interstate Transfer Fee	-	613	263	350
State Sales Disclosure	2,373	6,310	6,410	2,273
Stormwater	-	1,748	1,738	10
Auto Excise	-	1,786,139	1,786,139	-
School General Tax	1,174	-	-	1,174
Library Ptrc/Cedit Fund	3,222,703	2,148,920	2,605,118	2,766,505
City & Town General	3,863	-	-	3,863
PTRC	-	3,568,153	3,568,153	-
Tax Sale Vendor Fees	9,615	11,330	20,475	470
Hea 1001-2008 State Homestead	(2,365)	-	775	(3,140)
Settlement Excise	-	8,339,084	8,339,084	-
Advance Collections Of Taxes	16,053	1,425,488	1,435,399	6,142
Overpayments	-	10,896	10,896	-
Drainage Assessment	3,357	452,509	452,392	3,474
Excess Tax Collections	20	82,320	82,268	72
License Excise Tax	372,053	7,364,205	6,989,404	746,854
Sewage And Weed	4,504	95,518	49,811	50,211
Tax Sale Costs	25	4,100	4,075	50
Aircraft	-	12,370	12,370	-
Boat Excise	6,050	118,462	119,215	5,297
Vendor Fees	70	11,400	11,330	140
Lottery	280,385	3,227,024	3,227,167	280,242
Sewer & Weed Penalty 2009	-	1,098	-	1,098
Car-1 Clerk Bank Account	1,592,640	4,154,220	4,328,474	1,418,386
Car-1 Clerk MHI Bank Account	53,395	21	53,416	-
Car-1 Clerk Investments	55,000	-	-	55,000
Car-1 Clerk Isets	14,371	1,026,101	1,025,480	14,992
Car-1 Recorder	40,155	366,691	369,543	37,303
Car-1 Community Corrections	59,759	-	59,759	-
Car-1 County Health	850	109,385	107,349	2,886
Car-1 Inmate Trust	6,393	265,529	267,194	4,728
Car-1 Planning & Building	1	161,294	144,921	16,374
Car-1 Probation	20,897	332,834	328,884	24,847
Car-1 Purdue Extension	17,680	59,268	57,260	19,688
Tax Distribution Property Tax	-	66,570,785	66,570,785	-
<b>Totals</b>	<b>\$ 40,988,961</b>	<b>\$ 246,965,805</b>	<b>\$ 245,940,103</b>	<b>\$ 42,014,663</b>

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

HANCOCK 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 include the following sources:

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

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

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,

HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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

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

*E. Disbursements*

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

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

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

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

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.

HANCOCK 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.

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.

HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

*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.

HANCOCK COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

## 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.

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

	General	Highway	Local Road And Street	Accident Report	Firearms Training	Health	Alcohol And Drug Services	Law Enforcement Continuing Ed
Cash and investments - beginning	\$ 1,243,592	\$ 968,281	\$ 244,839	\$ 74	\$ 6,704	\$ 75,685	\$ -	\$ 663
Receipts:								
Taxes	11,411,419	153,788	-	-	-	223,231	-	-
Licenses and permits	145,176	14,300	-	-	20,127	-	-	-
Intergovernmental	727,351	3,381,575	575,105	-	-	20,022	-	-
Charges for services	1,233,289	24,301	55,311	5,210	-	93,605	232,724	29,703
Fines and forfeits	391,626	-	-	-	-	-	-	-
Other receipts	762,015	58,544	39,346	-	-	11,581	72,535	-
Total receipts	<u>14,670,876</u>	<u>3,632,508</u>	<u>669,762</u>	<u>5,210</u>	<u>20,127</u>	<u>348,439</u>	<u>305,259</u>	<u>29,703</u>
Disbursements:								
Personal services	9,435,774	1,688,603	-	-	-	308,791	299,944	-
Supplies	149,430	1,825,045	-	-	-	16,762	2,019	-
Other services and charges	3,079,591	324,985	531,860	4,213	-	23,485	3,296	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	266,073	-	-	-	-	-	-
Other disbursements	1,154,127	-	-	-	15,661	-	-	29,703
Total disbursements	<u>13,818,922</u>	<u>4,104,706</u>	<u>531,860</u>	<u>4,213</u>	<u>15,661</u>	<u>349,038</u>	<u>305,259</u>	<u>29,703</u>
Excess (deficiency) of receipts over disbursements	<u>851,954</u>	<u>(472,198)</u>	<u>137,902</u>	<u>997</u>	<u>4,466</u>	<u>(599)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,095,546</u>	<u>\$ 496,083</u>	<u>\$ 382,741</u>	<u>\$ 1,071</u>	<u>\$ 11,170</u>	<u>\$ 75,086</u>	<u>\$ -</u>	<u>\$ 663</u>

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

	Clerk's Records Perpetuation	Unsafe Building	E911 Operating	Drug Free Community	Drainage Maintenance	Emergency Planning/Right To Know	Prosecutor Title IV-D #1	Juvenile Probation Service
Cash and investments - beginning	\$ 62,647	\$ 2,185	\$ 447,754	\$ 95,771	\$ 2,408,866	\$ 8,379	\$ 1,712	\$ 12,716
Receipts:								
Taxes	-	-	-	-	449,833	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	29,165	-	380,000	67,761	-	744	-	13,013
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	937,742	-	8,777	-	-	-
Total receipts	<u>29,165</u>	<u>-</u>	<u>1,317,742</u>	<u>67,761</u>	<u>458,610</u>	<u>744</u>	<u>-</u>	<u>13,013</u>
Disbursements:								
Personal services	17,885	-	1,054,820	25,490	-	-	-	20,470
Supplies	1,360	-	5,097	-	-	-	-	-
Other services and charges	5,545	-	209,632	39,646	-	3,783	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	389,411	-	1,712	-
Total disbursements	<u>24,790</u>	<u>-</u>	<u>1,269,549</u>	<u>65,136</u>	<u>389,411</u>	<u>3,783</u>	<u>1,712</u>	<u>20,470</u>
Excess (deficiency) of receipts over disbursements	<u>4,375</u>	<u>-</u>	<u>48,193</u>	<u>2,625</u>	<u>69,199</u>	<u>(3,039)</u>	<u>(1,712)</u>	<u>(7,457)</u>
Cash and investments - ending	<u>\$ 67,022</u>	<u>\$ 2,185</u>	<u>\$ 495,947</u>	<u>\$ 98,396</u>	<u>\$ 2,478,065</u>	<u>\$ 5,340</u>	<u>\$ -</u>	<u>\$ 5,259</u>

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

	Recorder's Records Perpetuation	User Fee	Pretrial Diversion	Misdemeanant	Supplemental Public Defender Svc	Clerk Title IV-D #1	Jury Pay	Rainy Day
Cash and investments - beginning	\$ 218,535	\$ 244,689	\$ 158,575	\$ 35,945	\$ 178,660	\$ 15,823	\$ 37,703	\$ 3,271,345
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	123,860	-	5,967	-	-	-	-	-
Fines and forfeits	-	307,046	-	-	-	-	-	-
Other receipts	364	-	103,222	34,013	81,821	-	14,361	-
Total receipts	<u>124,224</u>	<u>307,046</u>	<u>109,189</u>	<u>34,013</u>	<u>81,821</u>	<u>-</u>	<u>14,361</u>	<u>-</u>
Disbursements:								
Personal services	87,996	-	56,112	-	14,921	-	-	-
Supplies	5,000	-	180	-	-	-	-	-
Other services and charges	-	-	29,929	34,012	-	-	16,494	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	11,645	349,596	-	-	93,690	-	-	-
Total disbursements	<u>104,641</u>	<u>349,596</u>	<u>86,221</u>	<u>34,012</u>	<u>108,611</u>	<u>-</u>	<u>16,494</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>19,583</u>	<u>(42,550)</u>	<u>22,968</u>	<u>1</u>	<u>(26,790)</u>	<u>-</u>	<u>(2,133)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 238,118</u>	<u>\$ 202,139</u>	<u>\$ 181,543</u>	<u>\$ 35,946</u>	<u>\$ 151,870</u>	<u>\$ 15,823</u>	<u>\$ 35,570</u>	<u>\$ 3,271,345</u>

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

	County Sales Disclosure	Cedit Special Tax	Community Corrections	Tobacco Settlement	Levy Excess	Identification Security Protection	Food And Beverage Tax	Prosecutor Title IV-D #2
Cash and investments - beginning	\$ 3,408	\$ 57,110	\$ 403,316	\$ 97,951	\$ 109,821	\$ 94,368	\$ 437,331	\$ 29,736
Receipts:								
Taxes	-	-	-	-	-	-	401,535	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	28,709	-	-	-	-
Charges for services	-	-	80,634	-	-	-	-	58,922
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	9,770	-	776,839	-	167	17,000	-	-
Total receipts	9,770	-	857,473	28,709	167	17,000	401,535	58,922
Disbursements:								
Personal services	-	-	716,718	5,001	-	-	-	16,860
Supplies	-	-	79,418	776	-	-	-	-
Other services and charges	-	-	139,614	-	-	13,105	19,562	4,653
Debt service - principal and interest	-	-	-	-	-	-	8,263	-
Capital outlay	-	-	4,567	-	-	-	-	-
Other disbursements	9,860	14,354	6,958	416	31,568	-	215,904	-
Total disbursements	9,860	14,354	947,275	6,193	31,568	13,105	243,729	21,513
Excess (deficiency) of receipts over disbursements	(90)	(14,354)	(89,802)	22,516	(31,401)	3,895	157,806	37,409
Cash and investments - ending	\$ 3,318	\$ 42,756	\$ 313,514	\$ 120,467	\$ 78,420	\$ 98,263	\$ 595,137	\$ 67,145

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

	Clerk Title IV-D #2	Sex & Violent Offender Fund	County Portion Cedit Econ Dev	GAL/CASA	Reassessment 2009	2015 Reassessment	Supplemental Adult Probation Svces
Cash and investments - beginning	\$ 32,012	\$ -	\$ 859,051	\$ -	\$ 284,265	\$ -	\$ 77,851
Receipts:							
Taxes	-	-	-	-	-	239,565	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	21,487	-
Charges for services	39,164	-	-	22,329	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	2,005	-	-	10,000	-	187,109
Total receipts	39,164	2,005	-	22,329	10,000	261,052	187,109
Disbursements:							
Personal services	-	-	-	-	190,458	-	195,477
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	19,890	10,073	-	2,138
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	13,379	800	40,000	-	-	-	-
Total disbursements	13,379	800	40,000	19,890	200,531	-	197,615
Excess (deficiency) of receipts over disbursements	25,785	1,205	(40,000)	2,439	(190,531)	261,052	(10,506)
Cash and investments - ending	\$ 57,797	\$ 1,205	\$ 819,051	\$ 2,439	\$ 93,734	\$ 261,052	\$ 67,345

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

	Elected Officials Training	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	Reconstruction Drains	Police Pension	Congressional School Principal
Cash and investments - beginning	\$ -	\$ 809,417	\$ 1,742,494	\$ 919,969	\$ -	\$ 5,903,671	\$ 10,741
Receipts:							
Taxes	-	906,536	1,361,166	25,658	-	-	-
Licenses and permits	-	-	-	-	28,599	-	-
Intergovernmental	-	81,307	122,083	-	-	-	-
Charges for services	-	-	99,130	-	-	406,899	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,612	37,718	17,503	103,883	-	12,713,681	-
Total receipts	2,612	1,025,561	1,599,882	129,541	28,599	13,120,580	-
Disbursements:							
Personal services	-	-	-	-	-	302,525	-
Supplies	-	-	29,264	-	-	-	-
Other services and charges	-	-	20,752	-	-	89,169	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	1,081,305	1,875,799	-	-	-	-
Other disbursements	-	-	-	116,041	25,669	12,707,485	-
Total disbursements	-	1,081,305	1,925,815	116,041	25,669	13,099,179	-
Excess (deficiency) of receipts over disbursements	2,612	(55,744)	(325,933)	13,500	2,930	21,401	-
Cash and investments - ending	\$ 2,612	\$ 753,673	\$ 1,416,561	\$ 933,469	\$ 2,930	\$ 5,925,072	\$ 10,741

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

	City And Town Court Costs	Coroners Training & Education	Congressional School Interest	Weed Lien	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax
Cash and investments - beginning	\$ 5,066	\$ 646	\$ 24,559	\$ -	\$ 707,922	\$ 67,440	\$ 70,135
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	25,360	6,248	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	140	3,925	503,003	184,179	82,218
Total receipts	25,360	6,248	140	3,925	503,003	184,179	82,218
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	28,165	6,316	-	3,525	721,736	178,665	93,890
Total disbursements	28,165	6,316	-	3,525	721,736	178,665	93,890
Excess (deficiency) of receipts over disbursements	(2,805)	(68)	140	400	(218,733)	5,514	(11,672)
Cash and investments - ending	\$ 2,261	\$ 578	\$ 24,699	\$ 400	\$ 489,189	\$ 72,954	\$ 58,463

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

	Personal Property Audit 2009	Sewage Collections	Overweight Vehicle Fines	Infraction Judgements	Inheritance Tax	Special Death Benefit	Education Plate Fees Agency
Cash and investments - beginning	\$ -	\$ -	\$ 490	\$ 29,213	\$ 192,581	\$ 965	\$ 525
Receipts:							
Taxes	-	-	-	-	2,416,594	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	6,534	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	663,102	43,450	-	122,778	-	5,730	2,175
Total receipts	663,102	43,450	6,534	122,778	2,416,594	5,730	2,175
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	663,102	43,450	6,774	140,486	1,931,300	6,280	1,872
Total disbursements	663,102	43,450	6,774	140,486	1,931,300	6,280	1,872
Excess (deficiency) of receipts over disbursements	-	-	(240)	(17,708)	485,294	(550)	303
Cash and investments - ending	\$ -	\$ -	\$ 250	\$ 11,505	\$ 677,875	\$ 415	\$ 828

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

	Cagit Certified Shares	Financial Institution Tax	Wheel Tax	Mortgage Fees - State Share	CVET Agency	Homestead Credit Rebate	LOIT Homestead
Cash and investments - beginning	\$ -	\$ -	\$ 480	\$ 908	\$ -	\$ 81	\$ -
Receipts:							
Taxes	10,704,458	-	230,072	-	438,109	35,239	3,568,154
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	57,287	-	-	-	-	-
Charges for services	-	-	-	8,208	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>10,704,458</u>	<u>57,287</u>	<u>230,072</u>	<u>8,208</u>	<u>438,109</u>	<u>35,239</u>	<u>3,568,154</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	10,704,458	57,287	230,552	8,803	438,109	35,320	3,495,362
Total disbursements	<u>10,704,458</u>	<u>57,287</u>	<u>230,552</u>	<u>8,803</u>	<u>438,109</u>	<u>35,320</u>	<u>3,495,362</u>
Excess (deficiency) of receipts over disbursements	-	-	(480)	(595)	-	(81)	72,792
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 313</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,792</u>

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

	LOIT Public Safety - County Portion	Bid Deposits And Bonds Holding	Wheel & Surtax Excise	Tax Distribution	General Obligation of 2011 Capital Improvement	Federal \$ Bullet Proof Vests	LOIT Public Safety
Cash and investments - beginning	\$ -	\$ 49,309	\$ -	\$ 837,963	\$ -	\$ -	\$ -
Receipts:							
Taxes	1,143,123	-	221,742	66,531,936	-	-	2,140,892
Licenses and permits	-	25,230	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	1,050	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	19,538	-	-	-	1,100,000	-	-
Total receipts	<u>1,162,661</u>	<u>25,230</u>	<u>221,742</u>	<u>66,531,936</u>	<u>1,100,000</u>	<u>1,050</u>	<u>2,140,892</u>
Disbursements:							
Personal services	117,923	-	-	-	-	-	-
Supplies	39,993	-	-	-	-	-	-
Other services and charges	799,692	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,050	-
Other disbursements	-	30,593	110,306	66,767,210	352,862	-	2,140,892
Total disbursements	<u>957,608</u>	<u>30,593</u>	<u>110,306</u>	<u>66,767,210</u>	<u>352,862</u>	<u>1,050</u>	<u>2,140,892</u>
Excess (deficiency) of receipts over disbursements	<u>205,053</u>	<u>(5,363)</u>	<u>111,436</u>	<u>(235,274)</u>	<u>747,138</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 205,053</u>	<u>\$ 43,946</u>	<u>\$ 111,436</u>	<u>\$ 602,689</u>	<u>\$ 747,138</u>	<u>\$ -</u>	<u>\$ -</u>

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

	FED 97.042 Emergency Management	ICJI MADD for PBT	BJA ARRA Grant Crusier Equipment	Law Enforcement Federal Equitable Sharing	Car-1 Sheriff Department	Cash Change Fund	Auto Rental
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 67,962	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	30,924
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,500	1,204	11,338	63,621	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	2,279,100	500	-
Total receipts	<u>3,500</u>	<u>1,204</u>	<u>11,338</u>	<u>63,621</u>	<u>2,279,100</u>	<u>500</u>	<u>30,924</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	3,500	1,204	11,338	-	-	-	-
Other disbursements	-	-	-	-	2,245,880	-	13,600
Total disbursements	<u>3,500</u>	<u>1,204</u>	<u>11,338</u>	<u>-</u>	<u>2,245,880</u>	<u>-</u>	<u>13,600</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,621</u>	<u>33,220</u>	<u>500</u>	<u>17,324</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,621</u>	<u>\$ 101,182</u>	<u>\$ 500</u>	<u>\$ 17,324</u>

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

	Demand Fees	Redevelopment Capital	Redevelopment Debt Service Reserve	Redevelopment Bond Principal & Interest	Allocation Fund-Redevelopment Bond	Community Corrections Grant	State Homeland Security Grant
Cash and investments - beginning	\$ -	\$ 6,736,221	\$ 1,064,834	\$ 835,782	\$ -	\$ 48,501	\$ 2,302
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	590	-	-	-	-	288,742	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	37,461	10,258	3,802	230,330	-	-
Total receipts	590	37,461	10,258	3,802	230,330	288,742	-
Disbursements:							
Personal services	-	-	-	-	-	236,993	-
Supplies	-	-	-	-	-	43,830	-
Other services and charges	-	-	-	-	-	35,359	-
Debt service - principal and interest	-	-	-	443,688	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	590	808,336	10,292	-	-	-	-
Total disbursements	590	808,336	10,292	443,688	-	316,182	-
Excess (deficiency) of receipts over disbursements	-	(770,875)	(34)	(439,886)	230,330	(27,440)	-
Cash and investments - ending	\$ -	\$ 5,965,346	\$ 1,064,800	\$ 395,896	\$ 230,330	\$ 21,061	\$ 2,302

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

	Convention And Tourism	Sheriff's Continuing Education	Hancock Area Rural Transit	Public Hlth H1N1 Phase III Federal	Public Hlth Emergency H1N1 Federal	Health Maintenance Grant	IDEM Grant
Cash and investments - beginning	\$ 12,766	\$ 10,645	\$ 1	\$ 36,380	\$ 51	\$ 62,712	\$ 1,154
Receipts:							
Taxes	225,761	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	249,114	-	-	48,859	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	8	168	-	-	-	-
Total receipts	<u>225,761</u>	<u>8</u>	<u>249,282</u>	<u>-</u>	<u>-</u>	<u>48,859</u>	<u>-</u>
Disbursements:							
Personal services	62,645	-	-	-	-	33,622	-
Supplies	-	-	-	-	-	23,420	-
Other services and charges	-	-	249,283	36,290	-	3,687	1,086
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	166,427	3,000	-	-	-	-	-
Total disbursements	<u>229,072</u>	<u>3,000</u>	<u>249,283</u>	<u>36,290</u>	<u>-</u>	<u>60,729</u>	<u>1,086</u>
Excess (deficiency) of receipts over disbursements	<u>(3,311)</u>	<u>(2,992)</u>	<u>(1)</u>	<u>(36,290)</u>	<u>-</u>	<u>(11,870)</u>	<u>(1,086)</u>
Cash and investments - ending	<u>\$ 9,455</u>	<u>\$ 7,653</u>	<u>\$ -</u>	<u>\$ 90</u>	<u>\$ 51</u>	<u>\$ 50,842</u>	<u>\$ 68</u>

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

	Operation Pullover	Riverboat Revenue Sharing	JAG GRANT	Bio Terrorism Grant	JAIBJ Jobs Grant	DARE	Drug Court
Cash and investments - beginning	\$ 6,173	\$ -	\$ 8,790	\$ 51,946	\$ 395	\$ 451	\$ 14,601
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	346,639	-	-	-	-	-
Charges for services	19,946	-	11,328	23,729	-	-	10,742
Fines and forfeits	-	-	-	-	-	-	2,235
Other receipts	-	-	-	-	-	-	3,000
Total receipts	19,946	346,639	11,328	23,729	-	-	15,977
Disbursements:							
Personal services	10,264	-	15,130	-	-	-	-
Supplies	-	-	3,932	-	-	-	2,487
Other services and charges	-	-	2,998	31,812	-	-	2,000
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	8,000	-	-	-	-
Other disbursements	10,631	346,639	-	-	-	-	-
Total disbursements	20,895	346,639	30,060	31,812	-	-	4,487
Excess (deficiency) of receipts over disbursements	(949)	-	(18,732)	(8,083)	-	-	11,490
Cash and investments - ending	\$ 5,224	\$ -	\$ (9,942)	\$ 43,863	\$ 395	\$ 451	\$ 26,091

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

	Mrc-Medical Reserve Corp	Pace Grant Drug Interdiction	Metro Drug Task Force	Bureau Of Justice Assistance Grant	Hava Section 102	Hava Section 101	Cornerstone Perpetuation
Cash and investments - beginning	\$ 2,784	\$ 8,676	\$ 472	\$ -	\$ 47,596	\$ 11,604	\$ 48,540
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	13,103	-	-	-	12,301
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,254	48,471	-	57,758	-	-	-
Total receipts	6,254	48,471	13,103	57,758	-	-	12,301
Disbursements:							
Personal services	-	46,389	6,198	24,830	-	-	4,780
Supplies	209	-	-	3,885	-	-	1,620
Other services and charges	3,585	-	-	26,463	-	-	2,214
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	2,194	-	-	11,922
Other disbursements	-	-	-	-	-	1,425	-
Total disbursements	3,794	46,389	6,198	57,372	-	1,425	20,536
Excess (deficiency) of receipts over disbursements	2,460	2,082	6,905	386	-	(1,425)	(8,235)
Cash and investments - ending	\$ 5,244	\$ 10,758	\$ 7,377	\$ 386	\$ 47,596	\$ 10,179	\$ 40,305

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

	Auditor's Transfer Fee	Assessment Training Fund	Superior I Transcript	Superior Court II Transcripts	Circuit Court Transcripts	Drug Screen Probation	County Child Abuse Prevention Fee
Cash and investments - beginning	\$ 22,922	\$ 29,977	\$ 650	\$ 32	\$ 1,914	\$ 13,589	\$ 35
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	6,380	9,629	1,775	5,054	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	13,675	-	-	-	-	14,963	-
Total receipts	<u>13,675</u>	<u>6,380</u>	<u>9,629</u>	<u>1,775</u>	<u>5,054</u>	<u>14,963</u>	<u>-</u>
Disbursements:							
Personal services	11,135	-	8,378	-	-	-	-
Supplies	-	-	-	-	-	298	-
Other services and charges	-	-	-	1,775	6,334	10,621	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	5,365	-	-	-	-	-
Total disbursements	<u>11,135</u>	<u>5,365</u>	<u>8,378</u>	<u>1,775</u>	<u>6,334</u>	<u>10,919</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,540</u>	<u>1,015</u>	<u>1,251</u>	<u>-</u>	<u>(1,280)</u>	<u>4,044</u>	<u>-</u>
Cash and investments - ending	<u>\$ 25,462</u>	<u>\$ 30,992</u>	<u>\$ 1,901</u>	<u>\$ 32</u>	<u>\$ 634</u>	<u>\$ 17,633</u>	<u>\$ 35</u>

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

	Courthouse Renovation	Health Department Donations	Conservation Training	E911 Landline Revenue Fund	E911 Wireless	Fines & Forfeitures	Pension Clearing Fund
Cash and investments - beginning	\$ 279	\$ 2,739	\$ 96	\$ -	\$ -	\$ 9,106	\$ 2,639
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	40	648,610	230,200	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	2,625	-	-	-	25,309	30,425
Total receipts	-	2,625	40	648,610	230,200	25,309	30,425
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	40	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	640,137	230,200	30,049	33,064
Total disbursements	-	-	40	640,137	230,200	30,049	33,064
Excess (deficiency) of receipts over disbursements	-	2,625	-	8,473	-	(4,740)	(2,639)
Cash and investments - ending	<u>\$ 279</u>	<u>\$ 5,364</u>	<u>\$ 96</u>	<u>\$ 8,473</u>	<u>\$ -</u>	<u>\$ 4,366</u>	<u>\$ -</u>

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

	93.563 CFDA Clerk ARRA Funding	Prosecutor Arra Fund 93.5	HC Rural Transit ARRA Fed Grant	Community Corrections Vending	Ada Drug Screen Probation	General Obligations Bond of 2001	General Obligation Bond of 2002
Cash and investments - beginning	\$ 4,752	\$ 42,126	\$ -	\$ 38,584	\$ 320	\$ 91,344	\$ 601,739
Receipts:							
Taxes	-	-	-	-	-	176,952	1,116,156
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	15,871	100,108
Charges for services	-	-	11,958	77,947	48,641	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	11,958	77,947	48,641	192,823	1,216,264
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	11,958	36,683	29,725	-	400
Debt service - principal and interest	-	-	-	-	-	284,167	1,268,025
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	3,015	-	-
Total disbursements	-	-	11,958	36,683	32,740	284,167	1,268,425
Excess (deficiency) of receipts over disbursements	-	-	-	41,264	15,901	(91,344)	(52,161)
Cash and investments - ending	\$ 4,752	\$ 42,126	\$ -	\$ 79,848	\$ 16,221	\$ -	\$ 549,578

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

	General Obligation Bond of 2005	General Obligation Bond of 2007	E911 Revenue Bond	EOC Construction Fund	Health Claims Fund	Payroll	Interstate Transfer Fee
Cash and investments - beginning	\$ 371,445	\$ 133,234	\$ 63,892	\$ 98,460	\$ 157,172	\$ 837,617	\$ -
Receipts:							
Taxes	378,404	873,868	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	33,939	78,377	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	1,209,320	-	1,800,000	3,968,921	613
Total receipts	<u>412,343</u>	<u>952,245</u>	<u>1,209,320</u>	<u>-</u>	<u>1,800,000</u>	<u>3,968,921</u>	<u>613</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	300	500	-	-	-	-	-
Debt service - principal and interest	779,543	739,459	248,212	-	-	-	-
Capital outlay	-	-	-	85,141	-	-	-
Other disbursements	-	-	38,175	-	1,814,515	3,786,083	263
Total disbursements	<u>779,843</u>	<u>739,959</u>	<u>286,387</u>	<u>85,141</u>	<u>1,814,515</u>	<u>3,786,083</u>	<u>263</u>
Excess (deficiency) of receipts over disbursements	<u>(367,500)</u>	<u>212,286</u>	<u>922,933</u>	<u>(85,141)</u>	<u>(14,515)</u>	<u>182,838</u>	<u>350</u>
Cash and investments - ending	<u>\$ 3,945</u>	<u>\$ 345,520</u>	<u>\$ 986,825</u>	<u>\$ 13,319</u>	<u>\$ 142,657</u>	<u>\$ 1,020,455</u>	<u>\$ 350</u>

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

	State Sales Disclosure	Stormwater	Auto Excise	School General Tax	Library Ptrc/Cedit Fund	City & Town General	PTRC
Cash and investments - beginning	\$ 2,373	\$ -	\$ -	\$ 1,174	\$ 3,222,703	\$ 3,863	\$ -
Receipts:							
Taxes	-	-	-	-	2,140,920	-	3,568,153
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	1,786,139	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,310	1,748	-	-	8,000	-	-
Total receipts	<u>6,310</u>	<u>1,748</u>	<u>1,786,139</u>	<u>-</u>	<u>2,148,920</u>	<u>-</u>	<u>3,568,153</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	6,410	1,738	1,786,139	-	2,605,118	-	3,568,153
Total disbursements	<u>6,410</u>	<u>1,738</u>	<u>1,786,139</u>	<u>-</u>	<u>2,605,118</u>	<u>-</u>	<u>3,568,153</u>
Excess (deficiency) of receipts over disbursements	<u>(100)</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>(456,198)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,273</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 1,174</u>	<u>\$ 2,766,505</u>	<u>\$ 3,863</u>	<u>\$ -</u>

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

	Tax Sale Vendor Fees	Hea 1001-2008 State Homestead	Settlement Excise	Advance Collections Of Taxes	Overpayments	Drainage Assessment	Excess Tax Collections
Cash and investments - beginning	\$ 9,615	\$ (2,365)	\$ -	\$ 16,053	\$ -	\$ 3,357	\$ 20
Receipts:							
Taxes	-	-	8,339,084	1,425,488	10,896	-	82,320
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	11,330	-	-	-	-	452,509	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	11,330	-	8,339,084	1,425,488	10,896	452,509	82,320
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	20,475	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	775	8,339,084	1,435,399	10,896	452,392	82,268
Total disbursements	20,475	775	8,339,084	1,435,399	10,896	452,392	82,268
Excess (deficiency) of receipts over disbursements	(9,145)	(775)	-	(9,911)	-	117	52
Cash and investments - ending	\$ 470	\$ (3,140)	\$ -	\$ 6,142	\$ -	\$ 3,474	\$ 72

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

	License Excise Tax	Sewage And Weed	Tax Sale Costs	Aircraft	Boat Excise	Vendor Fees	Lottery
Cash and investments - beginning	\$ 372,053	\$ 4,504	\$ 25	\$ -	\$ 6,050	\$ 70	\$ 280,385
Receipts:							
Taxes	-	95,518	-	12,370	118,462	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	7,364,205	-	-	-	-	-	3,227,024
Charges for services	-	-	4,100	-	-	11,400	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>7,364,205</u>	<u>95,518</u>	<u>4,100</u>	<u>12,370</u>	<u>118,462</u>	<u>11,400</u>	<u>3,227,024</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	6,989,404	49,811	4,075	12,370	119,215	11,330	3,227,167
Total disbursements	<u>6,989,404</u>	<u>49,811</u>	<u>4,075</u>	<u>12,370</u>	<u>119,215</u>	<u>11,330</u>	<u>3,227,167</u>
Excess (deficiency) of receipts over disbursements	<u>374,801</u>	<u>45,707</u>	<u>25</u>	<u>-</u>	<u>(753)</u>	<u>70</u>	<u>(143)</u>
Cash and investments - ending	<u>\$ 746,854</u>	<u>\$ 50,211</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 5,297</u>	<u>\$ 140</u>	<u>\$ 280,242</u>

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

	Sewer & Weed Penalty 2009	Car-1 Clerk Bank Account	Car-1 Clerk MHI Bank Account	Car-1 Clerk Investments	Car-1 Clerk Issets	Car-1 Recorder	Car-1 Community Corrections
Cash and investments - beginning	\$ -	\$ 1,592,640	\$ 53,395	\$ 55,000	\$ 14,371	\$ 40,155	\$ 59,759
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,026,101	-	-
Charges for services	1,098	-	-	-	-	366,691	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	4,154,220	21	-	-	-	-
Total receipts	<u>1,098</u>	<u>4,154,220</u>	<u>21</u>	<u>-</u>	<u>1,026,101</u>	<u>366,691</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	4,328,474	53,416	-	1,025,480	369,543	59,759
Total disbursements	<u>-</u>	<u>4,328,474</u>	<u>53,416</u>	<u>-</u>	<u>1,025,480</u>	<u>369,543</u>	<u>59,759</u>
Excess (deficiency) of receipts over disbursements	<u>1,098</u>	<u>(174,254)</u>	<u>(53,395)</u>	<u>-</u>	<u>621</u>	<u>(2,852)</u>	<u>(59,759)</u>
Cash and investments - ending	<u>\$ 1,098</u>	<u>\$ 1,418,386</u>	<u>\$ -</u>	<u>\$ 55,000</u>	<u>\$ 14,992</u>	<u>\$ 37,303</u>	<u>\$ -</u>

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

	Car-1 County Health	Car-1 Inmate Trust	Car-1 Planning & Building	Car-1 Probation	Car-1 Purdue Extension	Tax Distribution Property Tax	Totals
Cash and investments - beginning	\$ 850	\$ 6,393	\$ 1	\$ 20,897	\$ 17,680	\$ -	\$ 40,988,961
Receipts:							
Taxes	-	-	-	-	-	66,570,785	187,769,111
Licenses and permits	-	-	-	-	-	-	233,432
Intergovernmental	-	-	-	-	-	-	18,993,329
Charges for services	109,383	-	161,294	-	59,268	-	6,024,555
Fines and forfeits	-	-	-	-	-	-	700,907
Other receipts	2	265,529	-	332,834	-	-	33,244,471
Total receipts	109,385	265,529	161,294	332,834	59,268	66,570,785	246,965,805
Disbursements:							
Personal services	-	-	-	-	-	-	15,016,132
Supplies	-	-	-	-	-	-	2,234,025
Other services and charges	-	-	-	328,884	-	-	6,267,591
Debt service - principal and interest	-	-	-	-	-	-	3,771,357
Capital outlay	-	-	-	-	-	-	3,352,093
Other disbursements	107,349	267,194	144,921	-	57,260	66,570,785	215,298,905
Total disbursements	107,349	267,194	144,921	328,884	57,260	66,570,785	245,940,103
Excess (deficiency) of receipts over disbursements	2,036	(1,665)	16,373	3,950	2,008	-	1,025,702
Cash and investments - ending	\$ 2,886	\$ 4,728	\$ 16,374	\$ 24,847	\$ 19,688	\$ -	\$ 42,014,663

HANCOCK COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds of 2002	Construction of the Community Corrections Facility & Annex	\$ 1,875,000	\$ 1,291,550
General obligation bonds of 2005	County Courthouse Renovation and Other Activities	1,885,000	786,765
General obligation bonds of 2007	Emergency Operations Center and Other Usages	2,465,000	746,650
General obligation bonds of 2011	Capital Expenditures/Gallahue Judgment/Jail Locking System/Dispatch Consoles	1,100,000	62,226
E911 Revenue bonds of 2011	Purchase of Enhanced 911 AT & T 2011	<u>1,025,000</u>	<u>56,051</u>
Total governmental activities		<u>\$ 8,350,000</u>	<u>\$ 2,943,242</u>

HANCOCK 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	\$ 1,430,192
Infrastructure	222,289
Buildings	18,821,622
Machinery, equipment and vehicles	8,649,341
Computers	<u>1,300,171</u>
Total governmental activities	<u>30,423,615</u>
Total capital assets	<u>\$ 30,423,615</u>

HANCOCK COUNTY  
OTHER REPORTS

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

County Auditor  
Clerk of the Circuit Courts  
County Recorder  
County Sheriff

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

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

TO: THE OFFICIALS OF HANCOCK COUNTY, INDIANA

Compliance

We have audited the compliance of the (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 2011-1.

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)

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there is no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be material weaknesses.

The County's response to the finding 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

August 7, 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.

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Jag Program Cluster			
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (Jag) Program/Grants to Units of Local Government	16.804	10DJ-036	\$ 11,338
Pass-Through Indiana Criminal Justice Institute Edward Byrne Memorial Justice Assistance Grant Program	16.738	10DJ-036	11,328
Total for cluster			22,666
Drug Court Discretionary Grant Program	16.585	2010-DCBX0059	57,758
Direct Grant			
Bullet Proof Vest Partnership Program	16.607		1,050
Total for federal grantor agency			81,474
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205		
600 E Reconstruction		DES0200824	69,996
Bridge Inventory		DES1005718	69,200
Total for program			139,196
ARRA - Highway Planning and Construction	20.205		
600W Between 500N -650N		0901240	2,293
300N Between 200W to 300W		0901502	4,565
300N Between 300W to 400W		0901503	4,533
300N Between 700W to 800W		0901241	890
Total for program			12,281
Total for cluster			151,477
Highway Safety Cluster			
State and Community Highway Safety	20.600	PT-11-04-04-04	9,615
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	KB-2011-03-03-10	10,328
Total for cluster			19,943
Formula Grants for Other Than Urbanized Areas	20.509	18029560	193,210
Total for federal grantor agency			364,630
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through National Association of County Health Officials			
Medical Reserve Corps Small Grant Program	93.008	MRC 11 407	3,793
Pass-Through Indiana State Department of Health			
Public Health Emergency Preparedness	93.069	BPRS 129-71	24,983
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
Prosecutor Expenditures		FY 2011	276,838
Clerk Expenditures		FY 2011	73,637
Indirect Costs		FY 2011	90,783
Total for program			441,258
Total for federal grantor agency			470,034
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Emergency Management Performance Grants	97.042	C44P-1-319A	17,172
Total federal awards expended			\$ 933,310

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

HANCOCK COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Hancock 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.

**Note 2. Subrecipients**

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2011:

Program Title	Federal CFDA Number	2011
Formula Grants for other than Urbanized Areas	20.509	\$ <u>193,210</u>

HANCOCK COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
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
93.563	Highway Planning and Construction Cluster Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

No matters are reportable.

HANCOCK COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

**FINDING 2011-01 - CASH MANAGEMENT**

Federal Agency: Department of Transportation  
Federal Program: Highway Planning and Construction  
CFDA Number: 20.205  
Federal Award Identifying Numbers:  
DES0200824, DES1005718, DES0901240, DES0901241, DES0300775, DES0901502, DES0901503  
Pass-Through Entity: Indiana Department of Transportation

The Hancock County Highway Department was involved with several construction projects using federal reimbursement grant money. Reimbursement requests from the County were sent to the State prior to disbursements being made to the vendor. Of the reimbursement requests tested, all were submitted to the Indiana Department of Transportation before the related disbursements were paid to the vendor. The elapsed time between the County Auditor's approval of the reimbursement request and the related payment to the vendor ranged between 14 and 44 days.

Failure to comply with federal grant compliance requirements could jeopardize the County's eligibility for future federal grants.

We recommended that the County develop proper controls to ensure the construction contractors are paid prior to the County requesting the related reimbursement.

OMB Circular A133 Section .300(b) states: "The auditee shall: Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

49 CFR 85.21(d) states:

"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 or subgrantee's actual rate of disbursement."

# *Marcia R. Moore*

Clerk of Hancock County Courts  
9 East Main Street, Rm. 213  
Greenfield, IN 46140  
(317) 477-1109  
(317) 477-1163 - Fax

## SUMMARY SCHEDULE OF PRIOR PERIOD FINDINGS

Federal Agency:	US Department of Health and Human Services
Federal Program:	Child Support Enforcement
CFDA Number:	93.563
Auditee Contact Person:	Marcia Moore
Title of Contact Person:	Clerk of the Circuit Court
Telephone Number:	(317) 477-1109

### COMPLIANCE REQUIREMENT: SPECIAL TESTS AND PROVISIONS

Former Findings:

Section II Finding 2010-1 Significant Deficiency Lack Over County Clerk Bank Reconciliation and  
Section III Finding – 2010-2 – Significant Deficiency/Lack of Internal Controls over ISETS

In audit year 2010 it was discovered that there was significant deficiency/lack of internal controls over ISETS funds. A corrective action plan was presented on May 23, 2011 with a completion date of December 31, 2011.

The action plan has been implemented with several checks and balances placed in the method to insure proper internal controls.

Respectfully submitted,



Marcia R. Moore  
Hancock Clerk of the Courts  
July 5, 2012

“It is not what we profess, but what we practice that gives us integrity...” Francis Bacon



## Hancock County Highway

921 West Osage Street  
Greenfield, Indiana 46140

July 30, 2012

Finding 2011-01, Cash Management

Federal Agency: Department of Transportation

Federal Program: Highway Planning & Construction

CFDA Number: 20.205

Federal Award Identifying Numbers: Des0200824, Des1005718, Des0901240, Des0901241,  
Des0300775, Des0901502, Des0901503

Pass-through Entity: Indiana Department of Transportation

Contact Person: Joseph D. Copeland, P.E.

Title of Contact Person: Hancock County Engineer/Superintendent

Contact Number: 317-477-1130

Anticipated Completion Date: Immediately

### Corrective Action Plan

The Hancock County Highway Department will not forward Federal reimbursable claim forms to INDOT until payment has been sent to the vendor. The claim form shall be dated and initialed (if allowed by INDOT) to show the date the claim form was submitted. If INDOT does not allow for the dating and initialing on the form, then a transmittal form shall accompany the claim form. This procedure shall go into effect immediately.

Sincerely,

Joseph D. Copeland, P.E.  
County Engineer/Supt.

HANCOCK COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2012, with Robin Lowder, Auditor; Tom Stevens, President of the Board of County Commissioners; and William Bolander, President of the County Council.