

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

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



FILED
09/21/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Nicholas Wildeman	01-01-11 to 12-31-14
Treasurer	Linda Curtis	01-01-09 to 12-31-12
Clerk	Betty B. Postlethweight	01-01-11 to 12-31-14
Sheriff	Greg Oeth	01-01-11 to 12-31-14
Recorder	Martha J. Breeze	01-01-11 to 12-31-14
President of the Board of County Commissioners	W. Scott Moye James Alsop	01-01-11 to 12-31-11 01-01-12 to 12-31-12
President of the County Council	Robert Gentil	01-01-11 to 12-31-12



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF POSEY COUNTY, INDIANA

We have audited the accompanying financial statement of Posey 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 September 10, 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to

INDEPENDENT AUDITOR'S REPORT
(Continued)

the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards 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 Long-Term Debt, and Schedule of Capital Assets, as listed in the Table of Contents, 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

September 10, 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 POSEY COUNTY, INDIANA

We have audited the financial statement of Posey County (County), for the year ended December 31, 2011, and have issued our report thereon dated September 10, 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

Management of the County is responsible for establishing and maintaining effective 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

September 10, 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.

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
County General	\$ 7,782,039	\$ 10,043,869	\$ 9,884,278	\$ 7,941,630
Highway	583,146	2,387,333	2,616,969	353,510
Local Roads & Streets	191,204	239,011	430,608	(393)
Accident Reports	2,314	695	1,471	1,538
Sheriff's Firearms	25,381	10,910	11,700	24,591
Health Board	356,281	338,444	155,646	539,079
Mental Health	336,252	358,352	277,037	417,567
Clerk's Records Perpetuation	19,592	3,288	581	22,299
E-911 Surcharge	84,588	196,952	282,597	(1,057)
Drug Free Communities	58,446	14,571	16,237	56,780
Local Emergency Planning	21,991	10,598	12,780	19,809
Prosecutor's Incentive (New)	27,322	18,771	2,101	43,992
Juvenile Probation	2,473	3,027	7,033	(1,533)
Adult Probation	38,191	59,625	75,216	22,600
Recorder's Fund	57,332	46,743	31,068	73,007
Users Fee Fund	28,081	2,879	1,980	28,980
Health Maintenance	7,421	20,000	19,504	7,917
Pretrial Diversion	9,656	3,415	4,863	8,208
Plat Book Maintenance	18,201	5,255	5,778	17,678
Supplemental Public Defender	1,108	268	-	1,376
Surveyor's Fund	17,361	6,200	3,692	19,869
Jury Users Fees	11,241	3,136	-	14,377
Rainy Day Fund	1,104,440	367,560	-	1,472,000
Sales Disclosure (County)	27,153	2,940	91	30,002
Levy Excess Fund	32,125	3	-	32,128
County Id Security Protection	23,472	6,882	26,000	4,354
E911 Wireless Surcharge	36,687	103,952	93,372	47,267
Clerk's IV-D Incentive (New)	23,972	12,479	923	35,528
Sex & Violent Offender Admin Fund	2,406	1,742	753	3,395
Recorder's Cashbook	15,745	136,152	135,572	16,325
Cum Capital - County	373,053	379,546	312,205	440,394
Cumulative Bridge	1,357,470	1,958,116	2,394,135	921,451
Drain Improvements	21,417	-	4,304	17,113
Congressional School Prin	44,555	-	-	44,555
City And Town Court Cost	7,083	5,619	-	12,702
Congressional School Intr	30,289	413	2,671	28,031
Surplus Tax Sale	285,004	43,157	157,577	170,584
Tax Sale Redemption	(25,897)	84,620	57,364	1,359
Surplus Tax Collected	97,890	54,664	87,577	64,977
Fines And Forfeitures	724	166	1,177	(287)
Inheritance Tax	627,011	842,697	1,294,832	174,876
Sheriff Retirement	40,016	9,229	47,238	2,007
Hea 1001 State Hsc 2008	(309)	164	-	(145)
LARE Grant Big Creek Study	-	16,047	17,316	(1,269)
RR Xing Grant A24910320823	-	13,860	-	13,860
RR Xing Grant A249-11-320352A	-	4,840	-	4,840
C44P-1-188A Emergency Training	-	8,400	-	8,400
14.228 Wabash Levee Unit #5	-	230,020	225,730	4,290
20.600 Operation Pullover	-	2,979	2,979	-
20.602 Rural Demo Proj Grant	-	1,954	1,954	-
Education Plate Fees	-	731	731	-
Riverboat Revenue Sharing	146,766	169,349	316,115	-
Sex & Violent Offender State Share	-	194	188	6
Mortgage Fee Fund	-	2,888	2,615	273
Coroner's Continuing Education	-	1,166	1,064	102
Special Death Benefit Fund	-	1,595	1,480	115
Sales Disclosure (State)	-	2,940	2,940	-
Infractions	-	20,235	18,952	1,283
Financial Institution Tax	-	142,578	129,302	13,276
Weed Cutting Assessment	-	2,014	2,014	-
CVET Fund	-	150,266	150,266	-
EDIT Certified Shares	267,698	2,585,357	2,816,055	37,000

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

POSEY 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
C44P-1-138A Homeland Security	-	3,750	3,750	-
Posey Court Reform Grant	-	26,288	26,288	-
Plan Grant (PL-09-018)	-	20,000	20,000	-
General Drain Maintenance	-	-	5,553	(5,553)
Riverboat County Share	-	250,818	-	250,818
Elected Official Training Fund	-	964	-	964
Deferral Program Fee	45,365	37,834	21,545	61,654
Misdemeanant Fund	26,983	19,072	16,973	29,082
User Law Enforcement Fund	-	4,214	-	4,214
Settlement Fund	-	32,964,585	32,949,708	14,877
After Settlement Collections	499,892	36,002,719	35,983,312	519,299
Unsafe Building Fund	2,175	-	-	2,175
D.A.R.E.	100	-	-	100
Law Enforcement	288	-	-	288
Cert Grant	12	-	-	12
Victims Assistance	3,813	-	-	3,813
Lease Rental Jail	1,728	-	-	1,728
Surplus Dog Tax	829	-	-	829
Retainage W. Lowe	2,272	-	-	2,272
Homestead Credit Refund	22,484	-	-	22,484
Gis Mapping	2,250	-	-	2,250
Race & Gender Fairness Grant	2,322	-	-	2,322
Ema Technology Equip Grant	1	-	-	1
Ems Computer Technology Grant	7	-	-	7
Bail Bond	155	-	-	155
Cal/Casa	399	-	-	399
Child Advocacy Fund - Non Revert	479	-	-	479
Hazardous Substances	22,750	-	-	22,750
Distressed Road Fund	283	-	-	283
Health Board Gift Fund	42	-	-	42
Prosecutor Arra Fund	417	-	-	417
Clerk Arra Fund	786	-	-	786
Township	44,563	-	-	44,563
School General	21,165	-	-	21,165
Library	2,222	-	-	2,222
Corporations	2,941	-	-	2,941
Cum Capital - Cities	175	-	-	175
Reassessment (1999)	(816)	-	-	(816)
Township Fire Fighting Fund	(2,422)	-	-	(2,422)
Wastewater Study - Wadesville/Blairsville	(20,000)	-	-	(20,000)
Township Assistance	(1,302)	-	-	(1,302)
Twp Cum Fire Fighting Fund	(47,016)	-	-	(47,016)
School Debt Service	(26,288)	-	-	(26,288)
Police Pension	(3,439)	-	-	(3,439)
Parks & Recreation	(2,478)	-	-	(2,478)
Property Tax Replacement Credit	3	-	-	3
Reassessment (2009)	869,943	117,888	351,330	636,501
Community Transition Program	32,793	25,108	7,585	50,316
Jail Maintenance Fund	88,432	86,924	19,806	155,550
H1N1 Fund	12,268	-	12,268	-
Sheriff Pension Holding	1,711,508	362,279	161,537	1,912,250
Edit Funds	148,700	2,099,339	1,777,640	470,399
Big Creek Maintenance	46,493	47,276	79,805	13,964
Black River Maintenance	(14,829)	14,668	14,667	(14,828)
Compton Maintenance	8,983	1,137	40	10,080
Federal Forfeiture Fund	18,637	134	11,353	7,418
Health Maint Tobacco Stmt Fund	20,457	13,139	437	33,159
Tobacco Master Settlement	26,613	19,140	22,853	22,900
Juvenile Informal Adj Program	4,699	2,492	6,171	1,020
Little Creek - Drain Mtce	55,109	23,904	34,656	44,357
Persimmon Pond - Drain Mtce	1,328	2,743	258	3,813
Prosecutor's Law Enforcement	454	978	847	585

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

POSEY 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
Rueger Ditch - Drain Mtce	33,833	17,190	11,540	39,483
Vaal - Drain Mtce	(9,254)	7,893	-	(1,361)
Wabash Levee	59,158	10,033	62,947	6,244
Wheel And Sur Tax	677	615,620	585,640	30,657
Whipple Ditch - Drain Mtce	7,028	6,419	200	13,247
Coit Distribution Fund	219,465	2,147,047	2,366,513	(1)
Community Corrections Income Fund	80,116	35,745	21,079	94,782
Byrne Memorial Jag 09-Dj-069	4,158	-	4,158	-
Payroll	315,528	4,618,771	4,586,451	347,848
Payment In Lieu Of Taxes	18,702	8,309	18,702	8,309
Coit Homestead Credit (Set-A-S)	(2,825)	347,147	344,322	-
Comm Corrections Grant Fund	90,705	269,504	312,711	47,498
Delinquent Sewer Liens	211	8,553	8,553	211
Sheriff's Office	11,843	237,274	244,424	4,693
Building Commission Office	796	263,902	259,398	5,300
Emergency Medical Service Office	39,674	565,696	543,321	62,049
Area Plan Commission Office	422	3,196	3,539	79
Health Office	2,837	13,851	13,734	2,954
Jail Commissary	16,296	88,253	85,875	18,674
Clerk's Child Support Account	2,076	302,546	302,532	2,090
Clerk's Ckg Court Side Acct. #:8580	200,211	812,807	798,064	214,954
Totals	<u>\$ 18,944,776</u>	<u>\$ 103,668,005</u>	<u>\$ 104,248,716</u>	<u>\$ 18,364,065</u>

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

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

POSEY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

E. Disbursements

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

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

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

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

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

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

F. Interfund Transfers

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

POSEY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

POSEY 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 statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the County by recording as a disbursement any replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the 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.

POSEY 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.

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

	County General	Highway	Local Roads & Streets	Accident Reports	Sheriff's Firearms	Health Board	Mental Health
Cash and investments - beginning	\$ 7,782,039	\$ 583,146	\$ 191,204	\$ 2,314	\$ 25,381	\$ 356,281	\$ 336,252
Receipts:							
Taxes	7,788,347	-	-	-	-	303,656	334,201
Intergovernmental	417,658	2,160,218	-	-	-	21,944	24,151
Charges for services	1,084,268	-	-	-	-	12,568	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	753,596	227,115	239,011	695	10,910	276	-
Total receipts	<u>10,043,869</u>	<u>2,387,333</u>	<u>239,011</u>	<u>695</u>	<u>10,910</u>	<u>338,444</u>	<u>358,352</u>
Disbursements:							
Personal services	6,573,033	1,385,615	-	-	-	133,514	-
Supplies	748,514	567,439	-	-	-	4,012	-
Other services and charges	1,956,900	528,173	430,608	-	-	17,673	-
Capital outlay	324,183	135,742	-	-	-	447	-
Other disbursements	281,648	-	-	1,471	11,700	-	277,037
Total disbursements	<u>9,884,278</u>	<u>2,616,969</u>	<u>430,608</u>	<u>1,471</u>	<u>11,700</u>	<u>155,646</u>	<u>277,037</u>
Excess (deficiency) of receipts over disbursements	<u>159,591</u>	<u>(229,636)</u>	<u>(191,597)</u>	<u>(776)</u>	<u>(790)</u>	<u>182,798</u>	<u>81,315</u>
Cash and investments - ending	<u>\$ 7,941,630</u>	<u>\$ 353,510</u>	<u>\$ (393)</u>	<u>\$ 1,538</u>	<u>\$ 24,591</u>	<u>\$ 539,079</u>	<u>\$ 417,567</u>

POSEY 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	E-911 Surcharge	Drug Free Communities	Local Emergency Planning	Prosecutor's Incentive (New)	Juvenile Probation	Adult Probation
Cash and investments - beginning	\$ 19,592	\$ 84,588	\$ 58,446	\$ 21,991	\$ 27,322	\$ 2,473	\$ 38,191
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>3,288</u>	<u>196,952</u>	<u>14,571</u>	<u>10,598</u>	<u>18,771</u>	<u>3,027</u>	<u>59,625</u>
Total receipts	<u>3,288</u>	<u>196,952</u>	<u>14,571</u>	<u>10,598</u>	<u>18,771</u>	<u>3,027</u>	<u>59,625</u>
Disbursements:							
Personal services	-	255,148	-	-	-	6,079	67,655
Supplies	-	-	-	3,940	887	-	2,367
Other services and charges	-	10,371	16,237	7,754	-	954	5,194
Capital outlay	417	17,078	-	-	1,214	-	-
Other disbursements	<u>164</u>	<u>-</u>	<u>-</u>	<u>1,086</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>581</u>	<u>282,597</u>	<u>16,237</u>	<u>12,780</u>	<u>2,101</u>	<u>7,033</u>	<u>75,216</u>
Excess (deficiency) of receipts over disbursements	<u>2,707</u>	<u>(85,645)</u>	<u>(1,666)</u>	<u>(2,182)</u>	<u>16,670</u>	<u>(4,006)</u>	<u>(15,591)</u>
Cash and investments - ending	<u>\$ 22,299</u>	<u>\$ (1,057)</u>	<u>\$ 56,780</u>	<u>\$ 19,809</u>	<u>\$ 43,992</u>	<u>\$ (1,533)</u>	<u>\$ 22,600</u>

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

	Recorder's Fund	Users Fee Fund	Health Maintenance	Pretrial Diversion	Plat Book Maintenance	Supplemental Public Defender	Surveyor's Fund
Cash and investments - beginning	\$ 57,332	\$ 28,081	\$ 7,421	\$ 9,656	\$ 18,201	\$ 1,108	\$ 17,361
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>46,743</u>	<u>2,879</u>	<u>20,000</u>	<u>3,415</u>	<u>5,255</u>	<u>268</u>	<u>6,200</u>
Total receipts	<u>46,743</u>	<u>2,879</u>	<u>20,000</u>	<u>3,415</u>	<u>5,255</u>	<u>268</u>	<u>6,200</u>
Disbursements:							
Personal services	-	-	16,779	4,345	-	-	3,692
Supplies	-	-	-	-	5,778	-	-
Other services and charges	-	-	2,725	518	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>31,068</u>	<u>1,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>31,068</u>	<u>1,980</u>	<u>19,504</u>	<u>4,863</u>	<u>5,778</u>	<u>-</u>	<u>3,692</u>
Excess (deficiency) of receipts over disbursements	<u>15,675</u>	<u>899</u>	<u>496</u>	<u>(1,448)</u>	<u>(523)</u>	<u>268</u>	<u>2,508</u>
Cash and investments - ending	<u>\$ 73,007</u>	<u>\$ 28,980</u>	<u>\$ 7,917</u>	<u>\$ 8,208</u>	<u>\$ 17,678</u>	<u>\$ 1,376</u>	<u>\$ 19,869</u>

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

	Jury Users Fees	Rainy Day Fund	Sales Disclosure (County)	Levy Excess Fund	County Id Security Protection	E911 Wireless Surcharge	Clerk's IV-D Incentive (New)
Cash and investments - beginning	\$ 11,241	\$ 1,104,440	\$ 27,153	\$ 32,125	\$ 23,472	\$ 36,687	\$ 23,972
Receipts:							
Taxes	-	57	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,136	367,503	2,940	3	6,882	103,952	12,479
Total receipts	3,136	367,560	2,940	3	6,882	103,952	12,479
Disbursements:							
Personal services	-	-	-	-	-	93,372	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	26,000	-	-
Other disbursements	-	-	91	-	-	-	923
Total disbursements	-	-	91	-	26,000	93,372	923
Excess (deficiency) of receipts over disbursements	3,136	367,560	2,849	3	(19,118)	10,580	11,556
Cash and investments - ending	\$ 14,377	\$ 1,472,000	\$ 30,002	\$ 32,128	\$ 4,354	\$ 47,267	\$ 35,528

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

	Sex & Violent Offender Admin Fund	Recorder's Cashbook	Cum Capital - County	Cumulative Bridge	Drain Improvements	Congressional School Prin	City And Town Court Cost
Cash and investments - beginning	\$ 2,406	\$ 15,745	\$ 373,053	\$ 1,357,470	\$ 21,417	\$ 44,555	\$ 7,083
Receipts:							
Taxes	-	-	353,966	1,796,780	-	-	-
Intergovernmental	-	-	25,580	129,853	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	1,742	-	-	-	-	-	-
Other receipts	-	136,152	-	31,483	-	-	5,619
Total receipts	<u>1,742</u>	<u>136,152</u>	<u>379,546</u>	<u>1,958,116</u>	<u>-</u>	<u>-</u>	<u>5,619</u>
Disbursements:							
Personal services	-	-	-	383,967	-	-	-
Supplies	-	-	-	270,379	-	-	-
Other services and charges	-	-	312,205	1,692,230	-	-	-
Capital outlay	-	-	-	47,559	-	-	-
Other disbursements	753	135,572	-	-	4,304	-	-
Total disbursements	<u>753</u>	<u>135,572</u>	<u>312,205</u>	<u>2,394,135</u>	<u>4,304</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>989</u>	<u>580</u>	<u>67,341</u>	<u>(436,019)</u>	<u>(4,304)</u>	<u>-</u>	<u>5,619</u>
Cash and investments - ending	<u>\$ 3,395</u>	<u>\$ 16,325</u>	<u>\$ 440,394</u>	<u>\$ 921,451</u>	<u>\$ 17,113</u>	<u>\$ 44,555</u>	<u>\$ 12,702</u>

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

	Congressional School Intr	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax Collected	Fines And Forfeitures	Inheritance Tax	Sheriff Retirement
Cash and investments - beginning	\$ 30,289	\$ 285,004	\$ (25,897)	\$ 97,890	\$ 724	\$ 627,011	\$ 40,016
Receipts:							
Taxes	-	-	-	54,664	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	413	43,157	84,620	-	166	842,697	9,229
Total receipts	<u>413</u>	<u>43,157</u>	<u>84,620</u>	<u>54,664</u>	<u>166</u>	<u>842,697</u>	<u>9,229</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,671	157,577	57,364	87,577	1,177	1,294,832	47,238
Total disbursements	<u>2,671</u>	<u>157,577</u>	<u>57,364</u>	<u>87,577</u>	<u>1,177</u>	<u>1,294,832</u>	<u>47,238</u>
Excess (deficiency) of receipts over disbursements	<u>(2,258)</u>	<u>(114,420)</u>	<u>27,256</u>	<u>(32,913)</u>	<u>(1,011)</u>	<u>(452,135)</u>	<u>(38,009)</u>
Cash and investments - ending	<u>\$ 28,031</u>	<u>\$ 170,584</u>	<u>\$ 1,359</u>	<u>\$ 64,977</u>	<u>\$ (287)</u>	<u>\$ 174,876</u>	<u>\$ 2,007</u>

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

	Hea 1001 State Hsc 2008	LARE Grant Big Creek Study	RR Xing Grant A24910320823	RR Xing Grant A249-11-320352A	C44P-1-188A Emergency Training	14.228 Wabash Levee Unit #5	20.600 Operation Pullover
Cash and investments - beginning	\$ (309)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	164	16,047	13,860	4,840	8,400	230,020	2,979
Total receipts	164	16,047	13,860	4,840	8,400	230,020	2,979
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	17,316	-	-	-	225,730	2,979
Total disbursements	-	17,316	-	-	-	225,730	2,979
Excess (deficiency) of receipts over disbursements	164	(1,269)	13,860	4,840	8,400	4,290	-
Cash and investments - ending	\$ (145)	\$ (1,269)	\$ 13,860	\$ 4,840	\$ 8,400	\$ 4,290	\$ -

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

	20.602 Rural Demo Proj Grant	Education Plate Fees	Riverboat Revenue Sharing	Sex & Violent Offender State Share	Mortgage Fee Fund	Coroner's Continuing Education	Special Death Benefit Fund
Cash and investments - beginning	\$ -	\$ -	\$ 146,766	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>1,954</u>	<u>731</u>	<u>169,349</u>	<u>194</u>	<u>2,888</u>	<u>1,166</u>	<u>1,595</u>
Total receipts	<u>1,954</u>	<u>731</u>	<u>169,349</u>	<u>194</u>	<u>2,888</u>	<u>1,166</u>	<u>1,595</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1,954</u>	<u>731</u>	<u>316,115</u>	<u>188</u>	<u>2,615</u>	<u>1,064</u>	<u>1,480</u>
Total disbursements	<u>1,954</u>	<u>731</u>	<u>316,115</u>	<u>188</u>	<u>2,615</u>	<u>1,064</u>	<u>1,480</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(146,766)</u>	<u>6</u>	<u>273</u>	<u>102</u>	<u>115</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 273</u>	<u>\$ 102</u>	<u>\$ 115</u>

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

	Sales Disclosure (State)	Infractions	Financial Institution Tax	Weed Cutting Assessment	CVET Fund	EDIT Certified Shares	C44P-1-138A Homeland Security
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,698	\$ -
Receipts:							
Taxes	-	-	-	-	-	2,585,357	-
Intergovernmental	-	-	142,578	-	150,266	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,940	20,235	-	2,014	-	-	3,750
Total receipts	2,940	20,235	142,578	2,014	150,266	2,585,357	3,750
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,940	18,952	129,302	2,014	150,266	2,816,055	3,750
Total disbursements	2,940	18,952	129,302	2,014	150,266	2,816,055	3,750
Excess (deficiency) of receipts over disbursements	-	1,283	13,276	-	-	(230,698)	-
Cash and investments - ending	\$ -	\$ 1,283	\$ 13,276	\$ -	\$ -	\$ 37,000	\$ -

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

	Posey Court Reform Grant	Plan Grant (PL-09-018)	General Drain Maintenance	Riverboat County Share	Elected Official Training Fund	Deferral Program Fee	Misdemeanant Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,365	\$ 26,983
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	26,288	20,000	-	250,818	964	37,834	19,072
Total receipts	26,288	20,000	-	250,818	964	37,834	19,072
Disbursements:							
Personal services	-	-	-	-	-	16,631	-
Supplies	-	-	-	-	-	978	12,480
Other services and charges	-	-	-	-	-	3,936	4,493
Capital outlay	-	-	-	-	-	-	-
Other disbursements	26,288	20,000	5,553	-	-	-	-
Total disbursements	26,288	20,000	5,553	-	-	21,545	16,973
Excess (deficiency) of receipts over disbursements	-	-	(5,553)	250,818	964	16,289	2,099
Cash and investments - ending	\$ -	\$ -	\$ (5,553)	\$ 250,818	\$ 964	\$ 61,654	\$ 29,082

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

	User Law Enforcement Fund	Settlement Fund	After Settlement Collections	Unsafe Building Fund	D.A.R.E.	Law Enforcement	Cert Grant
Cash and investments - beginning	\$ -	\$ -	\$ 499,892	\$ 2,175	\$ 100	\$ 288	\$ 12
Receipts:							
Taxes	-	32,949,708	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	4,214	14,877	36,002,719	-	-	-	-
Total receipts	4,214	32,964,585	36,002,719	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	32,949,708	35,983,312	-	-	-	-
Total disbursements	-	32,949,708	35,983,312	-	-	-	-
Excess (deficiency) of receipts over disbursements	4,214	14,877	19,407	-	-	-	-
Cash and investments - ending	\$ 4,214	\$ 14,877	\$ 519,299	\$ 2,175	\$ 100	\$ 288	\$ 12

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

	Victims Assistance	Lease Rental Jail	Surplus Dog Tax	Retainage W. Lowe	Homestead Credit Refund	Gis Mapping	Race & Gender Fairness Grant
Cash and investments - beginning	\$ 3,813	\$ 1,728	\$ 829	\$ 2,272	\$ 22,484	\$ 2,250	\$ 2,322
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 3,813</u>	<u>\$ 1,728</u>	<u>\$ 829</u>	<u>\$ 2,272</u>	<u>\$ 22,484</u>	<u>\$ 2,250</u>	<u>\$ 2,322</u>

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

	Ema Technology Equip Grant	Ems Computer Technology Grant	Bail Bond	Cal/Casa	Child Advocacy Fund - Non Revert	Hazardous Substances	Distressed Road Fund
Cash and investments - beginning	\$ 1	\$ 7	\$ 155	\$ 399	\$ 479	\$ 22,750	\$ 283
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 155</u>	<u>\$ 399</u>	<u>\$ 479</u>	<u>\$ 22,750</u>	<u>\$ 283</u>

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

	Health Board Gift Fund	Prosecutor Arra Fund	Clerk Arra Fund	Township	School General	Library	Corporations
Cash and investments - beginning	\$ 42	\$ 417	\$ 786	\$ 44,563	\$ 21,165	\$ 2,222	\$ 2,941
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 42</u>	<u>\$ 417</u>	<u>\$ 786</u>	<u>\$ 44,563</u>	<u>\$ 21,165</u>	<u>\$ 2,222</u>	<u>\$ 2,941</u>

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

	Cum Capital - Cities	Reassessment (1999)	Township Fire Fighting Fund	Wastewater Study - Wadesville/Blairsville	Township Assistance	Twp Cum Fire Fighting Fund	School Debt Service
Cash and investments - beginning	\$ 175	\$ (816)	\$ (2,422)	\$ (20,000)	\$ (1,302)	\$ (47,016)	\$ (26,288)
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	\$ 175	\$ (816)	\$ (2,422)	\$ (20,000)	\$ (1,302)	\$ (47,016)	\$ (26,288)

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

	Police Pension	Parks & Recreation	Property Tax Replacement Credit	Reassessment (2009)	Community Transition Program	Jail Maintenance Fund	H1N1 Fund
Cash and investments - beginning	\$ (3,439)	\$ (2,478)	\$ 3	\$ 869,943	\$ 32,793	\$ 88,432	\$ 12,268
Receipts:							
Taxes	-	-	-	107,807	-	-	-
Intergovernmental	-	-	-	7,800	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	2,281	25,108	86,924	-
Total receipts	-	-	-	117,888	25,108	86,924	-
Disbursements:							
Personal services	-	-	-	23,719	-	-	-
Supplies	-	-	-	4,155	-	-	-
Other services and charges	-	-	-	297,908	-	19,806	12,268
Capital outlay	-	-	-	25,548	-	-	-
Other disbursements	-	-	-	-	7,585	-	-
Total disbursements	-	-	-	351,330	7,585	19,806	12,268
Excess (deficiency) of receipts over disbursements	-	-	-	(233,442)	17,523	67,118	(12,268)
Cash and investments - ending	<u>\$ (3,439)</u>	<u>\$ (2,478)</u>	<u>\$ 3</u>	<u>\$ 636,501</u>	<u>\$ 50,316</u>	<u>\$ 155,550</u>	<u>\$ -</u>

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

	Sheriff Pension Holding	Edit Funds	Big Creek Maintenance	Black River Maintenance	Compton Maintenance	Federal Forfeiture Fund	Health Maint Tobacco Stmnt Fund
Cash and investments - beginning	\$ 1,711,508	\$ 148,700	\$ 46,493	\$ (14,829)	\$ 8,983	\$ 18,637	\$ 20,457
Receipts:							
Taxes	-	2,096,590	47,276	10,741	1,137	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>362,279</u>	<u>2,749</u>	<u>-</u>	<u>3,927</u>	<u>-</u>	<u>134</u>	<u>13,139</u>
Total receipts	<u>362,279</u>	<u>2,099,339</u>	<u>47,276</u>	<u>14,668</u>	<u>1,137</u>	<u>134</u>	<u>13,139</u>
Disbursements:							
Personal services	-	-	-	-	-	2,500	-
Supplies	-	-	-	-	-	3,574	-
Other services and charges	-	1,410,137	-	-	-	2,000	437
Capital outlay	-	-	-	-	-	3,279	-
Other disbursements	<u>161,537</u>	<u>367,503</u>	<u>79,805</u>	<u>14,667</u>	<u>40</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>161,537</u>	<u>1,777,640</u>	<u>79,805</u>	<u>14,667</u>	<u>40</u>	<u>11,353</u>	<u>437</u>
Excess (deficiency) of receipts over disbursements	<u>200,742</u>	<u>321,699</u>	<u>(32,529)</u>	<u>1</u>	<u>1,097</u>	<u>(11,219)</u>	<u>12,702</u>
Cash and investments - ending	<u>\$ 1,912,250</u>	<u>\$ 470,399</u>	<u>\$ 13,964</u>	<u>\$ (14,828)</u>	<u>\$ 10,080</u>	<u>\$ 7,418</u>	<u>\$ 33,159</u>

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

	Tobacco Master Settlement	Juvenile Informal Adj Program	Little Creek - Drain Mtce	Persimmon Pond - Drain Mtce	Prosecutor's Law Enforcement	Rueger Ditch - Drain Mtce	Vaal - Drain Mtce
Cash and investments - beginning	\$ 26,613	\$ 4,699	\$ 55,109	\$ 1,328	\$ 454	\$ 33,833	\$ (9,254)
Receipts:							
Taxes	-	-	23,904	2,743	-	17,190	7,893
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	19,140	2,492	-	-	978	-	-
Total receipts	<u>19,140</u>	<u>2,492</u>	<u>23,904</u>	<u>2,743</u>	<u>978</u>	<u>17,190</u>	<u>7,893</u>
Disbursements:							
Personal services	11,855	5,629	-	-	-	-	-
Supplies	4,579	-	-	-	338	-	-
Other services and charges	6,419	542	-	-	509	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	34,656	258	-	11,540	-
Total disbursements	<u>22,853</u>	<u>6,171</u>	<u>34,656</u>	<u>258</u>	<u>847</u>	<u>11,540</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,713)</u>	<u>(3,679)</u>	<u>(10,752)</u>	<u>2,485</u>	<u>131</u>	<u>5,650</u>	<u>7,893</u>
Cash and investments - ending	<u>\$ 22,900</u>	<u>\$ 1,020</u>	<u>\$ 44,357</u>	<u>\$ 3,813</u>	<u>\$ 585</u>	<u>\$ 39,483</u>	<u>\$ (1,361)</u>

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

	Wabash Levee	Wheel And Sur Tax	Whipple Ditch - Drain Mtce	Coit Distribution Fund	Community Corrections Income Fund	Byrne Memorial Jag 09-Dj-069	Payroll
Cash and investments - beginning	\$ 59,158	\$ 677	\$ 7,028	\$ 219,465	\$ 80,116	\$ 4,158	\$ 315,528
Receipts:							
Taxes	10,033	-	6,419	2,147,047	-	-	-
Intergovernmental	-	615,620	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	35,745	-	4,618,771
Total receipts	<u>10,033</u>	<u>615,620</u>	<u>6,419</u>	<u>2,147,047</u>	<u>35,745</u>	<u>-</u>	<u>4,618,771</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	62,947	585,640	200	2,366,513	21,079	4,158	4,586,451
Total disbursements	<u>62,947</u>	<u>585,640</u>	<u>200</u>	<u>2,366,513</u>	<u>21,079</u>	<u>4,158</u>	<u>4,586,451</u>
Excess (deficiency) of receipts over disbursements	<u>(52,914)</u>	<u>29,980</u>	<u>6,219</u>	<u>(219,466)</u>	<u>14,666</u>	<u>(4,158)</u>	<u>32,320</u>
Cash and investments - ending	<u>\$ 6,244</u>	<u>\$ 30,657</u>	<u>\$ 13,247</u>	<u>\$ (1)</u>	<u>\$ 94,782</u>	<u>\$ -</u>	<u>\$ 347,848</u>

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

	Payment In Lieu Of Taxes	Coit Homestead Credit (Set-A-S)	Comm Corrections Grant Fund	Delinquent Sewer Liens	Sheriff's Office	Building Commission Office	Emergency Medical Service Office
Cash and investments - beginning	\$ 18,702	\$ (2,825)	\$ 90,705	\$ 211	\$ 11,843	\$ 796	\$ 39,674
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	8,309	347,147	269,504	8,553	237,274	263,902	565,696
Total receipts	8,309	347,147	269,504	8,553	237,274	263,902	565,696
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	18,702	344,322	312,711	8,553	244,424	259,398	543,321
Total disbursements	18,702	344,322	312,711	8,553	244,424	259,398	543,321
Excess (deficiency) of receipts over disbursements	(10,393)	2,825	(43,207)	-	(7,150)	4,504	22,375
Cash and investments - ending	\$ 8,309	\$ -	\$ 47,498	\$ 211	\$ 4,693	\$ 5,300	\$ 62,049

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

	Area Plan Commission Office	Health Office	Jail Commissary	Clerk's Child Support Account	Clerk's Ckg Court Side Acct. #:8580	Totals
Cash and investments - beginning	\$ 422	\$ 2,837	\$ 16,296	\$ 2,076	\$ 200,211	\$ 18,944,776
Receipts:						
Taxes	-	-	-	-	-	50,645,516
Intergovernmental	-	-	-	-	-	3,695,668
Charges for services	-	-	-	-	-	1,096,836
Fines and forfeits	-	-	-	-	-	1,742
Other receipts	3,196	13,851	88,253	302,546	812,807	48,228,243
Total receipts	3,196	13,851	88,253	302,546	812,807	103,668,005
Disbursements:						
Personal services	-	-	-	-	-	8,983,533
Supplies	-	-	-	-	-	1,629,420
Other services and charges	-	-	-	-	-	6,739,997
Capital outlay	-	-	-	-	-	581,467
Other disbursements	3,539	13,734	85,875	302,532	798,064	86,314,299
Total disbursements	3,539	13,734	85,875	302,532	798,064	104,248,716
Excess (deficiency) of receipts over disbursements	(343)	117	2,378	14	14,743	(580,711)
Cash and investments - ending	\$ 79	\$ 2,954	\$ 18,674	\$ 2,090	\$ 214,954	\$ 18,364,065

POSEY 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>\$ 91,868</u>	<u>\$ -</u>

POSEY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2011

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital lease:		
E-911 equipment	\$ 343,944	\$ 79,176
2008 Ambulance	25,362	9,191
2009 Ambulance	40,750	11,200
Highway Patching Machines	100,998	23,645
Highway Wheel Loader	67,897	34,919
Bonds payable:		
Revenue bonds:		
Courthouse renovations	1,260,000	84,295
Loan payable:		
Distressed Road Loan	<u>661,283</u>	<u>-</u>
Total governmental activities debt	<u>\$ 2,500,234</u>	<u>\$ 242,426</u>

POSEY COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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

	Ending Balance
Governmental activities:	
Land	\$ 6,365,244
Infrastructure	75,580,813
Buildings	14,577,337
Machinery, equipment and vehicles	882,672
Total capital assets	\$ 97,406,066

POSEY 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
County Sheriff

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF POSEY COUNTY, INDIANA

Compliance

We have audited Posey County's (County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on 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 could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program 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 ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

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

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

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

September 10, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

POSEY 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 HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Planning Grant Wabash Levee Unit #5	14.228	PL-09-018 A192-11-DR2-09-205	\$ 20,000 <u>225,730</u>
Total for federal grantor agency			<u>245,730</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute JAG Program Cluster Edward Byrne Memorial Justice Assistance Grant Program	16.738	09-DJ-069	<u>4,158</u>
Total for federal grantor agency			<u>4,158</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspection	20.205	DES #0901461	<u>25,472</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety Operation Pull-Over	20.600	OP2011-02-02-04	2,979
Occupant Protection Incentive Grants Rural Demo Project	20.602	D3-12-7101	<u>1,954</u>
Total for cluster			<u>4,933</u>
Total for federal grantor agency			<u>30,405</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563	Collection Incentives Indirect Costs Prosecutor Expense Clerk Expense	15,502 56,256 74,195 <u>38,090</u>
Total for federal grantor agency			<u>184,043</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters) Highway Sheriff	97.036	DR 1997 DR 1997	56,567 <u>1,895</u>
Total for program			<u>58,462</u>
Emergency Management Performance Grants 2010 Salary Reimbursement Competitive	97.042	2010 C44P-1-188A	18,536 <u>3,750</u>
Total for program			<u>22,286</u>
Total for federal grantor agency			<u>80,748</u>
Total federal awards expended			<u>\$ 545,084</u>

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

POSEY 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 Posey 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.

POSEY 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 deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
97.036	CDBG - State-Administered CDBG Cluster Disaster Grants - Public Assistance (Presidentially Declared Disasters)

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.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

POSEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 11, 2012, with Nicholas Wildeman, Auditor; James Alsop, President of the Board of County Commissioners; and Robert Gentil, President of the County Council. Our audit disclosed no material items that warrant comment at this time.