

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
SPENCER COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
06/26/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's 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	6-7
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	10-12
Notes to Financial Statement	13-18
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	20-42
Schedule of Payables	43
Schedule of Leases and Debt	44
Schedule of Capital Assets.....	45
Other Report	46
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.....	48-49
Schedule of Expenditures of Federal Awards	52
Note to Schedule of Expenditures of Federal Awards.....	53
Schedule of Findings and Questioned Costs	54
Exit Conference.....	55

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Donna J. Lynam	01-01-11 to 04-06-12
	(Vacant)	04-07-12 to 04-09-12
	Betty Jane Lynam	04-10-12 to 12-31-14
Treasurer	Anita Frakes	01-01-09 to 12-31-12
	Susan Harris	01-01-13 to 12-31-16
Clerk	Gay Ann Harney	01-01-09 to 12-31-16
Sheriff	Kermit Lindsey, Jr.	01-01-11 to 12-31-14
Recorder	Sharon Dugas	01-01-09 to 12-31-16
President of the Board of County Commissioners	David J. Gogel	01-01-12 to 12-31-13
President of the County Council	William J. Spaetti	01-01-12 to 12-31-12
	Jack N. Kroeger	01-01-13 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF SPENCER COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Spencer County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2012.

Opinion on Regulatory Basis of Accounting

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, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 24, 2013, 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* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

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*

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 records used to prepare the financial statement. The information has been subjected to 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.

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, Schedule of Leases and 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.

Other Information

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual audit performed by the Indiana 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.



Bruce Hartman
State Examiner

May 24, 2013



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INDEPENDENT AUDITOR'S 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 SPENCER COUNTY, INDIANA

We have audited, 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, the financial statement of Spencer County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated May 24, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

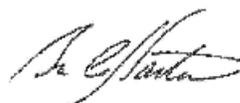
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bruce Hartman
State Examiner

May 24, 2013

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FINANCIAL STATEMENT

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

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
After Settlement Collections	\$ 350,989	\$ 30,326,827	\$ 30,480,825	\$ 196,991
General	3,453,908	6,882,226	7,155,047	3,181,087
Accident Report	5,034	2,388	1,703	5,719
Animal Control	21,392	5,570	11,133	15,829
CEDIT County Share	2,647,298	1,874,498	1,947,154	2,574,642
CEDIT - Special Legislation	-	2,222,543	2,222,543	-
Child Advocacy	150	50	-	200
City and Town Court Costs	430	6,349	6,321	458
Clerk's Records Perpetuation	6,946	8,712	2,551	13,107
COIT - Special Legislation	1,924,886	769,506	476,431	2,217,961
COIT County Distributive Shares	-	1,316,469	1,316,469	-
Community Corrections	121,784	87,670	107,550	101,904
Congressional School Interest	54,084	280	1,008	53,356
Congressional School Principal	1	-	-	1
Prisoner Reimbursement For Incarceration	2,926	1,370	2,656	1,640
Covered Bridge	11,542	925	-	12,467
Cumulative Bridge	1,115,126	300,151	523,775	891,502
Cumulative Capital Development	214,278	250,238	244,733	219,783
Cumulative Voting System	5,551	-	3,734	1,817
Drug Free Community	12,365	16,050	15,065	13,350
Electronic Map Generation	780	250	-	1,030
Enhanced Access	-	5,648	944	4,704
Firearms Training	22,743	9,410	6,882	25,271
Health	129,473	258,735	247,723	140,485
Identification Security Protection	10,133	2,296	2,225	10,204
Levy Excess	53,762	-	-	53,762
Local Health Maintenance	92,221	32,672	27,985	96,908
Local Road and Street	66,718	202,056	182,211	86,563
Medical Care for Inmates	2,297	2,210	-	4,507
Misdemeanant	19,356	14,262	19,746	13,872
Motor Vehicle Highway	947,289	1,862,762	1,536,259	1,273,792
Plat Book	29,122	8,526	4,226	33,422
Rainy Day	81,400	5,000	44,626	41,774
Reassessment - 2015	553,774	142,537	376,997	319,314
Recorder's Records Perpetuation	114,239	40,906	28,588	126,557
Riverboat	41,666	124,118	94,423	71,361
Sex and Violent Offender Administration	572	1,245	301	1,516
Surplus Tax	16,333	35,035	29,341	22,027
Surveyor's Corner Perpetuation	40,404	4,625	248	44,781
Tax Sale Fees	1,511	6,650	6,573	1,588
Tax Sale Redemption	875	79,219	78,004	2,090
Tax Sale Surplus	190,046	5,562	131,229	64,379
Local Health Department Trust Account	129,636	16,721	-	146,357
Victim Impact Program	2,971	-	-	2,971
Election and Registration	37,209	-	12,699	24,510
Auditors Ineligible Deductions	-	60,509	20,655	39,854
County Elected Officials Training	852	2,296	-	3,148
Statewide 911	-	273,626	71,964	201,662
Adult Probation Administrative	66,587	55,258	66,170	55,675
Community Corrections Gt	9,897	-	9,897	-
County User Fee	80,244	5,247	1,488	84,003
Drain Construction/Reconstruction	131,826	-	-	131,826
Drainage Maintenance	145,066	39,711	1,000	183,777
Sheriff Sale Administration	8,779	7,800	2,500	14,079
Health Clinic	10,896	20,436	12,629	18,703
Self-Insurance	64,172	1,425,474	1,387,620	102,026
Payroll Withholding - Insurance	-	9,703	9,703	-
Payroll Withholding - Other	-	4,021	4,021	-
Payroll Withholding - Deferred Compensation	-	43,730	43,730	-
Payroll Withholding - Federal	2	356,483	356,485	-
Payroll Withholding - FICA & Medicare	197	524,649	524,846	-
Payroll Withholding - Local Tax	-	31,037	31,037	-

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

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Payroll Withholding - PERF	101,979	398,177	499,919	237
Payroll Withholding - Sheriff Pension	-	22,242	22,242	-
Payroll Withholding - State	-	127,908	127,908	-
Payroll Withholding - Union Dues	-	7,546	7,546	-
Payroll Withholding - Wage Garnishments	-	13,596	13,596	-
CVET Agency	-	170,470	170,470	-
Final Excise Tax Cut Replacement Due State	-	750,492	750,492	-
Weed Lien Collections	-	1,323	1,323	-
Sewage Collections	60	8,258	8,258	60
Financial Institution Tax	-	20,505	20,505	-
COIT Homestead	-	180,904	180,903	1
HEA 1001 State Homestead Credit	(471)	-	-	(471)
State Fines and Forfeitures	675	2,470	2,850	295
Infraction Judgements	1,057	15,375	15,389	1,043
Overweight Vehicle Fines	-	543	543	-
Special Death Benefit	-	1,470	1,425	45
Sales Disclosure - State Share	230	2,520	2,500	250
Coroners Training & Con't Education	26	1,213	1,033	206
Interstate Compact - State Share	275	250	525	-
Mortgage Recording Fees - State Share	263	2,865	2,895	233
DLGF Homestead Property Database	-	55	54	1
Child Restraint Violations Fines	-	125	100	25
Inheritance Tax	82,477	434,931	448,305	69,103
Education Plate Fees Agency	-	338	338	-
Innkeepers Tax Collections	9,220	338,318	337,090	10,448
93.563 ARRA Prosecutor IV-D Incentive	4,163	-	4,163	-
93.563 ARRA Clerk IV-D Incentive	7,413	-	-	7,413
93.563 Title IV-D Incentive	13,854	9,976	-	23,830
93.563 Prosecutor IV-D Incentive-Post Oct '99	16,025	15,009	2,766	28,268
93.563 Clerk IV-D Incentive-Post Oct '99	7,567	9,976	7,667	9,876
Poor Relief	-	112,528	112,528	-
IOCRA Sewer Grant	-	1,217,602	1,217,602	-
Luce Sewer Retainage	386,670	227,267	613,937	-
Carter Fire District	-	111,156	111,156	-
Township Tax	-	235,756	235,756	-
Recreation	-	23,649	23,649	-
Fire Fighting	-	215,419	215,419	-
Library Tax	-	1,373,207	1,373,207	-
Spencer Co Library Debt	-	178,701	178,701	-
School Debt	-	3,434,220	3,434,220	-
Corp Tax	-	1,271,926	1,271,926	-
Cum Capital (Towns)	-	24,749	24,749	-
Cum Buildings (Towns)	-	31,550	31,550	-
Street Tax	-	120,712	120,712	-
4H Building Maint	249	71,022	71,271	-
Recreation (Town)	-	205,464	205,464	-
Cum Fire	-	65,849	65,849	-
Fire Equipment Debt	-	25,323	25,323	-
School Transportation	-	2,243,903	2,243,903	-
Capital Project	-	3,347,125	3,347,125	-
Bus Replacement	-	515,947	515,947	-
Retire/Serv Bond Debt	-	1,165,287	1,165,287	-
Co Law Enforcement Continuing Ed	1,455	388	309	1,534
Jury Pay	29,672	3,709	1,256	32,125
Community Correction Grant 2012	-	153,167	104,842	48,325
Community Corr Grant 10/11	(1,865)	1,377	-	(488)
10/11 Community Transition	1,595	-	1,595	-
Co Medical Assist to Wards	2	-	-	2
Community Corrections Grant 11	32,046	118,577	149,224	1,399
Photo ID	40	-	-	40
State Road Relinquish	432,623	-	-	432,623
Anderson River	11,121	-	-	11,121

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

SPENCER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Community Defense Fund	664	-	-	664
Law Enforcement	9,220	7,253	2,000	14,473
Local Emergency Plan Commission	8,689	4,946	5,753	7,882
Property Maintenance	1,725	1,634	775	2,584
Emergency Management	415	7,735	778	7,372
SCEMA Search & Rescue	3,483	3,925	207	7,201
Welfare HCI	77	-	-	77
911 Surcharge	79,416	70,691	150,107	-
Federal Topic	16,901	-	-	16,901
Community Transition 09/10	2,840	-	2,840	-
Drug Court Grant	4,187	3,030	8,579	(1,362)
American Family Ins	1	27,964	27,965	-
Colonial Insurance	11	1,450	1,461	-
Health Resources	4	40,000	40,004	-
Clerk's Trust	646,269	1,648,934	1,729,482	565,721
Commissary	49,090	59,160	58,653	49,597
Clerk ISETS	2,601	365,651	367,925	327
Inmate Trust	1,919	41,572	41,926	1,565
Pretrial Diversion	106,537	102,210	79,746	129,001
911 Wireless	93,001	39,120	132,121	-
Community Corrections 09/10	2,366	-	2,366	-
Boston Mutual	46	19,050	19,096	-
Spectera	46	11,941	11,987	-
Transamerica	248	27,742	27,990	-
Spencer County Benefits Trust	-	211,730	211,830	(100)
Spencer County X-Mas Club	-	96,890	96,890	-
Vacation Club	-	39,836	39,836	-
Life Investors Insurance Company	-	7,332	7,332	-
Certificate Sale	-	17,473	17,473	-
Payment in Lieu of Taxes	-	143	143	-
Drug Court	-	35,517	27,244	8,273
Brownfield Grant	-	39,250	39,250	-
Totals	<u>\$ 15,219,915</u>	<u>\$ 71,756,861</u>	<u>\$ 72,538,744</u>	<u>\$ 14,438,032</u>

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

The accompanying financial statement presents the financial information for the County.

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.

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

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,

SPENCER 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, 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.

SPENCER 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.

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. 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. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

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

Note 7. Restatement of County Offices

Certain funds that were included on the prior year financial statement have been omitted from the current year financial statement to more accurately reflect the financial activity of the County. These funds account for receipts and disbursements of County offices that are also eventually accounted for in the County's general ledger and this financial statement.

SPENCER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. Two of the funds are a result of those funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2012. The HEA 1001 State Homestead Credit fund has a cash balance deficit due to the nature of the fund. The Spencer County Benefits Trust fund has a negative cash balance due to a transaction error. This error was corrected by the County on January 11, 2013.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's 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.

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	After Settlement Collections	General	Accident Report	Animal Control	CEDIT County Share	CEDIT - Special Legislation	Child Advocacy
Cash and investments - beginning	\$ 350,989	\$ 3,453,908	\$ 5,034	\$ 21,392	\$ 2,647,298	\$ -	\$ 150
Receipts:							
Taxes	-	6,189,296	-	-	-	2,222,543	-
Licenses and permits	-	26,188	-	-	-	-	-
Intergovernmental	-	78,221	-	-	1,854,335	-	-
Charges for services	-	260,132	2,388	-	-	-	-
Fines and forfeits	-	50	-	-	-	-	50
Other receipts	30,326,827	328,339	-	5,570	20,163	-	-
Total receipts	<u>30,326,827</u>	<u>6,882,226</u>	<u>2,388</u>	<u>5,570</u>	<u>1,874,498</u>	<u>2,222,543</u>	<u>50</u>
Disbursements:							
Personal services	-	4,732,957	-	-	-	-	-
Supplies	-	265,578	-	-	-	-	-
Other services and charges	-	2,029,442	-	-	-	-	-
Capital outlay	-	60,896	-	-	-	-	-
Other disbursements	30,480,825	66,174	1,703	11,133	1,947,154	2,222,543	-
Total disbursements	<u>30,480,825</u>	<u>7,155,047</u>	<u>1,703</u>	<u>11,133</u>	<u>1,947,154</u>	<u>2,222,543</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(153,998)</u>	<u>(272,821)</u>	<u>685</u>	<u>(5,563)</u>	<u>(72,656)</u>	<u>-</u>	<u>50</u>
Cash and investments - ending	<u>\$ 196,991</u>	<u>\$ 3,181,087</u>	<u>\$ 5,719</u>	<u>\$ 15,829</u>	<u>\$ 2,574,642</u>	<u>\$ -</u>	<u>\$ 200</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	City and Town Court Costs	Clerk's Records Perpetuation	COIT - Special Legislation	COIT County Distributive Shares	Community Corrections	Congressional School Interest	Congressional School Principal
Cash and investments - beginning	\$ 430	\$ 6,946	\$ 1,924,886	\$ -	\$ 121,784	\$ 54,084	\$ 1
Receipts:							
Taxes	-	-	-	1,316,469	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	767,060	-	-	-	-
Charges for services	-	-	-	-	80,889	-	-
Fines and forfeits	6,349	-	-	-	-	-	-
Other receipts	-	8,712	2,446	-	6,781	280	-
Total receipts	<u>6,349</u>	<u>8,712</u>	<u>769,506</u>	<u>1,316,469</u>	<u>87,670</u>	<u>280</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	9,631	-	-
Supplies	-	-	-	-	6,122	-	-
Other services and charges	-	-	250,000	-	60,650	-	-
Capital outlay	-	-	-	-	28,824	-	-
Other disbursements	6,321	2,551	226,431	1,316,469	2,323	1,008	-
Total disbursements	<u>6,321</u>	<u>2,551</u>	<u>476,431</u>	<u>1,316,469</u>	<u>107,550</u>	<u>1,008</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>28</u>	<u>6,161</u>	<u>293,075</u>	<u>-</u>	<u>(19,880)</u>	<u>(728)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 458</u>	<u>\$ 13,107</u>	<u>\$ 2,217,961</u>	<u>\$ -</u>	<u>\$ 101,904</u>	<u>\$ 53,356</u>	<u>\$ 1</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Prisoner Reimbursement For Incarceration	Covered Bridge	Cumulative Bridge	Cumulative Capital Development	Cumulative Voting System	Drug Free Community	Electronic Map Generation
Cash and investments - beginning	\$ 2,926	\$ 11,542	\$ 1,115,126	\$ 214,278	\$ 5,551	\$ 12,365	\$ 780
Receipts:							
Taxes	-	-	264,881	215,935	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	1,816	1,521	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,370	925	33,454	32,782	-	16,050	250
Total receipts	1,370	925	300,151	250,238	-	16,050	250
Disbursements:							
Personal services	-	-	134,113	-	-	-	-
Supplies	-	-	156,817	-	3,734	-	-
Other services and charges	-	-	187,845	101,802	-	2,700	-
Capital outlay	-	-	45,000	77,159	-	-	-
Other disbursements	2,656	-	-	65,772	-	12,365	-
Total disbursements	2,656	-	523,775	244,733	3,734	15,065	-
Excess (deficiency) of receipts over disbursements	(1,286)	925	(223,624)	5,505	(3,734)	985	250
Cash and investments - ending	\$ 1,640	\$ 12,467	\$ 891,502	\$ 219,783	\$ 1,817	\$ 13,350	\$ 1,030

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Enhanced Access	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street
Cash and investments - beginning	\$ -	\$ 22,743	\$ 129,473	\$ 10,133	\$ 53,762	\$ 92,221	\$ 66,718
Receipts:							
Taxes	-	-	231,771	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	1,589	-	-	32,672	202,056
Charges for services	5,648	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	9,410	25,375	2,296	-	-	-
Total receipts	<u>5,648</u>	<u>9,410</u>	<u>258,735</u>	<u>2,296</u>	<u>-</u>	<u>32,672</u>	<u>202,056</u>
Disbursements:							
Personal services	-	-	218,358	-	-	-	-
Supplies	-	-	1,778	-	-	7,398	182,211
Other services and charges	-	-	27,587	-	-	11,647	-
Capital outlay	-	-	-	-	-	8,940	-
Other disbursements	944	6,882	-	2,225	-	-	-
Total disbursements	<u>944</u>	<u>6,882</u>	<u>247,723</u>	<u>2,225</u>	<u>-</u>	<u>27,985</u>	<u>182,211</u>
Excess (deficiency) of receipts over disbursements	<u>4,704</u>	<u>2,528</u>	<u>11,012</u>	<u>71</u>	<u>-</u>	<u>4,687</u>	<u>19,845</u>
Cash and investments - ending	<u>\$ 4,704</u>	<u>\$ 25,271</u>	<u>\$ 140,485</u>	<u>\$ 10,204</u>	<u>\$ 53,762</u>	<u>\$ 96,908</u>	<u>\$ 86,563</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation
Cash and investments - beginning	\$ 2,297	\$ 19,356	\$ 947,289	\$ 29,122	\$ 81,400	\$ 553,774	\$ 114,239
Receipts:							
Taxes	-	-	-	-	-	139,638	-
Licenses and permits	-	-	1,552	-	-	-	-
Intergovernmental	-	-	1,821,229	-	-	957	-
Charges for services	-	-	-	8,526	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,210	14,262	39,981	-	5,000	1,942	40,906
Total receipts	2,210	14,262	1,862,762	8,526	5,000	142,537	40,906
Disbursements:							
Personal services	-	-	793,407	-	-	89,224	11,267
Supplies	-	-	485,685	626	-	2,459	-
Other services and charges	-	7,082	207,338	3,600	44,626	285,314	-
Capital outlay	-	-	49,829	-	-	-	-
Other disbursements	-	12,664	-	-	-	-	17,321
Total disbursements	-	19,746	1,536,259	4,226	44,626	376,997	28,588
Excess (deficiency) of receipts over disbursements	2,210	(5,484)	326,503	4,300	(39,626)	(234,460)	12,318
Cash and investments - ending	\$ 4,507	\$ 13,872	\$ 1,273,792	\$ 33,422	\$ 41,774	\$ 319,314	\$ 126,557

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Riverboat	Sex and Violent Offender Administration	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Fees	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 41,666	\$ 572	\$ 16,333	\$ 40,404	\$ 1,511	\$ 875	\$ 190,046
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	124,118	-	-	-	-	-	-
Charges for services	-	-	-	4,625	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	1,245	35,035	-	6,650	79,219	5,562
Total receipts	<u>124,118</u>	<u>1,245</u>	<u>35,035</u>	<u>4,625</u>	<u>6,650</u>	<u>79,219</u>	<u>5,562</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	248	-	-	-
Other services and charges	20,450	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	73,973	301	29,341	-	6,573	78,004	131,229
Total disbursements	<u>94,423</u>	<u>301</u>	<u>29,341</u>	<u>248</u>	<u>6,573</u>	<u>78,004</u>	<u>131,229</u>
Excess (deficiency) of receipts over disbursements	<u>29,695</u>	<u>944</u>	<u>5,694</u>	<u>4,377</u>	<u>77</u>	<u>1,215</u>	<u>(125,667)</u>
Cash and investments - ending	<u>\$ 71,361</u>	<u>\$ 1,516</u>	<u>\$ 22,027</u>	<u>\$ 44,781</u>	<u>\$ 1,588</u>	<u>\$ 2,090</u>	<u>\$ 64,379</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Local Health Department Trust Account	Victim Impact Program	Election and Registration	Auditors Ineligible Deductions	County Elected Officials Training	Statewide 911	Adult Probation Administrative
Cash and investments - beginning	\$ 129,636	\$ 2,971	\$ 37,209	\$ -	\$ 852	\$ -	\$ 66,587
Receipts:							
Taxes	-	-	-	55,058	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	16,721	-	-	-	-	-	-
Charges for services	-	-	-	-	-	159,283	-
Fines and forfeits	-	-	-	5,451	-	-	-
Other receipts	-	-	-	-	2,296	114,343	55,258
Total receipts	<u>16,721</u>	<u>-</u>	<u>-</u>	<u>60,509</u>	<u>2,296</u>	<u>273,626</u>	<u>55,258</u>
Disbursements:							
Personal services	-	-	-	-	-	27,212	47,635
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	7,330	-	44,752	18,535
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	12,699	13,325	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>12,699</u>	<u>20,655</u>	<u>-</u>	<u>71,964</u>	<u>66,170</u>
Excess (deficiency) of receipts over disbursements	<u>16,721</u>	<u>-</u>	<u>(12,699)</u>	<u>39,854</u>	<u>2,296</u>	<u>201,662</u>	<u>(10,912)</u>
Cash and investments - ending	<u>\$ 146,357</u>	<u>\$ 2,971</u>	<u>\$ 24,510</u>	<u>\$ 39,854</u>	<u>\$ 3,148</u>	<u>\$ 201,662</u>	<u>\$ 55,675</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Community Corrections Gt	County User Fee	Drain Construction/Reconstruction	Drainage Maintenance	Sheriff Sale Administration	Health Clinic	Self-Insurance
Cash and investments - beginning	\$ 9,897	\$ 80,244	\$ 131,826	\$ 145,066	\$ 8,779	\$ 10,896	\$ 64,172
Receipts:							
Taxes	-	-	-	39,711	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	20,436	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	5,247	-	-	7,800	-	1,425,474
Total receipts	-	5,247	-	39,711	7,800	20,436	1,425,474
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	1,000	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	9,897	1,488	-	-	2,500	12,629	1,387,620
Total disbursements	9,897	1,488	-	1,000	2,500	12,629	1,387,620
Excess (deficiency) of receipts over disbursements	(9,897)	3,759	-	38,711	5,300	7,807	37,854
Cash and investments - ending	\$ -	\$ 84,003	\$ 131,826	\$ 183,777	\$ 14,079	\$ 18,703	\$ 102,026

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Payroll Withholding - Insurance	Payroll Withholding - Other	Payroll Withholding - Deferred Compensation	Payroll Withholding - Federal	Payroll Withholding - FICA & Medicare	Payroll Withholding - Local Tax	Payroll Withholding - PERF
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 2	\$ 197	\$ -	\$ 101,979
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	9,703	4,021	43,730	356,483	524,649	31,037	398,177
Total receipts	<u>9,703</u>	<u>4,021</u>	<u>43,730</u>	<u>356,483</u>	<u>524,649</u>	<u>31,037</u>	<u>398,177</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	9,703	4,021	43,730	356,485	524,846	31,037	499,919
Total disbursements	<u>9,703</u>	<u>4,021</u>	<u>43,730</u>	<u>356,485</u>	<u>524,846</u>	<u>31,037</u>	<u>499,919</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(197)</u>	<u>-</u>	<u>(101,742)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Payroll Withholding - Sheriff Pension	Payroll Withholding - State	Payroll Withholding - Union Dues	Payroll Withholding - Wage Garnishments	CVET Agency	Final Excise Tax Cut Replacement Due State	Weed Lien Collections
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	170,470	750,492	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	22,242	127,908	7,546	13,596	-	-	1,323
Total receipts	22,242	127,908	7,546	13,596	170,470	750,492	1,323
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	22,242	127,908	7,546	13,596	170,470	750,492	1,323
Total disbursements	22,242	127,908	7,546	13,596	170,470	750,492	1,323
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Sewage Collections	Financial Institution Tax	COIT Homestead	HEA 1001 State Homestead Credit	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines
Cash and investments - beginning	\$ 60	\$ -	\$ -	\$ (471)	\$ 675	\$ 1,057	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	20,505	180,904	-	-	-	-
Charges for services	-	-	-	-	-	15,375	543
Fines and forfeits	-	-	-	-	2,470	-	-
Other receipts	8,258	-	-	-	-	-	-
Total receipts	<u>8,258</u>	<u>20,505</u>	<u>180,904</u>	<u>-</u>	<u>2,470</u>	<u>15,375</u>	<u>543</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	8,258	20,505	180,903	-	2,850	15,389	543
Total disbursements	<u>8,258</u>	<u>20,505</u>	<u>180,903</u>	<u>-</u>	<u>2,850</u>	<u>15,389</u>	<u>543</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>(380)</u>	<u>(14)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (471)</u>	<u>\$ 295</u>	<u>\$ 1,043</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Child Restraint Violations Fines
Cash and investments - beginning	\$ -	\$ 230	\$ 26	\$ 275	\$ 263	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	1,213	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	1,470	2,520	-	-	2,865	55	-
Fines and forfeits	-	-	-	250	-	-	125
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,470</u>	<u>2,520</u>	<u>1,213</u>	<u>250</u>	<u>2,865</u>	<u>55</u>	<u>125</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,425	2,500	1,033	525	2,895	54	100
Total disbursements	<u>1,425</u>	<u>2,500</u>	<u>1,033</u>	<u>525</u>	<u>2,895</u>	<u>54</u>	<u>100</u>
Excess (deficiency) of receipts over disbursements	<u>45</u>	<u>20</u>	<u>180</u>	<u>(275)</u>	<u>(30)</u>	<u>1</u>	<u>25</u>
Cash and investments - ending	<u>\$ 45</u>	<u>\$ 250</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 1</u>	<u>\$ 25</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Inheritance Tax	Education Plate Fees Agency	Innkeepers Tax Collections	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ 82,477	\$ -	\$ 9,220	\$ 4,163	\$ 7,413	\$ 13,854	\$ 16,025
Receipts:							
Taxes	-	-	338,318	-	-	-	-
Licenses and permits	-	338	-	-	-	-	-
Intergovernmental	434,931	-	-	-	-	9,976	15,009
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>434,931</u>	<u>338</u>	<u>338,318</u>	<u>-</u>	<u>-</u>	<u>9,976</u>	<u>15,009</u>
Disbursements:							
Personal services	-	-	-	-	-	-	1,289
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	448,305	338	337,090	4,163	-	-	1,477
Total disbursements	<u>448,305</u>	<u>338</u>	<u>337,090</u>	<u>4,163</u>	<u>-</u>	<u>-</u>	<u>2,766</u>
Excess (deficiency) of receipts over disbursements	<u>(13,374)</u>	<u>-</u>	<u>1,228</u>	<u>(4,163)</u>	<u>-</u>	<u>9,976</u>	<u>12,243</u>
Cash and investments - ending	<u>\$ 69,103</u>	<u>\$ -</u>	<u>\$ 10,448</u>	<u>\$ -</u>	<u>\$ 7,413</u>	<u>\$ 23,830</u>	<u>\$ 28,268</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	93.563 Clerk IV-D Incentive-Post Oct '99	Poor Relief	IOCRA Sewer Grant	LUCE Sewer Retainage	Carter Fire District	Township Tax	Recreation
Cash and investments - beginning	\$ 7,567	\$ -	\$ -	\$ 386,670	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	112,528	-	-	111,156	235,756	23,649
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	9,976	-	-	-	-	-	-
Charges for services	-	-	1,217,602	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	227,267	-	-	-
Total receipts	<u>9,976</u>	<u>112,528</u>	<u>1,217,602</u>	<u>227,267</u>	<u>111,156</u>	<u>235,756</u>	<u>23,649</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	7,667	112,528	1,217,602	613,937	111,156	235,756	23,649
Total disbursements	<u>7,667</u>	<u>112,528</u>	<u>1,217,602</u>	<u>613,937</u>	<u>111,156</u>	<u>235,756</u>	<u>23,649</u>
Excess (deficiency) of receipts over disbursements	<u>2,309</u>	<u>-</u>	<u>-</u>	<u>(386,670)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 9,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Fire Fighting	Library Tax	Spencer Co Library Debt	School Debt	Corp Tax	Cum Capital (Towns)	Cum Buildings (Towns)
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	215,419	1,373,207	178,701	3,434,220	1,271,926	24,749	31,550
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>215,419</u>	<u>1,373,207</u>	<u>178,701</u>	<u>3,434,220</u>	<u>1,271,926</u>	<u>24,749</u>	<u>31,550</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>215,419</u>	<u>1,373,207</u>	<u>178,701</u>	<u>3,434,220</u>	<u>1,271,926</u>	<u>24,749</u>	<u>31,550</u>
Total disbursements	<u>215,419</u>	<u>1,373,207</u>	<u>178,701</u>	<u>3,434,220</u>	<u>1,271,926</u>	<u>24,749</u>	<u>31,550</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Street Tax	4H Building Maint	Recreation (Town)	Cum Fire	Fire Equipment Debt	School Transportation	Capital Project
Cash and investments - beginning	\$ -	\$ 249	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	120,712	71,022	205,464	65,849	25,323	2,243,903	3,347,125
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>120,712</u>	<u>71,022</u>	<u>205,464</u>	<u>65,849</u>	<u>25,323</u>	<u>2,243,903</u>	<u>3,347,125</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>120,712</u>	<u>71,271</u>	<u>205,464</u>	<u>65,849</u>	<u>25,323</u>	<u>2,243,903</u>	<u>3,347,125</u>
Total disbursements	<u>120,712</u>	<u>71,271</u>	<u>205,464</u>	<u>65,849</u>	<u>25,323</u>	<u>2,243,903</u>	<u>3,347,125</u>
Excess (deficiency) of receipts over disbursements	-	(249)	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Bus Replacement	Retire/Serv Bond Debt	Co Law Enforcement Continuing Ed	Jury Pay	Community Correction Grant 2012	Community Corr Grant 10/11	10/11 Community Transition
Cash and investments - beginning	\$ -	\$ -	\$ 1,455	\$ 29,672	\$ -	\$ (1,865)	\$ 1,595
Receipts:							
Taxes	515,947	1,165,287	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	153,167	-	-
Charges for services	-	-	-	-	-	261	-
Fines and forfeits	-	-	388	3,709	-	-	-
Other receipts	-	-	-	-	-	1,116	-
Total receipts	<u>515,947</u>	<u>1,165,287</u>	<u>388</u>	<u>3,709</u>	<u>153,167</u>	<u>1,377</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	98,330	-	-
Supplies	-	-	-	-	1,944	-	-
Other services and charges	-	-	-	-	4,568	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	515,947	1,165,287	309	1,256	-	-	1,595
Total disbursements	<u>515,947</u>	<u>1,165,287</u>	<u>309</u>	<u>1,256</u>	<u>104,842</u>	<u>-</u>	<u>1,595</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>79</u>	<u>2,453</u>	<u>48,325</u>	<u>1,377</u>	<u>(1,595)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,534</u>	<u>\$ 32,125</u>	<u>\$ 48,325</u>	<u>\$ (488)</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Co Medical Assist to Wards	Community Corrections Grant 11	Photo ID	State Road Relinquish	Anderson River	Community Defense Fund	Law Enforcement
Cash and investments - beginning	\$ 2	\$ 32,046	\$ 40	\$ 432,623	\$ 11,121	\$ 664	\$ 9,220
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	118,577	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	7,253
Other receipts	-	-	-	-	-	-	-
Total receipts	-	118,577	-	-	-	-	7,253
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	149,224	-	-	-	-	2,000
Total disbursements	-	149,224	-	-	-	-	2,000
Excess (deficiency) of receipts over disbursements	-	(30,647)	-	-	-	-	5,253
Cash and investments - ending	\$ 2	\$ 1,399	\$ 40	\$ 432,623	\$ 11,121	\$ 664	\$ 14,473

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Local Emergency Plan Commission	Property Maintenance	Emergency Management	SCEMA Search & Rescue	Welfare HCI	911 Surcharge	Federal Topic
Cash and investments - beginning	\$ 8,689	\$ 1,725	\$ 415	\$ 3,483	\$ 77	\$ 79,416	\$ 16,901
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	4,946	-	-	3,925	-	70,691	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	1,634	7,735	-	-	-	-
Total receipts	<u>4,946</u>	<u>1,634</u>	<u>7,735</u>	<u>3,925</u>	<u>-</u>	<u>70,691</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,753	775	778	207	-	150,107	-
Total disbursements	<u>5,753</u>	<u>775</u>	<u>778</u>	<u>207</u>	<u>-</u>	<u>150,107</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(807)</u>	<u>859</u>	<u>6,957</u>	<u>3,718</u>	<u>-</u>	<u>(79,416)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 7,882</u>	<u>\$ 2,584</u>	<u>\$ 7,372</u>	<u>\$ 7,201</u>	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ 16,901</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Community Transition 09/10	Drug Court Grant	American Family Ins	Colonial Insurance	Health Resources	Clerk's Trust
Cash and investments - beginning	\$ 2,840	\$ 4,187	\$ 1	\$ 11	\$ 4	\$ 646,269
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	3,030	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	27,964	1,450	40,000	1,648,934
Total receipts	<u>-</u>	<u>3,030</u>	<u>27,964</u>	<u>1,450</u>	<u>40,000</u>	<u>1,648,934</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,840	8,579	27,965	1,461	40,004	1,729,482
Total disbursements	<u>2,840</u>	<u>8,579</u>	<u>27,965</u>	<u>1,461</u>	<u>40,004</u>	<u>1,729,482</u>
Excess (deficiency) of receipts over disbursements	<u>(2,840)</u>	<u>(5,549)</u>	<u>(1)</u>	<u>(11)</u>	<u>(4)</u>	<u>(80,548)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (1,362)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 565,721</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	<u>Commissary</u>	<u>Clerk ISETS</u>	<u>Inmate Trust</u>	<u>Pretrial Diversion</u>	<u>911 Wireless</u>	<u>Community Corrections 09/10</u>
Cash and investments - beginning	\$ 49,090	\$ 2,601	\$ 1,919	\$ 106,537	\$ 93,001	\$ 2,366
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	59,160	-	41,572	-	39,120	-
Fines and forfeits	-	-	-	102,210	-	-
Other receipts	-	365,651	-	-	-	-
Total receipts	<u>59,160</u>	<u>365,651</u>	<u>41,572</u>	<u>102,210</u>	<u>39,120</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	132,121	-
Capital outlay	-	-	-	-	-	-
Other disbursements	58,653	367,925	41,926	79,746	-	2,366
Total disbursements	<u>58,653</u>	<u>367,925</u>	<u>41,926</u>	<u>79,746</u>	<u>132,121</u>	<u>2,366</u>
Excess (deficiency) of receipts over disbursements	<u>507</u>	<u>(2,274)</u>	<u>(354)</u>	<u>22,464</u>	<u>(93,001)</u>	<u>(2,366)</u>
Cash and investments - ending	<u>\$ 49,597</u>	<u>\$ 327</u>	<u>\$ 1,565</u>	<u>\$ 129,001</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Boston Mutual	Spectera	Transamerica	Spencer County Benefits Trust	Spencer County X-Mas Club	Vacation Club
Cash and investments - beginning	\$ 46	\$ 46	\$ 248	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	19,050	11,941	27,742	211,730	96,890	39,836
Total receipts	<u>19,050</u>	<u>11,941</u>	<u>27,742</u>	<u>211,730</u>	<u>96,890</u>	<u>39,836</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	19,096	11,987	27,990	211,830	96,890	39,836
Total disbursements	<u>19,096</u>	<u>11,987</u>	<u>27,990</u>	<u>211,830</u>	<u>96,890</u>	<u>39,836</u>
Excess (deficiency) of receipts over disbursements	<u>(46)</u>	<u>(46)</u>	<u>(248)</u>	<u>(100)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100)</u>	<u>\$ -</u>	<u>\$ -</u>

SPENCER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Life Investors Insurance Company	Certificate Sale	Payment in Lieu of Taxes	Drug Court	Brownfield Grant	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,219,915
Receipts:						
Taxes	-	-	-	-	-	25,787,113
Licenses and permits	-	-	-	-	-	29,291
Intergovernmental	-	-	-	-	-	6,647,725
Charges for services	-	-	-	-	-	2,123,639
Fines and forfeits	-	-	-	-	-	128,305
Other receipts	7,332	17,473	143	35,517	39,250	37,040,788
Total receipts	<u>7,332</u>	<u>17,473</u>	<u>143</u>	<u>35,517</u>	<u>39,250</u>	<u>71,756,861</u>
Disbursements:						
Personal services	-	-	-	-	-	6,163,423
Supplies	-	-	-	-	-	1,114,600
Other services and charges	-	-	-	-	-	3,448,389
Capital outlay	-	-	-	-	-	270,648
Other disbursements	7,332	17,473	143	27,244	39,250	61,541,684
Total disbursements	<u>7,332</u>	<u>17,473</u>	<u>143</u>	<u>27,244</u>	<u>39,250</u>	<u>72,538,744</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,273</u>	<u>-</u>	<u>(781,883)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,273</u>	<u>\$ -</u>	<u>\$ 14,438,032</u>

SPENCER COUNTY
SCHEDULE OF PAYABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>
Governmental activities	<u>\$ 320,603</u>

SPENCER COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: PNC Equipment Finance	2010 Ambulance	\$ <u>31,156</u>	07-07-11	07-07-14

SPENCER COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

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	\$ 209,050
Infrastructure	102,430,490
Buildings	4,928,545
Machinery, equipment, and vehicles	5,870,769
Total governmental activities	113,438,854
Total capital assets	\$ 113,438,854

SPENCER COUNTY
OTHER REPORT

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

County Treasurer

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 FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF SPENCER COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Spencer 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 its major federal program for the year ended December 31, 2012. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of the County's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program 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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Bruce Hartman
State Examiner

May 24, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

SPENCER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF COMMERCE</u>				
ARRA - State Broadband Data and Development Grant Program ARRA - IOT ARRA Broadband	Indiana Office of Technology	11.558	10032481	\$ 2,000
Total - Department of Commerce				<u>2,000</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
CDBG -State-Administered CDBG Cluster Community Development Block Grants/State's Program and Non Entitlement Grants in Hawaii Luce Township Regional Sewer District Grant	Indiana Office of Community and Rural Affairs	14.228	DR2-09-086	1,242,288
Total - Department of Housing and Urban Development				<u>1,242,288</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Crime Victim Assistance VOCA Grant	Indiana Criminal Justice Institute	16.575	12VA1619	21,460
Drug Court Discretionary Grant Program Drug Court Grant	Indiana Criminal Justice Institute	16.585	10-DC-004	24,234
Total - Department of Justice				<u>45,694</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Brownfields Assessment and Cleanup Cooperative Agreements Brownfield Grant	Indiana Department of Environmental Management	66.818	BF-00E00888-0	39,250
Total - Environmental Protection Agency				<u>39,250</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Public Health Emergency Preparedness Bioterrorism Preparedness	Indiana State Department of Health	93.069	EDS # A70-2-0531825	10,168
Child Support Enforcement	Indiana Department of Child Services	93.563	Prosecutor Expense Indirect Costs Clerk Expense Judge Expense Collection Incentives	84,109 12,269 28,840 41,652 34,961
Total for Program				<u>201,831</u>
Total - Department of Health and Human Services				<u>211,999</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Disaster #1997 Disaster #1997	Indiana Department of Homeland Security	97.036	147-USK8P-00 147-UMN85-00	3,072 8,298
Total for Program				<u>11,370</u>
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-2-125A C44P-2-378A	3,400 29,362
Total for Program				<u>32,762</u>
Total - Department of Homeland Security				<u>44,132</u>
Total federal awards expended				<u>\$ 1,585,363</u>

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

SPENCER COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

SPENCER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unqualified as to Regulatory Basis
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 program:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major program:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Program:

_____ Name of Federal Program or Cluster _____
CDBG – State-Administered CDBG Cluster

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.

SPENCER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 24, 2013, with Betty Jane Lynam, Auditor; David J. Gogel, President of the Board of County Commissioners; and Jack N. Kroeger, President of the County Council.