

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

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



FILED
07/09/2013

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---------------------------------------------------|---------------------------------|----------------------------------------------|
| Auditor | Jill Guingrich Gayle Rogers | 01-01-11 to 12-31-12 01-01-13 to 12-31-14 |
| Treasurer | Dixie Geisler Jill Guingrich | 01-01-09 to 12-31-12 01-01-13 to 12-31-16 |
| Clerk | Paula Lantz | 01-01-11 to 12-31-14 |
| Sheriff | Patrick Shafer | 01-01-11 to 12-31-14 |
| Recorder | Bruce Lambert | 01-01-11 to 12-31-14 |
| President of the Board of County Commissioners | John Heimlich | 01-01-12 to 12-31-13 |
| President of the County Council | Dennis Carter | 01-01-12 to 12-31-13 |



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF WHITE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of White 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.

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 June 13, 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 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 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 and Receivables, 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 state-wide 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 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

June 13, 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 WHITE 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 White 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 June 13, 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.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2012-1 and 2012-2 to be material weaknesses.

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*.

White County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

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

June 13, 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.

WHITE 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 |
|-----------------------------------------|-------------------------------------|--------------|---------------|-------------------------------------|
| County General | \$ 3,757,983 | \$ 8,769,947 | \$ 8,785,328 | \$ 3,742,602 |
| Statewide 9-1-1 | - | 439,778 | 229,800 | 209,978 |
| Highway | 228,373 | 2,221,101 | 2,200,027 | 249,447 |
| Local Road & Street | 110,690 | 250,825 | 240,000 | 121,515 |
| Airport | 1,104,963 | 432,420 | 616,426 | 920,957 |
| Accident Reports | 1,171 | 914 | 1,133 | 952 |
| Firearm Training | 9,306 | 15,010 | 10,073 | 14,243 |
| Health | 484,242 | 204,418 | 163,037 | 525,623 |
| County Enforce Educa #2 | 2,901 | 1,399 | 4,017 | 283 |
| Vehicle Inspection | 5,907 | 975 | - | 6,882 |
| Clerk Record Perpetuation | 83,608 | 11,008 | 37,451 | 57,165 |
| E-911 Surtax | 143,455 | 131,574 | 262,372 | 12,657 |
| Co Drug Free Community | 39,400 | 39,021 | 43,306 | 35,115 |
| Ditch Maintenance | 1,897,932 | 284,800 | 348,005 | 1,834,727 |
| Local Emergency Planning | 64,362 | 5,065 | 3,973 | 65,454 |
| Prosecutor Incentive 4D | 30,159 | 19,133 | 3,310 | 45,982 |
| County Extradiction | 90,534 | 1,126 | 5,495 | 86,165 |
| Juvenile Probation | 3,915 | 1,860 | 1,304 | 4,471 |
| Adult Probation | 23,954 | 63,659 | 94,602 | (6,989) |
| Recorder Perpetuation | 110,601 | 69,540 | 55,044 | 125,097 |
| Jury Fees | 91,021 | 3,991 | 6,192 | 88,820 |
| Health Maintenance | 100,229 | 32,672 | 11,740 | 121,161 |
| Pre-Trial Diversion | 44,950 | 5,830 | 9,978 | 40,802 |
| Guardian Ad Litem | 6,130 | - | - | 6,130 |
| County Corrections | 23,132 | 8,516 | 26,856 | 4,792 |
| Cornerstone Perpetuation | 32,274 | 6,175 | 624 | 37,825 |
| Rainy Day | 945,267 | - | - | 945,267 |
| Sales Disclosure Co Share | 23,106 | 3,165 | 827 | 25,444 |
| Sheriff K-9 Donation | 3,926 | 20,010 | 435 | 23,501 |
| Cpt Grant Comm Correction | 13,370 | 5,055 | 1,165 | 17,260 |
| Tobacco Master Settlement | 108,420 | 17,905 | 1,457 | 124,868 |
| County Levy Excess | 473,010 | - | - | 473,010 |
| Security Protection | 22,721 | 4,750 | - | 27,471 |
| E911 - Wireless Surtax | 104,955 | 55,501 | 159,271 | 1,185 |
| 2000 Clerk Incentive 4D | 34,227 | 13,146 | 7,978 | 39,395 |
| Drug Task Force Grant | 340 | 9,959 | 9,943 | 356 |
| Wind Farm Economic Dev | 6,738,651 | 23,640 | 1,588,090 | 5,174,201 |
| Cedit Tax White County | 3,612,661 | 855,271 | 831,968 | 3,635,964 |
| Title IV-D ARRA | 80,317 | - | 80,317 | - |
| Cum Bridge | 4,171,672 | 1,092,415 | 507,327 | 4,756,760 |
| Cum Property Maintenance & Improvements | 1,266,771 | - | 142,243 | 1,124,528 |
| General Drain Improvement | 526,393 | 90,374 | 108,999 | 507,768 |
| Cum Hospital | 6,093 | - | - | 6,093 |
| Police Pension Trust | 174,517 | 13,390 | - | 187,907 |
| City & Town Court Cost | 3,847 | 7,411 | - | 11,258 |
| Coroners Education | 135 | 2,448 | 2,501 | 82 |
| Congressional School Interest | 15,172 | 378 | 1,840 | 13,710 |
| Surplus Tax Sale | 703,484 | 224,390 | 765,017 | 162,857 |
| Tax Sale Redemption | - | 421,322 | 421,322 | - |
| Surplus Tax | 41,071 | 108,015 | 60,875 | 88,211 |
| Fines & Forfeitures | 3,028 | 24,342 | 23,254 | 4,116 |
| Infraction Judgement | 5,259 | 60,850 | 63,627 | 2,482 |
| Inheritance Tax | 305,950 | 861,097 | 943,243 | 223,804 |
| Special Death Benefit | 50 | 755 | 770 | 35 |
| Education Plate Fee | 94 | 1,050 | 1,144 | - |
| Innkeepers Tax | 753,982 | 143,668 | 251,241 | 646,409 |
| Child Restraint Fees | - | 600 | 575 | 25 |
| Adult Offenders Interstate Fee | 63 | 288 | 276 | 75 |
| Industrial Foundation | 5,700 | 1,000 | - | 6,700 |
| Tax Distributions | 207,276 | 27,475,733 | 27,185,100 | 497,909 |
| County Home Escrow | 30,000 | - | - | 30,000 |
| Prosecutor PCA | 7 | 240 | 101 | 146 |
| Rural Demo Project Enfo | (18) | - | - | (18) |
| Title IV-D Incentive | 17,616 | 11,391 | - | 29,007 |
| Elected Official Training | 1,786 | 4,750 | - | 6,536 |
| WCMH Escrow | - | 95,500 | 95,500 | - |
| Innkeepers-Promotion | 6,184 | 72,615 | 77,000 | 1,799 |
| Comm Tax Certificate Sale | 100 | 143,665 | 110,312 | 33,453 |
| Perf | 35,258 | 136,793 | 172,051 | - |
| Voluntary Perf | 10,295 | 41,792 | 52,087 | - |
| Sheriff Retirement | - | 17,075 | 17,075 | - |
| Deferred Comp Naco (PEBSCO) | - | 5,641 | 5,641 | - |
| Aflac Life | 561 | 16,461 | 16,461 | 561 |
| Deferred Comp Lincoln | - | 14,130 | 14,130 | - |
| Dental Insurance | 2,504 | 41,556 | 40,480 | 3,580 |
| Garnishments Child Support | - | 24,064 | 24,064 | - |
| Health Insurance | 33,656 | 229,104 | 251,785 | 10,975 |
| Colonial Life | (309) | 20,083 | 17,999 | 1,775 |
| Boston Mutual Life | 4,329 | 17,358 | 17,387 | 4,300 |
| United Way | - | 2,320 | 2,320 | - |
| Vision Insurance | 5,466 | 14,470 | 14,163 | 5,773 |
| Garnishments Other | - | 19,295 | 19,295 | - |

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

WHITE 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 |
|-----------------------------------|-------------------------------------|-----------------------|-----------------------|-------------------------------------|
| Sculptures Fitness Center | 530 | 3,865 | 3,960 | 435 |
| Federal Tax Withholding | - | 537,386 | 537,386 | - |
| State Tax Withholding | - | 183,281 | 183,281 | - |
| Social Security | - | 222,290 | 222,290 | - |
| County Tax Withholding | - | 70,512 | 70,512 | - |
| Social Security Medicare | - | 76,743 | 76,743 | - |
| American Unted Life | 2,052 | 13,487 | 14,712 | 827 |
| Indiana Sheriffs' 457B | - | 1,300 | 1,300 | - |
| Liberty National Life Ins | (13) | 1,981 | 1,816 | 152 |
| County Rev Building Department | 17,928 | - | - | 17,928 |
| Jail Lease Rental | 277,048 | 316,573 | 558,000 | 35,621 |
| E-911 r / e & l / e | 322,151 | 395,863 | 322,344 | 395,670 |
| Re-assessment 2015 | 116,585 | 115,214 | 97 | 231,702 |
| Continental American Insurance | - | 25,482 | 23,556 | 1,926 |
| Homesteads Non-Reverting | - | 95,837 | 1,656 | 94,181 |
| Homesteads 1% Civil Penalty | - | 142 | 124 | 18 |
| Homesteads (SRI Portion) | - | 38,357 | 31,668 | 6,689 |
| AP Meadowbrook Sub 2 Escrow | - | 40,477 | 38,035 | 2,442 |
| EMA Rainy Day | - | 15,010 | - | 15,010 |
| Levy Excess | - | 99,368 | - | 99,368 |
| Soil & Water | - | - | 1,970 | (1,970) |
| Bullet Proof Vest Program | - | 100 | - | 100 |
| EMA Competitive Grant | - | 3,479 | 7,533 | (4,054) |
| Sheriff Drug Awareness | 3,030 | 1,290 | 1,302 | 3,018 |
| New Reassessment 2006 | 433,959 | 993 | 209,645 | 225,307 |
| Adult Administration Fee | 37,160 | 24,452 | 22,668 | 38,944 |
| Community Corrections | 140,878 | 258,988 | 180,107 | 219,759 |
| Solid Waste Reserve | 10,430,615 | 1,901,054 | - | 12,331,669 |
| Airport Construction Project | 2,264 | 359,308 | 359,828 | 1,744 |
| Election Clerk Hava Grant | 1,196 | 10,000 | 11,194 | 2 |
| Health Dept Bio Terrorism | 32,012 | 22,794 | 22,574 | 32,232 |
| 6Th St W Shafer Dr Grant | (489,670) | 20,965 | 61,533 | (530,238) |
| Dui Enforcement Grant | 710 | 5,500 | 5,692 | 518 |
| Airport Project (State) | (4,204) | 10,850 | 6,926 | (280) |
| Community Come Back Grant | 3,264 | - | - | 3,264 |
| Doick Ditch Maintenance | 146,194 | 55,414 | 39,930 | 161,678 |
| Wolf Ditch Maintenance | 155,819 | 35,106 | 8,360 | 182,565 |
| Law Enforcement Education | 61,852 | 6,948 | 8,679 | 60,121 |
| Riverboat Tax | 93,117 | 80,245 | - | 173,362 |
| Bioterrorism Hospital Planning | 114 | 4,981 | 4,981 | 114 |
| White Co Council On Aging | - | 155,127 | 155,127 | - |
| Courthouse Security | (1,723) | - | - | (1,723) |
| Health Dept Gift | 16,024 | 80 | - | 16,104 |
| Food Training | 2,467 | - | - | 2,467 |
| Law Enforce Forfeiture | 4,251 | 1,490 | 3,396 | 2,345 |
| 2005 Marine Patrol Grant | 3,300 | 16,050 | 18,403 | 947 |
| Comm Corrections State | (19,345) | 322,090 | 365,826 | (63,081) |
| Operation Pull Over | (24) | 5,890 | 5,854 | 12 |
| Adult Offenders Intrastate | 2,645 | 1,912 | - | 4,557 |
| Small Claims Fee | 60,680 | 8,383 | - | 69,063 |
| State Disclosure Fee | 210 | 3,165 | 3,200 | 175 |
| Juvenile Admin Fee | 10,265 | 350 | - | 10,615 |
| Out Of School Suspension | 3,067 | 1,688 | 7,233 | (2,478) |
| Emergency Management Volunteer | 3,329 | 2,784 | 2,298 | 3,815 |
| Pretrial Deferral Fees | 36,384 | 12,409 | 18,461 | 30,332 |
| Verasun Economic Dev | 2,295,670 | - | - | 2,295,670 |
| State Mtg Recording | 260 | 2,973 | 3,233 | - |
| Public Right Of Way Fees | 43,675 | 5,458 | - | 49,133 |
| Drainage Approval Fee | 10,589 | 16,000 | 16,098 | 10,491 |
| First Offenders Program | 2,426 | 825 | - | 3,251 |
| Alcohol & Drug User Fees | 302,861 | 24,760 | 30,070 | 297,551 |
| Civil Service Fee | 23,500 | 2,963 | - | 26,463 |
| New Jail Construction | (10) | - | - | (10) |
| Ivy Tech Project | 6,431 | - | 6,431 | - |
| Wolcott Corridor Expansion | 157,976 | - | 141,262 | 16,714 |
| State View Cemetery | 5,104 | 27 | 360 | 4,771 |
| Recorders Enhanced Access | 21,500 | 5,477 | - | 26,977 |
| County Payroll | 4,208 | - | - | 4,208 |
| Tax Sale Cost | 13,272 | 39,395 | 36,289 | 16,378 |
| Special Death Benefit | 20,180 | 2,360 | - | 22,540 |
| Congressional School Principal | 46,195 | - | 195 | 46,000 |
| White County Prosecutor | 1,028 | 8,739 | 8,739 | 1,028 |
| White County Sheriff Commissary | 43,626 | 92,288 | 88,043 | 47,871 |
| White County Sheriff Cash | 358 | 349,238 | 349,238 | 358 |
| White County Clerk Trust | 378,495 | 2,797,712 | 2,293,930 | 882,277 |
| White County Treasurer | 933,270 | 54,420,683 | 54,730,394 | 623,559 |
| White County Sheriff Inmate Trust | 4,043 | 251,959 | 252,591 | 3,411 |
| Solid Waste Operating | 5,988,488 | 1,828,813 | 979,144 | 6,838,157 |
| Solid Waste Management Dist | 3,351 | 83,970 | 85,892 | 1,429 |
| Totals | <u>\$ 51,202,772</u> | <u>\$ 111,007,681</u> | <u>\$ 109,910,858</u> | <u>\$ 52,299,595</u> |

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

WHITE 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,

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

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

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

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

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

WHITE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

WHITE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers.

WHITE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 financial statements.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursements not yet received by December 31, 2012.

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.

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

| | County General | Statewide 9-1-1 | Highway | Local Road & Street | Airport | Accident Reports |
|----------------------------------------------------|---------------------|--------------------|-------------------|------------------------------|-------------------|---------------------|
| Cash and investments - beginning | \$ 3,757,983 | \$ - | \$ 228,373 | \$ 110,690 | \$ 1,104,963 | \$ 1,171 |
| Receipts: | | | | | | |
| Taxes | 6,911,484 | 439,778 | - | - | 255,245 | - |
| Licenses and permits | 109,092 | - | - | - | - | - |
| Intergovernmental | 394,843 | - | 2,207,552 | 250,825 | 22,956 | - |
| Charges for services | 156,343 | - | - | - | 71,217 | 914 |
| Fines and forfeits | 107,724 | - | - | - | - | - |
| Other receipts | <u>1,090,461</u> | <u>-</u> | <u>13,549</u> | <u>-</u> | <u>83,002</u> | <u>-</u> |
| Total receipts | <u>8,769,947</u> | <u>439,778</u> | <u>2,221,101</u> | <u>250,825</u> | <u>432,420</u> | <u>914</u> |
| Disbursements: | | | | | | |
| Personal services | 5,396,767 | 229,800 | 1,604,376 | - | 32,560 | - |
| Supplies | 362,340 | - | 278,728 | - | 6,872 | 1,133 |
| Other services and charges | 1,954,518 | - | 316,873 | 240,000 | 53,907 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 522,697 | - |
| Other disbursements | <u>1,071,703</u> | <u>-</u> | <u>50</u> | <u>-</u> | <u>390</u> | <u>-</u> |
| Total disbursements | <u>8,785,328</u> | <u>229,800</u> | <u>2,200,027</u> | <u>240,000</u> | <u>616,426</u> | <u>1,133</u> |
| Excess (deficiency) of receipts over disbursements | <u>(15,381)</u> | <u>209,978</u> | <u>21,074</u> | <u>10,825</u> | <u>(184,006)</u> | <u>(219)</u> |
| Cash and investments - ending | <u>\$ 3,742,602</u> | <u>\$ 209,978</u> | <u>\$ 249,447</u> | <u>\$ 121,515</u> | <u>\$ 920,957</u> | <u>\$ 952</u> |

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

| | Firearm Training | Health | County Enforce Educa #2 | Vehicle Inspection | Clerk Record Perpetuation | E-911 Surtax |
|----------------------------------------------------|---------------------|-------------------|----------------------------------|-----------------------|---------------------------------|------------------|
| Cash and investments - beginning | \$ 9,306 | \$ 484,242 | \$ 2,901 | \$ 5,907 | \$ 83,608 | \$ 143,455 |
| Receipts: | | | | | | |
| Taxes | - | 153,147 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | 13,774 | - | - | - | - |
| Charges for services | 15,010 | - | 1,399 | 975 | - | 131,574 |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | 37,497 | - | - | 11,008 | - |
| Total receipts | <u>15,010</u> | <u>204,418</u> | <u>1,399</u> | <u>975</u> | <u>11,008</u> | <u>131,574</u> |
| Disbursements: | | | | | | |
| Personal services | - | 141,931 | - | - | 3,370 | 149,342 |
| Supplies | 10,073 | 876 | - | - | - | - |
| Other services and charges | - | 20,230 | - | - | - | 49,985 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 4,017 | - | 34,081 | 63,045 |
| Total disbursements | <u>10,073</u> | <u>163,037</u> | <u>4,017</u> | <u>-</u> | <u>37,451</u> | <u>262,372</u> |
| Excess (deficiency) of receipts over disbursements | <u>4,937</u> | <u>41,381</u> | <u>(2,618)</u> | <u>975</u> | <u>(26,443)</u> | <u>(130,798)</u> |
| Cash and investments - ending | <u>\$ 14,243</u> | <u>\$ 525,623</u> | <u>\$ 283</u> | <u>\$ 6,882</u> | <u>\$ 57,165</u> | <u>\$ 12,657</u> |

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

| | Co Drug Free Community | Ditch Maintenance | Local Emergency Planning | Prosecutor Incentive 4D | County Extradiction | Juvenile Probation |
|----------------------------------------------------|---------------------------------|----------------------|--------------------------------|-------------------------------|------------------------|-----------------------|
| Cash and investments - beginning | \$ 39,400 | \$ 1,897,932 | \$ 64,362 | \$ 30,159 | \$ 90,534 | \$ 3,915 |
| Receipts: | | | | | | |
| Taxes | - | 284,800 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | 39,021 | - | 5,025 | 19,133 | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | 860 |
| Other receipts | - | - | 40 | - | 1,126 | 1,000 |
| Total receipts | <u>39,021</u> | <u>284,800</u> | <u>5,065</u> | <u>19,133</u> | <u>1,126</u> | <u>1,860</u> |
| Disbursements: | | | | | | |
| Personal services | 3,000 | - | 1,245 | - | - | - |
| Supplies | 2,195 | - | 10 | - | - | 216 |
| Other services and charges | 38,111 | - | 2,718 | - | - | 1,088 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 348,005 | - | 3,310 | 5,495 | - |
| Total disbursements | <u>43,306</u> | <u>348,005</u> | <u>3,973</u> | <u>3,310</u> | <u>5,495</u> | <u>1,304</u> |
| Excess (deficiency) of receipts over disbursements | <u>(4,285)</u> | <u>(63,205)</u> | <u>1,092</u> | <u>15,823</u> | <u>(4,369)</u> | <u>556</u> |
| Cash and investments - ending | <u>\$ 35,115</u> | <u>\$ 1,834,727</u> | <u>\$ 65,454</u> | <u>\$ 45,982</u> | <u>\$ 86,165</u> | <u>\$ 4,471</u> |

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

| | Adult Probation | Recorder Perpetuation | Jury Fees | Health Maintenance | Pre-Trial Diversion | Guardian Ad Litem |
|----------------------------------------------------|--------------------|--------------------------|------------------|-----------------------|------------------------|-------------------------|
| Cash and investments - beginning | \$ 23,954 | \$ 110,601 | \$ 91,021 | \$ 100,229 | \$ 44,950 | \$ 6,130 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 32,672 | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | 54,259 | - | 3,991 | - | 5,830 | - |
| Other receipts | 9,400 | 69,540 | - | - | - | - |
| Total receipts | <u>63,659</u> | <u>69,540</u> | <u>3,991</u> | <u>32,672</u> | <u>5,830</u> | <u>-</u> |
| Disbursements: | | | | | | |
| Personal services | 37,680 | 15,172 | - | 8,459 | - | - |
| Supplies | 4,219 | - | - | - | - | - |
| Other services and charges | 52,703 | 39,872 | - | 3,281 | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 6,192 | - | 9,978 | - |
| Total disbursements | <u>94,602</u> | <u>55,044</u> | <u>6,192</u> | <u>11,740</u> | <u>9,978</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(30,943)</u> | <u>14,496</u> | <u>(2,201)</u> | <u>20,932</u> | <u>(4,148)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ (6,989)</u> | <u>\$ 125,097</u> | <u>\$ 88,820</u> | <u>\$ 121,161</u> | <u>\$ 40,802</u> | <u>\$ 6,130</u> |

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

| | County Corrections | Cornerstone Perpetuation | Rainy Day | Sales Disclosure Co Share | Sheriff K-9 Donation | Cpt Grant Comm Correction |
|----------------------------------------------------|-----------------------|-----------------------------|-------------------|------------------------------------|----------------------------|------------------------------------|
| Cash and investments - beginning | \$ 23,132 | \$ 32,274 | \$ 945,267 | \$ 23,106 | \$ 3,926 | \$ 13,370 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | 5,055 |
| Charges for services | - | 6,175 | - | 3,165 | 20,010 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 8,516 | - | - | - | - | - |
| Total receipts | <u>8,516</u> | <u>6,175</u> | <u>-</u> | <u>3,165</u> | <u>20,010</u> | <u>5,055</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | 26,856 | - | - | - | 435 | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 624 | - | 827 | - | 1,165 |
| Total disbursements | <u>26,856</u> | <u>624</u> | <u>-</u> | <u>827</u> | <u>435</u> | <u>1,165</u> |
| Excess (deficiency) of receipts over disbursements | <u>(18,340)</u> | <u>5,551</u> | <u>-</u> | <u>2,338</u> | <u>19,575</u> | <u>3,890</u> |
| Cash and investments - ending | <u>\$ 4,792</u> | <u>\$ 37,825</u> | <u>\$ 945,267</u> | <u>\$ 25,444</u> | <u>\$ 23,501</u> | <u>\$ 17,260</u> |

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

| | Tobacco Master Settlement | County Levy Excess | Security Protection | E911 - Wireless Surtax | 2000 Clerk Incentive 4D | Drug Task Force Grant |
|-------------------------------------------------------|---------------------------------|--------------------------|------------------------|---------------------------------|----------------------------------|--------------------------------|
| Cash and investments - beginning | \$ 108,420 | \$ 473,010 | \$ 22,721 | \$ 104,955 | \$ 34,227 | \$ 340 |
| Receipts: | | | | | | |
| Taxes | - | - | - | 55,501 | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | 17,905 | - | - | - | - | 9,959 |
| Charges for services | - | - | 4,750 | - | - | - |
| Fines and forfeits | - | - | - | - | 13,146 | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>17,905</u> | <u>-</u> | <u>4,750</u> | <u>55,501</u> | <u>13,146</u> | <u>9,959</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | 34,708 | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | 124,563 | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 1,457 | - | - | - | 7,978 | 9,943 |
| Total disbursements | <u>1,457</u> | <u>-</u> | <u>-</u> | <u>159,271</u> | <u>7,978</u> | <u>9,943</u> |
| Excess (deficiency) of receipts over disbursements | <u>16,448</u> | <u>-</u> | <u>4,750</u> | <u>(103,770)</u> | <u>5,168</u> | <u>16</u> |
| Cash and investments - ending | <u>\$ 124,868</u> | <u>\$ 473,010</u> | <u>\$ 27,471</u> | <u>\$ 1,185</u> | <u>\$ 39,395</u> | <u>\$ 356</u> |

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

| | Wind Farm Economic Dev | Cedit Tax White County | Title IV-D ARRA | Cum Bridge | Cum Property Maintenance & Improvements | General Drain Improvement |
|-------------------------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------|-----------------------------------------------------|---------------------------------|
| Cash and investments - beginning | \$ 6,738,651 | \$ 3,612,661 | \$ 80,317 | \$ 4,171,672 | \$ 1,266,771 | \$ 526,393 |
| Receipts: | | | | | | |
| Taxes | - | 855,271 | - | 883,675 | - | 4,198 |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 79,475 | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 23,640 | - | - | 129,265 | - | 86,176 |
| Total receipts | <u>23,640</u> | <u>855,271</u> | <u>-</u> | <u>1,092,415</u> | <u>-</u> | <u>90,374</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 1,200 | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | 178,702 | 141,043 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 328,625 | - | - |
| Other disbursements | 1,588,090 | 831,968 | 80,317 | - | - | 108,999 |
| Total disbursements | <u>1,588,090</u> | <u>831,968</u> | <u>80,317</u> | <u>507,327</u> | <u>142,243</u> | <u>108,999</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,564,450)</u> | <u>23,303</u> | <u>(80,317)</u> | <u>585,088</u> | <u>(142,243)</u> | <u>(18,625)</u> |
| Cash and investments - ending | <u>\$ 5,174,201</u> | <u>\$ 3,635,964</u> | <u>\$ -</u> | <u>\$ 4,756,760</u> | <u>\$ 1,124,528</u> | <u>\$ 507,768</u> |

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

| | Cum Hospital | Police Pension Trust | City & Town Court Cost | Coroners Education | Congressional School Interest | Surplus Tax Sale |
|----------------------------------------------------|-----------------|----------------------------|------------------------------------|-----------------------|-------------------------------------|------------------------|
| Cash and investments - beginning | \$ 6,093 | \$ 174,517 | \$ 3,847 | \$ 135 | \$ 15,172 | \$ 703,484 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | 2,448 | - | - |
| Fines and forfeits | - | - | 7,411 | - | - | - |
| Other receipts | - | 13,390 | - | - | 378 | 224,390 |
| Total receipts | - | 13,390 | 7,411 | 2,448 | 378 | 224,390 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | 2,501 | 1,840 | 765,017 |
| Total disbursements | - | - | - | 2,501 | 1,840 | 765,017 |
| Excess (deficiency) of receipts over disbursements | - | 13,390 | 7,411 | (53) | (1,462) | (540,627) |
| Cash and investments - ending | \$ 6,093 | \$ 187,907 | \$ 11,258 | \$ 82 | \$ 13,710 | \$ 162,857 |

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

| | Tax Sale Redemption | Surplus Tax | Fines & Forfeitures | Infraction Judgement | Inheritance Tax | Special Death Benefit |
|-------------------------------------------------------|---------------------------|------------------|---------------------------|-------------------------|--------------------|-----------------------------|
| Cash and investments - beginning | \$ - | \$ 41,071 | \$ 3,028 | \$ 5,259 | \$ 305,950 | \$ 50 |
| Receipts: | | | | | | |
| Taxes | 421,322 | 108,015 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | 861,097 | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | 24,342 | 60,850 | - | 755 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>421,322</u> | <u>108,015</u> | <u>24,342</u> | <u>60,850</u> | <u>861,097</u> | <u>755</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 421,322 | 60,875 | 23,254 | 63,627 | 943,243 | 770 |
| Total disbursements | <u>421,322</u> | <u>60,875</u> | <u>23,254</u> | <u>63,627</u> | <u>943,243</u> | <u>770</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>47,140</u> | <u>1,088</u> | <u>(2,777)</u> | <u>(82,146)</u> | <u>(15)</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 88,211</u> | <u>\$ 4,116</u> | <u>\$ 2,482</u> | <u>\$ 223,804</u> | <u>\$ 35</u> |

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

| | Education Plate Fee | Innkeepers Tax | Child Restraint Fees | Adult Offenders Interstate Fee | Industrial Foundation | Tax Distributions |
|-------------------------------------------------------|---------------------------|-------------------|----------------------------|-----------------------------------------|--------------------------|----------------------|
| Cash and investments - beginning | \$ 94 | \$ 753,982 | \$ - | \$ 63 | \$ 5,700 | \$ 207,276 |
| Receipts: | | | | | | |
| Taxes | - | 139,683 | - | - | - | 22,547,294 |
| Licenses and permits | 1,050 | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | 1,366,728 |
| Charges for services | - | - | 600 | - | - | - |
| Fines and forfeits | - | - | - | 288 | - | - |
| Other receipts | - | 3,985 | - | - | 1,000 | 3,561,711 |
| Total receipts | <u>1,050</u> | <u>143,668</u> | <u>600</u> | <u>288</u> | <u>1,000</u> | <u>27,475,733</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 1,144 | 251,241 | 575 | 276 | - | 27,185,100 |
| Total disbursements | <u>1,144</u> | <u>251,241</u> | <u>575</u> | <u>276</u> | <u>-</u> | <u>27,185,100</u> |
| Excess (deficiency) of receipts over disbursements | <u>(94)</u> | <u>(107,573)</u> | <u>25</u> | <u>12</u> | <u>1,000</u> | <u>290,633</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 646,409</u> | <u>\$ 25</u> | <u>\$ 75</u> | <u>\$ 6,700</u> | <u>\$ 497,909</u> |

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

| | County Home Escrow | Prosecutor PCA | Rural Demo Project Enfo | Title IV-D Incentive | Elected Official Training | WCMH Escrow |
|----------------------------------------------------|--------------------------|-------------------|----------------------------------|----------------------------|---------------------------------|----------------|
| Cash and investments - beginning | \$ 30,000 | \$ 7 | \$ (18) | \$ 17,616 | \$ 1,786 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 11,391 | - | - |
| Charges for services | - | - | - | - | 4,750 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | 240 | - | - | - | 95,500 |
| Total receipts | - | 240 | - | 11,391 | 4,750 | 95,500 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 101 | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | 95,500 |
| Total disbursements | - | 101 | - | - | - | 95,500 |
| Excess (deficiency) of receipts over disbursements | - | 139 | - | 11,391 | 4,750 | - |
| Cash and investments - ending | \$ 30,000 | \$ 146 | \$ (18) | \$ 29,007 | \$ 6,536 | \$ - |

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

| | Innkeepers-Promotion | Comm Tax Certificate Sale | Perf | Voluntary Perf | Sheriff Retirement | Deferred Comp Naco (PEBSCO) |
|----------------------------------------------------|----------------------|------------------------------------|-----------------|-------------------|-----------------------|--------------------------------------|
| Cash and investments - beginning | \$ 6,184 | \$ 100 | \$ 35,258 | \$ 10,295 | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | 72,615 | 143,665 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | 136,793 | 41,792 | 17,075 | 5,641 |
| Total receipts | <u>72,615</u> | <u>143,665</u> | <u>136,793</u> | <u>41,792</u> | <u>17,075</u> | <u>5,641</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 77,000 | 110,312 | 172,051 | 52,087 | 17,075 | 5,641 |
| Total disbursements | <u>77,000</u> | <u>110,312</u> | <u>172,051</u> | <u>52,087</u> | <u>17,075</u> | <u>5,641</u> |
| Excess (deficiency) of receipts over disbursements | <u>(4,385)</u> | <u>33,353</u> | <u>(35,258)</u> | <u>(10,295)</u> | <u>-</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 1,799</u> | <u>\$ 33,453</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

| | Aflac Life | Deferred Comp Lincoln | Dental Insurance | Garnishments Child Support | Health Insurance | Colonial Life |
|-------------------------------------------------------|---------------|-----------------------------|---------------------|----------------------------------|---------------------|------------------|
| Cash and investments - beginning | \$ 561 | \$ - | \$ 2,504 | \$ - | \$ 33,656 | \$ (309) |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | <u>16,461</u> | <u>14,130</u> | <u>41,556</u> | <u>24,064</u> | <u>229,104</u> | <u>20,083</u> |
| Total receipts | <u>16,461</u> | <u>14,130</u> | <u>41,556</u> | <u>24,064</u> | <u>229,104</u> | <u>20,083</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | <u>16,461</u> | <u>14,130</u> | <u>40,480</u> | <u>24,064</u> | <u>251,785</u> | <u>17,999</u> |
| Total disbursements | <u>16,461</u> | <u>14,130</u> | <u>40,480</u> | <u>24,064</u> | <u>251,785</u> | <u>17,999</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>-</u> | <u>1,076</u> | <u>-</u> | <u>(22,681)</u> | <u>2,084</u> |
| Cash and investments - ending | <u>\$ 561</u> | <u>\$ -</u> | <u>\$ 3,580</u> | <u>\$ -</u> | <u>\$ 10,975</u> | <u>\$ 1,775</u> |

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

| | Boston Mutual Life | United Way | Vision Insurance | Garnishments Other | Sculptures Fitness Center | Federal Tax Withholding |
|----------------------------------------------------|--------------------------|---------------|---------------------|-----------------------|---------------------------------|-------------------------------|
| Cash and investments - beginning | \$ 4,329 | \$ - | \$ 5,466 | \$ - | \$ 530 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | <u>17,358</u> | <u>2,320</u> | <u>14,470</u> | <u>19,295</u> | <u>3,865</u> | <u>537,386</u> |
| Total receipts | <u>17,358</u> | <u>2,320</u> | <u>14,470</u> | <u>19,295</u> | <u>3,865</u> | <u>537,386</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | <u>17,387</u> | <u>2,320</u> | <u>14,163</u> | <u>19,295</u> | <u>3,960</u> | <u>537,386</u> |
| Total disbursements | <u>17,387</u> | <u>2,320</u> | <u>14,163</u> | <u>19,295</u> | <u>3,960</u> | <u>537,386</u> |
| Excess (deficiency) of receipts over disbursements | <u>(29)</u> | <u>-</u> | <u>307</u> | <u>-</u> | <u>(95)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 4,300</u> | <u>\$ -</u> | <u>\$ 5,773</u> | <u>\$ -</u> | <u>\$ 435</u> | <u>\$ -</u> |

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

| | State Tax Withholding | Social Security | County Tax Withholding | Social Security Medicare | American Unted Life | Indiana Sheriffs' 457B |
|-------------------------------------------------------|-----------------------------|--------------------|------------------------------|--------------------------------|---------------------------|------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ 2,052 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | <u>183,281</u> | <u>222,290</u> | <u>70,512</u> | <u>76,743</u> | <u>13,487</u> | <u>1,300</u> |
| Total receipts | <u>183,281</u> | <u>222,290</u> | <u>70,512</u> | <u>76,743</u> | <u>13,487</u> | <u>1,300</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | <u>183,281</u> | <u>222,290</u> | <u>70,512</u> | <u>76,743</u> | <u>14,712</u> | <u>1,300</u> |
| Total disbursements | <u>183,281</u> | <u>222,290</u> | <u>70,512</u> | <u>76,743</u> | <u>14,712</u> | <u>1,300</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,225)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 827</u> | <u>\$ -</u> |

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

| | Liberty National Life Ins | County Rev Building Department | Jail Lease Rental | E-911 r / e & l / e | Re-assessment 2015 | Continental American Insurance |
|----------------------------------------------------|------------------------------------|-----------------------------------------|-------------------------|------------------------|-----------------------|--------------------------------------|
| Cash and investments - beginning | \$ (13) | \$ 17,928 | \$ 277,048 | \$ 322,151 | \$ 116,585 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | 290,451 | 359,103 | 105,618 | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | 26,122 | 32,296 | 9,499 | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 1,981 | - | - | 4,464 | 97 | 25,482 |
| Total receipts | <u>1,981</u> | <u>-</u> | <u>316,573</u> | <u>395,863</u> | <u>115,214</u> | <u>25,482</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | 241,681 | - | - |
| Supplies | - | - | - | 324 | - | - |
| Other services and charges | - | - | - | 48,672 | 97 | - |
| Debt service - principal and interest | - | - | 558,000 | - | - | - |
| Capital outlay | - | - | - | 31,667 | - | - |
| Other disbursements | 1,816 | - | - | - | - | 23,556 |
| Total disbursements | <u>1,816</u> | <u>-</u> | <u>558,000</u> | <u>322,344</u> | <u>97</u> | <u>23,556</u> |
| Excess (deficiency) of receipts over disbursements | <u>165</u> | <u>-</u> | <u>(241,427)</u> | <u>73,519</u> | <u>115,117</u> | <u>1,926</u> |
| Cash and investments - ending | <u>\$ 152</u> | <u>\$ 17,928</u> | <u>\$ 35,621</u> | <u>\$ 395,670</u> | <u>\$ 231,702</u> | <u>\$ 1,926</u> |

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

| | Homesteads Non-Reverting | Homesteads 1% Civil Penalty | Homesteads (SRI Portion) | AP Meadowbrook Sub 2 Escrow | EMA Rainy Day | Levy Excess |
|-------------------------------------------------------|-----------------------------|--------------------------------------|--------------------------------|-----------------------------------------|---------------------|----------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 95,837 | 142 | 38,357 | 40,477 | 15,010 | 99,368 |
| Total receipts | 95,837 | 142 | 38,357 | 40,477 | 15,010 | 99,368 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | 31,668 | 38,035 | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 1,656 | 124 | - | - | - | - |
| Total disbursements | 1,656 | 124 | 31,668 | 38,035 | - | - |
| Excess (deficiency) of receipts over disbursements | 94,181 | 18 | 6,689 | 2,442 | 15,010 | 99,368 |
| Cash and investments - ending | \$ 94,181 | \$ 18 | \$ 6,689 | \$ 2,442 | \$ 15,010 | \$ 99,368 |

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

| | Soil & Water | Bullet Proof Vest Program | EMA Competitive Grant | Sheriff Drug Awareness | New Reassessment 2006 | Adult Administration Fee |
|-------------------------------------------------------|--------------------|------------------------------------|-----------------------------|------------------------------|-----------------------------|--------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ 3,030 | \$ 433,959 | \$ 37,160 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | 100 | 3,479 | - | - | - |
| Charges for services | - | - | - | 1,290 | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | 993 | 24,452 |
| Total receipts | <u>-</u> | <u>100</u> | <u>3,479</u> | <u>1,290</u> | <u>993</u> | <u>24,452</u> |
| Disbursements: | | | | | | |
| Personal services | 1,970 | - | - | - | 7,662 | - |
| Supplies | - | - | - | - | 947 | - |
| Other services and charges | - | - | - | - | 201,036 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 7,533 | 1,302 | - | 22,668 |
| Total disbursements | <u>1,970</u> | <u>-</u> | <u>7,533</u> | <u>1,302</u> | <u>209,645</u> | <u>22,668</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,970)</u> | <u>100</u> | <u>(4,054)</u> | <u>(12)</u> | <u>(208,652)</u> | <u>1,784</u> |
| Cash and investments - ending | <u>\$ (1,970)</u> | <u>\$ 100</u> | <u>\$ (4,054)</u> | <u>\$ 3,018</u> | <u>\$ 225,307</u> | <u>\$ 38,944</u> |

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

| | Community Corrections | Solid Waste Reserve | Airport Construction Project | Election Clerk Hava Grant | Health Dept Bio Terrorism | 6Th St W Shafer Dr Grant |
|-------------------------------------------------------|--------------------------|---------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------------|
| Cash and investments - beginning | \$ 140,878 | \$ 10,430,615 | \$ 2,264 | \$ 1,196 | \$ 32,012 | \$ (489,670) |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | 359,308 | 10,000 | 22,794 | 20,965 |
| Charges for services | 258,863 | 1,805,554 | - | - | - | - |
| Fines and forfeits | 125 | - | - | - | - | - |
| Other receipts | - | 95,500 | - | - | - | - |
| Total receipts | <u>258,988</u> | <u>1,901,054</u> | <u>359,308</u> | <u>10,000</u> | <u>22,794</u> | <u>20,965</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 16,840 | - |
| Supplies | 10,952 | - | - | 11,194 | - | - |
| Other services and charges | 89,107 | - | - | - | 5,734 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | 359,828 | - | - | 61,533 |
| Other disbursements | 80,048 | - | - | - | - | - |
| Total disbursements | <u>180,107</u> | <u>-</u> | <u>359,828</u> | <u>11,194</u> | <u>22,574</u> | <u>61,533</u> |
| Excess (deficiency) of receipts over disbursements | <u>78,881</u> | <u>1,901,054</u> | <u>(520)</u> | <u>(1,194)</u> | <u>220</u> | <u>(40,568)</u> |
| Cash and investments - ending | <u>\$ 219,759</u> | <u>\$ 12,331,669</u> | <u>\$ 1,744</u> | <u>\$ 2</u> | <u>\$ 32,232</u> | <u>\$ (530,238)</u> |

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

| | Dui Enforcement Grant | Airport Project (State) | Community Come Back Grant | Dolick Ditch Maintenance | Wolf Ditch Maintenance | Law Enforcement Education |
|-------------------------------------------------------|-----------------------------|-------------------------------|------------------------------------|--------------------------------|------------------------------|---------------------------------|
| Cash and investments - beginning | \$ 710 | \$ (4,204) | \$ 3,264 | \$ 146,194 | \$ 155,819 | \$ 61,852 |
| Receipts: | | | | | | |
| Taxes | - | - | - | 55,414 | 35,106 | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | 5,500 | 10,850 | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | 6,948 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>5,500</u> | <u>10,850</u> | <u>-</u> | <u>55,414</u> | <u>35,106</u> | <u>6,948</u> |
| Disbursements: | | | | | | |
| Personal services | 5,692 | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | 6,926 | - | - | - | - |
| Other disbursements | - | - | - | 39,930 | 8,360 | 8,679 |
| Total disbursements | <u>5,692</u> | <u>6,926</u> | <u>-</u> | <u>39,930</u> | <u>8,360</u> | <u>8,679</u> |
| Excess (deficiency) of receipts over disbursements | <u>(192)</u> | <u>3,924</u> | <u>-</u> | <u>15,484</u> | <u>26,746</u> | <u>(1,731)</u> |
| Cash and investments - ending | <u>\$ 518</u> | <u>\$ (280)</u> | <u>\$ 3,264</u> | <u>\$ 161,678</u> | <u>\$ 182,565</u> | <u>\$ 60,121</u> |

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

| | Riverboat Tax | Bioterrorism Hospital Planning | White Co Council On Aging | Courthouse Security | Health Dept Gift | Food Training |
|-------------------------------------------------------|-------------------|--------------------------------------|---------------------------------------|------------------------|------------------------|------------------|
| Cash and investments - beginning | \$ 93,117 | \$ 114 | \$ - | \$ (1,723) | \$ 16,024 | \$ 2,467 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | 80,245 | 4,981 | 155,127 | - | - | - |
| Charges for services | - | - | - | - | 80 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>80,245</u> | <u>4,981</u> | <u>155,127</u> | <u>-</u> | <u>80</u> | <u>-</u> |
| Disbursements: | | | | | | |
| Personal services | - | 4,981 | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 155,127 | - | - | - |
| Total disbursements | <u>-</u> | <u>4,981</u> | <u>155,127</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>80,245</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>80</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 173,362</u> | <u>\$ 114</u> | <u>\$ -</u> | <u>\$ (1,723)</u> | <u>\$ 16,104</u> | <u>\$ 2,467</u> |

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

| | Law Enforce Forfeiture | 2005 Marine Patrol Grant | Comm Corrections State | Operation Pull Over | Adult Offenders Intrastate | Small Claims Fee |
|-------------------------------------------------------|------------------------------|-----------------------------------|------------------------------|---------------------------|----------------------------------|------------------------|
| Cash and investments - beginning | \$ 4,251 | \$ 3,300 | \$ (19,345) | \$ (24) | \$ 2,645 | \$ 60,680 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | 15,000 | 322,090 | 5,890 | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | 1,490 | - | - | - | 1,912 | 8,383 |
| Other receipts | - | 1,050 | - | - | - | - |
| Total receipts | <u>1,490</u> | <u>16,050</u> | <u>322,090</u> | <u>5,890</u> | <u>1,912</u> | <u>8,383</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | 365,826 | 5,438 | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 3,396 | 18,403 | - | 416 | - | - |
| Total disbursements | <u>3,396</u> | <u>18,403</u> | <u>365,826</u> | <u>5,854</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,906)</u> | <u>(2,353)</u> | <u>(43,736)</u> | <u>36</u> | <u>1,912</u> | <u>8,383</u> |
| Cash and investments - ending | <u>\$ 2,345</u> | <u>\$ 947</u> | <u>\$ (63,081)</u> | <u>\$ 12</u> | <u>\$ 4,557</u> | <u>\$ 69,063</u> |

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

| | State Disclosure Fee | Juvenile Admin Fee | Out Of School Suspension | Emergency Management Volunteer | Pretrial Deferral Fees | Verasun Economic Dev |
|----------------------------------------------------|----------------------------|--------------------------|-----------------------------------|--------------------------------------|------------------------------|----------------------------|
| Cash and investments - beginning | \$ 210 | \$ 10,265 | \$ 3,067 | \$ 3,329 | \$ 36,384 | \$ 2,295,670 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | 3,165 | - | - | - | - | - |
| Fines and forfeits | - | 350 | 1,688 | - | 12,409 | - |
| Other receipts | - | - | - | 2,784 | - | - |
| Total receipts | <u>3,165</u> | <u>350</u> | <u>1,688</u> | <u>2,784</u> | <u>12,409</u> | <u>-</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | 700 | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 3,200 | - | 7,233 | 1,598 | 18,461 | - |
| Total disbursements | <u>3,200</u> | <u>-</u> | <u>7,233</u> | <u>2,298</u> | <u>18,461</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(35)</u> | <u>350</u> | <u>(5,545)</u> | <u>486</u> | <u>(6,052)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 175</u> | <u>\$ 10,615</u> | <u>\$ (2,478)</u> | <u>\$ 3,815</u> | <u>\$ 30,332</u> | <u>\$ 2,295,670</u> |

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

| | State Mtg Recording | Public Right Of Way Fees | Drainage Approval Fee | First Offenders Program | Alcohol & Drug User Fees | Civil Service Fee |
|----------------------------------------------------|---------------------------|--------------------------------------|-----------------------------|-------------------------------|--------------------------------------|-------------------------|
| Cash and investments - beginning | \$ 260 | \$ 43,675 | \$ 10,589 | \$ 2,426 | \$ 302,861 | \$ 23,500 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | 2,973 | 5,458 | 16,000 | - | - | - |
| Fines and forfeits | - | - | - | 825 | 24,760 | 2,963 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>2,973</u> | <u>5,458</u> | <u>16,000</u> | <u>825</u> | <u>24,760</u> | <u>2,963</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 30,070 | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 3,233 | - | 16,098 | - | - | - |
| Total disbursements | <u>3,233</u> | <u>-</u> | <u>16,098</u> | <u>-</u> | <u>30,070</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(260)</u> | <u>5,458</u> | <u>(98)</u> | <u>825</u> | <u>(5,310)</u> | <u>2,963</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 49,133</u> | <u>\$ 10,491</u> | <u>\$ 3,251</u> | <u>\$ 297,551</u> | <u>\$ 26,463</u> |

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

| | New Jail Construction | Ivy Tech Project | Wolcott Corridor Expansion | State View Cemetery | Recorders Enhanced Access | County Payroll |
|----------------------------------------------------|-----------------------------|------------------------|----------------------------------|---------------------------|---------------------------------|-------------------|
| Cash and investments - beginning | \$ (10) | \$ 6,431 | \$ 157,976 | \$ 5,104 | \$ 21,500 | \$ 4,208 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | 5,477 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 27 | - | - |
| Total receipts | - | - | - | 27 | 5,477 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | 141,262 | - | - | - |
| Other disbursements | - | 6,431 | - | 360 | - | - |
| Total disbursements | - | 6,431 | 141,262 | 360 | - | - |
| Excess (deficiency) of receipts over disbursements | - | (6,431) | (141,262) | (333) | 5,477 | - |
| Cash and investments - ending | \$ (10) | \$ - | \$ 16,714 | \$ 4,771 | \$ 26,977 | \$ 4,208 |

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

| | Tax Sale Cost | Special Death Benefit | Congressional School Principal | White County Prosecutor | White County Sheriff Commissary | White County Sheriff Cash |
|-------------------------------------------------------|---------------------|-----------------------------|--------------------------------------|-------------------------------|------------------------------------------|------------------------------------|
| Cash and investments - beginning | \$ 13,272 | \$ 20,180 | \$ 46,195 | \$ 1,028 | \$ 43,626 | \$ 358 |
| Receipts: | | | | | | |
| Taxes | 39,395 | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | 2,360 | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 8,739 | 92,288 | 349,238 |
| Total receipts | <u>39,395</u> | <u>2,360</u> | <u>-</u> | <u>8,739</u> | <u>92,288</u> | <u>349,238</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 36,289 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 195 | 8,739 | 88,043 | 349,238 |
| Total disbursements | <u>36,289</u> | <u>-</u> | <u>195</u> | <u>8,739</u> | <u>88,043</u> | <u>349,238</u> |
| Excess (deficiency) of receipts over disbursements | <u>3,106</u> | <u>2,360</u> | <u>(195)</u> | <u>-</u> | <u>4,245</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 16,378</u> | <u>\$ 22,540</u> | <u>\$ 46,000</u> | <u>\$ 1,028</u> | <u>\$ 47,871</u> | <u>\$ 358</u> |

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

| | White County Clerk Trust | White County Treasurer | White County Sheriff Inmate Trust | Solid Waste Operating | Solid Waste Management Dist | Totals |
|----------------------------------------------------|-----------------------------------|------------------------------|-----------------------------------------------|-----------------------------|--------------------------------------|----------------------|
| Cash and investments - beginning | \$ 378,495 | \$ 933,270 | \$ 4,043 | \$ 5,988,488 | \$ 3,351 | \$ 51,202,772 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | 34,160,780 |
| Licenses and permits | - | - | - | - | - | 110,142 |
| Intergovernmental | - | - | - | 1,828,813 | - | 8,250,470 |
| Charges for services | - | - | - | - | - | 2,520,550 |
| Fines and forfeits | - | - | - | - | - | 341,309 |
| Other receipts | <u>2,797,712</u> | <u>54,420,683</u> | <u>251,959</u> | <u>-</u> | <u>83,970</u> | <u>65,624,430</u> |
| Total receipts | <u>2,797,712</u> | <u>54,420,683</u> | <u>251,959</u> | <u>1,828,813</u> | <u>83,970</u> | <u>111,007,681</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | 8,340,470 |
| Supplies | - | - | - | - | - | 717,370 |
| Other services and charges | - | - | - | - | - | 3,668,333 |
| Debt service - principal and interest | - | - | - | - | - | 558,000 |
| Capital outlay | - | - | - | - | - | 1,452,538 |
| Other disbursements | <u>2,293,930</u> | <u>54,730,394</u> | <u>252,591</u> | <u>979,144</u> | <u>85,892</u> | <u>95,174,147</u> |
| Total disbursements | <u>2,293,930</u> | <u>54,730,394</u> | <u>252,591</u> | <u>979,144</u> | <u>85,892</u> | <u>109,910,858</u> |
| Excess (deficiency) of receipts over disbursements | <u>503,782</u> | <u>(309,711)</u> | <u>(632)</u> | <u>849,669</u> | <u>(1,922)</u> | <u>1,096,823</u> |
| Cash and investments - ending | <u>\$ 882,277</u> | <u>\$ 623,559</u> | <u>\$ 3,411</u> | <u>\$ 6,838,157</u> | <u>\$ 1,429</u> | <u>\$ 52,299,595</u> |

WHITE COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2012

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities | <u>\$ 292,533</u> | <u>\$ -</u> |

WHITE 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 | \$ 2,659,234 |
| Infrastructure | 86,744,235 |
| Buildings | 13,962,223 |
| Improvements other than buildings | 2,927,161 |
| Machinery, equipment, and vehicles | 5,497,143 |
| Construction in progress | 265,561 |
| Total governmental activities | 112,055,557 |
| Total capital assets | \$ 112,055,557 |

WHITE COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF WHITE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited White 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, 2012. 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.

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 for each of the County's major federal programs 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 each 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 each of its major federal programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A - 133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2012-5 and 2012-6. Our opinion on each major federal program is not modified with respect to these matters.

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

The County's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

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 requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2012-3, 2012-4, 2012-5, and 2012-6 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

June 13, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

| 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 COMMERCE</u> | | | |
| Pass-Through Indiana Economic Development Administration Economic Development Cluster Investments for Public Works and Economic Development Facilities | 11.300 | Wolcott Corridor | \$ <u>137,262</u> |
| <u>U.S. DEPARTMENT OF TRANSPORTATION</u> | | | |
| Direct Grant Airport Improvement Program | 20.106 | | |
| | | 3-18-0057-12 | 209,828 |
| | | 3-18-0057-13 | <u>150,000</u> |
| Total for program | | | <u>359,828</u> |
| Pass-Through Indiana Department of Transportation Formula Grants for Other Than Urbanized Areas | 20.509 | | |
| | | A249-11-320346 Operation Grant | 29,992 |
| | | A249-12-320346 Operation Grant | <u>80,647</u> |
| Total for program | | | <u>110,639</u> |
| Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I | 20.601 | | |
| | | K8-2012-03-03-34 | 9,943 |
| | | OP-12-02-01-34 | 5,853 |
| | | RDP-2012-02-02-03 | <u>5,692</u> |
| Total for program | | | <u>21,488</u> |
| Total for cluster | | | <u>21,488</u> |
| Total for federal grantor agency | | | <u>491,955</u> |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | |
| Pass-Through Indiana Department of Health and Human Services Medical Reserve Corps Small Grant Program | 93.008 | | <u>4,780</u> |
| Public Health Emergency Preparedness | 93.069 | BPRS-189-70 | <u>17,794</u> |
| National Bioterrorism Hospital Preparedness Program | 93.889 | | <u>4,981</u> |
| Pass-Through Indiana Department of Health and Human Services Child Support Enforcement | 93.563 | | |
| | | General | 153,540 |
| | | Clerk Incentive 4D | 11,391 |
| | | Prosecutor Incentive 4D | 17,132 |
| | | Title 4D Incentive | <u>11,391</u> |
| Total for program | | | <u>193,454</u> |
| Total for federal grantor agency | | | <u>221,009</u> |
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u> | | | |
| Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grants | 97.042 | | |
| | | EDS # C44P-1-396A | 26,234 |
| | | EDS # C44P-1-158A | <u>3,479</u> |
| Total for federal grantor agency | | | <u>29,713</u> |
| Total federal awards expended | | | <u>\$ 879,939</u> |

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

WHITE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to sub-recipients as follows for the year ended December 31, 2012:

| Program Title | Federal CFDA Number | 2012 |
|-----------------------------------------------|---------------------------|-------------------|
| Formula Grants for Other Than Urbanized Areas | 20.509 | \$ <u>110,639</u> |

WHITE 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? | yes |
| 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? | yes |
| 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 OMB Circular A-133? | yes |

Identification of Major Programs:

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

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Preparing Financial Statements:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statements and then determining how those identified risks should be managed. The County has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.
3. **Monitoring of Controls:** Effective internal control over financial reporting requires the Board of Commissioners to monitor and assess the quality of the County's system of internal control. The Board of Commissioners has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

***FINDING 2012-2 - INTERNAL CONTROL OVER THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

We noted deficiencies in the internal control system of the County related to the preparation of the Schedule of Expenditures of Federal Awards. We believe the following deficiencies constitute material weaknesses:

1. **Preparing the Schedule of Expenditures of Federal Awards (SEFA):** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's SEFA and then determining how those identified risks should be managed. The County has not identified risks to the preparation of a reliable SEFA and as a result has failed to design effective controls over the preparation of the SEFA to prevent or detect material misstatements.
2. **Monitoring of Controls:** Effective internal control over financial reporting requires the Board of Commissioners to monitor and assess the quality of the County's system of internal control. The Board of Commissioners has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility placed the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-3 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year: 2012
Pass-Through Entity: Indiana Department of Health and Human Services

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirements; Allowable Activities/Allowable Costs, Cash Management, Reporting and Special Tests and Provisions. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 (b) states:

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

FINDING 2012-4 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO AIRPORT IMPROVEMENT PROGRAM

Federal Agency: U.S. Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106
Federal Award Number: AIP 3-18-0057-12, AIP 03-18-0057-13

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirements; Allowable Activities/Allowable Costs, Cash Management, Matching, Level of Effort, Earmarking, Period of Availability, and Reporting. The failure to establish an effective internal control system places the County at risk of non-compliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 (b) states:

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2012-5 - EQUIPMENT AND REAL PROPERTY MANAGEMENT

Federal Agency: U.S. Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106
Federal Award Number: AIP 3-18-0057-12, AIP 03-18-0057-13

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirement: Equipment and real property management. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 (b) states:

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

The lack of controls related to Equipment and Real Property Management has led to the failure of the County to properly maintain a complete inventory of capital assets owned. The White County Airport had Construction in Progress in the amount of \$359,828 which was not recorded in the County's capital asset records.

49 CFR 18.32 (d) states in part:

"Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Failure to maintain detailed and accurate equipment and property records and to reconcile physical inventory could result in assets being lost, stolen, misappropriated, or disposed of improperly and not detected within a reasonable time.

- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. . . ."

We recommended the County's management establish controls, including segregation of duties, related to the Equipment and real property management compliance requirements related to this grant.

FINDING 2012-6 - REAL PROPERTY ACQUISITION AND RELOCATION ASSISTANCE

Federal Agency: U.S. Department of Transportation
Federal Program: Airport Improvement Program
CFDA Number: 20.106
Federal Award Number: AIP 03-18-0057-12, AIP 03-18-0057-13

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirement: Real Property Acquisition and Relocation. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 (b) states:

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

The lack of controls related to the Real Property Acquisition and Relocation Assistance compliance guidelines has allowed the following noncompliance:

WHITE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The White County Airport Board received a \$150,000 reimbursement for land purchased for the AIP 3-18-00057-12 project. Documentation was not presented for audit to determine if the White County Aviation Board complied with the appraisal or negotiation requirements for federally funded land acquisition.

49 CFR 24.102(c) states in part:

"Appraisal, waiver thereof, and invitation to owner. (1) Before the initiation of negotiations the real property to be acquired shall be appraised, except as provided in 24.102(c)(2), and the owner, or the owner's designated representative, shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property."

Failure to follow federal guidelines related to the real property acquisition compliance guidelines could result in excessive costs to the federal program and jeopardize the funding of the project.

We recommended the County's management establish controls, including segregation of duties, related to the Real Property Acquisition and Relocation Assistance compliance requirements related to this grant.



Gayle E. Rogers

White County Auditor

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June 13, 2013

State Board of Accounts

Annual Audit 2012 Corrective Action

Finding 2012-1-Internal Controls Over Financial Transactions and Reporting

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

Currently, reports of collections and claims are signed by department heads prior to submission to the accounting staff. Different members of the accounting staff then enter collections and claims into the accounting computer system of the Treasurer's office and the Auditor's office. Subsequently, claims are approved by the Board of County Commissioners after which warrants are distributed to the respective department heads for disbursement to vendors; collections are submitted to the bank. Investment fund detail is the responsibility of the 2nd Deputy in the Auditor's office currently reviewed monthly by the Auditor. The County Council and the County Board of Commissioners receive monthly fund reports including revenues, expenditures and balances of each county fund. Changes to the financial statement reporting were made by the State Board of Accounts in 2013 resulting in a clearer understanding of the report by the current Auditor. A strong communication network exists between the Auditor, the County Council and the Board of County Commissioners which facilitates upper management's awareness of the financial office and its segregation of duties.

Finding 2012-2-Internal Control Over the Schedule of Expenditures of Federal Awards

County entities applying for state and/or federal grants are now required to submit copies of applications, awards and all reports to the Auditor's office. All claims, excluding schools, townships and libraries are processed through the Auditor's office. When a grant administration service is involved, that service is required to funnel all reports and forms to the County Auditor. Expenditures are processed as described in Finding 2012-1 above. The White County Board of Commissioners, the White County Council and county department heads have daily access to fund history of all county funds for tracking purposes.

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

Finding 2012-3-Internal Controls Over Compliance Requirements That Have a Direct and Material Effect to Child Support Enforcement

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

County entities applying for state and/or federal grants are now required to submit copies of applications, awards and reports to the Auditor's office. All claims, excluding schools, townships and libraries are processed through the Auditor's office. When a grant administration service is involved, that service is required to funnel all reports and forms to the County Auditor. Expenditures are processed as described in Finding 2012-1 above. The White County Board of Commissioners, White County Council and county department heads have daily access to fund history of all county funds for tracking purposes.

White County is in the process of undergoing an analysis of the Prosecutor's Title IV-D reporting by an outside source that will be reviewed by the Prosecutor's office, the Auditor and the Board of Commissioners. The analysis will involve many facets of the office to determine future internal controls to be implemented.

Finding 2012-4-Internal Controls Over Compliance Requirements That Have a Direct and Material Effect to Airport Improvement Program

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

Currently, reports of collections and claims are signed by department heads prior to submission to the accounting staff. Different members of the accounting staff then enter collections and claims into the accounting computer system of the Treasurer's office and the Auditor's office. Subsequently, claims are approved by the Board of County Commissioners after which warrants are distributed to the respective department heads for disbursement to vendors; collections are submitted to the bank. The County Council and the County Board of Commissioners receive monthly fund reports including revenues, expenditures and balances of each county fund.

County entities applying for state and/or federal grants are now required to submit copies of applications, awards and reports to the Auditor's office. All claims, excluding schools, townships and libraries are processed through the Auditor's office. When a grant administration service is involved, that service is required to funnel all reports and forms to the County Auditor. Expenditures are processed as described in Finding 2012-1 above. The White County Board of Commissioners, White County Council and county department heads have daily access to fund history of all county funds for tracking purposes.

Finding 2012-5-Equipment and Real Property Management

White County hires an outside firm to annually update its capital asset listing. The County Auditor will work with departments to ensure assets are recorded in their capital asset records. The White County Board of Commissioners Secretary and the County Auditor will work together to ensure all assets are accounted for on the capital asset listing. Department heads will be informed that a physical inventory is required and must reconcile with the capital asset list. Also, department heads will be required to supply the County Auditor with a signed document listing equipment information, new or replacement, acquired in whole or in part with grant funds, including a description of the property, serial number or other identification number, source of property, name of title holder, acquisition date and cost of property, percentage of Federal participation in the cost of the property, the location, use and condition of the property and any ultimate disposition of data including the date of disposal and sale price to the property. Now that grant administrators are aware of reporting requirements to the Auditor's office, asset list compliance should be achieved.

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

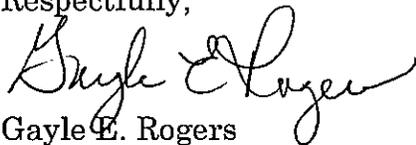
Finding 2012-6-Real Property Acquisition and Relocation Assistance

White County has weighed the risks associated with a limited staff and has determined the additional burden on county taxpayers for the hiring of staff members to individualize accounting functions cannot be justified at this time.

The \$150,000 land acquisition reimbursement received by the White County Airport Board was a partial reimbursement for land purchased. The price of the land was set by order of the White County Circuit Court, Cause No 91C01-0409-MI-045. Application for grant monies to cover 95% of the cost of the land acquisition is an ongoing process administered by an outside grant administration firm. The County will make all efforts to acquire from said firm all grant compliance reports stating compliance in all twelve required areas.

The Auditor is keeping detailed information on all grants, including a State Board of Accounts recommended spreadsheet. Each grant has its own fund number for individual tracking. The Auditor will continue to work closely with any grant administrators involved to ensure proper county tracking of all grants.

Respectfully,



Gayle E. Rogers

White County Auditor

WHITE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 13, 2013, with Gayle Rogers, Auditor; John Heimlich, President of the Board of County Commissioners; and Dennis Carter, President of the County Council. The officials concurred with our audit findings.