

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

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



FILED
07/18/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Janice D. Richhart	01-01-11 to 12-31-14
Treasurer	Rita E. Sievertson Diane L. Edwards	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Sue Anne Misiniec	01-01-11 to 12-31-14
Sheriff	Doug Cox	01-01-11 to 12-31-14
Recorder	Jill Jackson	01-01-11 to 12-31-14
President of the Board of County Commissioners	John L. Price Thomas A. Kite Brian Baird	01-01-12 to 12-31-12 01-01-13 to 05-28-13 05-29-13 to 12-31-13
President of the County Council	Josh McCarty James Eckart	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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

TO: THE OFFICIALS OF JOHNSON COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 27, 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 records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Other Information

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual audit performed by the Indiana State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

The County's response to the audit is described in the accompanying section of the report entitled Official Response. We did not audit the County's response and, accordingly, we express no opinion on it.



Bruce Hartman
State Examiner

June 27, 2013



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ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

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 JOHNSON 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 Johnson 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 27, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Johnson County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Official Response. 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 27, 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.

JOHNSON 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
Johnson County Inmate Trust Supp AFR	\$ 26,894	\$ 522,878	\$ 525,482	\$ 24,290
Sheriff's Commissary Fund Supp AFR	569,325	402,664	413,937	558,052
Clerk's Trust Account Supp AFR	1,303,029	4,588,133	4,962,068	929,094
General	5,528,701	26,213,683	25,382,161	6,360,223
Sheriff Accident Report	2,879	4,237	1,554	5,562
Bid Bond Checks	17,742	13,110	12,623	18,229
Campaign Finance Enforc	3,820	1,350	-	5,170
Child Advocacy	7,905	150	-	8,055
City & Town Court Cost (3%)	3,258	22,965	22,340	3,883
Clerks Perpetuation	19,298	30,304	22,934	26,668
Comm Corr/Adult Grant	71,453	461,412	466,572	66,293
Comm Corr Ctp	(3,566)	21,116	5,595	11,955
County Sales Disclosure Fee	30,382	15,631	8,669	37,344
Cumulative Bridge	3,219,173	1,382,639	1,251,577	3,350,235
Cumulative Capital Development	3,722,022	1,266,544	964,393	4,024,173
Drug Free Community	179,647	88,510	176,402	91,755
Economic Development Svc	8,050	17,000	13,250	11,800
Electronic Map Generation	8,333	1,917	-	10,250
Emerg Planning & Right To Know	20,484	29,546	32,477	17,553
Enhanced 911	381,633	545,882	927,515	-
County Extradition	76,990	25,801	2,091	100,700
Sheriff Firearms Training	37,124	34,135	22,970	48,289
General Drain Improvement	117,484	112,047	117,934	111,597
County Health	465,614	473,205	595,924	342,895
Identification Security Protec	230,078	14,662	-	244,740
Levy Excess	16,929	-	-	16,929
Health Maintenance	250,049	71,646	91,157	230,538
Local Road And Street	781,184	759,063	657,188	883,059
County Med Care For Inmat	14,773	22,138	21,889	15,022
County Misdemeanant	52,475	66,883	56,281	63,077
County Highway	1,069,579	2,882,563	2,669,972	1,282,170
Park Non-Revert Capital Improv	134,222	124,767	59,805	199,184
Park Non-Reverting Operating	79,560	215,300	169,865	124,995
Auditors Plat Map Maintenance	92,342	31,975	15,504	108,813
Rainy Day	1,583,794	218	402,430	1,181,582
Prop Reassessment 2009 (2006)	364,042	-	244,709	119,333
Prop Reassessment 2017 (2015)	383,263	518,684	400,649	501,298
Recorders Records Perpet	590,631	269,289	74,499	785,421
JC Sheriff's Sex Offender Fee	16,425	5,688	-	22,113
Sheriffs Svs Of Process Fees	-	86,892	86,892	-
JC Storm Water Management Dept	84,105	29,868	3,924	110,049
Supp Public Def Ser Fee	72,475	46,248	6,458	112,265
Surplus Tax	1,160,033	475,821	757,677	878,177
Surveyor Corner Perpet	142,178	26,335	72,695	95,818
Tax Sale Costs	-	46,905	49,635	(2,730)
Tax Sale Redemption	-	168,625	168,625	-
Tax Sale Surplus	1,484,952	1,744,240	1,618,867	1,610,325
Tobacco Sett/Health Dep	302,733	55,091	61,562	296,262
Wireless Emergency Telephone	700,956	253,788	954,744	-
Casa/Guardian Ad Litem	73,482	72,128	49,255	96,355
Auditors Ineligible Deductions	-	229,299	24,311	204,988
Elected Officials Training	5,696	14,662	-	20,358
County Offender Transportation	188	375	-	563
Johnson County 911	-	2,159,252	592,906	1,566,346
Adult Probation Adm Fees	9,510	30,185	32,081	7,614
Juvenile Probation Adm Fees	2,485	5,966	6,806	1,645
Supplemental Adult Prob Svc	(19,160)	347,991	298,497	30,334
Supplemental Juv Prob Serv	4,821	43,370	30,297	17,894
Alternative Dispute Resolution	116,350	100,214	85,671	130,893
User Fee/Jury Fee	2,228,936	1,786,123	1,843,756	2,171,303
Drainage Maintenance	507,958	272,929	243,417	537,470
Animal Shelter	187,700	296,867	298,518	186,049

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

JOHNSON 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
Interpreter Fees-Superior Ct 3	11,896	5,655	-	17,551
Animal Shelter General Donations	68,808	37,351	49,073	57,086
Ordinance Fines	8,878	1,594	1,331	9,141
GOB 2010 Proceeds	6,495,982	4,240,546	4,211,145	6,525,383
Liability Workers Compensation and Casualty	101,192	15	58,920	42,287
Net Payroll	-	13,011,480	13,011,480	-
Withholding-United Way	-	7,313	7,313	-
Withholding-Emp Health Ins	12,485	893,249	897,674	8,060
Withholding Equi-Vest	-	141,306	141,306	-
Withholding-Child Support	-	64,204	64,204	-
Withholding-AUL Deferred Comp	-	91,711	91,711	-
Withholding-Federal Tax	-	1,797,116	1,797,116	-
Withholding-Social Security	-	983,707	983,707	-
Withholding-Flexplus	-	98,077	98,077	-
Withholding-County Opt Tax	-	191,128	191,128	-
Withholding Retirement-Perf	128,773	481,903	610,153	523
Withholding-457	-	28,480	28,480	-
Withholding-State Tax	-	584,208	584,208	-
Withholding-Uniform Highway	65	10,327	10,367	25
Withholding Garnishment Wages	-	31,896	31,896	-
Settlement	-	145,808,293	145,808,293	-
Johnson County Wheel /SurTax	-	3,586,282	3,584,555	1,727
Comm Vehicle Excise Tax	-	405,364	405,364	-
Special Assessment	-	133,392	133,392	-
All Sewer Settlements	-	241,071	241,071	-
Financial Inst Franchise Tax	-	331,121	331,121	-
HEA 1001-2008 STATE HMSTD CRED	29,166	-	-	29,166
Homestead Credit Rebate Fund	1,348	271	-	1,619
Fines And Forfeitures	7,644	32,918	37,892	2,670
Infraction Judgments	13,364	137,941	140,384	10,921
Overweight Vehicles Fines	30	20,261	18,209	2,082
Special Death Benefit Fee	1,365	19,380	19,520	1,225
State Sales Discl-General	1,515	15,625	15,800	1,340
Coroner's Contin Educ	1,044	11,366	11,647	763
Interstate Compact Fee	(63)	376	313	-
State Auditors Mortgage Fee	1,655	19,663	19,570	1,748
DLGF Homestead Prop Database	-	206	197	9
JC Sheriff's Sex Offender 10%	-	633	631	2
Child Restraint System	225	1,800	1,750	275
Food & Beverage Tax Collection	168,091	2,420,305	2,536,036	52,360
Inheritance Tax	653,181	3,137,306	2,956,888	833,599
Park Sales Tax	(3)	4,796	4,793	-
Education Plate Fee	263	2,381	2,644	-
Riverboat Revenue Sharing	-	827,299	827,299	-
CAGIT Distribution	-	33,959,679	33,959,679	-
93.563 TITLE IV-D INCENTIVE	-	100,435	-	100,435
93.563 Pros Title IVD Prior 99	5,431	-	-	5,431
93.563 Pros IVD Inc Post 99	69,535	58,511	92,150	35,896
93.563 Clerk IVD Inc Post 99	206,091	38,891	20,599	224,383
Sheriff's Reserve Fund AFR	6,280	-	-	6,280
Sheriff's Trust Fund Account AFR	32,200	13,541,518	13,193,026	380,692
Sheriff's Property Room Account AFR	81,136	22,531	34,229	69,438
Treasurer's Trust Supp AFR	5,008,932	2,202,000	5,008,932	2,202,000
Trust Account - To Auditor Supp AFR	74,932	1,078,929	1,084,179	69,682
Child Support Supp AFR	24,791	1,817,257	1,808,709	33,339
Sheriff's Special Account Supp AFR	64,446	19,000	14,385	69,061
Jo Co Employee Benefit Plan (Meritain) Supp AFR	67,960	3,318,556	3,371,857	14,659
Johnson County FSA (BMS) Supp AFR	9,415	98,078	100,837	6,656
Johnson Co Claims (Workers' Comp) Supp AFR	15,434	327,383	324,715	18,102
Johnson County Liability & Casualty Supp AFR	10,007	2	-	10,009
Johnson Co Employee Benefit (former) Supp AFR	158,777	119	158,896	-
Johnson Co Workers' Comp (ASC - former) Supp AFR	56,284	29	56,313	-

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

JOHNSON 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
Juvenile Detention Center Coin Phone Supp AFR	6,744	7,194	1,763	12,175
Juvenile Detention Center Vending Machine Supp AFR	144	320	230	234
Community Corrections Commissary Supp AFR	155,921	93,206	78,012	171,115
Olive Branch Road Project	1,622	-	-	1,622
Inspection Fees - New Subdiv	294,037	60,690	34,394	320,333
Sheriff's Narcotic Seizure	9,475	11,350	3,552	17,273
Forfeiture & Seizure - Prosec	13,792	9,525	-	23,317
Jo Co Sheriffs Office Lab Fee	775	70	-	845
JC Surveyor Certification ABPF	7,600	2,500	-	10,100
GIS Maintenance Fund	32,862	83,767	69,348	47,281
Juvenile Services Fees	-	425	-	425
Wheel/Surtax-County Portion	1,216,969	1,777,554	1,975,484	1,019,039
Railroad Crossing Upgrade Fund	44,936	45,643	-	90,579
Animal Adoption Fee Fund	47,359	22,471	18,698	51,132
Casa Fee & Donation Fund	1,672	2,920	-	4,592
Prosecutors Bad Check Svcs	88,362	7,318	-	95,680
Law Enforcement/Prosecutor	75	-	-	75
Law Enforc Cont Ed/Animl Shlt	1,370	400	-	1,770
Interpreter Fees-Circuit Court	2,160	155	-	2,315
Interpreter Fees-Superior Ct 1	250	-	-	250
Sheriffs Towing Fund	-	8,920	-	8,920
Withholding Retirement Judges	-	2,784	2,784	-
Withholding Voluntary AUL Loan	-	2,010	2,010	-
Dangerous Driving Enforcement	4	-	-	4
16.588 STOP GRANT	(24,922)	46,389	38,518	(17,051)
Disaster Recovery Grants	-	321,613	321,613	-
16.575 Victim Assist	(18,062)	55,100	57,145	(20,107)
St. Homeland Sec Grnt - 2006	(6,594)	68,685	68,685	(6,594)
Spanish Translation Grant	1,825	-	-	1,825
COPS Technology Program	5,850	342,707	164,204	184,353
District 5 Fire Training	-	150	-	150
Access Johnson Co Grant	-	1,192,262	1,192,262	-
CRI HEALTH GRANT 1	1,623	34,729	40,206	(3,854)
NACCHO 2008 Capacity Bldg Grnt	9,184	-	1,638	7,546
Public Health Prepare Base Grt	(1,136)	8,656	15,049	(7,529)
20.600 OPO/BCC/BLITZ	163	88,049	72,786	15,426
ACE 65 South Grant	2,934	-	-	2,934
Bioter/Prepare Grant-Heal	1,648	-	-	1,648
FEMA Flood Buyout	63,854	1,129,592	1,130,940	62,506
Bioter/Prepare	160	-	-	160
Juv Accountability Block Gt	-	71,646	71,646	-
Ojjdp Conference Scholarship	698	-	-	698
16.738 JAG GRANT	-	20,629	20,629	-
H1N1 2010	-	281	281	-
Indiana Housing & Community De	21,472	376,756	376,980	21,248
16.523 BLOCK GRANT 09JB006	(76)	610	7,299	(6,765)
Juv Account Block Grant 007	(2,261)	12,794	10,533	-
Voting System Reimburs	541,079	5,001	170,088	375,992
Hmland-Law Enforce Terr Prot	(80)	9,314	9,234	-
Juv Mental Health Pilot Grant	-	6,106	6,106	-
2008 Flood OrenWright Building	873,170	43	218,981	654,232
Public Health Pre&Res for H1N1	(17,185)	17,192	-	7
16.540 JCJJS GRAD M & I PROG	-	31,000	31,000	-
16.548 JABG 10-JP-004	-	-	740	(740)
16.540 Juv Mental Hlth 11JF007	-	50,000	50,000	-
W I C Program	(24,272)	522,149	535,958	(38,081)
Court Improv Pjct Grnt	(5,000)	33,000	25,000	3,000
Johnson County Family Court	8,113	-	4,961	3,152
CAPTA Grant	10,331	-	-	10,331
NACCHO (2)	-	4,954	4,954	-
Ind Breast Cancer Awareness Tr	-	3,375	2,430	945
Totals	<u>\$ 45,509,618</u>	<u>\$ 292,585,147</u>	<u>\$ 294,110,315</u>	<u>\$ 43,984,450</u>

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

JOHNSON 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,

JOHNSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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.

JOHNSON 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.

JOHNSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

JOHNSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Restatement of County Offices

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

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds that were set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2012.

JOHNSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Holding Corporation

The County has entered into a capital lease with Johnson County Jail Building Corporation (the lessor). The lessor was organized as a not for profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2012 totaled \$866,000.

Note 10. Combined Funds

Funds that were reported individually in the prior financial statement but combined into one fund for the current financial statement are as follows:

1. The User Fee/Jury Fee also includes the County Alcohol and Drug, Sheriff Deferral, Community Corrections-Adult Project Income, Community Corrections-Juvenile Project Income, Law Enforcement Continuing Education, Sheriff's Law Enforcement Continuing Education, Prosecutor Deferral Program, and Pretrial Diversion Program Funds.
2. The Animal Shelter General Donations also includes the Animal Shelter Building Donations, Sara Woods Memorial, Child Advocacy Center Donations, WIC Donations, Park Gift, and Animal Shelter Gene L. Branigin Estate Funds.
3. The Ordinance Fines includes the Weights and Measurers Ordinance Fines Fund.
4. The GOB 2010 Proceeds also includes Road and Bridge Bond Project, Jail Expansion Lease, GOB Equipment Bond of 2006 Proceeds, General Obligation Bond of 2010 Debt Service, Family and Children Services Bond, Transportation Revenue Bond Proceeds, and GOB 2012 Proceeds Funds.
5. The Liability Workers Compensation and Casualty includes the Group Insurance Fund.
6. The Withholding-United Way includes Withholding-Political Campaign Contribution Fund.
7. The Withholding-Emp Health Ins includes Withholding-JC Flex Premiums, Withholding-Dental/Vision Insurance, Withholding-American Family Life, Withholding-Guardian Life, and Withholding-AUL Insurance Funds.
8. The Withholding Equi-Vest includes Withholding-Wage Assignment and Withholding-Sheriff Pension Funds.

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.

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

	Johnson County Inmate Trust Supp AFR	Sheriff's Commissary Fund Supp AFR	Clerk's Trust Account Supp AFR	General	Sheriff Accident Report	Bid Bond Checks	Campaign Finance Enforc
Cash and investments - beginning	\$ 26,894	\$ 569,325	\$ 1,303,029	\$ 5,528,701	\$ 2,879	\$ 17,742	\$ 3,820
Receipts:							
Taxes	-	-	-	20,826,263	-	-	-
Licenses and permits	-	-	-	174,328	-	-	-
Intergovernmental	-	-	-	1,976,866	-	-	-
Charges for services	-	402,664	-	1,514,824	4,237	-	-
Fines and forfeits	-	-	-	553,233	-	2,000	-
Other receipts	522,878	-	4,588,133	1,168,169	-	11,110	1,350
Total receipts	<u>522,878</u>	<u>402,664</u>	<u>4,588,133</u>	<u>26,213,683</u>	<u>4,237</u>	<u>13,110</u>	<u>1,350</u>
Disbursements:							
Personal services	-	6,890	-	17,745,908	-	-	-
Supplies	-	-	-	2,068,364	1,554	-	-
Other services and charges	-	168,755	-	4,041,529	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	93,217	-	136,328	-	-	-
Other disbursements	525,482	145,075	4,962,068	1,390,032	-	12,623	-
Total disbursements	<u>525,482</u>	<u>413,937</u>	<u>4,962,068</u>	<u>25,382,161</u>	<u>1,554</u>	<u>12,623</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,604)</u>	<u>(11,273)</u>	<u>(373,935)</u>	<u>831,522</u>	<u>2,683</u>	<u>487</u>	<u>1,350</u>
Cash and investments - ending	<u>\$ 24,290</u>	<u>\$ 558,052</u>	<u>\$ 929,094</u>	<u>\$ 6,360,223</u>	<u>\$ 5,562</u>	<u>\$ 18,229</u>	<u>\$ 5,170</u>

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

	Child Advocacy	City & Town Court Cost (3%)	Clerks Perpetuation	Comm Corr/Adult Grant	Comm Corr Ctp	County Sales Disclosure Fee	Cumulative Bridge
Cash and investments - beginning	\$ 7,905	\$ 3,258	\$ 19,298	\$ 71,453	\$ (3,566)	\$ 30,382	\$ 3,219,173
Receipts:							
Taxes	-	-	-	-	-	-	1,231,398
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	1,280	-	-	-	151,051
Charges for services	-	-	-	461,412	21,116	15,616	-
Fines and forfeits	150	22,965	29,024	-	-	-	-
Other receipts	-	-	-	-	-	15	190
Total receipts	<u>150</u>	<u>22,965</u>	<u>30,304</u>	<u>461,412</u>	<u>21,116</u>	<u>15,631</u>	<u>1,382,639</u>
Disbursements:							
Personal services	-	-	10,828	349,416	5,595	436	459,933
Supplies	-	-	791	117,156	-	-	-
Other services and charges	-	-	11,060	-	-	45	121,979
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	255	-	-	8,188	669,665
Other disbursements	-	22,340	-	-	-	-	-
Total disbursements	<u>-</u>	<u>22,340</u>	<u>22,934</u>	<u>466,572</u>	<u>5,595</u>	<u>8,669</u>	<u>1,251,577</u>
Excess (deficiency) of receipts over disbursements	<u>150</u>	<u>625</u>	<u>7,370</u>	<u>(5,160)</u>	<u>15,521</u>	<u>6,962</u>	<u>131,062</u>
Cash and investments - ending	<u>\$ 8,055</u>	<u>\$ 3,883</u>	<u>\$ 26,668</u>	<u>\$ 66,293</u>	<u>\$ 11,955</u>	<u>\$ 37,344</u>	<u>\$ 3,350,235</u>

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

	Cumulative Capital Development	Drug Free Community	Economic Development Svc	Electronic Map Generation	Emerg Planning & Right To Know	Enhanced 911	County Extradition
Cash and investments - beginning	\$ 3,722,022	\$ 179,647	\$ 8,050	\$ 8,333	\$ 20,484	\$ 381,633	\$ 76,990
Receipts:							
Taxes	951,779	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	156,144	-	-	-	22,311	-	-
Charges for services	-	-	-	-	-	545,877	-
Fines and forfeits	-	88,510	-	-	-	-	25,801
Other receipts	158,621	-	17,000	1,917	7,235	5	-
Total receipts	1,266,544	88,510	17,000	1,917	29,546	545,882	25,801
Disbursements:							
Personal services	139,413	-	-	-	-	-	-
Supplies	3,647	-	-	-	-	-	2,091
Other services and charges	266,230	176,402	-	-	30,377	334,112	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	405,103	-	-	-	2,100	-	-
Other disbursements	150,000	-	13,250	-	-	593,403	-
Total disbursements	964,393	176,402	13,250	-	32,477	927,515	2,091
Excess (deficiency) of receipts over disbursements	302,151	(87,892)	3,750	1,917	(2,931)	(381,633)	23,710
Cash and investments - ending	\$ 4,024,173	\$ 91,755	\$ 11,800	\$ 10,250	\$ 17,553	\$ -	\$ 100,700

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

	Sheriff Firearms Training	General Drain Improvement	County Health	Identification Security Protec	Levy Excess	Health Maintenance	Local Road And Street
Cash and investments - beginning	\$ 37,124	\$ 117,484	\$ 465,614	\$ 230,078	\$ 16,929	\$ 250,049	\$ 781,184
Receipts:							
Taxes	-	82,849	182,828	-	-	-	736,713
Licenses and permits	34,135	-	-	-	-	-	-
Intergovernmental	-	-	22,234	-	-	-	7,622
Charges for services	-	-	259,236	14,662	-	71,646	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	29,198	8,907	-	-	-	14,728
Total receipts	<u>34,135</u>	<u>112,047</u>	<u>473,205</u>	<u>14,662</u>	<u>-</u>	<u>71,646</u>	<u>759,063</u>
Disbursements:							
Personal services	-	-	568,459	-	-	83,768	-
Supplies	22,970	-	11,943	-	-	553	-
Other services and charges	-	-	14,750	-	-	6,836	7,240
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	772	-	-	-	649,948
Other disbursements	-	117,934	-	-	-	-	-
Total disbursements	<u>22,970</u>	<u>117,934</u>	<u>595,924</u>	<u>-</u>	<u>-</u>	<u>91,157</u>	<u>657,188</u>
Excess (deficiency) of receipts over disbursements	<u>11,165</u>	<u>(5,887)</u>	<u>(122,719)</u>	<u>14,662</u>	<u>-</u>	<u>(19,511)</u>	<u>101,875</u>
Cash and investments - ending	<u>\$ 48,289</u>	<u>\$ 111,597</u>	<u>\$ 342,895</u>	<u>\$ 244,740</u>	<u>\$ 16,929</u>	<u>\$ 230,538</u>	<u>\$ 883,059</u>

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

	County Med Care For Inmat	County Misdemeanant	County Highway	Park Non-Revert Capital Improv	Park Non-Reverting Operating	Auditors Plat Map Maintenance	Rainy Day
Cash and investments - beginning	\$ 14,773	\$ 52,475	\$ 1,069,579	\$ 134,222	\$ 79,560	\$ 92,342	\$ 1,583,794
Receipts:							
Taxes	-	-	2,654	-	22	-	-
Licenses and permits	-	-	32,872	-	-	-	-
Intergovernmental	-	-	2,749,608	-	-	-	-
Charges for services	22,138	66,883	-	124,767	198,506	31,970	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	97,429	-	16,772	5	218
Total receipts	<u>22,138</u>	<u>66,883</u>	<u>2,882,563</u>	<u>124,767</u>	<u>215,300</u>	<u>31,975</u>	<u>218</u>
Disbursements:							
Personal services	-	55,321	1,774,343	-	-	15,090	402,341
Supplies	-	960	523,128	11,918	18,970	414	-
Other services and charges	21,889	-	238,917	-	93,603	-	89
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	133,584	47,887	57,270	-	-
Other disbursements	-	-	-	-	22	-	-
Total disbursements	<u>21,889</u>	<u>56,281</u>	<u>2,669,972</u>	<u>59,805</u>	<u>169,865</u>	<u>15,504</u>	<u>402,430</u>
Excess (deficiency) of receipts over disbursements	<u>249</u>	<u>10,602</u>	<u>212,591</u>	<u>64,962</u>	<u>45,435</u>	<u>16,471</u>	<u>(402,212)</u>
Cash and investments - ending	<u>\$ 15,022</u>	<u>\$ 63,077</u>	<u>\$ 1,282,170</u>	<u>\$ 199,184</u>	<u>\$ 124,995</u>	<u>\$ 108,813</u>	<u>\$ 1,181,582</u>

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

	Prop Reassessment 2009 (2006)	Prop Reassessment 2017 (2015)	Recorders Records Perpet	JC Sheriff's Sex Offender Fee	Sheriffs Svs Of Process Fees	JC Storm Water Management Dept	Supp Public Def Ser Fee
Cash and investments - beginning	\$ 364,042	\$ 383,263	\$ 590,631	\$ 16,425	\$ -	\$ 84,105	\$ 72,475
Receipts:							
Taxes	-	462,446	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	56,238	-	-	-	-	-
Charges for services	-	-	269,112	5,688	86,892	29,868	-
Fines and forfeits	-	-	-	-	-	-	46,248
Other receipts	-	-	177	-	-	-	-
Total receipts	<u>-</u>	<u>518,684</u>	<u>269,289</u>	<u>5,688</u>	<u>86,892</u>	<u>29,868</u>	<u>46,248</u>
Disbursements:							
Personal services	-	257,520	-	-	-	-	-
Supplies	-	-	74,499	-	-	-	-
Other services and charges	244,709	143,129	-	-	-	3,745	6,458
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	179	-
Other disbursements	-	-	-	-	86,892	-	-
Total disbursements	<u>244,709</u>	<u>400,649</u>	<u>74,499</u>	<u>-</u>	<u>86,892</u>	<u>3,924</u>	<u>6,458</u>
Excess (deficiency) of receipts over disbursements	<u>(244,709)</u>	<u>118,035</u>	<u>194,790</u>	<u>5,688</u>	<u>-</u>	<u>25,944</u>	<u>39,790</u>
Cash and investments - ending	<u>\$ 119,333</u>	<u>\$ 501,298</u>	<u>\$ 785,421</u>	<u>\$ 22,113</u>	<u>\$ -</u>	<u>\$ 110,049</u>	<u>\$ 112,265</u>

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

	Surplus Tax	Surveyor Corner Perpet	Tax Sale Costs	Tax Sale Redemption	Tax Sale Surplus	Tobacco Settl/Health Dep	Wireless Emergency Telephone
Cash and investments - beginning	\$ 1,160,033	\$ 142,178	\$ -	\$ -	\$ 1,484,952	\$ 302,733	\$ 700,956
Receipts:							
Taxes	474,848	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	26,335	-	-	-	290	200,638
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	973	-	46,905	168,625	1,744,240	54,801	53,150
Total receipts	<u>475,821</u>	<u>26,335</u>	<u>46,905</u>	<u>168,625</u>	<u>1,744,240</u>	<u>55,091</u>	<u>253,788</u>
Disbursements:							
Personal services	-	48,967	-	-	-	58,506	100,378
Supplies	-	-	-	-	-	-	-
Other services and charges	-	23,728	49,466	-	-	3,056	84,318
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	757,677	-	169	168,625	1,618,867	-	770,048
Total disbursements	<u>757,677</u>	<u>72,695</u>	<u>49,635</u>	<u>168,625</u>	<u>1,618,867</u>	<u>61,562</u>	<u>954,744</u>
Excess (deficiency) of receipts over disbursements	<u>(281,856)</u>	<u>(46,360)</u>	<u>(2,730)</u>	<u>-</u>	<u>125,373</u>	<u>(6,471)</u>	<u>(700,956)</u>
Cash and investments - ending	<u>\$ 878,177</u>	<u>\$ 95,818</u>	<u>\$ (2,730)</u>	<u>\$ -</u>	<u>\$ 1,610,325</u>	<u>\$ 296,262</u>	<u>\$ -</u>

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

	Casa/Guardian Ad Litem	Auditors Ineligible Deductions	Elected Officials Training	County Offender Transportation	Johnson County 911	Adult Probation Adm Fees	Juvenile Probation Adm Fees
Cash and investments - beginning	\$ 73,482	\$ -	\$ 5,696	\$ 188	\$ -	\$ 9,510	\$ 2,485
Receipts:							
Taxes	-	208,927	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	72,128	-	-	-	-	-	-
Charges for services	-	20,372	14,662	375	795,801	30,185	5,966
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	1,363,451	-	-
Total receipts	<u>72,128</u>	<u>229,299</u>	<u>14,662</u>	<u>375</u>	<u>2,159,252</u>	<u>30,185</u>	<u>5,966</u>
Disbursements:							
Personal services	35,529	-	-	-	48,389	32,081	6,806
Supplies	1,193	-	-	-	-	-	-
Other services and charges	12,533	24,311	-	-	544,517	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>49,255</u>	<u>24,311</u>	<u>-</u>	<u>-</u>	<u>592,906</u>	<u>32,081</u>	<u>6,806</u>
Excess (deficiency) of receipts over disbursements	<u>22,873</u>	<u>204,988</u>	<u>14,662</u>	<u>375</u>	<u>1,566,346</u>	<u>(1,896)</u>	<u>(840)</u>
Cash and investments - ending	<u>\$ 96,355</u>	<u>\$ 204,988</u>	<u>\$ 20,358</u>	<u>\$ 563</u>	<u>\$ 1,566,346</u>	<u>\$ 7,614</u>	<u>\$ 1,645</u>

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

	Supplemental Adult Prob Svc	Supplemental Juv Prob Serv	Alternative Dispute Resolution	User Fee/Jury Fee	Drainage Maintenance	Animal Shelter	Interpreter Fees-Superior Ct 3
Cash and investments - beginning	\$ (19,160)	\$ 4,821	\$ 116,350	\$ 2,228,936	\$ 507,958	\$ 187,700	\$ 11,896
Receipts:							
Taxes	-	-	-	-	272,929	252,731	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	8,048	-	3,423	-	30,735	-
Charges for services	347,991	27,282	-	999,011	-	-	-
Fines and forfeits	-	-	100,214	712,813	-	12,787	5,655
Other receipts	-	8,040	-	70,876	-	614	-
Total receipts	<u>347,991</u>	<u>43,370</u>	<u>100,214</u>	<u>1,786,123</u>	<u>272,929</u>	<u>296,867</u>	<u>5,655</u>
Disbursements:							
Personal services	295,957	20,402	-	1,578,951	-	249,620	-
Supplies	-	-	1,168	188,843	-	14,810	-
Other services and charges	250	9,895	84,503	68,279	-	33,903	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	7,683	-	185	-
Other disbursements	<u>2,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,417</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>298,497</u>	<u>30,297</u>	<u>85,671</u>	<u>1,843,756</u>	<u>243,417</u>	<u>298,518</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>49,494</u>	<u>13,073</u>	<u>14,543</u>	<u>(57,633)</u>	<u>29,512</u>	<u>(1,651)</u>	<u>5,655</u>
Cash and investments - ending	<u>\$ 30,334</u>	<u>\$ 17,894</u>	<u>\$ 130,893</u>	<u>\$ 2,171,303</u>	<u>\$ 537,470</u>	<u>\$ 186,049</u>	<u>\$ 17,551</u>

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

	Animal Shelter General Donations	Ordinance Fines	GOB 2010 Proceeds	Liability Workers Compensation and Casualty	Net Payroll	Withholding-United Way	Withholding-Emp Health Ins
Cash and investments - beginning	\$ 68,808	\$ 8,878	\$ 6,495,982	\$ 101,192	\$ -	\$ -	\$ 12,485
Receipts:							
Taxes	-	-	1,500,260	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	182,447	-	-	-	-
Charges for services	2,023	-	-	-	-	-	-
Fines and forfeits	-	1,594	-	-	-	-	-
Other receipts	35,328	-	2,557,839	15	13,011,480	7,313	893,249
Total receipts	<u>37,351</u>	<u>1,594</u>	<u>4,240,546</u>	<u>15</u>	<u>13,011,480</u>	<u>7,313</u>	<u>893,249</u>
Disbursements:							
Personal services	-	-	-	58,920	-	-	867,622
Supplies	37,835	-	1,736,317	-	-	-	-
Other services and charges	11,105	-	-	-	-	-	-
Debt service - principal and interest	-	-	2,256,835	-	-	-	-
Capital outlay	-	1,331	67,993	-	-	-	-
Other disbursements	133	-	150,000	-	13,011,480	7,313	30,052
Total disbursements	<u>49,073</u>	<u>1,331</u>	<u>4,211,145</u>	<u>58,920</u>	<u>13,011,480</u>	<u>7,313</u>	<u>897,674</u>
Excess (deficiency) of receipts over disbursements	<u>(11,722)</u>	<u>263</u>	<u>29,401</u>	<u>(58,905)</u>	<u>-</u>	<u>-</u>	<u>(4,425)</u>
Cash and investments - ending	<u>\$ 57,086</u>	<u>\$ 9,141</u>	<u>\$ 6,525,383</u>	<u>\$ 42,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,060</u>

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

	Withholding Equi-Vest	Withholding - Child Support	Withholding-AUL Deferred Comp	Withholding - Federal Tax	Withholding - Social Security	Withholding - Flexplus	Withholding - County Opt Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	141,306	64,204	91,711	1,797,116	983,707	98,077	191,128
Total receipts	<u>141,306</u>	<u>64,204</u>	<u>91,711</u>	<u>1,797,116</u>	<u>983,707</u>	<u>98,077</u>	<u>191,128</u>
Disbursements:							
Personal services	49,265	-	91,711	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	92,041	64,204	-	1,797,116	983,707	98,077	191,128
Total disbursements	<u>141,306</u>	<u>64,204</u>	<u>91,711</u>	<u>1,797,116</u>	<u>983,707</u>	<u>98,077</u>	<u>191,128</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Withholding Retirement-Perf	Withholding-457	Withholding - State Tax	Withholding - Uniform Highway	Withholding Garnishment Wages	Settlement	Johnson County Wheel /SurTax
Cash and investments - beginning	\$ 128,773	\$ -	\$ -	\$ 65	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	139,577,312	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	6,024,237	-
Charges for services	-	-	-	-	-	13,945	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	481,903	28,480	584,208	10,327	31,896	192,799	3,586,282
Total receipts	481,903	28,480	584,208	10,327	31,896	145,808,293	3,586,282
Disbursements:							
Personal services	-	-	-	10,367	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,376	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	610,153	28,480	584,208	-	30,520	145,808,293	3,584,555
Total disbursements	610,153	28,480	584,208	10,367	31,896	145,808,293	3,584,555
Excess (deficiency) of receipts over disbursements	(128,250)	-	-	(40)	-	-	1,727
Cash and investments - ending	\$ 523	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 1,727

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

	Comm Vehicle Excise Tax	Special Assessment	All Sewer Settlements	Financial Inst Franchise Tax	HEA 1001-2008 STATE HMSTD CRED	Homestead Credit Rebate Fund	Fines And Forfeitures
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 29,166	\$ 1,348	\$ 7,644
Receipts:							
Taxes	-	133,392	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	331,121	-	-	-
Charges for services	-	-	12,627	-	-	-	-
Fines and forfeits	-	-	228,444	-	-	-	32,918
Other receipts	405,364	-	-	-	-	271	-
Total receipts	405,364	133,392	241,071	331,121	-	271	32,918
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	405,364	-	-	331,121	-	-	37,892
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	133,392	241,071	-	-	-	-
Total disbursements	405,364	133,392	241,071	331,121	-	-	37,892
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	271	(4,974)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 29,166	\$ 1,619	\$ 2,670

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

	Infraction Judgments	Overweight Vehicles Fines	Special Death Benefit Fee	State Sales Discl-General	Coroner's Contin Educ	Interstate Compact Fee	State Auditors Mortgage Fee
Cash and investments - beginning	\$ 13,364	\$ 30	\$ 1,365	\$ 1,515	\$ 1,044	\$ (63)	\$ 1,655
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	19,380	15,615	11,366	376	19,663
Fines and forfeits	137,941	20,261	-	-	-	-	-
Other receipts	-	-	-	10	-	-	-
Total receipts	<u>137,941</u>	<u>20,261</u>	<u>19,380</u>	<u>15,625</u>	<u>11,366</u>	<u>376</u>	<u>19,663</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	140,384	18,209	19,520	15,755	11,647	313	19,570
Other services and charges	-	-	-	45	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>140,384</u>	<u>18,209</u>	<u>19,520</u>	<u>15,800</u>	<u>11,647</u>	<u>313</u>	<u>19,570</u>
Excess (deficiency) of receipts over disbursements	<u>(2,443)</u>	<u>2,052</u>	<u>(140)</u>	<u>(175)</u>	<u>(281)</u>	<u>63</u>	<u>93</u>
Cash and investments - ending	<u>\$ 10,921</u>	<u>\$ 2,082</u>	<u>\$ 1,225</u>	<u>\$ 1,340</u>	<u>\$ 763</u>	<u>\$ -</u>	<u>\$ 1,748</u>

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

	DLGF Homestead Prop Database	JC Sheriff's Sex Offender 10%	Child Restraint System	Food & Beverage Tax Collection	Inheritance Tax	Park Sales Tax	Education Plate Fee
Cash and investments - beginning	\$ -	\$ -	\$ 225	\$ 168,091	\$ 653,181	\$ (3)	\$ 263
Receipts:							
Taxes	-	-	-	2,420,305	3,137,306	4,796	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	206	633	-	-	-	-	-
Fines and forfeits	-	-	1,800	-	-	-	-
Other receipts	-	-	-	-	-	-	2,381
Total receipts	<u>206</u>	<u>633</u>	<u>1,800</u>	<u>2,420,305</u>	<u>3,137,306</u>	<u>4,796</u>	<u>2,381</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	197	631	1,750	-	-	-	-
Other services and charges	-	-	-	-	-	4,793	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,536,036	2,956,888	-	2,644
Total disbursements	<u>197</u>	<u>631</u>	<u>1,750</u>	<u>2,536,036</u>	<u>2,956,888</u>	<u>4,793</u>	<u>2,644</u>
Excess (deficiency) of receipts over disbursements	<u>9</u>	<u>2</u>	<u>50</u>	<u>(115,731)</u>	<u>180,418</u>	<u>3</u>	<u>(263)</u>
Cash and investments - ending	<u>\$ 9</u>	<u>\$ 2</u>	<u>\$ 275</u>	<u>\$ 52,360</u>	<u>\$ 833,599</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Riverboat Revenue Sharing	CAGIT Distribution	93.563 TITLE IV-D INCENTIVE	93.563 Pros Title IV-D Prior 99	93.563 Pros IVD Inc Post 99	93.563 Clerk IVD Inc Post 99	Sheriff's Reserve Fund AFR
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 5,431	\$ 69,535	\$ 206,091	\$ 6,280
Receipts:							
Taxes	-	33,959,679	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	38,891	-	58,511	38,891	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	827,299	-	61,544	-	-	-	-
Total receipts	827,299	33,959,679	100,435	-	58,511	38,891	-
Disbursements:							
Personal services	-	-	-	-	10,531	-	-
Supplies	-	33,959,679	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	827,299	-	-	-	81,619	20,599	-
Total disbursements	827,299	33,959,679	-	-	92,150	20,599	-
Excess (deficiency) of receipts over disbursements	-	-	100,435	-	(33,639)	18,292	-
Cash and investments - ending	\$ -	\$ -	\$ 100,435	\$ 5,431	\$ 35,896	\$ 224,383	\$ 6,280

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

	Sheriff's Trust Fund Account AFR	Sheriff's Property Room Account AFR	Treasurer's Trust Supp AFR	Trust Account - To Auditor Supp AFR	Child Support Supp AFR	Sheriff's Special Account Supp AFR	Jo Co Employee Benefit Plan (Meritain) Supp AFR
Cash and investments - beginning	\$ 32,200	\$ 81,136	\$ 5,008,932	\$ 74,932	\$ 24,791	\$ 64,446	\$ 67,960
Receipts:							
Taxes	-	-	-	-	-	19,000	-
Licenses and permits	39,615	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,592,312	-	-	-	-	-	-
Fines and forfeits	-	-	-	1,078,929	-	-	-
Other receipts	9,909,591	22,531	2,202,000	-	1,817,257	-	3,318,556
Total receipts	<u>13,541,518</u>	<u>22,531</u>	<u>2,202,000</u>	<u>1,078,929</u>	<u>1,817,257</u>	<u>19,000</u>	<u>3,318,556</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	9,000	-
Other services and charges	-	-	-	-	-	5,385	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	13,193,026	34,229	5,008,932	1,084,179	1,808,709	-	3,371,857
Total disbursements	<u>13,193,026</u>	<u>34,229</u>	<u>5,008,932</u>	<u>1,084,179</u>	<u>1,808,709</u>	<u>14,385</u>	<u>3,371,857</u>
Excess (deficiency) of receipts over disbursements	<u>348,492</u>	<u>(11,698)</u>	<u>(2,806,932)</u>	<u>(5,250)</u>	<u>8,548</u>	<u>4,615</u>	<u>(53,301)</u>
Cash and investments - ending	<u>\$ 380,692</u>	<u>\$ 69,438</u>	<u>\$ 2,202,000</u>	<u>\$ 69,682</u>	<u>\$ 33,339</u>	<u>\$ 69,061</u>	<u>\$ 14,659</u>

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

	Johnson County FSA (BMS) Supp AFR	Johnson Co Claims (Workers' Comp) Supp AFR	Johnson County Liability & Casualty Supp AFR	Johnson Co Employee Benefit (Former) Supp AFR	Johnson Co Workers' Comp (ASC - former) Supp AFR	Juvenile Detention Center Coin Phone Supp AFR	Juvenile Detention Center Vending Machine Supp AFR
Cash and investments - beginning	\$ 9,415	\$ 15,434	\$ 10,007	\$ 158,777	\$ 56,284	\$ 6,744	\$ 144
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	320
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	98,078	327,383	2	119	29	7,194	-
Total receipts	98,078	327,383	2	119	29	7,194	320
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	318	230
Other services and charges	-	-	-	-	-	1,445	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	100,837	324,715	-	158,896	56,313	-	-
Total disbursements	100,837	324,715	-	158,896	56,313	1,763	230
Excess (deficiency) of receipts over disbursements	(2,759)	2,668	2	(158,777)	(56,284)	5,431	90
Cash and investments - ending	\$ 6,656	\$ 18,102	\$ 10,009	\$ -	\$ -	\$ 12,175	\$ 234

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

	Community Corrections Commissary Supp AFR	Olive Branch Road Project	Inspection Fees - New Subdiv	Sheriff's Narcotic Seizure	Forfeiture & Seizure - Prosec	Jo Co Sheriffs Office Lab Fee	JC Surveyor Certification ABPF
Cash and investments - beginning	\$ 155,921	\$ 1,622	\$ 294,037	\$ 9,475	\$ 13,792	\$ 775	\$ 7,600
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	52,140	-	-	-	2,500
Intergovernmental	-	-	-	-	-	-	-
Charges for services	93,206	-	8,550	-	-	-	-
Fines and forfeits	-	-	-	-	-	70	-
Other receipts	-	-	-	11,350	9,525	-	-
Total receipts	<u>93,206</u>	<u>-</u>	<u>60,690</u>	<u>11,350</u>	<u>9,525</u>	<u>70</u>	<u>2,500</u>
Disbursements:							
Personal services	-	-	4,094	-	-	-	-
Supplies	-	-	611	3,552	-	-	-
Other services and charges	56,084	-	29,689	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	21,928	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>78,012</u>	<u>-</u>	<u>34,394</u>	<u>3,552</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>15,194</u>	<u>-</u>	<u>26,296</u>	<u>7,798</u>	<u>9,525</u>	<u>70</u>	<u>2,500</u>
Cash and investments - ending	<u>\$ 171,115</u>	<u>\$ 1,622</u>	<u>\$ 320,333</u>	<u>\$ 17,273</u>	<u>\$ 23,317</u>	<u>\$ 845</u>	<u>\$ 10,100</u>

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

	GIS Maintenance Fund	Juvenile Services Fees	Wheel/Surtax-County Portion	Railroad Crossing Upgrade Fund	Animal Adoption Fee Fund	Casa Fee & Donation Fund	Prosecutors Bad Check Svc's
Cash and investments - beginning	\$ 32,862	\$ -	\$ 1,216,969	\$ 44,936	\$ 47,359	\$ 1,672	\$ 88,362
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	44,495	-	-	-	-
Charges for services	1,310	-	-	-	-	-	-
Fines and forfeits	-	425	-	-	22,471	1,400	4,291
Other receipts	82,457	-	1,733,059	45,643	-	1,520	3,027
Total receipts	<u>83,767</u>	<u>425</u>	<u>1,777,554</u>	<u>45,643</u>	<u>22,471</u>	<u>2,920</u>	<u>7,318</u>
Disbursements:							
Personal services	41,105	-	-	-	-	-	-
Supplies	103	-	-	-	10,380	-	-
Other services and charges	28,140	-	-	-	8,318	-	-
Debt service - principal and interest	-	-	1,050,453	-	-	-	-
Capital outlay	-	-	925,031	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>69,348</u>	<u>-</u>	<u>1,975,484</u>	<u>-</u>	<u>18,698</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>14,419</u>	<u>425</u>	<u>(197,930)</u>	<u>45,643</u>	<u>3,773</u>	<u>2,920</u>	<u>7,318</u>
Cash and investments - ending	<u>\$ 47,281</u>	<u>\$ 425</u>	<u>\$ 1,019,039</u>	<u>\$ 90,579</u>	<u>\$ 51,132</u>	<u>\$ 4,592</u>	<u>\$ 95,680</u>

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

	Law Enforcement/Prosecutor	Law Enforc Cont Ed/Animl Shlt	Interpreter Fees-Circuit Court	Interpreter Fees-Superior Ct 1	Sheriffs Towing Fund	Withholding Retirement Judges	Withholding Voluntary AUL Loan
Cash and investments - beginning	\$ 75	\$ 1,370	\$ 2,160	\$ 250	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	400	155	-	8,920	-	-
Other receipts	-	-	-	-	-	2,784	2,010
Total receipts	-	400	155	-	8,920	2,784	2,010
Disbursements:							
Personal services	-	-	-	-	-	-	2,010
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	2,784	-
Total disbursements	-	-	-	-	-	2,784	2,010
Excess (deficiency) of receipts over disbursements	-	400	155	-	8,920	-	-
Cash and investments - ending	<u>\$ 75</u>	<u>\$ 1,770</u>	<u>\$ 2,315</u>	<u>\$ 250</u>	<u>\$ 8,920</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Dangerous Driving Enforcement	16.588 STOP GRANT	Disaster Recovery Grants	16.575 Victim Assist	St. Homeland Sec Grnt - 2006	Spanish Translation Grant	COPS Technology Program
Cash and investments - beginning	\$ 4	\$ (24,922)	\$ -	\$ (18,062)	\$ (6,594)	\$ 1,825	\$ 5,850
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	46,389	321,613	55,100	68,685	-	342,707
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>46,389</u>	<u>321,613</u>	<u>55,100</u>	<u>68,685</u>	<u>-</u>	<u>342,707</u>
Disbursements:							
Personal services	-	38,518	-	57,145	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	321,613	-	18,685	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	50,000	-	164,204
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>38,518</u>	<u>321,613</u>	<u>57,145</u>	<u>68,685</u>	<u>-</u>	<u>164,204</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>7,871</u>	<u>-</u>	<u>(2,045)</u>	<u>-</u>	<u>-</u>	<u>178,503</u>
Cash and investments - ending	<u>\$ 4</u>	<u>\$ (17,051)</u>	<u>\$ -</u>	<u>\$ (20,107)</u>	<u>\$ (6,594)</u>	<u>\$ 1,825</u>	<u>\$ 184,353</u>

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

	District 5 Fire Training	Access Johnson Co Grant	CRI HEALTH GRANT 1	NACCHO 2008 Capacity Bldg Gmt	Public Health Prepare Base Grt	20.600 OPO/BCC/BLITZ	ACE 65 South Grant
Cash and investments - beginning	\$ -	\$ -	\$ 1,623	\$ 9,184	\$ (1,136)	\$ 163	\$ 2,934
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,192,262	34,205	-	8,656	88,049	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	150	-	524	-	-	-	-
Total receipts	<u>150</u>	<u>1,192,262</u>	<u>34,729</u>	<u>-</u>	<u>8,656</u>	<u>88,049</u>	<u>-</u>
Disbursements:							
Personal services	-	-	15,051	-	5,101	-	-
Supplies	-	-	13,747	1,638	1,845	72,786	-
Other services and charges	-	-	9,785	-	8,103	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	1,192,262	1,623	-	-	-	-
Total disbursements	<u>-</u>	<u>1,192,262</u>	<u>40,206</u>	<u>1,638</u>	<u>15,049</u>	<u>72,786</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>150</u>	<u>-</u>	<u>(5,477)</u>	<u>(1,638)</u>	<u>(6,393)</u>	<u>15,263</u>	<u>-</u>
Cash and investments - ending	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ (3,854)</u>	<u>\$ 7,546</u>	<u>\$ (7,529)</u>	<u>\$ 15,426</u>	<u>\$ 2,934</u>

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

	Bioter/Prepare Grant-Heal	FEMA Flood Buyout	Bioter/Prepare	Juv Accountability Block Gt	Ojjdp Conference Scholarship	16.738 JAG GRANT	H1N1 2010
Cash and investments - beginning	\$ 1,648	\$ 63,854	\$ 160	\$ -	\$ 698	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	71,646	-	20,629	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	1,129,592	-	-	-	-	281
Total receipts	-	1,129,592	-	71,646	-	20,629	281
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	64,986	-	-	-	-	281
Other services and charges	-	5,444	-	71,646	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	1,060,510	-	-	-	20,629	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	1,130,940	-	71,646	-	20,629	281
Excess (deficiency) of receipts over disbursements	-	(1,348)	-	-	-	-	-
Cash and investments - ending	\$ 1,648	\$ 62,506	\$ 160	\$ -	\$ 698	\$ -	\$ -

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

	Indiana Housing & Community De	16.523 BLOCK GRANT 09JB006	Juv Account Block Grant 007	Voting System Reimburs	Hmland-Law Enforce Terr Prot	Juv Mental Health Pilot Grant
Cash and investments - beginning	\$ 21,472	\$ (76)	\$ (2,261)	\$ 541,079	\$ (80)	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	376,756	610	12,794	5,001	9,314	6,106
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>376,756</u>	<u>610</u>	<u>12,794</u>	<u>5,001</u>	<u>9,314</u>	<u>6,106</u>
Disbursements:						
Personal services	-	-	-	9,052	-	-
Supplies	21,662	-	-	6,567	-	-
Other services and charges	1,815	7,299	10,533	12,563	-	6,106
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	353,503	-	-	141,906	9,234	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>376,980</u>	<u>7,299</u>	<u>10,533</u>	<u>170,088</u>	<u>9,234</u>	<u>6,106</u>
Excess (deficiency) of receipts over disbursements	<u>(224)</u>	<u>(6,689)</u>	<u>2,261</u>	<u>(165,087)</u>	<u>80</u>	<u>-</u>
Cash and investments - ending	<u>\$ 21,248</u>	<u>\$ (6,765)</u>	<u>\$ -</u>	<u>\$ 375,992</u>	<u>\$ -</u>	<u>\$ -</u>

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

	2008 Flood OrenWright Building	Public Health Pre&Res for H1N1	16.540 JCJJS GRAD M & I PROG	16.548 JABG 10-JP-004	16.540 Juv Mental Hlth 11JF007	W I C Program
Cash and investments - beginning	\$ 873,170	\$ (17,185)	\$ -	\$ -	\$ -	\$ (24,272)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	17,192	31,000	-	50,000	-
Charges for services	-	-	-	-	-	522,149
Fines and forfeits	-	-	-	-	-	-
Other receipts	43	-	-	-	-	-
Total receipts	<u>43</u>	<u>17,192</u>	<u>31,000</u>	<u>-</u>	<u>50,000</u>	<u>522,149</u>
Disbursements:						
Personal services	-	-	-	-	-	269,393
Supplies	-	-	-	-	-	44,973
Other services and charges	-	-	31,000	740	50,000	221,592
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	218,981	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>218,981</u>	<u>-</u>	<u>31,000</u>	<u>740</u>	<u>50,000</u>	<u>535,958</u>
Excess (deficiency) of receipts over disbursements	<u>(218,938)</u>	<u>17,192</u>	<u>-</u>	<u>(740)</u>	<u>-</u>	<u>(13,809)</u>
Cash and investments - ending	<u>\$ 654,232</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ (740)</u>	<u>\$ -</u>	<u>\$ (38,081)</u>

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

	Court Improv Pjct Grnt	Johnson County Family Court	CAPTA Grant	NACCHO (2)	Ind Breast Cancer Awareness Tr	Totals
Cash and investments - beginning	\$ (5,000)	\$ 8,113	\$ 10,331	\$ -	\$ -	\$ 45,509,618
Receipts:						
Taxes	-	-	-	-	-	206,438,437
Licenses and permits	-	-	-	-	-	335,590
Intergovernmental	33,000	-	-	4,954	-	14,772,949
Charges for services	-	-	-	-	-	10,929,703
Fines and forfeits	-	-	-	-	-	3,139,419
Other receipts	-	-	-	-	3,375	56,969,049
Total receipts	<u>33,000</u>	<u>-</u>	<u>-</u>	<u>4,954</u>	<u>3,375</u>	<u>292,585,147</u>
Disbursements:						
Personal services	-	4,961	-	-	-	25,885,693
Supplies	-	-	-	764	-	40,054,599
Other services and charges	25,000	-	-	4,190	2,430	7,825,537
Debt service - principal and interest	-	-	-	-	-	3,307,288
Capital outlay	-	-	-	-	-	5,247,614
Other disbursements	-	-	-	-	-	211,789,584
Total disbursements	<u>25,000</u>	<u>4,961</u>	<u>-</u>	<u>4,954</u>	<u>2,430</u>	<u>294,110,315</u>
Excess (deficiency) of receipts over disbursements	<u>8,000</u>	<u>(4,961)</u>	<u>-</u>	<u>-</u>	<u>945</u>	<u>(1,525,168)</u>
Cash and investments - ending	<u>\$ 3,000</u>	<u>\$ 3,152</u>	<u>\$ 10,331</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ 43,984,450</u>

JOHNSON 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>\$ 1,877,954</u>	<u>\$ -</u>

JOHNSON COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Johnson County Building Corp	Jail	\$ 866,000	12-03-09	02-01-14
Motorola	Radio Equipment	285,370	11-01-07	11-01-16
Suntrust	911 Equipment	<u>37,333</u>	12-10-02	01-10-12
Total governmental activities		<u>1,188,703</u>		
Total of annual lease payments		<u>\$ 1,188,703</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Purchase equipment/vehicles	\$ 420,000	\$ 426,300
Revenue bonds	Construction reconstruction and expansion of a road	<u>4,130,000</u>	<u>674,463</u>
Total governmental activities		<u>4,550,000</u>	<u>1,100,763</u>
Totals		<u>\$ 4,550,000</u>	<u>\$ 1,100,763</u>

JOHNSON 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	\$ 1,481,013
Infrastructure	71,173,153
Buildings	41,044,311
Machinery, equipment, and vehicles	919,431
Total governmental activities	114,617,908
Total capital assets	\$ 114,617,908

JOHNSON COUNTY
OTHER REPORT

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

County Auditor

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
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 JOHNSON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Johnson 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.

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

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 2012-3, 2012-4, 2012-5, and 2012-6. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying Official Response and Corrective Action Plans. 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.

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

A deficiency in internal control over compliance exists when the design or operation of a control 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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2012-1, 2012-2, 2012-3, 2012-4, 2012-5, and 2012-6 to be material weaknesses.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Official Response and Corrective Action Plans. 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.

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

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 27, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
Department of Agriculture				
Child Nutrition Cluster				
School Breakfast Program Calendar 2012	Indiana Department of Education	10.553	Calendar 2012	\$ <u>11,297</u>
National School Lunch Program Calendar Year 2012	Indiana Department of Education	10.555	Calendar 2012	<u>17,546</u>
Total - Child Nutrition Cluster				<u>28,843</u>
Special Supplemental Nutrition Program for Women Infants and Children Fiscal Year 2012 Basic Fiscal Year 2012 Peer Counselor Grant Fiscal Year 2012 Peer Counselor Grant	Indiana Department of Health	10.557	Contract WIC 140-1 Contract WIC 140-2 WPCG 140-5	409,436 34,625 <u>78,088</u>
Total - Special Supplemental Nutrition Program for Women Infants and Children				<u>522,149</u>
Child and Adult Care Food Program Calendar 2012	Indiana Department of Education	10.558	Calendar 2012	<u>3,722</u>
Total - Department of Agriculture				<u>554,714</u>
Department of Housing and Urban Development				
CDBG - State-Administered CDBG Cluster				
CDBG/State's Program and Non-Entitlement Grants in Hawaii Peoga Lake Disaster Recovery Grant	Indiana Office of Community & Rural Affairs	14.228	DR1B-09-23	321,613
CDBG/State's Program and Non-Entitlement Grants in Hawaii Flood of 2008 Home Buyout	Indiana Housing & Community Development Authority	14.228	DRIHB-009-006	<u>376,755</u>
Total - CDBG/State's Program and Non-Entitlement Grants in Hawaii				<u>698,368</u>
Total - CDBG - State-Administered CDBG Cluster				<u>698,368</u>
Total - Department of Housing and Urban Development				<u>698,368</u>
Department of Justice				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program FY 2011 Justice Assistance Grant Program FY 2012 Justice Assistance Grant Program	City of Greenwood	16.738	2011-DJ-BX-2596 2011-DJ-BX-2596	11,468 <u>9,161</u>
Total - Edward Byrne Memorial Justice Assistance Grant Program				<u>20,629</u>
Total - JAG Program Cluster				<u>20,629</u>
Juvenile Accountability Block Grants	Indiana Criminal Justice Institute			
2011 JABG Award		16.523	09-JB-006	611
2011 JABG Award			09-JB-007	12,794
Youth Law TEAM of Indiana			09-JB-008	57,283
Youth Law TEAM of Indiana			10-JB-008	<u>14,363</u>
Total - Juvenile Accountability Block Grant				<u>85,051</u>
Juvenile Justice & Delinquency Prevention Allocation to States	Indiana Criminal Justice Institute			
Youth Law TEAM of Indiana		16.540	10-JF-013	6,106
Youth Law TEAM of Indiana			11-JF-007	50,000
Johnson County Day Reporting Program			11-JF-008	<u>31,000</u>
Total - Juvenile Justice & Delinquency Prevention Allocation to States				<u>87,106</u>
Crime Victim Assistance	Indiana Criminal Justice Institute			
Victim Assistance Program		16.575	11VAPR145	<u>55,100</u>
Violence Against Women Formula Grants	Indiana Criminal Justice Institute			
Domestic Violence Intervention Program		16.588	11STPR 057	37,500
Domestic Violence Intervention Program			12STPR 016	<u>8,889</u>
Total - Violence Against Women Formula Grants				<u>46,389</u>

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

JOHNSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
Department of Justice (continued)				
State Criminal Alien Assistance Program FY 2011 FY 2012	Direct	16.606	2011-H3977-IN-AP 2012-H5009-IN-AP	3,619 <u>2,975</u>
Total - State Criminal Alien Assistance Program				<u>6,594</u>
Public Safety Partnership & Community Policing Grants COPS Technology Program	Direct	16.710	2009-CKWX0216	<u>342,708</u>
Total - Department of Justice				<u>643,577</u>
Department of Transportation				
Highway Planning and Construction Cluster Highway Planning & Construction SR 44 Reconstruction I65 to Shelbyville Worthville Rd/ Clark School Rd East/West Transportation Spot Improvement HSIP Systematic Sign Replacement	Indiana Department of Transportation	20.205	Project No. 9610160 Project No. 1005947 Project No. 600495 Project No. 1006022	63,841 10,240 40,398 <u>33,846</u>
Total - Highway Planning and Construction Cluster				<u>148,325</u>
Highway Safety Cluster State & Community Highway Safety Big City/Big County Enforcement	Indiana Criminal Justice Institute	20.600	PT-12-11-04-33	<u>53,957</u>
Alcohol Impaired Driving Countermeasures Incentive Grants 1 DUI Task Force Indiana Enforcement Grant	Indiana Criminal Justice Institute	20.601	K8-2012-03-03-115	<u>34,093</u>
Total - Highway Safety Cluster				<u>88,050</u>
Transit Services Programs Cluster Job Access - Reverse Commute INDOT JARC INDOT JARC Planning	Indiana Department of Transportation	20.516	Project 800 370099 Project 800 37CA07	100,853 <u>26,254</u>
Total - Job Access - Reverse Commute				<u>127,107</u>
New Freedom Program Operating	Indiana Department of Transportation	20.521	Project 800 57OP63	<u>23,814</u>
Total - Transit Services Programs Cluster				<u>150,921</u>
Formula Grants for Other Than Urbanized Areas Access Johnson County Operating 2011 Access Johnson County Operating 2012	Indiana Department of Transportation	20.509	Project 180028 Project 800 180029	88,723 <u>643,350</u>
Total - Formula Grants for Other Than Urbanized Areas				<u>732,073</u>
Interagency Hazardous Materials Public Sector Training & Planning Grants 2011 Hazardous Materials Emergency Preparedness Training Grant	Indiana Department of Homeland Security	20.703	C44P-1-179A	<u>22,311</u>
Total - Department of Transportation				<u>1,141,680</u>
General Services Administration				
Election Reform Payments FY 2007 Election Reform Payments	Indiana Secretary of State	39.011	FY 2007	<u>165,088</u>
Total - General Services Administration				<u>165,088</u>
Department of Health and Human Services				
Medical Reserve Corps Small Grant Program 2008 Capacity Building Award	National Association of County & City Health Officials	93.008	Contract # MRC 08 37	<u>1,637</u>
Public Health Emergency Preparedness Public Health Emergency Preparedness Public Health Emergency Preparedness H1N1 2011	Indiana Department of Health	93.069	BPRS 140-70 BPRS 140-71 H1N1 140-68	8,656 34,204 <u>17,192</u>
Total - Public Health Emergency Preparedness				<u>60,052</u>

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

JOHNSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Health and Human Services (continued)</u>				
Child Support Enforcement	Indiana Department of Child Services			
Calendar 2012 Clerk Expenditures		93.563	Calendar 2012	38,340
Calendar 2012 Prosecutor Expenditures			Calendar 2012	292,713
Calendar 2012 Juvenile Court Expenditures			Calendar 2012	118,698
Prosecutor Collection Incentives			Calendar 2012	92,150
Clerk Collection Incentives			Calendar 2012	20,599
Indirect Costs			Calendar 2012	<u>124,222</u>
Total - Child Support Enforcement				<u>686,722</u>
State Court Improvement Program	Indiana Supreme Court			
Johnson County CHINS/TPR Facilitaion Program		93.586	Johnson CIP-2012B	7,500
Johnson County CHINS/TPR Facilitation Program			Johnson-CIP-2011B	<u>25,500</u>
Total - State Court Improvement Program				<u>33,000</u>
Voting Access for Individuals with Disabilities_Grants to States Help America Vote Act	Indiana Secretary of State			
		93.617	Calendar 2012	<u>5,000</u>
National Bioterrorism Hospital Preparedness Program Medical Reserve Corp	Indiana Department of Health			
		93.889	BHP 140-2	<u>4,954</u>
Total - Department of Health and Human Services				<u>791,365</u>
<u>Department of Homeland Security</u>				
Hazard Mitigation Grant Flood of 2008 Home Buyout	Indiana Department of Homeland Security			
		97.039	C44-1048A	<u>1,129,591</u>
Emergency Management Performance Grants CDW Government 2011 EMPG Salary Reimbursement	Indiana Department of Homeland Security			
		97.042	C44P-2-102A	3,480
			C44P-2-348A	<u>62,921</u>
Total - Emergency Management Performance Grants				<u>66,401</u>
Interoperable Emergency Communications Communications Rodeo Grant	Indiana Department of Homeland Security			
		97.055	C44-2-286A	<u>5,506</u>
State Homeland Security Program (SHSP) 2012 D5 Coordinator 2011 EOD Grant 2008 District Planning Council Administrators 2010 Local EOD Task Force 2012 D5 Hazmat Grant	Indiana Department of Homeland Security			
		97.073	C44-2-259A	7,612
			C44-2-411A	9,082
			C44P-01-124A	5,567
			C44P-1-393A	232
			C44P-2-261A	<u>50,000</u>
Total - State Homeland Security Program (SHSP)				<u>72,493</u>
Total - Department of Homeland Security				<u>1,273,991</u>
Total federal awards expended				<u>\$ 5,268,783</u>

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

JOHNSON 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 Johnson County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

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

Program Title	Federal CFDA Number	2012
Transit Services Programs Cluster		\$ 150,921
Highway Safety Cluster		69,084
Formula Grants for Other Than Urbanized Areas	20.509	732,073

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unqualified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children CDBG – State-Administered CDBG Cluster
93.563	Child Support Enforcement
97.039	Hazard Mitigation Grant

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

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-1 - INTERNAL CONTROLS

Federal Agency: Department of Homeland Security
Federal Program: Hazard Mitigation Grant
CFDA Number: 97.039
Federal Award Number and Year (or Other Identifying Number): C44-1048A
Pass-Through Entity: Indiana Department of Homeland Security

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the matching compliance requirement. 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 states in part:

"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. Noncompliance of the grant agreement or the matching requirement 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 matching compliance requirement.

FINDING 2012-2 - INTERNAL CONTROLS

Federal Agency: Department of Housing and Urban Development
Federal Program: CDBG/State's Program and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): DRIHB-009-006 and DR1B-09-23
Pass-Through Entity: Indiana Housing and Community Development Authority,
Indiana Office of Community and Rural Affairs

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Davis Bacon, Procurement, Suspension and Debarment, and Reporting. 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. The County hires an outside grant administrator and relies on them to handle the above requirements without any oversight at the County.

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 states in part:

"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. Noncompliance of the grant agreement or the Davis Bacon, Procurement, Suspension and Debarment, and Reporting compliance requirements 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 Davis Bacon, Procurement, Suspension and Debarment, and Reporting compliance requirements.

FINDING 2012-3 – REPORTING

Federal Agency: Department of Homeland Security
Federal Program: Hazard Mitigation Grant
CFDA Number: 97.039
Federal Award Number and Year (or Other Identifying Number): C44-1048A
Pass-Through Entity: Indiana Department of Homeland Security

Management of the County has not established an effective internal control system over compliance with reporting. The failure to establish an effective internal control system places the County at risk of material noncompliance.

As part of the grant agreement between the County and the Indiana Department of Homeland Security, the County was required to submit quarterly reports to Indiana Department of Homeland Security; however, the County did not file reports for the first and second quarters of 2012 timely. The reports were due April 15, 2012 and July 15, 2012, and were both filed on October 15, 2012.

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"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 Grant Agreement between the Indiana Department of Homeland Security and Johnson County, page 5, part E, states:

"Sub-grantee shall submit to the State quarterly progress reports (QPR), due the 15th day of the month following the end of the quarter on the following Schedule:

January - March	Due April 15
April - June	Due July 15
July - September	Due October 15
October - December	Due January 15"

The County was not in compliance with reporting requirements for this program. Failure to comply with these requirements could cause the County to be ineligible to receive future federal awards.

We recommended that the County's management establish controls for preparing and filing the required reports and prepare all required reports on a timely basis.

FINDING 2012-4 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Agriculture

Federal Program: Special Supplemental Nutrition Program for Women, Infants, and Children

CFDA Number: 10.557

Federal Award Number and Year (or Other Identifying Number): Contract WIC 140-1; Contract WPCG 140-5; and Contract WIC 140-2;

Pass-Through Entity: Indiana Department of Health

Management of the County has not established an effective internal control system over compliance requirements relating to allowable costs/cost principles. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements.

The County was required to maintain time and effort reports on all full and part time employees paid from the grant. There were not any time and effort reports completed for the audit period. The County WIC office was not aware of any report required by the State agency that would have fulfilled the compliance requirement.

OMB Circular A-87, Attachment B, item 8h, states in part:

"(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency."

OMB Circular A-133, Subpart C, section .300 states in part:

"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."

Noncompliance with the grant agreement or the allowable cost/cost principles requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish controls to ensure allowable costs/cost principle requirements are complied with.

FINDING 2012-5 – CASH MANAGEMENT AND REPORTING

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): Calendar 2012 Juvenile Court Expenditures
Pass-Through Entity: Indiana Department of Child Services

Management of the County has not established an effective internal control system over the compliance requirements relating to cash management and reporting. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements.

The County was required to report expenditures paid monthly for the Clerk, Juvenile Court, and Prosecutor offices. The Juvenile Court used an incorrect employer rate for retirement contributions for the reimbursements received in 2012 rather than using the "Expenditure History Report" from the Auditor's Office. As a result, juvenile court personal services expenditures claimed and reimbursed during 2012 were reviewed. There was \$2,272.63 more claimed than actually paid for this period.

The "Cooperative Agreement For Federal Financial Participation for Title IV-D Courts Hearing IV-D Cases" (Agreement) III. (9) states as follows:

"To maintain documentation for claims, including, but not limited to, payroll records, banking records, accounting records, and purchase orders that are sufficient to document claims for reimbursement under this Agreement; . . ."

OMB Circular A-133, Subpart C, section .300 states in part:

"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."

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Noncompliance with the grant agreement or the cash management and reporting requirements could result in the loss of federal funds to the County.

We recommended that the County establish controls to ensure cash management and reporting requirements are complied with.

FINDING 2012-6 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): Calendar 2012 Juvenile Court Expenditures

Pass-Through Entity: Indiana Department of Child Services

Management of the County has not established an effective internal control system over compliance requirements relating to allowable costs/cost principles. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements.

The County was required to maintain time and effort reports on all full and part time employees paid from the grant. The Department of Child Services has a report titled "Record of Monthly Time, State Form 45272 (3-92)/DFC Form 918." Their "IV-D Expense Reporting and Reimbursement Guide - Frequently Asked Questions" section has questions 14 and 19 referencing this form. These answers state that this form is not required to be submitted, but is recommended that it be completed for supporting documentation. This form provides a space for employees to enter hours worked each day during the month and a space for them to sign that the time reported represents only Title IV-D work and is true and correct. This was the closest report that could be considered to meet the time and effort requirements. The Prosecutor's office presented this report for the months tested, and they were signed by the employee. The Clerk's office presented this report for the months tested, but they had the employee signature only printed. The Juvenile Court stated that they did not complete this report.

OMB Circular A-87, Attachment B, item 8h, states in part:

- "(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.
- (4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency."

OMB Circular A-133, Subpart C, section .300 states in part:

"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."

JOHNSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Noncompliance with the grant agreement or the allowable cost/cost principles requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish controls to ensure allowable costs/cost principle requirements are complied with.



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

June 27, 2013

Corrective Action Plan For:

FINDING 2012-1-INTERNAL CONTROLS

Federal Agency: Department of Homeland Security

Federal Program: Hazard Mitigation

CFDA Number: 97.039

Federal Award Number and Year (or Other Identifying Number): C44-1048A

Pass-Through Entity: Indiana Department of Homeland Security

Corrective Action: Effective immediately, the Auditor's Office staff and Planning and Zoning staff will establish internal controls to be in compliance with the Federal law to have proper oversight, reviews and approvals to take place and have a separation of functions over certain activities related to the program.

D. H. Townsend / Director John Townsend / Office Manager

Preparer of report for IDHS

Janice D. Richhart

Auditor or First Deputy Auditor



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

June 27, 2013

Corrective Action Plan For:

FINDING 2012-2-INTERNAL CONTROLS

Federal Agency: Department of Housing and Urban Development

Federal Program: CDBG/State's Program and Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Number and Year (or Other Identifying Number): DRIHB-009-006 and DR1B-09-23

Pass-Through Entity: Indiana Housing and Community Development Authority and Indiana Office
Of Community and Rural Affairs

To establish internal controls for the requirement of a federal program would be 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 Auditor's Office staff will request and review any outside grant paperwork that is prepared by an outside consultant for the County. This information will be monitored for grant compliance requirements relating to Davis Bacon, Procurement, Suspension and Debarment and Reporting.


County Auditor



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

June 27, 2013

Corrective Action Plan For:

Finding 2012-3-REPORTING

Federal Agency: U.S. Department of Homeland Security

Federal Program: Hazard mitigation

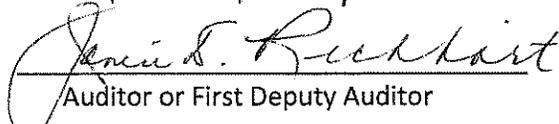
CFDA Number: 97.039

Federal Award Number and Year (or Other Identifying Number): C44-1048A

Pass-Through Entity: Indiana Department of Homeland Security

The grant agreement between the County and the Indiana Department of Homeland Security requires quarterly reports to be submitted to Indiana Department of Homeland Security on a timely basis. However, the reports for the first two quarters were filed on October 15, 2012. The reports are due April 15, 2012, July 15, 2012, October 15, 2012 and January 15, 2013 for each quarter. In accordance with the grant agreement timely filing shall be done by the due date after each quarter. The Auditor's Office and Planning and Zoning will monitor the reports for timely filing.


Director
Preparer of report for DHS


Auditor or First Deputy Auditor



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

June 27, 2013

Corrective action plan for:

FINDING 2012-4-ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Agriculture

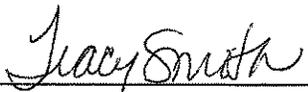
Federal Program: Special Supplemental Nutrition Program for Women, Infants,
and Children

CFDA Number: 10.557

Federal Award Number and Year (or Other Identifying Number): Contract WIC 140-1;
Contract WPCG 140-5; and Contract WIC 140-2

Pass-Through Entity: Indiana Department of Health

Corrective Action: Effective immediately, the Auditor's Office will establish internal controls to be in compliance with the Federal laws. The Auditor or First Deputy shall review all grants and grant schedules and sign or initial, as well as the preparer of the grant or department head. I understand the WIC Department employees are to prepare personnel activity reports or equivalent documentation which meets the standards in the OMB Circular A-87. The failure to be in compliance with this program could result in loss of federal funds for the County.



Grant Preparer or Department Head



Auditor or First Deputy



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

JUNE 27, 2013

Corrective action plan for:

FINDING 2012-5-CASH MANAGEMENT AND REPORTING

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): Calendar 2012 Juvenile Court Expenditures

Pass-Through Entity: Indiana Department of Child Services

Corrective Action: Effective immediately, the Auditor's Office will establish internal controls to be in compliance with the Federal laws. The Auditor or First Deputy shall review all grants or reports and grant schedules are correct, as well as the preparer of the grant, report or department head. The Expenditure History Report, from the Auditor's Office, shall be used to verify correct expenditures are claimed on the report for the Indiana Department of Child Services, prepared by the employee at the Juvenile Court.

A handwritten signature in cursive script, reading "Michael Pessico".

Preparer of Report for IDCS

A handwritten signature in cursive script, reading "Janice D. Richhart".

Auditor or First Deputy Auditor



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

June 27, 2013

Corrective action plan for:

FINDING 2012-6- ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): Calendar 2012 Juvenile Court Expenditures

Pass-Through Entity: Indiana Department of Child Services

Corrective Action: Effective immediately, the Auditor's Office will establish internal controls to be in compliance with the Federal laws. The County is required to maintain time and effort reports on all full and part-time employees paid from the grant. The Department of Child Services has a report titled "Record of Monthly Time, State Form 45272 (3-92)/DFC Form 918, Their IV-D Expense Reporting and Reimbursement Guide -Frequently Asked Questions" section has questions 14 and 19 referencing this form. The form provides a space for employees to enter hours worked each day during the month and then a place for them to sign that the time reported represents only Title IV-D work and is true and correct. This shall be monitored by the Auditor's Office staff.

Preparer of report for IDCS

Auditor or First Deputy Auditor

JOHNSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 27, 2013, with Janice D. Richhart, Auditor; Brian Baird, President of the Board of County Commissioners; and James Eckart, President of the County Council. The Official Response has been made a part of this report and may be found on page 74.



JOHNSON COUNTY AUDITOR

JANICE D. (JAN) RICHHART

jrichhart@co.johnson.in.us

COURTHOUSE ANNEX
86 WEST COURT STREET
FRANKLIN, INDIANA 46131
TEL (317) 346-4310
FAX (317) 736-7021

July 12, 2013

State Board of Accounts
302 West Washington Street
Room E418
Indianapolis, IN 46204-2769

Re: Council Statement on Audit Report

To Whom It May Concern:

The President of the Johnson County Council and the Chairman of the Board of County Commissioners, together with the Auditor, have reviewed the result of the audit of county financial records. We are pleased with the results of the audit. One clarification that the Council wishes to make involved the Federal Government Accounting Standards. The audit results show that Johnson County satisfies all state accounting standards, although the audit states that the County does not meet the government accounting standards. We understand this to be the case with the majority of Indiana counties, it is not mandatory that the county meet this standard. On this basis we are comfortable with the results.

Additionally, it was noted that a small number of grant stewards have not been making timely required filings relative to their grants, and that this could cause future problems with remaining eligible for those grants. The President of the Council has directed the Auditor to send a written communication to the grant stewards directing them to report in a timely matter.

Sincerely,

James Eckart, President
Johnson County Council

Brian Baird, Chairman
Johnson County Commissioners

Janice D. Richhart
Johnson County Auditor