

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

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



FILED
09/11/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards	6-7
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	10-12
Notes to Financial Statement	13-17
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-45
Schedule of Payables and Receivables	46
Schedule of Leases and Debt	47
Schedule of Capital Assets	48
Other Reports	49
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance	52-53
Schedule of Expenditures of Federal Awards	56
Note to Schedule of Expenditures of Federal Awards	57
Schedule of Findings and Questioned Costs	58-63
Auditee Prepared Schedule:	
Corrective Action Plan	64-69
Exit Conference	70

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Stephanie Campbell Lorie Hallett	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Treasurer	Sharon Owens	01-01-10 to 12-31-16
Clerk	Marty Watts	01-01-11 to 12-31-14
Sheriff	Steve Fenwick	01-01-11 to 12-31-14
Recorder	Opal Sutherlin	01-01-11 to 12-31-14
President of the Board of County Commissioners	Kristina (Warren) Alexander Nancy Fogle Donald K. Walton	01-01-12 to 12-31-12 01-01-13 to 06-17-13 06-18-13 to 12-31-13
President of the County Council	Darrel L. Thomas	01-01-12 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF PUTNAM COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Putnam 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 August 6, 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.



Bruce Hartman
State Examiner

August 6, 2013



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

TO: THE OFFICIALS OF PUTNAM 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 Putnam 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 August 6, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

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

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)

was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1.

Putnam County's Response to Findings

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

Purpose of This Report

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



Bruce Hartman
State Examiner

August 6, 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.

PUTNAM 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
Recorder Redaction	\$ 16,326	\$ 3,452	\$ 8,621	\$ 11,157
General Fund	1,091,722	8,287,921	7,558,466	1,821,177
Sheriff's Accident Report	7,503	2,163	614	9,052
Aviation	55,302	73,280	94,691	33,891
County Share Edit	(49,999)	961,245	959,175	(47,929)
City/Town Court Costs	40,579	12,931	-	53,510
Clerk's Record Perpetuation	2,993	15,002	13,456	4,539
Putnam County Home Detention	188,339	269,138	277,884	179,593
Congressional School Interest	12,979	26	-	13,005
Congressional School Principal	25,000	24	-	25,024
Dog Fund	3,342	-	-	3,342
D.O.C.	(35,373)	312,905	270,071	7,461
Sales Disclosure - Assessing	3,179	3,690	2,181	4,688
Covered Bridge	85,974	16,824	2,100	100,698
Cumulative Bridge	3,400,537	1,814,273	1,186,284	4,028,526
Cumulative Courthouse	301,621	93,955	46,338	349,238
Cumulative Jail	342,385	44,832	-	387,217
County Drug Free Community	59,217	41,886	62,188	38,915
Ema Service	1,640	-	-	1,640
E911 (Landlines)	7,159	490,427	488,110	9,476
Extradition Fund	14,734	400	7,073	8,061
Firearms Training	700	19,187	14,652	5,235
Health Department	(35,088)	282,770	239,842	7,840
Excess Levy	23,562	-	-	23,562
Local Health Maintenance	26,045	-	32,285	(6,240)
Roads & Streets	596,815	787,812	1,265,785	118,842
County Misdemeanant Fund	73,661	22,571	29,453	66,779
Highway Department	798,158	2,680,785	2,673,271	805,672
Building Department	17,721	45,323	41,613	21,431
Plat Office User Fee Fund	35,943	12,507	15,199	33,251
Rainy Day Fund	1,874,633	36,242	321,850	1,589,025
Recorder's Perpetuation	19,319	59,468	53,782	25,005
Riverboat Wagering Tax	-	224,890	224,890	-
Sheriff Pension Trust Fund	1,274	14,981	10,041	6,214
Excess (Surplus) Tax	374,911	51,860	294,077	132,694
Surveyor Corner Perpetuation	30,856	8,170	6,434	32,592
Tax Sale Redemption	(15,801)	137,228	127,417	(5,990)
Tax Sale Surplus	619,944	593,135	752,714	460,365
Moving Beyond Abuse Fss	9	-	-	9
Guardian Ad Litem Users Fees	400	-	-	400
Fam Co Facilitator Project	19,536	11,100	19,124	11,512
County Offender Transportation	63	750	-	813
Hazardous Waste	3,712,057	286,093	912,288	3,085,862
E911 Wireless (State)	11,284	78,662	84,731	5,215
Adult Probation User's Fee	488,691	210,534	174,113	525,112
Juvenile Supp Probation	31,587	25,362	32,269	24,680
Alternative Disp. Fee Circuit	25,331	21,741	15,238	31,834
DNR Fines	3,002	-	-	3,002
Welfare Trust	193	-	-	193
EMA Hoosier Safety	316	-	-	316
Operation Pullover Equip Grant	(1,014)	7,500	19,864	(13,378)
Coroner's Donation Fund	200	-	200	-
Capital Recovery Systems	27,327	5,117	771	31,673
Payroll Fund	-	10,005,979	10,005,979	-
Aflac	(1,636)	34,421	34,294	(1,509)
Deferred Compensation	521	11,570	11,570	521
Federal Withholding	1,356	539,600	540,509	447
FICA	2,719	594,937	594,997	2,659
CAGIT Local Withholding Tax	74	85,758	85,746	86
PERF	(135)	123,823	123,823	(135)
Sheriff's Retirement	4,967	24,410	29,377	-

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

PUTNAM 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
State Withholding	120	197,353	197,282	191
Wage Garnishment	(824)	64,693	64,692	(823)
Tax Distribution	450	31,045,703	31,045,703	450
County Wheel Tax	760	111,509	111,189	1,080
Vehicle Excise Surtax	-	485,828	485,828	-
CVET Distribution	-	143,805	143,805	-
Financial Institution Tax	-	153,871	153,871	-
CEDIT Homestead Credit	24,595	1,599,972	1,303,042	321,525
HEA1001 State Homestead Credit	1,500	-	-	1,500
Homestead Credit Rebate Fund	628	-	-	628
Fines & Forfeitures	2,337	15,280	8,592	9,025
Infraction Judgement	4,309	65,580	60,717	9,172
Overweight Vehicles	330	1,133	1,127	336
Deceased Persons Money	165	-	-	165
Sales Disclosure State General	256	2,952	2,984	224
Mortgage Fee - State	278	3,595	3,580	293
Child Protection Seat	606	-	-	606
Health Dept. Food Fines	4,448	2,676	2,231	4,893
Inheritance Tax	168,853	795,986	628,253	336,586
Education Plate Fee	75	806	806	75
Innkeeper's Tax Fund	-	234,927	223,144	11,783
CAGIT Distribution	-	6,391,382	6,391,382	-
EDIT	139,881	1,600,421	1,532,616	207,686
Public Defender	10,084	13,386	-	23,470
County General ARRA	4,171	-	-	4,171
Prosecutor ARRA	9,275	-	-	9,275
Clerk ARRA	6,723	-	95	6,628
Prosecutor Title IVD Unapp.	237,129	30,706	75,580	192,255
Clerks Title IVD Unapprop.	74,018	15,687	41,563	48,142
HAVA	-	10,000	8,434	1,566
Inmate Trust Fund	17,721	212,516	213,873	16,364
Sheriff Cash Book	149,434	1,609,629	1,737,299	21,764
Sheriff Commissary	69,962	151,094	181,810	39,246
Sheriff Retirement Pension	-	28,501	21,813	6,688
Treasurer's Trust	691,678	31,624,714	31,724,675	591,717
Clerks Trust Account	397,375	3,524,827	3,517,824	404,378
Youth Awareness	665	-	-	665
Welfare Reform	5,000	-	-	5,000
Bidder Receipts	4,843	-	-	4,843
Bail Bond	310	-	-	310
Circuit Ct Supp Probation	1,565	-	-	1,565
Pre Trial Diversion	111,440	174,495	123,939	161,996
Jury Fee	25,521	5,860	4,048	27,333
Tobacco Master Trust	21,680	44,560	9,866	56,374
Sheriffs Donation	7,732	16,679	12,685	11,726
E911 Donation	25	-	-	25
Treasurer Returned Check Fee	303	70	-	373
Vision Insurance	650	13,397	13,711	336
Sheriff Insurance Reimb	19,030	-	-	19,030
Life Insurance Withholdings	4,831	27,399	26,584	5,646
Health Insurance Trust	1,701,385	339,947	490,726	1,550,606
Health Insurance	107,185	2,056,641	2,158,400	5,426
Dental Insurance	1,214	41,330	41,510	1,034
SATP	57,083	101,551	123,334	35,300
Commissioners Sale	99,675	28,959	18,742	109,892
Family Preservation	-	67	-	67
Building Department Listing	12,609	4,400	-	17,009
Council Moore Bequest	10,000	-	-	10,000

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

PUTNAM 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
Auditor Returned Check Fee	-	18	-	18
Title IVD Unappropriated	47,693	18,415	14,246	51,862
Website Fund	45	-	-	45
Asset Forfeiture Fund	37,079	35,645	40,842	31,882
SWCD Salary Supplement	237	-	-	237
Putnam County Court Bail Bond	57,085	11,677	-	68,762
EOC Bond Fund	267	-	-	267
Sheriff Forfeiture	10,919	92,369	37,884	65,404
Sale of County Home	530,086	-	-	530,086
Airport Capital Imp Fund	22,875	97,906	-	120,781
Putnam County Home Detention	(6,806)	6,806	-	-
County Law Enforcement	95,950	10,714	6,068	100,596
Health Dept. Illegal Dumping	1,106	-	-	1,106
Health Dept. Preparedness Fund	17,849	17,357	26,323	8,883
Health Dept Vaccine	6,997	20,514	18,093	9,418
Reassessment 2015	183,014	103,178	148,795	137,397
Reassessment	13,982	82,970	1,698	95,254
Medicare	21	165,899	165,908	12
PCA Fee Fund	334	3,046	1,645	1,735
Elected Official Training Fund	1,212	3,452	-	4,664
Microfilm Support Fund	3,847	-	-	3,847
Victims Assist.	11,605	37,995	37,663	11,937
Domestic Violence Prosecutor	626	-	-	626
Victims Assistance	(14,202)	6,265	6,276	(14,213)
Sales Disc. State Training	64	738	746	56
Child Advocacy	300	-	-	300
Local Emergency Planning/Lepc	3,820	4,631	20	8,431
Operation Pullover Grant	1,745	-	46	1,699
Economic Warchest (Edit)	181,876	8,000	77,000	112,876
New Annex Bldg (Edit)	200,000	-	-	200,000
Comprehensive Plan (EDIT)	916	-	-	916
H1N1 GRANT	(8,968)	-	-	(8,968)
Emergency Management	63	-	-	63
Sheriffs Deputy Grant	1,398	-	-	1,398
Hazmat Tech X3	600	-	-	600
District 7 NFA/ISO Classes	(400)	-	-	(400)
District 7 Fire Train-Federal	450	-	-	450
EMA Flashover Training	1	-	-	1
Title III Federal Government	84,728	-	44,417	40,311
Aviation Grant	360,216	264,921	605,591	19,546
05SHSP	425	-	-	425
Ema Sirens Project	2,675	5	-	2,680
Hazmat Technical Rescue	(1,806)	-	-	(1,806)
Putnam County Comm Corr Grant	5,787	-	5,787	-
Putnam County CTP Grant	17,800	17,146	22,283	12,663
Tobacco Settlement Grant	85,424	64,957	11,285	139,096
IDHS 2004 LAPTOP GRANT	62	-	-	62
District 7 Fire Training	(75,694)	102,959	71,014	(43,749)
EMA 2004 GRANT	1	-	-	1
EMA Cert Grant	448	-	-	448
Criminal Justice Grant	136	-	-	136
Putnam County Comm Corr Grant	(15,301)	126,459	125,068	(13,910)
Putnam County CTP Grant	(881)	881	-	-
STOP Grant	(18,838)	25,892	21,880	(14,826)
Totals	<u>\$ 20,402,611</u>	<u>\$ 113,813,362</u>	<u>\$ 114,163,383</u>	<u>\$ 20,052,590</u>

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

PUTNAM 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: dog tax licenses, 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, local road and street distribution received from the state, financial institution tax received

PUTNAM COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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, 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, and transfers out that are authorized by statute, ordinance, resolution, or court order.

PUTNAM COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

PUTNAM COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

B. County Police Retirement Plan

Plan Description

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

PUTNAM COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Restatement of County Offices

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

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of several years of posting errors.

Note 9. Subsequent Events

In 2013, the County issued bonds in the amount of \$1,625,000. The bond proceeds will be used to replace roads and storm drains in the Edgelea subdivision. The bonds are to be repaid from funds generated by a special assessment added to the property taxes of the Edgelea residents.

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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.

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

	Recorder Redaction	General Fund	Sheriff's Accident Report	Aviation	County Share Edit	City/Town Court Costs	Clerk's Record Perpetuation
Cash and investments - beginning	\$ 16,326	\$ 1,091,722	\$ 7,503	\$ 55,302	\$ (49,999)	\$ 40,579	\$ 2,993
Receipts:							
Taxes	-	6,209,036	-	1,610	-	-	-
Licenses and permits	-	12,533	-	-	-	-	-
Intergovernmental	-	469,976	-	156	-	-	-
Charges for services	3,452	806,321	2,163	70,065	-	-	751
Fines and forfeits	-	578,781	-	449	961,245	12,931	14,251
Other receipts	-	211,274	-	1,000	-	-	-
Total receipts	<u>3,452</u>	<u>8,287,921</u>	<u>2,163</u>	<u>73,280</u>	<u>961,245</u>	<u>12,931</u>	<u>15,002</u>
Disbursements:							
Personal services	-	3,832,253	-	1,500	-	-	-
Supplies	-	668,991	-	-	-	-	-
Other services and charges	8,621	2,599,555	614	69,102	959,175	-	13,456
Debt service - principal and interest	-	14,019	-	-	-	-	-
Capital outlay	-	1,999	-	-	-	-	-
Other disbursements	-	441,649	-	24,089	-	-	-
Total disbursements	<u>8,621</u>	<u>7,558,466</u>	<u>614</u>	<u>94,691</u>	<u>959,175</u>	<u>-</u>	<u>13,456</u>
Excess (deficiency) of receipts over disbursements	<u>(5,169)</u>	<u>729,455</u>	<u>1,549</u>	<u>(21,411)</u>	<u>2,070</u>	<u>12,931</u>	<u>1,546</u>
Cash and investments - ending	<u>\$ 11,157</u>	<u>\$ 1,821,177</u>	<u>\$ 9,052</u>	<u>\$ 33,891</u>	<u>\$ (47,929)</u>	<u>\$ 53,510</u>	<u>\$ 4,539</u>

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

	Putnam County Home Detention	Congressional School Interest	Congressional School Principal	Dog Fund	D.O.C.	Sales Disclosure - Assessing	Covered Bridge
Cash and investments - beginning	\$ 188,339	\$ 12,979	\$ 25,000	\$ 3,342	\$ (35,373)	\$ 3,179	\$ 85,974
Receipts:							
Taxes	2,004	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	3,690	16,650
Fines and forfeits	267,134	-	-	-	312,905	-	-
Other receipts	-	26	24	-	-	-	174
Total receipts	<u>269,138</u>	<u>26</u>	<u>24</u>	<u>-</u>	<u>312,905</u>	<u>3,690</u>	<u>16,824</u>
Disbursements:							
Personal services	58,295	-	-	-	270,071	-	-
Supplies	12,445	-	-	-	-	-	-
Other services and charges	194,147	-	-	-	-	2,181	2,100
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	12,997	-	-	-	-	-	-
Total disbursements	<u>277,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>270,071</u>	<u>2,181</u>	<u>2,100</u>
Excess (deficiency) of receipts over disbursements	<u>(8,746)</u>	<u>26</u>	<u>24</u>	<u>-</u>	<u>42,834</u>	<u>1,509</u>	<u>14,724</u>
Cash and investments - ending	<u>\$ 179,593</u>	<u>\$ 13,005</u>	<u>\$ 25,024</u>	<u>\$ 3,342</u>	<u>\$ 7,461</u>	<u>\$ 4,688</u>	<u>\$ 100,698</u>

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

	Cumulative Bridge	Cumulative Courthouse	Cumulative Jail	County Drug Free Community	Ema Service	E911 (Landlines)	Extradition Fund
Cash and investments - beginning	\$ 3,400,537	\$ 301,621	\$ 342,385	\$ 59,217	\$ 1,640	\$ 7,159	\$ 14,734
Receipts:							
Taxes	868,260	82,123	40,243	1,435	-	41,439	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	102,532	7,936	3,890	-	-	-	-
Charges for services	813,820	1,302	-	-	-	448,666	-
Fines and forfeits	8,240	1,982	-	40,451	-	322	400
Other receipts	21,421	612	699	-	-	-	-
Total receipts	1,814,273	93,955	44,832	41,886	-	490,427	400
Disbursements:							
Personal services	-	-	-	-	-	62,373	-
Supplies	3,999	-	-	-	-	41,708	-
Other services and charges	1,146,412	46,338	-	62,188	-	359,706	7,073
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	35,873	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	24,323	-
Total disbursements	1,186,284	46,338	-	62,188	-	488,110	7,073
Excess (deficiency) of receipts over disbursements	627,989	47,617	44,832	(20,302)	-	2,317	(6,673)
Cash and investments - ending	\$ 4,028,526	\$ 349,238	\$ 387,217	\$ 38,915	\$ 1,640	\$ 9,476	\$ 8,061

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

	Firearms Training	Health Department	Excess Levy	Local Health Maintenance	Roads & Streets	County Misdemeanant Fund	Highway Department
Cash and investments - beginning	\$ 700	\$ (35,088)	\$ 23,562	\$ 26,045	\$ 596,815	\$ 73,661	\$ 798,158
Receipts:							
Taxes	-	194,926	-	-	422	-	8,563
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	18,828	-	-	-	-	390,637
Charges for services	19,142	49,016	-	-	326,090	22,571	2,017,179
Fines and forfeits	-	20,000	-	-	455,361	-	36,224
Other receipts	45	-	-	-	5,939	-	228,182
Total receipts	<u>19,187</u>	<u>282,770</u>	<u>-</u>	<u>-</u>	<u>787,812</u>	<u>22,571</u>	<u>2,680,785</u>
Disbursements:							
Personal services	-	133,377	-	-	-	-	187,551
Supplies	-	5,058	-	-	284,861	-	636,493
Other services and charges	14,652	90,203	-	32,285	50,490	28,859	1,785,639
Debt service - principal and interest	-	-	-	-	-	-	200
Capital outlay	-	-	-	-	930,434	-	-
Other disbursements	-	11,204	-	-	-	594	63,388
Total disbursements	<u>14,652</u>	<u>239,842</u>	<u>-</u>	<u>32,285</u>	<u>1,265,785</u>	<u>29,453</u>	<u>2,673,271</u>
Excess (deficiency) of receipts over disbursements	<u>4,535</u>	<u>42,928</u>	<u>-</u>	<u>(32,285)</u>	<u>(477,973)</u>	<u>(6,882)</u>	<u>7,514</u>
Cash and investments - ending	<u>\$ 5,235</u>	<u>\$ 7,840</u>	<u>\$ 23,562</u>	<u>\$ (6,240)</u>	<u>\$ 118,842</u>	<u>\$ 66,779</u>	<u>\$ 805,672</u>

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

	Building Department	Plat Office User Fee Fund	Rainy Day Fund	Recorder's Perpetuation	Riverboat Wagering Tax	Sheriff Pension Trust Fund	Excess (Surplus) Tax
Cash and investments - beginning	\$ 17,721	\$ 35,943	\$ 1,874,633	\$ 19,319	\$ -	\$ 1,274	\$ 374,911
Receipts:							
Taxes	240	-	-	4,690	-	6,039	-
Licenses and permits	45,083	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	12,366	-	54,778	224,890	-	60
Fines and forfeits	-	141	262	-	-	8,942	49,084
Other receipts	-	-	35,980	-	-	-	2,716
Total receipts	<u>45,323</u>	<u>12,507</u>	<u>36,242</u>	<u>59,468</u>	<u>224,890</u>	<u>14,981</u>	<u>51,860</u>
Disbursements:							
Personal services	-	-	97,800	15,330	-	-	-
Supplies	997	1,237	-	2,321	-	-	-
Other services and charges	40,616	13,962	224,050	19,098	224,890	10,041	294,077
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	17,033	-	-	-
Total disbursements	<u>41,613</u>	<u>15,199</u>	<u>321,850</u>	<u>53,782</u>	<u>224,890</u>	<u>10,041</u>	<u>294,077</u>
Excess (deficiency) of receipts over disbursements	<u>3,710</u>	<u>(2,692)</u>	<u>(285,608)</u>	<u>5,686</u>	<u>-</u>	<u>4,940</u>	<u>(242,217)</u>
Cash and investments - ending	<u>\$ 21,431</u>	<u>\$ 33,251</u>	<u>\$ 1,589,025</u>	<u>\$ 25,005</u>	<u>\$ -</u>	<u>\$ 6,214</u>	<u>\$ 132,694</u>

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

	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Moving Beyond Abuse Fss	Guardian Ad Litem Users Fees	Fam Co Facilitator Project	County Offender Transportation
Cash and investments - beginning	\$ 30,856	\$ (15,801)	\$ 619,944	\$ 9	\$ 400	\$ 19,536	\$ 63
Receipts:							
Taxes	-	-	-	-	-	100	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	8,170	-	-	-	-	-	-
Fines and forfeits	-	137,228	593,135	-	-	11,000	750
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,170</u>	<u>137,228</u>	<u>593,135</u>	<u>-</u>	<u>-</u>	<u>11,100</u>	<u>750</u>
Disbursements:							
Personal services	606	-	-	-	-	17,765	-
Supplies	178	-	-	-	-	-	-
Other services and charges	5,650	127,417	752,714	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,359	-
Total disbursements	<u>6,434</u>	<u>127,417</u>	<u>752,714</u>	<u>-</u>	<u>-</u>	<u>19,124</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,736</u>	<u>9,811</u>	<u>(159,579)</u>	<u>-</u>	<u>-</u>	<u>(8,024)</u>	<u>750</u>
Cash and investments - ending	<u>\$ 32,592</u>	<u>\$ (5,990)</u>	<u>\$ 460,365</u>	<u>\$ 9</u>	<u>\$ 400</u>	<u>\$ 11,512</u>	<u>\$ 813</u>

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

	Hazardous Waste	E911 Wireless (State)	Adult Probation User's Fee	Juvenile Supp Probation	Alternative Disp. Fee Circuit	DNR Fines	Welfare Trust
Cash and investments - beginning	\$ 3,712,057	\$ 11,284	\$ 488,691	\$ 31,587	\$ 25,331	\$ 3,002	\$ 193
Receipts:							
Taxes	-	-	-	-	75	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	285,698	78,662	-	23,830	-	-	-
Fines and forfeits	-	-	203,959	1,500	21,616	-	-
Other receipts	395	-	6,575	32	50	-	-
Total receipts	<u>286,093</u>	<u>78,662</u>	<u>210,534</u>	<u>25,362</u>	<u>21,741</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	29,892	137,130	21,473	-	-	-
Supplies	-	33,145	4,858	5,342	-	-	-
Other services and charges	614,953	19,729	22,201	4,002	15,238	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	292,935	-	-	-	-	-	-
Other disbursements	4,400	1,965	9,924	1,452	-	-	-
Total disbursements	<u>912,288</u>	<u>84,731</u>	<u>174,113</u>	<u>32,269</u>	<u>15,238</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(626,195)</u>	<u>(6,069)</u>	<u>36,421</u>	<u>(6,907)</u>	<u>6,503</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,085,862</u>	<u>\$ 5,215</u>	<u>\$ 525,112</u>	<u>\$ 24,680</u>	<u>\$ 31,834</u>	<u>\$ 3,002</u>	<u>\$ 193</u>

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

	EMA Hoosier Safety	Operation Pullover Equip Grant	Coroner's Donation Fund	Capital Recovery Systems	Payroll Fund	Aflac	Deferred Compensation
Cash and investments - beginning	\$ 316	\$ (1,014)	\$ 200	\$ 27,327	\$ -	\$ (1,636)	\$ 521
Receipts:							
Taxes	-	-	-	2,363	6,037,526	-	11,570
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	2,754	-	-	-
Other receipts	-	7,500	-	-	3,968,453	34,421	-
Total receipts	-	7,500	-	5,117	10,005,979	34,421	11,570
Disbursements:							
Personal services	-	-	-	-	3,968,453	-	11,570
Supplies	-	-	-	-	-	-	-
Other services and charges	-	19,864	-	771	6,037,526	34,294	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	200	-	-	-	-
Total disbursements	-	19,864	200	771	10,005,979	34,294	11,570
Excess (deficiency) of receipts over disbursements	-	(12,364)	(200)	4,346	-	127	-
Cash and investments - ending	\$ 316	\$ (13,378)	\$ -	\$ 31,673	\$ -	\$ (1,509)	\$ 521

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

	Federal Withholding	FICA	CAGIT Local Withholding Tax	PERF	Sheriffs Retirement	State Withholding	Wage Garnishment
Cash and investments - beginning	\$ 1,356	\$ 2,719	\$ 74	\$ (135)	\$ 4,967	\$ 120	\$ (824)
Receipts:							
Taxes	539,568	594,937	85,758	123,823	24,410	197,353	64,643
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	32	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	50
Total receipts	<u>539,600</u>	<u>594,937</u>	<u>85,758</u>	<u>123,823</u>	<u>24,410</u>	<u>197,353</u>	<u>64,693</u>
Disbursements:							
Personal services	-	-	-	123,823	29,377	-	45,903
Supplies	-	-	-	-	-	-	-
Other services and charges	420,491	354,719	73,135	-	-	197,282	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	120,018	240,278	12,611	-	-	-	18,789
Total disbursements	<u>540,509</u>	<u>594,997</u>	<u>85,746</u>	<u>123,823</u>	<u>29,377</u>	<u>197,282</u>	<u>64,692</u>
Excess (deficiency) of receipts over disbursements	<u>(909)</u>	<u>(60)</u>	<u>12</u>	<u>-</u>	<u>(4,967)</u>	<u>71</u>	<u>1</u>
Cash and investments - ending	<u>\$ 447</u>	<u>\$ 2,659</u>	<u>\$ 86</u>	<u>\$ (135)</u>	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ (823)</u>

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

	Tax Distribution	County Wheel Tax	Vehicle Excise Surtax	CVET Distribution	Financial Institution Tax	CEDIT Homestead Credit	HEA1001 State Homestead Credit
Cash and investments - beginning	\$ 450	\$ 760	\$ -	\$ -	\$ -	\$ 24,595	\$ 1,500
Receipts:							
Taxes	6,943,411	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	143,805	153,871	1,599,972	-
Fines and forfeits	24,102,292	111,509	485,828	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>31,045,703</u>	<u>111,509</u>	<u>485,828</u>	<u>143,805</u>	<u>153,871</u>	<u>1,599,972</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	31,045,703	111,189	485,828	143,805	153,871	1,303,042	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>31,045,703</u>	<u>111,189</u>	<u>485,828</u>	<u>143,805</u>	<u>153,871</u>	<u>1,303,042</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,930</u>	<u>-</u>
Cash and investments - ending	<u>\$ 450</u>	<u>\$ 1,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 321,525</u>	<u>\$ 1,500</u>

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

	Homestead Credit Rebate Fund	Fines & Forfeitures	Infraction Judgement	Overweight Vehicles	Deceased Persons Money	Sales Disclosure State General	Mortgage Fee - State
Cash and investments - beginning	\$ 628	\$ 2,337	\$ 4,309	\$ 330	\$ 165	\$ 256	\$ 278
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	2,952	3,595
Fines and forfeits	-	15,280	65,580	1,133	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>15,280</u>	<u>65,580</u>	<u>1,133</u>	<u>-</u>	<u>2,952</u>	<u>3,595</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	8,592	60,717	1,127	-	2,984	3,580
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>8,592</u>	<u>60,717</u>	<u>1,127</u>	<u>-</u>	<u>2,984</u>	<u>3,580</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>6,688</u>	<u>4,863</u>	<u>6</u>	<u>-</u>	<u>(32)</u>	<u>15</u>
Cash and investments - ending	<u>\$ 628</u>	<u>\$ 9,025</u>	<u>\$ 9,172</u>	<u>\$ 336</u>	<u>\$ 165</u>	<u>\$ 224</u>	<u>\$ 293</u>

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

	Child Protection Seat	Health Dept. Food Fines	Inheritance Tax	Education Plate Fee	Innkeeper's Tax Fund	CAGIT Distribution	EDIT
Cash and investments - beginning	\$ 606	\$ 4,448	\$ 168,853	\$ 75	\$ -	\$ -	\$ 139,881
Receipts:							
Taxes	-	1,025	3,420	-	230,286	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	806	-	6,391,382	1,600,421
Fines and forfeits	-	1,651	792,566	-	4,641	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>2,676</u>	<u>795,986</u>	<u>806</u>	<u>234,927</u>	<u>6,391,382</u>	<u>1,600,421</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	2,231	628,253	806	223,144	6,391,382	1,532,616
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>2,231</u>	<u>628,253</u>	<u>806</u>	<u>223,144</u>	<u>6,391,382</u>	<u>1,532,616</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>445</u>	<u>167,733</u>	<u>-</u>	<u>11,783</u>	<u>-</u>	<u>67,805</u>
Cash and investments - ending	<u>\$ 606</u>	<u>\$ 4,893</u>	<u>\$ 336,586</u>	<u>\$ 75</u>	<u>\$ 11,783</u>	<u>\$ -</u>	<u>\$ 207,686</u>

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

	Public Defender	County General ARRA	Prosecutor ARRA	Clerk ARRA	Prosecutor Title IVD Unapp.	Clerks Title IVD Unapprop.	HAVA
Cash and investments - beginning	\$ 10,084	\$ 4,171	\$ 9,275	\$ 6,723	\$ 237,129	\$ 74,018	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	22,166	13,464	-
Fines and forfeits	13,386	-	-	-	8,540	2,223	-
Other receipts	-	-	-	-	-	-	10,000
Total receipts	<u>13,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,706</u>	<u>15,687</u>	<u>10,000</u>
Disbursements:							
Personal services	-	-	-	-	41,194	31	-
Supplies	-	-	-	-	-	-	8,434
Other services and charges	-	-	-	95	31,718	39,867	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	2,668	1,665	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>95</u>	<u>75,580</u>	<u>41,563</u>	<u>8,434</u>
Excess (deficiency) of receipts over disbursements	<u>13,386</u>	<u>-</u>	<u>-</u>	<u>(95)</u>	<u>(44,874)</u>	<u>(25,876)</u>	<u>1,566</u>
Cash and investments - ending	<u>\$ 23,470</u>	<u>\$ 4,171</u>	<u>\$ 9,275</u>	<u>\$ 6,628</u>	<u>\$ 192,255</u>	<u>\$ 48,142</u>	<u>\$ 1,566</u>

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

	Inmate Trust Fund	Sheriff Cash Book	Sheriff Commissary	Sheriff Retirement Pension	Treasurer's Trust	Clerks Trust Account	Youth Awareness
Cash and investments - beginning	\$ 17,721	\$ 149,434	\$ 69,962	\$ -	\$ 691,678	\$ 397,375	\$ 665
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>212,516</u>	<u>1,609,629</u>	<u>151,094</u>	<u>28,501</u>	<u>31,624,714</u>	<u>3,524,827</u>	<u>-</u>
Total receipts	<u>212,516</u>	<u>1,609,629</u>	<u>151,094</u>	<u>28,501</u>	<u>31,624,714</u>	<u>3,524,827</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>213,873</u>	<u>1,737,299</u>	<u>181,810</u>	<u>21,813</u>	<u>31,724,675</u>	<u>3,517,824</u>	<u>-</u>
Total disbursements	<u>213,873</u>	<u>1,737,299</u>	<u>181,810</u>	<u>21,813</u>	<u>31,724,675</u>	<u>3,517,824</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,357)</u>	<u>(127,670)</u>	<u>(30,716)</u>	<u>6,688</u>	<u>(99,961)</u>	<u>7,003</u>	<u>-</u>
Cash and investments - ending	<u>\$ 16,364</u>	<u>\$ 21,764</u>	<u>\$ 39,246</u>	<u>\$ 6,688</u>	<u>\$ 591,717</u>	<u>\$ 404,378</u>	<u>\$ 665</u>

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

	Welfare Reform	Bidder Receipts	Bail Bond	Circuit Ct Supp Probation	Pre Trial Diversion	Jury Fee	Tobacco Master Trust
Cash and investments - beginning	\$ 5,000	\$ 4,843	\$ 310	\$ 1,565	\$ 111,440	\$ 25,521	\$ 21,680
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	174,495	-	-
Other receipts	-	-	-	-	-	5,860	44,560
Total receipts	-	-	-	-	174,495	5,860	44,560
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	4,048	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	123,939	-	9,866
Total disbursements	-	-	-	-	123,939	4,048	9,866
Excess (deficiency) of receipts over disbursements	-	-	-	-	50,556	1,812	34,694
Cash and investments - ending	\$ 5,000	\$ 4,843	\$ 310	\$ 1,565	\$ 161,996	\$ 27,333	\$ 56,374

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

	Sheriffs Donation	E911 Donation	Treasurer Returned Check Fee	Vision Insurance	Sheriff Insurance Reimb	Life Insurance Withholdings	Health Insurance Trust
Cash and investments - beginning	\$ 7,732	\$ 25	\$ 303	\$ 650	\$ 19,030	\$ 4,831	\$ 1,701,385
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	16,679	-	70	13,397	-	27,399	339,947
Total receipts	<u>16,679</u>	<u>-</u>	<u>70</u>	<u>13,397</u>	<u>-</u>	<u>27,399</u>	<u>339,947</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	12,685	-	-	13,711	-	26,584	490,726
Total disbursements	<u>12,685</u>	<u>-</u>	<u>-</u>	<u>13,711</u>	<u>-</u>	<u>26,584</u>	<u>490,726</u>
Excess (deficiency) of receipts over disbursements	<u>3,994</u>	<u>-</u>	<u>70</u>	<u>(314)</u>	<u>-</u>	<u>815</u>	<u>(150,779)</u>
Cash and investments - ending	<u>\$ 11,726</u>	<u>\$ 25</u>	<u>\$ 373</u>	<u>\$ 336</u>	<u>\$ 19,030</u>	<u>\$ 5,646</u>	<u>\$ 1,550,606</u>

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

	Health Insurance	Dental Insurance	SATP	Commissioners Sale	Family Preservation	Building Department Listing	Council Moore Bequest
Cash and investments - beginning	\$ 107,185	\$ 1,214	\$ 57,083	\$ 99,675	\$ -	\$ 12,609	\$ 10,000
Receipts:							
Taxes	-	-	160	-	-	-	-
Licenses and permits	-	-	-	-	-	4,400	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	1,653	-	-	-	-
Fines and forfeits	-	-	93,498	28,959	-	-	-
Other receipts	2,056,641	41,330	6,240	-	67	-	-
Total receipts	<u>2,056,641</u>	<u>41,330</u>	<u>101,551</u>	<u>28,959</u>	<u>67</u>	<u>4,400</u>	<u>-</u>
Disbursements:							
Personal services	-	-	90,757	-	-	-	-
Supplies	-	-	5,631	-	-	-	-
Other services and charges	-	-	19,122	18,742	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,158,400	41,510	7,824	-	-	-	-
Total disbursements	<u>2,158,400</u>	<u>41,510</u>	<u>123,334</u>	<u>18,742</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(101,759)</u>	<u>(180)</u>	<u>(21,783)</u>	<u>10,217</u>	<u>67</u>	<u>4,400</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,426</u>	<u>\$ 1,034</u>	<u>\$ 35,300</u>	<u>\$ 109,892</u>	<u>\$ 67</u>	<u>\$ 17,009</u>	<u>\$ 10,000</u>

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

	Auditor Returned Check Fee	Title IVD Unappropriated	Website Fund	Asset Forfeiture Fund	SWCD Salary Supplement	Putnam County Court Bail Bond	EOC Bond Fund
Cash and investments - beginning	\$ -	\$ 47,693	\$ 45	\$ 37,079	\$ 237	\$ 57,085	\$ 267
Receipts:							
Taxes	-	-	-	26,604	-	4,222	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	18	18,415	-	240	-	-	-
Fines and forfeits	-	-	-	8,800	-	7,455	-
Other receipts	-	-	-	1	-	-	-
Total receipts	<u>18</u>	<u>18,415</u>	<u>-</u>	<u>35,645</u>	<u>-</u>	<u>11,677</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	14,246	-	40,842	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>14,246</u>	<u>-</u>	<u>40,842</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>18</u>	<u>4,169</u>	<u>-</u>	<u>(5,197)</u>	<u>-</u>	<u>11,677</u>	<u>-</u>
Cash and investments - ending	<u>\$ 18</u>	<u>\$ 51,862</u>	<u>\$ 45</u>	<u>\$ 31,882</u>	<u>\$ 237</u>	<u>\$ 68,762</u>	<u>\$ 267</u>

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

	Sheriff Forfeiture	Sale of County Home	Airport Capital Imp Fund	Putnam County Home Detention	County Law Enforcement	Health Dept. Illegal Dumping
Cash and investments - beginning	\$ 10,919	\$ 530,086	\$ 22,875	\$ (6,806)	\$ 95,950	\$ 1,106
Receipts:						
Taxes	420	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	91,949	-	97,906	6,806	10,714	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>92,369</u>	<u>-</u>	<u>97,906</u>	<u>6,806</u>	<u>10,714</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	37,884	-	-	-	684	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	5,384	-
Total disbursements	<u>37,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,068</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>54,485</u>	<u>-</u>	<u>97,906</u>	<u>6,806</u>	<u>4,646</u>	<u>-</u>
Cash and investments - ending	<u>\$ 65,404</u>	<u>\$ 530,086</u>	<u>\$ 120,781</u>	<u>\$ -</u>	<u>\$ 100,596</u>	<u>\$ 1,106</u>

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

	Health Dept. Preparedness Fund	Health Dept Vaccine	Reassessment 2015	Reassessment	Medicare	PCA Fee Fund
Cash and investments - beginning	\$ 17,849	\$ 6,997	\$ 183,014	\$ 13,982	\$ 21	\$ 334
Receipts:						
Taxes	-	7,972	95,597	73,423	165,899	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	7,493	8,846	-	-
Charges for services	6,514	120	86	-	-	2,303
Fines and forfeits	10,843	3,288	-	-	-	743
Other receipts	-	9,134	2	701	-	-
Total receipts	<u>17,357</u>	<u>20,514</u>	<u>103,178</u>	<u>82,970</u>	<u>165,899</u>	<u>3,046</u>
Disbursements:						
Personal services	-	18,093	110,642	-	-	-
Supplies	-	-	8,411	228	-	-
Other services and charges	25,191	-	29,742	1,470	82,954	1,645
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,132	-	-	-	82,954	-
Total disbursements	<u>26,323</u>	<u>18,093</u>	<u>148,795</u>	<u>1,698</u>	<u>165,908</u>	<u>1,645</u>
Excess (deficiency) of receipts over disbursements	<u>(8,966)</u>	<u>2,421</u>	<u>(45,617)</u>	<u>81,272</u>	<u>(9)</u>	<u>1,401</u>
Cash and investments - ending	<u>\$ 8,883</u>	<u>\$ 9,418</u>	<u>\$ 137,397</u>	<u>\$ 95,254</u>	<u>\$ 12</u>	<u>\$ 1,735</u>

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

	Elected Official Training Fund	Microfilm Support Fund	Victims Assist.	Domestic Violence Prosecutor	Victims Assistance	Sales Disc. State Training
Cash and investments - beginning	\$ 1,212	\$ 3,847	\$ 11,605	\$ 626	\$ (14,202)	\$ 64
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	3,452	-	15,198	-	-	738
Fines and forfeits	-	-	7,599	-	6,265	-
Other receipts	-	-	15,198	-	-	-
Total receipts	<u>3,452</u>	<u>-</u>	<u>37,995</u>	<u>-</u>	<u>6,265</u>	<u>738</u>
Disbursements:						
Personal services	-	-	2,530	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	35	-	6,276	746
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	35,098	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>37,663</u>	<u>-</u>	<u>6,276</u>	<u>746</u>
Excess (deficiency) of receipts over disbursements	<u>3,452</u>	<u>-</u>	<u>332</u>	<u>-</u>	<u>(11)</u>	<u>(8)</u>
Cash and investments - ending	<u>\$ 4,664</u>	<u>\$ 3,847</u>	<u>\$ 11,937</u>	<u>\$ 626</u>	<u>\$ (14,213)</u>	<u>\$ 56</u>

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

	Child Advocacy	Local Emergency Planning/Lepc	Operation Pullover Grant	Economic Warchest (Edit)	New Annex Bldg (Edit)	Comprehensive Plan (EDIT)
Cash and investments - beginning	\$ 300	\$ 3,820	\$ 1,745	\$ 181,876	\$ 200,000	\$ 916
Receipts:						
Taxes	-	4,631	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	8,000	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	4,631	-	8,000	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	20	-	-	-	-
Other services and charges	-	-	43	77,000	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	3	-	-	-
Total disbursements	-	20	46	77,000	-	-
Excess (deficiency) of receipts over disbursements	-	4,611	(46)	(69,000)	-	-
Cash and investments - ending	<u>\$ 300</u>	<u>\$ 8,431</u>	<u>\$ 1,699</u>	<u>\$ 112,876</u>	<u>\$ 200,000</u>	<u>\$ 916</u>

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

	H1N1 GRANT	Emergency Management	Sheriffs Deputy Grant	Hazmat Tech X3	District 7 NFA/ISO Classes	District 7 Fire Train-Federal
Cash and investments - beginning	\$ (8,968)	\$ 63	\$ 1,398	\$ 600	\$ (400)	\$ 450
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ (8,968)	\$ 63	\$ 1,398	\$ 600	\$ (400)	\$ 450

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

	EMA Flashover Training	Title III Federal Government	Aviation Grant	05SHSP	Ema Sirens Project	Hazmat Technical Rescue
Cash and investments - beginning	\$ 1	\$ 84,728	\$ 360,216	\$ 425	\$ 2,675	\$ (1,806)
Receipts:						
Taxes	-	-	25,500	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	62,336	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	177,085	-	5	-
Total receipts	-	-	264,921	-	5	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	44,417	605,591	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	44,417	605,591	-	-	-
Excess (deficiency) of receipts over disbursements	-	(44,417)	(340,670)	-	5	-
Cash and investments - ending	\$ 1	\$ 40,311	\$ 19,546	\$ 425	\$ 2,680	\$ (1,806)

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

	Putnam County Comm Corr Grant	Putnam County CTP Grant	Tobacco Settlement Grant	IDHS 2004 LAPTOP GRANT	District 7 Fire Training	EMA 2004 GRANT
Cash and investments - beginning	\$ 5,787	\$ 17,800	\$ 85,424	\$ 62	\$ (75,694)	\$ 1
Receipts:						
Taxes	-	1,275	-	-	102,509	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	15,871	32,672	-	-	-
Fines and forfeits	-	-	32,285	-	-	-
Other receipts	-	-	-	-	450	-
Total receipts	-	17,146	64,957	-	102,959	-
Disbursements:						
Personal services	-	13,791	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	5,787	8,492	869	-	71,014	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	10,416	-	-	-
Total disbursements	5,787	22,283	11,285	-	71,014	-
Excess (deficiency) of receipts over disbursements	(5,787)	(5,137)	53,672	-	31,945	-
Cash and investments - ending	\$ -	\$ 12,663	\$ 139,096	\$ 62	\$ (43,749)	\$ 1

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

	EMA Cert Grant	Criminal Justice Grant	Putnam County Comm Corr Grant	Putnam County CTP Grant	STOP Grant	Totals
Cash and investments - beginning	\$ 448	\$ 136	\$ (15,301)	\$ (881)	\$ (18,838)	\$ 20,402,611
Receipts:						
Taxes	-	-	-	-	4,332	22,833,842
Licenses and permits	-	-	-	-	-	62,016
Intergovernmental	-	-	-	-	-	1,010,294
Charges for services	-	-	126,459	-	17,745	15,525,586
Fines and forfeits	-	-	-	881	-	29,936,194
Other receipts	-	-	-	-	3,815	44,445,430
Total receipts	-	-	126,459	881	25,892	113,813,362
Disbursements:						
Personal services	-	-	85,854	-	20,363	9,427,797
Supplies	-	-	262	-	-	1,724,619
Other services and charges	-	-	38,952	-	-	60,305,858
Debt service - principal and interest	-	-	-	-	-	14,219
Capital outlay	-	-	-	-	-	1,261,241
Other disbursements	-	-	-	-	1,517	41,429,649
Total disbursements	-	-	125,068	-	21,880	114,163,383
Excess (deficiency) of receipts over disbursements	-	-	1,391	881	4,012	(350,021)
Cash and investments - ending	\$ 448	\$ 136	\$ (13,910)	\$ -	\$ (14,826)	\$ 20,052,590

PUTNAM 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>\$ 774,234</u>	<u>\$ -</u>

PUTNAM COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	E-911 Facility	\$ 1,530,000	\$ 257,314
General obligation bonds	Putnam County Jail Building Corporation	2,275,000	458,350
Notes and loans payable	Aviation	44,585	16,107
Notes and loans payable	Sheriff Vehicles	48,703	24,972
Notes and loans payable	Highway Trucks	198,164	52,992
Notes and loans payable	Highway Graders	<u>725,691</u>	<u>41,897</u>
Total governmental activities		<u>4,822,143</u>	<u>851,632</u>
Totals		<u>\$ 4,822,143</u>	<u>\$ 851,632</u>

PUTNAM 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 943,500
Buildings	5,827,900
Machinery, equipment, and vehicles	<u>4,588,404</u>
Total governmental activities	<u>11,359,804</u>
Total capital assets	<u>\$ 11,359,804</u>

PUTNAM COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF PUTNAM COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Putnam County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2012-2, 2012-3, and 2012-4. Our opinion on each major federal program is not modified with respect to these matters.

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

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

Report on Internal Control Over Compliance

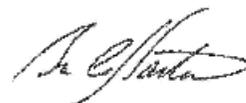
Management of the County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2012-2, 2012-3, and 2012-4 that we consider to be significant deficiencies.

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

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



Bruce Hartman
State Examiner

August 6, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster Community Development Block Grants/States Program and Non-Entitlement Grants in Hawaii	Indiana Office of Community and Rural Affairs	14.228	DR1-09-001X	\$ 194,698
Total - Department of Housing and Urban Development				<u>194,698</u>
<u>Department of the Interior</u>				
Payments in Lieu of Taxes	Direct grant	15.226		7,576
Total - Department of the Interior				<u>7,576</u>
<u>Department of Justice</u>				
Juvenile Accountability Block Grants	Indiana Criminal Justice Institute	16.523		2,880
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575		30,395
ARRA - Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	VAGX003903	21,560
ARRA - Violence Against Women Formula Grants		16.588	WFAX001003	4,332
Total - ARRA-Violence Against Women Formula Grants				<u>25,892</u>
Equitable Sharing Program	Direct grant	16.922		78,112
Total - Department of Justice				<u>137,279</u>
<u>Department of Transportation</u>				
Airport Improvement Program	Direct grant	20.106	-	196,602
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205	-	672,012
Total - Department of Transportation				<u>868,614</u>
<u>Department of Health and Human Services</u>				
Public Health Emergency Preparedness	Indiana State Department of Health	93.069	BRPS 166-70	8,530
Public Health Emergency Preparedness		93.069	BRPS 166-71	6,514
Total - Public Health Emergency Preparedness				<u>15,044</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	Indiana State Department of Health	93.283	-	2,313
Child Support Enforcement	Indiana State Department of Child Services	93.563		298,949
Voting Access for Individuals With Disabilities - Grants to States	Indiana Election Commission	93.617	INVOTE090630903	5,000
Total - Department of Health and Human Services				<u>321,306</u>
<u>Department of Homeland Security</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Indiana Department of Homeland Security	97.036	DRINP1997	32,155
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C449-2-121A C449-2-372A	3,623 6,580
Total - Emergency Management Performance Grants				<u>10,203</u>
Interoperable Emergency Communications	Indiana Department of Homeland Security	97.055	-	24,734
Total - Department of Homeland Security				<u>67,092</u>
Total federal awards expended				<u>\$ 1,596,565</u>

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

PUTNAM COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

PUTNAM 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; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	yes
Type of auditor's report issued on compliance for major programs:	Unmodified
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
93.563	Highway Planning and Construction Cluster Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

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

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

1. Preparation of Annual Report: As stated in the prior two audits, the County Auditor had not established proper procedures for a separate review of the financial information reported in the Gateway Annual Financial Report prior to its submission. Since the financial statement is generated from the Gateway Annual Financial Report, the failure to establish these controls and perform the control activities resulted in the financial statement being submitted with material errors and omissions. Adjustments were proposed, accepted by the County, and made to the financial statement resulting in a presentation that is fairly stated in all material respects.

PUTNAM COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Preparation of the Schedule of Expenditures of Federal Awards (SEFA): The County Auditor did not have a proper system of internal control in place to prevent or detect errors on the SEFA. The County Auditor should retain grant agreements and award letters, identify the Catalog of Federal Domestic Assistance program number and title for each award, identify the federal agency and pass-through agency for each award, and maintain a record of receipts and disbursements for each grant. Once the SEFA is prepared, the Auditor should establish procedures for a separate review of the SEFA prior to its submission. The failure to establish these controls and perform the control activities resulted in the SEFA being submitted with material omissions. Adjustments were proposed, accepted by the County, and made to the SEFA, resulting in a presentation that is fairly stated, in all material respects, in relation to the financial statement.
3. Reconciliation of Auditor's Ledger and Treasurer's Ledger: The County has implemented a control procedure in which the Treasurer prints the fund balances in her ledger after balancing with the bank each month and gives the printout to the Auditor. The Auditor compares the balances of the funds in the Treasurer's ledger with the balances of the funds in the Auditor's ledger and investigates any differences. This control ensures that the Auditor's ledger continues to agree with the reconciled bank balance. During 2012, the Treasurer submitted her balances to the Auditor's office, but the Auditor's office staff did not perform the comparisons or investigate the differences monthly. The failure to perform this control activity resulted in the total cash balance in the Auditor's ledger differing from the total cash balance in the Treasurer's ledger by \$11,867 at December 31, 2012.
4. Accounts Payable Voucher Registers Incomplete: The County has implemented a control procedure in which the Auditor's office prepares a monthly Accounts Payable Voucher Register listing all the accounts payable vouchers (including payroll vouchers), the vendor names, and amounts. The register is then reviewed by the County Commissioners prior to payment of the invoices. Our testing of controls over disbursements revealed that the Auditor's office does not properly tally the list to show that all vouchers are included. Three of the monthly registers tested were not signed by the Commissioners. The failure to properly perform this control activity could result in disbursements being made without the knowledge and approval of the Commissioners.

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

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

At the close of each calendar month a Monthly Financial Statement, County Form 61, shall be prepared, showing the financial transactions for the month and year to date, for each fund and in total.

The county treasurer is also required to independently prepare a Monthly Financial Statement on the same form and the two statements must be reconciled. If any differences exist between the records of the auditor and the treasurer, they must be identified and immediate steps taken to bring the records of the two offices into agreement. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 6)

PUTNAM COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section. 300 states in part: "The auditee shall . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section.310."

OMB Circular A-133, Subpart C, section. 310(b) states:

"Schedule of expenditures of Federal awards: The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision I the Department of Health and Human Services.
- (2) For Federal awards received as a sub-recipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide the total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to sub-recipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

Section III – Federal Award Findings and Questioned Costs

***FINDING 2012-2 - INTERNAL CONTROLS AND COMPLIANCE
OVER ALLOWABLE COSTS - TITLE IV-D CLAIMS***

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

In 2012, each reimbursement claim included a request to be reimbursed for the employer portion of insurance benefits provided to the employees doing work for the Prosecutor's Title IV-D department. One new employee hired at the beginning of the year elected not to participate in the County Health Insurance

PUTNAM COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Program; however, the Office Manager requested reimbursement of \$93.08 each pay period for providing the benefit to this employee. This amount was reimbursed for 24 pay periods. This resulted in personal service claims being overstated \$2,233.92 for the year.

Each month of 2012, the Prosecutor's Title IV-D department submitted a claim to Child Services asking to be reimbursed for two pay periods for a total of 24 pays during the year. There were actually 26 pay periods in 2012. This resulted in \$16,112.90 in personal services not being requested for reimbursement on the Monthly Expense Claim Form (State Form 54529).

The net effect of the two personal services reimbursement claim errors is \$13,878.98 under claimed.

The Prosecutor's Title IV-D department did not have adequate internal controls in place to ensure amounts claimed for reimbursement were proper and based on actual disbursements.

The Cooperative Agreement For Federal Financial Participation For Prosecuting Attorneys Performing Title IV-D Services, Section IV B, states in part:

"(3) Expenditures for direct costs incurred by the Prosecuting Attorney in the provision of IV-D services are reimbursable when such costs are claimed in accordance with procedures established and on forms prescribed by CSB that comply with federal and state law. In no event shall reimbursement be made without the Prosecuting Attorney's certification that expenditures claimed for reimbursement are reasonable, appropriate, and directly related to IV-D cases."

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. Non-compliance of the cooperative agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the Prosecutor establish controls to ensure reimbursement is properly requested based on actual disbursements made.

FINDING 2012-3 - INTERNAL CONTROLS AND COMPLIANCE OVER ALLOWABLE COSTS AND CASH MANAGEMENT - DEPUTY PROSECUTOR COMPENSATION

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

Each month the Prosecutor submits a claim in the amount of \$1,666.67 for Title IV-D legal work performed by the Deputy Prosecutor. No contract or supporting documentation was available for review. No controls were in place to ensure that claims made were properly supported by a contract or other appropriate documentation.

PUTNAM COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The Cooperative Agreement For Federal Financial Participation For Prosecuting Attorneys Performing Title IV-D Services, Section IV B, states in part:

"Reimbursement (3) Expenditures for direct costs incurred by the Prosecuting Attorney in the provision of IV-D services are reimbursable when such costs are claimed in accordance with procedures established and on forms prescribed by CSB that comply with federal and state law. In no event shall reimbursement be made without the Prosecuting Attorney's certification that expenditures claimed for reimbursement are reasonable, appropriate, and directly related to IV-D cases."

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. Non-compliance of the cooperative agreement or federal and state law that has a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the County establish controls to ensure that all amounts claimed are properly supported.

FINDING 2012-4 - INTERNAL CONTROLS AND COMPLIANCE OVER CASH MANAGEMENT - HIGHWAY PLANNING AND CONSTRUCTION REIMBURSEMENT REQUESTS

Federal Agency: Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): 2012
Pass-Through Entity: Indiana Department of Transportation

Internal controls over cash management were not properly designed to ensure that disbursements were made before reimbursements were requested. Controls in place during the audit period allowed for reimbursements to be requested prior to accounts payable vouchers being paid. As a result, all seven reimbursements tested were requested prior to disbursements being made.

49 CFR 18.21 (d) states:

"Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement."

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

We recommended that the County Highway Department establish controls to prevent reimbursements from being requested prior to disbursements being made.

Lorie Hallett, Auditor

Putnam County Auditor's Office
One Courthouse Square
Greencastle, IN 46135
Phone: (765) 653-5513 Fax: (765) 653-5992

July 25, 2013

Corrective Action Plan

Auditee Contact Person: Lorie Hallett
Title of Contact Person: County Auditor
Phone Number: (765) 765-653-5513
Expected Completion Date: January 2, 2014

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

Corrective Action Planned:

FINDING 1

The Auditor's office will balance with the Treasurer on a timely basis so when it is time to complete the Annual Report the information will be more accurate. One employee will enter the information into the Gateway system and the Auditor and First Deputy will verify the information to be correct.

FINDING 2

The grant filing system will be revamped and will be managed by the Auditor and First Deputy, we will be sending out a memo to all offices stating that they need to send copies of all grant paperwork to the Auditor in order for the funds to be dispersed properly.

FINDING 3

The Auditor will be requesting reports from the Treasurer on a monthly basis and balancing with the Treasurer. After balancing the reports necessary corrections will be made in a timely manner.

FINDING 5

This issue has already been corrected. The claims registers are printed for each claim date and signed by the Commissioners on the last page of each claim date report that also includes a total of that report.

FINDING 2012-4, INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO HIGHWAY PLANNING AND CONSTRUCTION CLUSTER

Corrective Action Planned:

The Auditor will create a new fund specifically for Federal Grant Funds for Highway Planning and Construction program with all receipts and disbursements to and from that fund.

A handwritten signature in cursive script that reads "Lorie Hallett". The signature is written in black ink and is positioned above the printed name and title.

Lorie Hallett,
Putnam County Auditor

July 25, 2013

Corrective Action Plan

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

Auditee Contact Person: Sharon Owens
Title of Contact Person: Putnam County Treasurer
Phone Number: (765) 653-4510
Expected Completion Date: January 2, 2014

Corrective Action Planned:

The Treasurer's office will be making next business day deposits in a timely manner as funds are received.



Sharon Owens
Putnam County Treasurer



OFFICE OF THE PROSECUTING ATTORNEY
64th INDIANA JUDICIAL CIRCUIT
TIM BOOKWALTER, Prosecutor
Putnam County Courthouse
One Courthouse Square, 4th Floor
Greencastle, Indiana 46135
Phone: 765-653-2724
Fax: 765-653-5526

Chief Deputy: Justin Long

Deputy Prosecutors: James Hanner, James Ensley

Investigator: Charles Bollinger

July 31, 2013

Corrective Action Plan

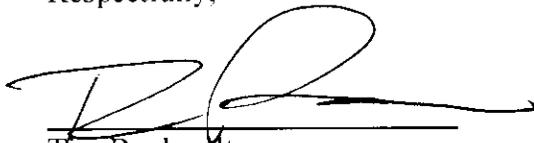
FEDERAL FINDING 2012-2: INTERNAL CONTROLS AND COMPLIANCE OVER
ALLOWABLE COSTS- TITLE IV-D CLAIMS

Auditee Contact Person: Tim Bookwalter
Title of Contact Person: Putnam County Prosecutor
Phone Number: 765-653-2724
Expected Completion Date: August 6, 2013

Corrective Action Planned:

The finding noted lack of effective internal controls that could enable noncompliance with the Cooperative Agreement for Federal Financial Participation for Prosecuting Attorneys Performing Title IV-D Services to go undetected. We plan to change the possibility of future oversights by using the Putnam County Auditor's reports on actual expenditures when preparing reimbursement claims related to the aforementioned agreement. Using the actual expenditures as opposed to basing reimbursement claims on pay periods should alleviate any discrepancies, most specifically with "under" claiming reimbursement reports.

Respectfully,



Tim Bookwalter
Putnam County Prosecutor



OFFICE OF THE PROSECUTING ATTORNEY
64th INDIANA JUDICIAL CIRCUIT
TIM BOOKWALTER, Prosecutor
Putnam County Courthouse
One Courthouse Square, 4th Floor
Greencastle, Indiana 46135
Phone: 765-653-2724
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Chief Deputy: Justin Long

Deputy Prosecutors: James Hanner, James Ensley

Investigator: Charles Bollinger

July 31, 2013

Corrective Action Plan

FEDERAL FINDING 2012-3: INTERNAL CONTROLS AND COMPLIANCE OVER
ALLOWABLE COSTS AND CASH MANAGEMENT- DEPUTY PROSECUTOR
COMPENSATION

Auditee Contact Person: Tim Bookwalter
Title of Contact Person: Putnam County Prosecutor
Phone Number: 765-653-2724
Expected Completion Date: August 6, 2013

Corrective Action Planned:

The finding noted lack of effective internal controls that could enable noncompliance with the Cooperative Agreement for Federal Financial Participation for Prosecuting Attorneys Performing Title IV-D Services to go undetected. We plan to change the manner in which the Deputy Prosecutor is compensated by properly using a salary ordinance for said compensation. Using the salary ordinance as an internal control will assure compliance.

Respectfully,

Tim Bookwalter
Putnam County Prosecutor

**Putnam County Highway Department
1624 West County Road 225 South
Greencastle, IN 46135**

Phone: 765-653-4714

Fax: 765-653-5516

Co-Supervisors

Jim Smith

Mike Ricketts

Commissioners

Donald K. Walton, President

David Berry

Nancy Fogle

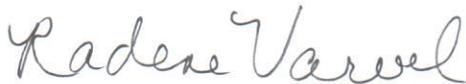
July 24, 2013

Finding 2012-4

Corrective Action Plan

Putnam County Highway Department
Radene Varvel, Administrative Assistant
Phone: 765-653-4714

The Finding noted that during the Audit Period disbursements were made before reimbursements were received. During that time claim vouchers were prepared and the reimbursement vouchers were sent to INDOT at the same time. We were notified by INDOT earlier this year that the correct way to do this was to request the payment from the Auditor and ask for a copy of the check. When that is received we should send the reimbursement vouchers and the check copy to INDOT. I started doing this earlier this year before the SBOA Auditor brought it to my attention, so the corrective action has already been in place for several months now.



Radene Varvel

Administrative Assistant

Putnam County Highway Department

PUTNAM COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 6, 2013 with Lorie Hallett, Auditor; Donald K. Walton, President of the Board of County Commissioners; and J.W Ensley, County Attorney.