

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

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



FILED
09/11/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Timothy M. Seprodi	01-01-09 to 12-31-16
Treasurer	David Crockett James W. Bramble	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Patricia Mansard David R. Crockett	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Sheriff	Gregory T. Ewing	01-01-11 to 12-31-14
Recorder	Nancy Allsup	01-01-09 to 12-31-16
President of the Board of County Commissioners	Michael Ciolli Judy Anderson	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	Kathy Miller Bill Thomas	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF VIGO COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Vigo 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 July 18, 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 statements. 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

July 18, 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 VIGO 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 Vigo County (County) for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated July 18, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

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

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

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)

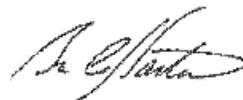
determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be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

Vigo 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

July 18, 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.

VIGO 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
Treasurer's Trust/After Settlement Collections	\$ 3,649,154	\$ 1,862,621	\$ 2,803,674	\$ 2,708,101
General Fund	22,033,456	30,551,360	31,639,821	20,944,995
Sheriff Accident Report	3,869	8,727	6,840	5,756
Animal Control Fund	1,457	1,562	-	3,019
CAGIT County Certified Shares	-	3,626,743	-	3,626,743
Campaign Finance Enforcement	40	-	-	40
EDIT-County Portion	9,331,974	5,237,674	3,806,694	10,762,954
City/Town Court Cost	9,451	20,233	29,683	1
Clerk Perpetuation	68,035	31,258	9,100	90,193
Adult Community Corrections	69,508	660,874	707,428	22,954
Community Transition Program	2,060	119,590	109,917	11,733
Cong School-Interest	17,198	55	2,286	14,967
Cong School-Principal	57,146	-	-	57,146
Convention & Tourism	896,236	1,237,048	1,128,235	1,005,049
Dog Tax	374	-	-	374
County Sales Disclosure	95,680	10,005	4,850	100,835
Covered Bridge	7,440	1,850	-	9,290
Cumulative Bridge	2,901,583	999,330	752,038	3,148,875
Cumulative Capital Development	127,484	561,219	635,000	53,703
Drug Free Community	133,626	112,015	117,536	128,105
LEPC	78,717	8,061	4,554	82,224
Emergency Telephone Land Line	307,207	145,510	452,717	-
Recorder Enhanced Access	13,681	14,229	-	27,910
General Drain	341,361	69	-	341,430
Health	1,007,481	1,326,804	1,294,428	1,039,857
Recorder Security Protection	138,057	8,732	3,567	143,222
Levy Excess County Gen	19,228	-	19,228	-
Health Maintenance	21,382	71,647	78,450	14,579
Local Road & Street	378,067	560,393	782,556	155,904
Highway	886,234	3,362,950	3,409,898	839,286
Parks And Rec Non-Revert Cap	80,844	17,000	-	97,844
Parks And Rec Non-Reverting	308,084	175,402	283,629	199,857
Plat Mapping	223,501	18,700	463	241,738
Rainy Day	9,129,571	10,726	2,507,781	6,632,516
Reassessment II	1,292,993	310,580	1,184,653	418,920
Reassessment 2015	596,852	906,867	306,575	1,197,144
Recorders Record Perpetuation	412,555	126,564	100,185	438,934
Riverboat Wagering Tax Revenue	331,905	638,883	812,034	158,754
Supplemental Public Defender	124,703	62,419	52,380	134,742
Surplus Tax	245,374	195,169	172,868	267,675
Surveyors Cornerstone	173,185	16,854	24,241	165,798
Tax Sale Cost	98,988	65,832	46,188	118,632
Tax Sale Redemption	54,192	353,698	360,765	47,125
Tax Sale Surplus	1,078,622	621,703	708,305	992,020
Emergency Telephone Wireless	399,639	158,662	558,302	(1)
CASA	5,608	180	-	5,788
Co Auditor Ineligible Deducts	254,456	207,296	185,679	276,073
Co Elected Officials Training	4,659	8,739	-	13,398
Park & Recreation	923,948	1,125,991	963,716	1,086,223

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

VIGO 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
Vigo County 911	-	953,762	307,024	646,738
Supp. Juvenile Probation	12,568	29,217	22,677	19,108
Supplemental Adult Probation	461,062	121,295	161,325	421,032
User Fees	360,523	947,479	839,910	468,092
Drainage Maintenance	21,910	3,782	-	25,692
Sheriff Sale	31,295	70,000	94,835	6,460
Drug Task Force Grant	79,610	-	-	79,610
Donations	295,748	53,900	85,335	264,313
Alarm Control Non-Reverting	-	4,500	-	4,500
Bond And Int Redemp Jail Bond	480,626	515,044	648,550	347,120
United Way	48	1,326	1,326	48
Hospital Benefits	2,603,295	5,081,345	4,663,586	3,021,054
Prepaid Legal Service	155	-	-	155
Deferred Compensation	800	243,500	243,500	800
Federal Tax	192	2,037,144	2,037,144	192
Medicare	71	1,029,176	1,029,176	71
Flexible Spending Acct (FSA)	577	38,720	37,912	1,385
Retirement	2,925	-	-	2,925
Sheriff Pension	16,420	260,000	271,387	5,033
State Withholding	68	860,928	860,955	41
Highway Union Dues	1,783	9,519	9,519	1,783
Cintas Highway Uniforms	832	5,091	5,312	611
Garnishments	-	116,027	116,027	-
Settlement	8,575	75,429,565	75,429,555	8,585
County Wheel Tax	(200)	1,286,081	1,182,662	103,219
CVET	-	552,270	552,270	-
State Welfare Excise Tax	-	2,641,269	2,641,269	-
Sewage Charge Collection	-	250,561	250,561	-
Financial Institution Tax	-	1,015,640	1,015,640	-
Homestead Credit Rebate	1,524	101,238	102,762	-
Fines & Forfeitures	22,823	137,781	139,815	20,789
Overweight Judgments	2,330	31,853	32,494	1,689
Special Death Benefit	195	3,559	3,429	325
State Sales Disclosure Fees	940	10,005	9,865	1,080
State Coroners CE Fees	1,568	15,104	15,715	957
Interstate Transfer Fee	125	2,500	2,500	125
Inheritance Tax	718,889	2,976,606	2,872,479	823,016
CAGIT	-	14,559,805	14,559,805	-
CEDIT	-	9,948,222	9,948,222	-
ARRA Grant Prosecutor IV-D	14,010	288	11,370	2,928
ARRA Grant Clerk Incentive	36,680	-	-	36,680
CG Incentive(Title IV-D Court)	231,734	102,607	222,389	111,952
Prosecutor Incentive IV-D	730	183,389	80,548	103,571
Clerk Incentive	34,710	-	-	34,710
New Clerk Incentive	176,593	59,383	88,562	147,414
Clerk's Trust - Clerk Supp CAR	1,364,011	11,324,689	11,638,860	1,049,840
Sheriff Inmate Trust	32,432	578,594	583,423	27,603
CC Work Release Trust	43	183,173	182,011	1,205

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

VIGO 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
Sheriff Trust	200	1,531,474	1,531,474	200
Sheriff Commissary	3,194	206,176	202,307	7,063
DTF - Buy Money - Supp CAR	6,320	27,000	27,000	6,320
CC Project Income - Supp CAR	60,257	731,316	778,901	12,672
CC Commissary	-	43,729	32,905	10,824
Air Pollution Non-Reverting	197,664	-	152,627	45,037
Canal Road Construction	1,325,186	-	51,752	1,273,434
Canal Road Reserve	1,374,500	-	-	1,374,500
CTP Zone (Certified Tech Park)	1,536,427	-	-	1,536,427
Redevelopment District Capital	309,866	157,879	99,955	367,790
Prosecutor Equitable Sharing	376	-	-	376
Vigo County Industrial Park Ls	26,499	-	-	26,499
Enhanced Access	780	-	-	780
Surplus Tax Overpayments	-	243,331	2,545	240,786
Records Check	631	1,767	1,774	624
Sheriff Hand Gun Permit	22,582	27,330	38,425	11,487
Park Land Acquisition-Wetlands	33,395	-	33,351	44
Tax Certificate Sale	245,791	184,021	337,860	91,952
Health Non-Reverting	7,693	2,010	5,709	3,994
CC Project Income	45,019	872,409	913,960	3,468
Commissary Comm Corrections	17,757	67,550	67,065	18,242
Seized Assets/Drug Task Force	1,635	393,895	316,410	79,120
Engineering	95,779	226,408	235,904	86,283
Road Closure	118,037	100	-	118,137
E-share Asset Forfeiture	3,067	-	-	3,067
Interlocal Co-op Agreement	29,955	-	-	29,955
Supplemental Insurance	10,360	458,226	447,138	21,448
FOP Dues	-	935	935	-
Common School Fund	-	329	-	329
Guardian Ad Litem Fee	73,644	53,349	110,660	16,333
Crime Control	1,350	27,938	27,652	1,636
97.039 FEMA Buyout	-	297,850	286,526	11,324
FEMA	6,498	-	-	6,498
Crime Victim Assistance	13,964	-	-	13,964
Homeland Defense	1,926	-	-	1,926
Homeland Security	22,038	7,729	7,731	22,036
Project 21	166	8,000	7,918	248
Operation Pullover	4,308	61,133	56,406	9,035
Juvenile Lunch N/R	23,729	30,574	26,570	27,733
Juvenile Justice Center Ed	17,693	22,000	21,250	18,443
Ace 70 Grant (Sheriff)	1,881	-	-	1,881
Sugar Creek Sewer District	-	117,929	117,929	-
14.228 Thralls Station Sewer	-	404,900	404,900	-
Menard's Local Grant	-	643,971	609,410	34,561
LHD Trust (Local Health Dept)	-	90,349	39,788	50,561
CASA Expansion II Grant	2,013	-	2,013	-
INDot Grant Industrial Park	297	-	-	297
Totals	<u>\$ 70,997,562</u>	<u>\$ 196,279,368</u>	<u>\$ 196,064,720</u>	<u>\$ 71,212,210</u>

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

VIGO COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

VIGO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

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

VIGO 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.

VIGO 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.

VIGO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Restatement of County Offices

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

Note 8. Restatements

For the year ended December 31, 2012, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances.

Fund Name	Balance as of December 31, 2011	New Fund	Prior Period Adjustment	Balance as of January 1, 2012
Supplemental Insurance	\$ 2,613,656	\$ -	\$ (2,603,295)	\$ 10,361
Hospital Benefits	-	2,603,295	-	2,603,295

VIGO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Holding Corporation

The County has entered into two capital leases with Vigo County Building Corporation (the lessor). The lessor was organized as a not for profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2012 totaled \$978,000.

Note 10. Combined Funds

Funds related to Jail and Courthouse bonds, user fees and donations were reported individually in the prior financial statement but were combined into one fund for the current financial statement.

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.

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

	Treasurer's Trust/After Settlement Collections	General Fund	Sheriff Accident Report	Animal Control Fund	CAGIT County Certified Shares	Campaign Finance Enforcement	EDIT-County Portion
Cash and investments - beginning	\$ 3,649,154	\$ 22,033,456	\$ 3,869	\$ 1,457	\$ -	\$ 40	\$ 9,331,974
Receipts:							
Taxes	-	23,302,056	-	-	-	-	-
Licenses and permits	-	87,738	-	-	-	-	-
Intergovernmental	-	1,906,894	-	-	-	-	-
Charges for services	-	1,258,776	6,263	-	-	-	-
Fines and forfeits	-	947,555	-	-	-	-	-
Other receipts	1,862,621	3,048,341	2,464	1,562	3,626,743	-	5,237,674
Total receipts	1,862,621	30,551,360	8,727	1,562	3,626,743	-	5,237,674
Disbursements:							
Personal services	-	20,205,063	-	-	-	-	-
Supplies	-	1,180,538	-	-	-	-	-
Other services and charges	-	5,534,173	-	-	-	-	772,517
Debt service - principal and interest	-	-	-	-	-	-	1,868,652
Capital outlay	-	1,127,971	-	-	-	-	1,165,525
Other disbursements	2,803,674	3,592,076	6,840	-	-	-	-
Total disbursements	2,803,674	31,639,821	6,840	-	-	-	3,806,694
Excess (deficiency) of receipts over disbursements	(941,053)	(1,088,461)	1,887	1,562	3,626,743	-	1,430,980
Cash and investments - ending	\$ 2,708,101	\$ 20,944,995	\$ 5,756	\$ 3,019	\$ 3,626,743	\$ 40	\$ 10,762,954

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

	City/Town Court Cost	Clerk Perpetuation	Adult Community Corrections	Community Transition Program	Cong School-Interest	Cong School-Principal	Convention & Tourism
Cash and investments - beginning	\$ 9,451	\$ 68,035	\$ 69,508	\$ 2,060	\$ 17,198	\$ 57,146	\$ 896,236
Receipts:							
Taxes	-	-	-	-	-	-	1,224,483
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	20,233	31,258	-	-	-	-	-
Other receipts	-	-	660,874	119,590	55	-	12,565
Total receipts	<u>20,233</u>	<u>31,258</u>	<u>660,874</u>	<u>119,590</u>	<u>55</u>	<u>-</u>	<u>1,237,048</u>
Disbursements:							
Personal services	-	3,833	253,344	-	-	-	263,917
Supplies	-	-	40,951	22,000	-	-	5,848
Other services and charges	-	555	135,709	79,356	-	-	642,953
Debt service - principal and interest	-	-	-	-	-	-	212,116
Capital outlay	-	4,712	277,424	4,074	-	-	3,401
Other disbursements	29,683	-	-	4,487	2,286	-	-
Total disbursements	<u>29,683</u>	<u>9,100</u>	<u>707,428</u>	<u>109,917</u>	<u>2,286</u>	<u>-</u>	<u>1,128,235</u>
Excess (deficiency) of receipts over disbursements	<u>(9,450)</u>	<u>22,158</u>	<u>(46,554)</u>	<u>9,673</u>	<u>(2,231)</u>	<u>-</u>	<u>108,813</u>
Cash and investments - ending	<u>\$ 1</u>	<u>\$ 90,193</u>	<u>\$ 22,954</u>	<u>\$ 11,733</u>	<u>\$ 14,967</u>	<u>\$ 57,146</u>	<u>\$ 1,005,049</u>

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

	Dog Tax	County Sales Disclosure	Covered Bridge	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	LEPC
Cash and investments - beginning	\$ 374	\$ 95,680	\$ 7,440	\$ 2,901,583	\$ 127,484	\$ 133,626	\$ 78,717
Receipts:							
Taxes	-	-	-	866,309	510,734	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	85,634	50,485	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	112,015	-
Other receipts	-	10,005	1,850	47,387	-	-	8,061
Total receipts	-	10,005	1,850	999,330	561,219	112,015	8,061
Disbursements:							
Personal services	-	-	-	55,145	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	4,850	-	637,026	-	117,536	4,554
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	59,867	635,000	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	4,850	-	752,038	635,000	117,536	4,554
Excess (deficiency) of receipts over disbursements	-	5,155	1,850	247,292	(73,781)	(5,521)	3,507
Cash and investments - ending	\$ 374	\$ 100,835	\$ 9,290	\$ 3,148,875	\$ 53,703	\$ 128,105	\$ 82,224

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

	Emergency Telephone Land Line	Recorder Enhanced Access	General Drain	Health	Recorder Security Protection	Levy Excess County Gen	Health Maintenance
Cash and investments - beginning	\$ 307,207	\$ 13,681	\$ 341,361	\$ 1,007,481	\$ 138,057	\$ 19,228	\$ 21,382
Receipts:							
Taxes	-	-	-	1,002,073	-	-	-
Licenses and permits	-	-	-	225,502	-	-	-
Intergovernmental	-	-	-	99,054	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>145,510</u>	<u>14,229</u>	<u>69</u>	<u>175</u>	<u>8,732</u>	<u>-</u>	<u>71,647</u>
Total receipts	<u>145,510</u>	<u>14,229</u>	<u>69</u>	<u>1,326,804</u>	<u>8,732</u>	<u>-</u>	<u>71,647</u>
Disbursements:							
Personal services	59,488	-	-	1,102,556	-	-	78,450
Supplies	-	-	-	116,815	-	-	-
Other services and charges	107,314	-	-	73,041	3,567	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,762	-	-	1,896	-	-	-
Other disbursements	<u>276,153</u>	<u>-</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>19,228</u>	<u>-</u>
Total disbursements	<u>452,717</u>	<u>-</u>	<u>-</u>	<u>1,294,428</u>	<u>3,567</u>	<u>19,228</u>	<u>78,450</u>
Excess (deficiency) of receipts over disbursements	<u>(307,207)</u>	<u>14,229</u>	<u>69</u>	<u>32,376</u>	<u>5,165</u>	<u>(19,228)</u>	<u>(6,803)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 27,910</u>	<u>\$ 341,430</u>	<u>\$ 1,039,857</u>	<u>\$ 143,222</u>	<u>\$ -</u>	<u>\$ 14,579</u>

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

	Local Road & Street	Highway	Parks And Rec Non-Revert Cap	Parks And Rec Non-Reverting	Plat Mapping	Rainy Day	Reassessment II
Cash and investments - beginning	\$ 378,067	\$ 886,234	\$ 80,844	\$ 308,084	\$ 223,501	\$ 9,129,571	\$ 1,292,993
Receipts:							
Taxes	-	615,231	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	552,416	2,689,597	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>7,977</u>	<u>58,122</u>	<u>17,000</u>	<u>175,402</u>	<u>18,700</u>	<u>10,726</u>	<u>310,580</u>
Total receipts	<u>560,393</u>	<u>3,362,950</u>	<u>17,000</u>	<u>175,402</u>	<u>18,700</u>	<u>10,726</u>	<u>310,580</u>
Disbursements:							
Personal services	192,401	1,948,171	-	-	-	-	176,142
Supplies	553,841	831,477	-	17,376	458	-	5,164
Other services and charges	36,314	529,184	-	21,056	-	5,016	696,772
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	101,066	-	237,175	-	2,301,680	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,022</u>	<u>5</u>	<u>201,085</u>	<u>306,575</u>
Total disbursements	<u>782,556</u>	<u>3,409,898</u>	<u>-</u>	<u>283,629</u>	<u>463</u>	<u>2,507,781</u>	<u>1,184,653</u>
Excess (deficiency) of receipts over disbursements	<u>(222,163)</u>	<u>(46,948)</u>	<u>17,000</u>	<u>(108,227)</u>	<u>18,237</u>	<u>(2,497,055)</u>	<u>(874,073)</u>
Cash and investments - ending	<u>\$ 155,904</u>	<u>\$ 839,286</u>	<u>\$ 97,844</u>	<u>\$ 199,857</u>	<u>\$ 241,738</u>	<u>\$ 6,632,516</u>	<u>\$ 418,920</u>

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

	Reassessment 2015	Recorders Record Perpetuation	Riverboat Wagering Tax Revenue	Supplemental Public Defender	Surplus Tax	Surveyors Cornerstone	Tax Sale Cost
Cash and investments - beginning	\$ 596,852	\$ 412,555	\$ 331,905	\$ 124,703	\$ 245,374	\$ 173,185	\$ 98,988
Receipts:							
Taxes	546,292	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	54,000	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	62,419	-	-	-
Other receipts	306,575	126,564	638,883	-	195,169	16,854	65,832
Total receipts	<u>906,867</u>	<u>126,564</u>	<u>638,883</u>	<u>62,419</u>	<u>195,169</u>	<u>16,854</u>	<u>65,832</u>
Disbursements:							
Personal services	-	41,330	-	-	-	8,827	-
Supplies	-	23,391	431,298	-	-	4,565	-
Other services and charges	-	34,194	-	52,380	-	386	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	1,270	-	-	-	10,463	-
Other disbursements	306,575	-	380,736	-	172,868	-	46,188
Total disbursements	<u>306,575</u>	<u>100,185</u>	<u>812,034</u>	<u>52,380</u>	<u>172,868</u>	<u>24,241</u>	<u>46,188</u>
Excess (deficiency) of receipts over disbursements	<u>600,292</u>	<u>26,379</u>	<u>(173,151)</u>	<u>10,039</u>	<u>22,301</u>	<u>(7,387)</u>	<u>19,644</u>
Cash and investments - ending	<u>\$ 1,197,144</u>	<u>\$ 438,934</u>	<u>\$ 158,754</u>	<u>\$ 134,742</u>	<u>\$ 267,675</u>	<u>\$ 165,798</u>	<u>\$ 118,632</u>

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

	Tax Sale Redemption	Tax Sale Surplus	Emergency Telephone Wireless	CASA	Co Auditor Ineligible Deducts	Co Elected Officials Training	Park & Recreation
Cash and investments - beginning	\$ 54,192	\$ 1,078,622	\$ 399,639	\$ 5,608	\$ 254,456	\$ 4,659	\$ 923,948
Receipts:							
Taxes	-	-	-	-	187,948	-	1,024,701
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	101,290
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	19,348	-	-
Other receipts	353,698	621,703	158,662	180	-	8,739	-
Total receipts	353,698	621,703	158,662	180	207,296	8,739	1,125,991
Disbursements:							
Personal services	-	-	88,164	-	-	-	663,163
Supplies	-	-	-	-	-	-	101,157
Other services and charges	-	-	89,743	-	5,159	-	174,356
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	111,210	-	25,040
Other disbursements	360,765	708,305	380,395	-	69,310	-	-
Total disbursements	360,765	708,305	558,302	-	185,679	-	963,716
Excess (deficiency) of receipts over disbursements	(7,067)	(86,602)	(399,640)	180	21,617	8,739	162,275
Cash and investments - ending	\$ 47,125	\$ 992,020	\$ (1)	\$ 5,788	\$ 276,073	\$ 13,398	\$ 1,086,223

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

	Vigo County 911	Supp. Juvenile Probation	Supplemental Adult Probation	User Fees	Drainage Maintenance	Sheriff Sale	Drug Task Force Grant
Cash and investments - beginning	\$ -	\$ 12,568	\$ 461,062	\$ 360,523	\$ 21,910	\$ 31,295	\$ 79,610
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	70,000	-
Fines and forfeits	-	-	-	751,099	-	-	-
Other receipts	953,762	29,217	121,295	196,380	3,782	-	-
Total receipts	953,762	29,217	121,295	947,479	3,782	70,000	-
Disbursements:							
Personal services	140,373	12,117	147,065	721,934	-	35,931	-
Supplies	-	2,931	-	6,180	-	-	-
Other services and charges	110,395	7,629	14,260	107,275	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	56,256	-	-	30	-	-	-
Other disbursements	-	-	-	4,491	-	58,904	-
Total disbursements	307,024	22,677	161,325	839,910	-	94,835	-
Excess (deficiency) of receipts over disbursements	646,738	6,540	(40,030)	107,569	3,782	(24,835)	-
Cash and investments - ending	\$ 646,738	\$ 19,108	\$ 421,032	\$ 468,092	\$ 25,692	\$ 6,460	\$ 79,610

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

	Donations	Alarm Control Non-Reverting	Bond And Int Redemp Jail Bond	United Way	Hospital Benefits	Prepaid Legal Service	Deferred Compensation
Cash and investments - beginning	\$ 295,748	\$ -	\$ 480,626	\$ 48	\$ 2,603,295	\$ 155	\$ 800
Receipts:							
Taxes	-	-	468,712	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	46,332	-	-	-	-
Charges for services	2,776	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	51,124	4,500	-	1,326	5,081,345	-	243,500
Total receipts	53,900	4,500	515,044	1,326	5,081,345	-	243,500
Disbursements:							
Personal services	-	-	-	1,326	19,531	-	243,500
Supplies	19,323	-	-	-	17,000	-	-
Other services and charges	709	-	550	-	314,229	-	-
Debt service - principal and interest	-	-	648,000	-	-	-	-
Capital outlay	-	-	-	-	203,000	-	-
Other disbursements	65,303	-	-	-	4,109,826	-	-
Total disbursements	85,335	-	648,550	1,326	4,663,586	-	243,500
Excess (deficiency) of receipts over disbursements	(31,435)	4,500	(133,506)	-	417,759	-	-
Cash and investments - ending	\$ 264,313	\$ 4,500	\$ 347,120	\$ 48	\$ 3,021,054	\$ 155	\$ 800

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

	Federal Tax	Medicare	Flexible Spending Acct (FSA)	Retirement	Sheriff Pension	State Withholding	Highway Union Dues
Cash and investments - beginning	\$ 192	\$ 71	\$ 577	\$ 2,925	\$ 16,420	\$ 68	\$ 1,783
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	241,718	-	-
Other receipts	<u>2,037,144</u>	<u>1,029,176</u>	<u>38,720</u>	<u>-</u>	<u>18,282</u>	<u>860,928</u>	<u>9,519</u>
Total receipts	<u>2,037,144</u>	<u>1,029,176</u>	<u>38,720</u>	<u>-</u>	<u>260,000</u>	<u>860,928</u>	<u>9,519</u>
Disbursements:							
Personal services	2,037,144	1,029,176	-	-	18,282	860,955	9,519
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>37,912</u>	<u>-</u>	<u>253,105</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>2,037,144</u>	<u>1,029,176</u>	<u>37,912</u>	<u>-</u>	<u>271,387</u>	<u>860,955</u>	<u>9,519</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>808</u>	<u>-</u>	<u>(11,387)</u>	<u>(27)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 192</u>	<u>\$ 71</u>	<u>\$ 1,385</u>	<u>\$ 2,925</u>	<u>\$ 5,033</u>	<u>\$ 41</u>	<u>\$ 1,783</u>

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

	Cintas Highway Uniforms	Garnishments	Settlement	County Wheel Tax	CVET	State Welfare Excise Tax	Sewage Charge Collection
Cash and investments - beginning	\$ 832	\$ -	\$ 8,575	\$ (200)	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	39,651,351	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,341,388	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,091	116,027	33,436,826	1,286,081	552,270	2,641,269	250,561
Total receipts	5,091	116,027	75,429,565	1,286,081	552,270	2,641,269	250,561
Disbursements:							
Personal services	4,896	116,027	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	416	-	75,429,555	1,182,662	552,270	2,641,269	250,561
Total disbursements	5,312	116,027	75,429,555	1,182,662	552,270	2,641,269	250,561
Excess (deficiency) of receipts over disbursements	(221)	-	10	103,419	-	-	-
Cash and investments - ending	\$ 611	\$ -	\$ 8,585	\$ 103,219	\$ -	\$ -	\$ -

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

	Financial Institution Tax	Homestead Credit Rebate	Fines & Forfeitures	Overweight Judgments	Special Death Benefit	State Sales Disclosure Fees	State Coroners CE Fees
Cash and investments - beginning	\$ -	\$ 1,524	\$ 22,823	\$ 2,330	\$ 195	\$ 940	\$ 1,568
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	137,781	31,853	3,559	-	-
Other receipts	1,015,640	101,238	-	-	-	10,005	15,104
Total receipts	1,015,640	101,238	137,781	31,853	3,559	10,005	15,104
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,015,640	102,762	139,815	32,494	3,429	9,865	15,715
Total disbursements	1,015,640	102,762	139,815	32,494	3,429	9,865	15,715
Excess (deficiency) of receipts over disbursements	-	(1,524)	(2,034)	(641)	130	140	(611)
Cash and investments - ending	\$ -	\$ -	\$ 20,789	\$ 1,689	\$ 325	\$ 1,080	\$ 957

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

	Interstate Transfer Fee	Inheritance Tax	CAGIT	CEDIT	ARRA Grant Prosecutor IV-D	ARRA Grant Clerk Incentive	CG Incentive (Title IV-D Court)
Cash and investments - beginning	\$ 125	\$ 718,889	\$ -	\$ -	\$ 14,010	\$ 36,680	\$ 231,734
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	53,441
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>2,500</u>	<u>2,976,606</u>	<u>14,559,805</u>	<u>9,948,222</u>	<u>288</u>	<u>-</u>	<u>49,166</u>
Total receipts	<u>2,500</u>	<u>2,976,606</u>	<u>14,559,805</u>	<u>9,948,222</u>	<u>288</u>	<u>-</u>	<u>102,607</u>
Disbursements:							
Personal services	-	-	-	-	-	-	64,702
Supplies	-	-	-	-	-	-	1,119
Other services and charges	-	-	-	-	-	-	18,450
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	842
Other disbursements	<u>2,500</u>	<u>2,872,479</u>	<u>14,559,805</u>	<u>9,948,222</u>	<u>11,370</u>	<u>-</u>	<u>137,276</u>
Total disbursements	<u>2,500</u>	<u>2,872,479</u>	<u>14,559,805</u>	<u>9,948,222</u>	<u>11,370</u>	<u>-</u>	<u>222,389</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>104,127</u>	<u>-</u>	<u>-</u>	<u>(11,082)</u>	<u>-</u>	<u>(119,782)</u>
Cash and investments - ending	<u>\$ 125</u>	<u>\$ 823,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,928</u>	<u>\$ 36,680</u>	<u>\$ 111,952</u>

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

	Prosecutor Incentive IV-D	Clerk Incentive	New Clerk Incentive	Clerk's Trust - Clerk Supp CAR	Sheriff Inmate Trust	CC Work Release Trust	Sheriff Trust
Cash and investments - beginning	\$ 730	\$ 34,710	\$ 176,593	\$ 1,364,011	\$ 32,432	\$ 43	\$ 200
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	183,389	-	-	-	-	-	-
Fines and forfeits	-	-	59,383	-	-	-	-
Other receipts	-	-	-	11,324,689	578,594	183,173	1,531,474
Total receipts	183,389	-	59,383	11,324,689	578,594	183,173	1,531,474
Disbursements:							
Personal services	62,654	-	88,562	-	-	-	-
Supplies	763	-	-	-	-	-	-
Other services and charges	17,131	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	11,638,860	583,423	182,011	1,531,474
Total disbursements	80,548	-	88,562	11,638,860	583,423	182,011	1,531,474
Excess (deficiency) of receipts over disbursements	102,841	-	(29,179)	(314,171)	(4,829)	1,162	-
Cash and investments - ending	<u>\$ 103,571</u>	<u>\$ 34,710</u>	<u>\$ 147,414</u>	<u>\$ 1,049,840</u>	<u>\$ 27,603</u>	<u>\$ 1,205</u>	<u>\$ 200</u>

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

	Sheriff Commissary	DTF - Buy Money - Supp CAR	CC Project Income - Supp CAR	CC Commissary	Air Pollution Non-Reverting	Canal Road Construction	Canal Road Reserve
Cash and investments - beginning	\$ 3,194	\$ 6,320	\$ 60,257	\$ -	\$ 197,664	\$ 1,325,186	\$ 1,374,500
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	206,176	27,000	731,316	43,729	-	-	-
Total receipts	206,176	27,000	731,316	43,729	-	-	-
Disbursements:							
Personal services	-	-	-	-	150,333	-	-
Supplies	-	-	-	-	2,294	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	51,752	-
Other disbursements	202,307	27,000	778,901	32,905	-	-	-
Total disbursements	202,307	27,000	778,901	32,905	152,627	51,752	-
Excess (deficiency) of receipts over disbursements	3,869	-	(47,585)	10,824	(152,627)	(51,752)	-
Cash and investments - ending	\$ 7,063	\$ 6,320	\$ 12,672	\$ 10,824	\$ 45,037	\$ 1,273,434	\$ 1,374,500

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

	CTP Zone (Certified Tech Park)	Redevelopment District Capital	Prosecutor Equitable Sharing	Vigo County Industrial Park Ls	Enhanced Access	Surplus Tax Overpayments	Records Check
Cash and investments - beginning	\$ 1,536,427	\$ 309,866	\$ 376	\$ 26,499	\$ 780	\$ -	\$ 631
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	1,767
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	157,879	-	-	-	243,331	-
Total receipts	-	157,879	-	-	-	243,331	1,767
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	42,373	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	57,582	-	-	-	2,545	1,774
Total disbursements	-	99,955	-	-	-	2,545	1,774
Excess (deficiency) of receipts over disbursements	-	57,924	-	-	-	240,786	(7)
Cash and investments - ending	\$ 1,536,427	\$ 367,790	\$ 376	\$ 26,499	\$ 780	\$ 240,786	\$ 624

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

	Sheriff Hand Gun Permit	Park Land Acquisition- Wetlands	Tax Certificate Sale	Health Non-Reverting	CC Project Income	Commissary Comm Corrections	Seized Assets/Drug Task Force
Cash and investments - beginning	\$ 22,582	\$ 33,395	\$ 245,791	\$ 7,693	\$ 45,019	\$ 17,757	\$ 1,635
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	27,330	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	184,021	2,010	872,409	67,550	393,895
Total receipts	27,330	-	184,021	2,010	872,409	67,550	393,895
Disbursements:							
Personal services	-	-	-	-	804,591	-	-
Supplies	-	-	-	1,792	9,756	66,971	7,391
Other services and charges	-	-	-	-	96,142	-	308,061
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	538
Other disbursements	38,425	33,351	337,860	3,917	3,471	94	420
Total disbursements	38,425	33,351	337,860	5,709	913,960	67,065	316,410
Excess (deficiency) of receipts over disbursements	(11,095)	(33,351)	(153,839)	(3,699)	(41,551)	485	77,485
Cash and investments - ending	\$ 11,487	\$ 44	\$ 91,952	\$ 3,994	\$ 3,468	\$ 18,242	\$ 79,120

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

	Engineering	Road Closure	E-share Asset Forfeiture	Interlocal Co-op Agreement	Supplemental Insurance	FOP Dues	Common School Fund
Cash and investments - beginning	\$ 95,779	\$ 118,037	\$ 3,067	\$ 29,955	\$ 10,360	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	36,268	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	329
Other receipts	190,140	100	-	-	458,226	935	-
Total receipts	226,408	100	-	-	458,226	935	329
Disbursements:							
Personal services	227,751	-	-	-	441,429	935	-
Supplies	7,631	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	522	-	-	-	-	-	-
Other disbursements	-	-	-	-	5,709	-	-
Total disbursements	235,904	-	-	-	447,138	935	-
Excess (deficiency) of receipts over disbursements	(9,496)	100	-	-	11,088	-	329
Cash and investments - ending	\$ 86,283	\$ 118,137	\$ 3,067	\$ 29,955	\$ 21,448	\$ -	\$ 329

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

	Guardian Ad Litem Fee	Crime Control	97.039 FEMA Buyout	FEMA	Crime Victim Assistance	Homeland Defense	Homeland Security
Cash and investments - beginning	\$ 73,644	\$ 1,350	\$ -	\$ 6,498	\$ 13,964	\$ 1,926	\$ 22,038
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	47,273	-	-	-	-	-	-
Charges for services	-	-	96,765	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,076	27,938	201,085	-	-	-	7,729
Total receipts	<u>53,349</u>	<u>27,938</u>	<u>297,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,729</u>
Disbursements:							
Personal services	86,711	27,652	-	-	-	-	-
Supplies	2,444	-	-	-	-	-	-
Other services and charges	15,742	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,763	-	-	-	-	-	7,731
Other disbursements	-	-	286,526	-	-	-	-
Total disbursements	<u>110,660</u>	<u>27,652</u>	<u>286,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,731</u>
Excess (deficiency) of receipts over disbursements	<u>(57,311)</u>	<u>286</u>	<u>11,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>
Cash and investments - ending	<u>\$ 16,333</u>	<u>\$ 1,636</u>	<u>\$ 11,324</u>	<u>\$ 6,498</u>	<u>\$ 13,964</u>	<u>\$ 1,926</u>	<u>\$ 22,036</u>

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

	Project 21	Operation Pullover	Juvenile Lunch N/R	Juvenile Justice Center Ed	Ace 70 Grant (Sheriff)	Sugar Creek Sewer District
Cash and investments - beginning	\$ 166	\$ 4,308	\$ 23,729	\$ 17,693	\$ 1,881	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,000	61,133	30,574	22,000	-	117,929
Total receipts	8,000	61,133	30,574	22,000	-	117,929
Disbursements:						
Personal services	7,918	22,031	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	34,375	26,570	21,250	-	117,929
Total disbursements	7,918	56,406	26,570	21,250	-	117,929
Excess (deficiency) of receipts over disbursements	82	4,727	4,004	750	-	-
Cash and investments - ending	\$ 248	\$ 9,035	\$ 27,733	\$ 18,443	\$ 1,881	\$ -

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

	14.228 Thralls Station Sewer	Menard's Local Grant	LHD Trust (Local Health Dept)	CASA Expansion II Grant	INDot Grant Industrial Park	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 2,013	\$ 297	\$ 70,997,562
Receipts:						
Taxes	-	-	-	-	-	69,399,890
Licenses and permits	-	-	-	-	-	349,508
Intergovernmental	-	-	45,751	-	-	8,020,114
Charges for services	-	-	-	-	-	1,700,507
Fines and forfeits	-	-	-	-	-	2,418,550
Other receipts	404,900	643,971	44,598	-	-	114,390,799
Total receipts	404,900	643,971	90,349	-	-	196,279,368
Disbursements:						
Personal services	-	-	-	-	-	32,523,039
Supplies	-	-	-	-	-	3,480,474
Other services and charges	-	-	21,187	-	-	10,831,844
Debt service - principal and interest	-	-	-	-	-	2,728,768
Capital outlay	-	609,410	18,601	-	-	7,031,981
Other disbursements	404,900	-	-	2,013	-	139,468,614
Total disbursements	404,900	609,410	39,788	2,013	-	196,064,720
Excess (deficiency) of receipts over disbursements	-	34,561	50,561	(2,013)	-	214,648
Cash and investments - ending	\$ -	\$ 34,561	\$ 50,561	\$ -	\$ 297	\$ 71,212,210

VIGO 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>\$ 2,643,519</u>	<u>\$ 363,427</u>

VIGO COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Crossroads Bank	Sheriff's Security Equipment	\$ 19,866	08-17-10	10-31-13
Vigo County Building Corporation	Courthouse Renovation	366,000	01-15-08	01-15-24
Vigo County Building Corporation	Juvenile Center	<u>123,000</u>	01-15-03	01-15-21
Total governmental activities		<u>508,866</u>		
Total of annual lease payments		<u>\$ 508,866</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Jail Bond	\$ 3,690,000	\$ 549,500
Revenue bonds	Canal Road	8,820,000	841,936
Revenue bonds	Pfizer Project	4,515,000	213,205
Revenue bonds	Convention & Visitors Bureau/Innkeeper's Tax Revenue Bond	1,615,000	211,141
Notes and loans payable	CVB Mortgage	<u>1,589,545</u>	<u>136,697</u>
Total governmental activities		<u>20,229,545</u>	<u>1,952,479</u>
Totals		<u>\$ 20,229,545</u>	<u>\$ 1,952,479</u>

VIGO 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	\$ 7,623,025
Infrastructure	61,632,746
Buildings	40,556,180
Machinery, equipment, and vehicles	<u>6,716,116</u>
Total governmental activities	<u>116,528,067</u>
Total capital assets	<u>\$ 116,528,067</u>

VIGO 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
County Sheriff
Community Corrections
County Prosecuting Attorney
Clerk of the Circuit Court
County Juvenile Court

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 VIGO COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Vigo 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 item 2012-3. 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

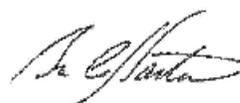
Management of the County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2012-2 and 2012-3 to be material weaknesses.

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

July 18, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. Department of Agriculture</u>				
Child Nutrition Cluster				
School Breakfast Program Non-Reverting Lunch	Indiana Department of Education	10.553		\$ 11,965
National School Lunch Program Non-Reverting Lunch	Indiana Department of Education	10.555		18,609
Total - Child Nutrition Cluster				30,574
Total - U.S. Department of Agriculture				30,574
<u>U.S. Department of Commerce</u>				
ARRA - State Broadband Data and Development Grant Program GIS	Indiana Department of Technology	11.558		2,000
Total - U.S. Department of Commerce				2,000
<u>U.S. Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Thrall's Station Regional Sewer District Construction Fund(CDBG)	Indiana Office of Community and Rural Affairs	14.228	CF-08-503	385,900
Total - CDBG - State-Administered CDBG Cluster				385,900
Total - U.S. Department of Housing and Urban Development				385,900
<u>U.S. Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program Drug Court	Indiana Criminal Justice Institute	16.738	2011-DJ-BX-2622	31,347
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories Drug Court	Indiana Criminal Justice Institute	16.803	10-DJ-044 (D3-11-597)	6,926
Total - JAG Program Cluster				38,273
Juvenile Accountability Block Grants Supplemental Juvenile Probation Supplemental Juvenile Probation	Indiana Criminal Justice Institute	16.523 16.523	D3-11-6051/ 09-JB-02 D3-12-7129/010-JB-24	11,757 3,342
Total - Juvenile Accountability Block Grants				15,099
Victims of Child Abuse GAL/CASA Grant	Indiana Criminal Justice Institute	16.547		27,359
Crime Victim Assistance Crime Control CASA VOCA Grant	Indiana Criminal Justice Institute	16.575 16.575	11VALE11 (D3-12-6773) ffVANP120/2011-VA-GX	27,938 19,913
Total - Crime Victim Assistance				47,851
Drug Court Discretionary Grant Program Drug Court (Quarterly) Discretionary Grant Program (Supreme Court)	Indiana Criminal Justice Institute	16.585	10-DC-006	27,305
Total - U.S. Department of Justice				155,887
<u>U.S. Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205	DES# 0901753	17,140
Highway Planning and Construction		20.205	DES# 0200988	54,689
Highway Planning and Construction		20.205	DES# 0810321	41,044
Total - Highway Planning and Construction				112,873
Recreational Trails Program Recreational Trails Project/West Terre Haute Levee Trail	Indiana Department of Natural Resources	20.219	RT-09-004	19,656
Total - Highway Planning and Construction Cluster				132,529

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. Department of Transportation (continued)</u>				
Highway Safety Cluster				
State and Community Highway Safety				
DDE Grant VCSD/FFY 2012 Dangerous Driving Enforcement Grant	Indiana Criminal Justice Institute	20.600	D13510760	1,115
DDE Grant WTHPD/FFY 2012 Dangerous Driving Enforcement Grant		20.600	D13510760	362
Operation Pullover/Big City Big County Enforcement		20.600	PT-12-11-04-48	<u>20,496</u>
Total - State and Community Highway Safety				<u>21,973</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I				
Indiana SADD	Indiana Criminal Justice Institute	20.601	CA-2012-03-05-01	38,000
Operation Pullover DUI Grant		20.601	K8-2012-03-03-02	<u>31,312</u>
Total - Alcohol Impaired Driving Countermeasures Incentive Grants I				<u>69,312</u>
Child Safety and Child Booster Seats Incentive Grants				
CHANCES for Indiana Youth	Indiana Criminal Justice Institute	20.613	IN-CP-12-01-04	<u>17,940</u>
Total - Highway Safety Cluster				<u>109,225</u>
Total - U.S. Department of Transportation				<u>241,754</u>
<u>Environmental Protection Agency</u>				
Congressionally Mandated Projects	Direct grant	66.202		<u>117,929</u>
<u>U.S. Department of Health and Human Services</u>				
Substance Abuse and Mental Health Services - Access to Recovery				
Access to Recovery	Indiana Family and Social Services Administration	93.275		<u>4,770</u>
Child Support Enforcement				
County General Incentive/Superior Court IV-D/Child Support	Indiana Department of Child Services	93.563		85,113
Child Support (Indirect Costs)		93.563		154,460
Title IV-D Child Support Reimb		93.563		426,098
Prosecutor Incentive		93.563		80,549
New Clerk Incentive		93.563		<u>88,562</u>
Total - Child Support Enforcement				<u>834,782</u>
Voting Access for Individuals with Disabilities - Grants to States				
HAVA Grant	Indiana Election Commission	93.617	84-HHS	<u>21,500</u>
Total - U.S. Department of Health and Human Services				<u>861,052</u>
<u>U.S. Department of Homeland Security</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
EMA Henryville Tornado	Indiana Department of Homeland Security	97.036		<u>4,842</u>
Hazard Mitigation Grant				
FEMA Buyout	Indiana Department of Homeland Security	97.039	C44P-1-387A (North)	52,862
FEMA Buyout		97.039	C44P-2-032A (Dresser)	37,378
FEMA Buyout		97.039	C44P-2-071A (Dresser)	<u>6,525</u>
Total - Hazard Mitigation Grant				<u>96,765</u>
Emergency Management Performance Grants				
Emergency Management Performance Grant	Indiana Department of Homeland Security	97.042	C44P-2-134A	3,571
EMA Salaries		97.042	C44P-2-389A	<u>51,047</u>
Total - Emergency Management Performance Grants				<u>54,618</u>
Interoperable Emergency Communications				
EMA Repeater	Indiana Department of Homeland Security	97.055	C44P-2-203A	<u>4,158</u>
Total - U.S. Department of Homeland Security				<u>160,383</u>
Total federal awards expended				<u>\$ 1,955,479</u>

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

VIGO COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Subrecipients

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

Subrecipient	Federal CFDA Number	2012
Thrall's Station Regional Sewer District	14.228	\$ 385,900
West Terre Haute Police Department	20.600	362
Indiana SADD	20.601	38,000
CHANCES for Indiana Youth	20.613	17,940
Thrall's Station Regional Sewer District	66.202	117,929

VIGO 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?	yes
Significant deficiencies identified?	none reported
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	CDBG – State-Administered CDBG 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 deficiencies in the internal control system of Vigo County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of oversight on monthly bank reconciliations: Unidentified differences were improperly labeled to indicate they had been identified, when they were actually being carried forward month after month. A Bureau of Motor Vehicles bank account was not reconciled to the depository bank statement or included in the Treasurer's reconciliation, which allowed a material balance to remain undetected and undistributed by the County. The failure to reconcile could enable material misstatements or irregularities to go undetected.

VIGO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Preparing financial statements: Internal controls are not in place to detect a material disbursement from the wrong fund. Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to Vigo County's audited financial statement and then determining how those identified risks should be managed. Vigo County has not identified risk to the preparation of reliable financial statements and as a result has failed to design effective internal controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statement.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

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)

We recommended that the County establish internal control procedures to ensure that bank reconciliations are completed on a monthly basis and to provide proper oversight of financial reporting.

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-2 - INTERNAL CONTROLS - CASH MANAGEMENT

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

Internal controls related to the cash management compliance requirements were not designed or implemented for the Child Support Enforcement program. As a result of the lack of controls, several errors were found. Although the errors resulted in the County General Fund not being reimbursed for expenses that were budgeted to be paid from Title IV-D money, the errors did not result in noncompliance with the grant requirements. The following errors were noted:

The County Prosecutor's office properly submitted its Cooperative Agreement Annual Budget Addendum to the Indiana Department of Child Services. The Title IV-D General Funds Budget submitted included County budgeted amounts for personal services, supplies and other services and charges. The budgeted amount submitted for personal services properly included fringe benefits for the County's FICA and Medicare match, the Public Employees Retirement Fund (PERF) contribution and the cost of group health insurance coverage for employees paid from Title IV-D funds. However, the claims submitted to the State for reimbursement of these expenses requested only the amounts paid for salary without fringe benefits. No comparison of budgeted to actual expenses was performed that would have identified this error.

VIGO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Supporting detail could not be supplied documenting matching amounts submitted for salary reimbursement. The detail presented for salary amounts charged was \$3,421.91 less than the reimbursement claims submitted. The salary amount abstracted from the employee's pay history was \$3,917.37 less than the reimbursement claims submitted.

As a result of these errors, approximately \$203,281 in fringe benefit expenses (based on actual salary paid) were not claimed for reimbursement on the monthly reports. These expenses are reimbursed at 66 percent, which means approximately \$134,165 was not returned to the County General Fund. The net difference between the excess salary claimed and the unclaimed fringe benefits is approximately \$131,580 that may be recovered by filing amended reports. The Cooperative Agreement between the County Prosecuting Attorney and the Child Support Bureau states in part: "Claims for reimbursement may be adjusted by the Prosecuting Attorney to include claims for costs not previously claimed from periods up to eight (8) prior quarters pursuant to federal law."

The County Prosecutor's office also prepares the monthly reimbursement claim for the Title IV-D Court. Fringe benefit amounts not claimed for the one Title IV-D Court Jail Officer totaled \$16,742.98 and salary was underclaimed by \$874.86. Due to the failure to claim the correct amount of salary and reimbursement for fringe benefits, the County General Fund failed to receive the 66 percent reimbursement of \$11,627.77.

The County Juvenile Court did not claim reimbursement of fringe benefits for five months in 2012. Fringe benefit amounts not claimed totaled \$2,535. Due to the filing of incorrect reimbursement claims, the County General Fund failed to receive the 66 percent reimbursement of \$1,673.

The Clerk of the Circuit Court claimed Title IV-D reimbursement for FICA/Med and PERF, but did not claim reimbursement for health insurance. Based on the number of hours billed by employees covered by health insurance times the county allocated charge for health insurance calculated as an hourly rate, amounts not claimed for health insurance are estimated at \$24,506. Due to the failure to claim reimbursement for health insurance costs, it is estimated the County General Fund failed to receive the 66 percent reimbursement of approximately \$16,174.

None of the Title IV-D offices claimed reimbursement for unemployment insurance paid by the County. The amount not claimed and the potential reimbursement to the County General Fund at 66 percent has not been calculated.

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."

Controls were not in place to ensure that the claims submitted to the State for reimbursement were correct and reflective of the expenses included in the Title IV-D General Funds budget. As a result, the County General Fund has not been reimbursed for expenses that were budgeted to be paid from Title IV-D money.

We recommended the County develop internal control procedures to ensure compliance with laws, regulations and the provisions of grant agreements. We further recommended the Title IV-D offices file adjusted claims for reimbursement of costs not previously claimed.

VIGO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2012-3 - INTERNAL CONTROLS - REPORTING

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

The County Prosecutor's office submits monthly expense claims for reimbursement of Title IV-D expenses, including salaries. The supporting documentation for personal services did not always agree to the monthly amounts submitted for reimbursement. Also, the amounts submitted for reimbursement did not agree to the actual amounts paid by the County Auditor. Differences included claiming reimbursement for time worked that was not supported by payroll records, and conversely, not claiming reimbursement for documented time worked. The employees with reporting differences were either new hires or those separating from employment.

The County Prosecutor's office also prepares monthly expense claims for reimbursement of expenses and quarterly incentive expenditure reports for the Title IV-D Court. Audit procedures determined the July 2012 monthly expense reimbursement claim duplicated the amount claimed for other services and charges of \$416.71 on the January 2012 claim in error, resulting in an excess reimbursement. The March 2013 reimbursement claim included a prior period adjustment correcting the error. Salary submitted for the Title IV-D Court monthly expense claim was understated for the month of August due to a failure to properly calculate the charge based on the hours worked. Audit procedures determined the 2012 quarterly incentive expenditure reports for the Title IV-D Court failed to include \$2,754.70 in disbursements recorded in the Auditor's ledger. The 2012 reports included correcting adjustments for \$82,212.55 in disbursements that failed to be reported in 2011. The quarterly incentive expenditure report is a report of transactions only and does not affect any reimbursements received by the County.

The Clerk of the Circuit Court (Clerk) is required to submit quarterly incentive expenditure reports for Title IV-D detailing disbursements from the Clerk's IV-D Regular and ARRA Incentive Funds. This is a report of transactions only and does not affect any monies received by the County. The regular incentive fund reports filed for all of 2011 and the first quarter of 2012 were corrected by reporting a prior period adjustment in 2012 due to reporting errors. The net adjustment reduced reported disbursements by \$75,003 for 2011 and \$14,218 for 2012. There was no record of oversight over the reports, as the quarterly incentive expenditure reports and the monthly expense claims submitted were prepared and signed by the Clerk's Bookkeeping Supervisor on behalf of the Clerk.

The federal guidelines in 45 CFR 92.20 states in part: "(1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant."

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."

Management of the Vigo County IV-D program has not established an effective internal control system for reporting. Controls were not in place to ensure that the reports submitted to the State for reimbursement and reporting were correct and reflective of the activity of the program. As a result, errors have not been identified and all necessary corrected reports have not been submitted to the State.

VIGO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We recommended that the County develop internal control procedures to ensure compliance with laws and regulations and the provisions of grant agreements. We further recommended that the Title IV-D offices file adjusted reports to correct any remaining errors.



TERRY R. MODESITT
PROSECUTING ATTORNEY
OF VIGO COUNTY
 CHILD SUPPORT DIVISION
 COURTHOUSE, 33 SOUTH THIRD STREET
 TERRE HAUTE, IN 47807
 PHONE (812) 462-3308
 FAX (812) 232-2664



CHILD SUPPORT DIVISION
 PROSECUTOR

MEGAN N. RAMSEY, DEPUTY

May 22, 2013

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NUMBER 2011-1

Original SBA Audit Report Number: B40763
 Fiscal Year: 2011
 Auditee Contact Person: Holly A. Silver
 Title of Contact Person: Administrator
 Phone Number: (812)462-3209
 Status of Findings: Corrective efforts are ongoing pursuant to The Corrective Action Plan Previously Submitted. Will continue to work closer with Auditor/Court/Sheriff's dept. for amounts On salaries & benefits for reimbursements.

Kim D. Chrisman
 Kim D. Chrisman
 Assistant to Administrator
 Child Support

7-18-13
 Date



Vigo County Treasurer

VIGO COUNTY ANNEX
191 OAK STREET
TERRE HAUTE, INDIANA 47807
(812) 462-3251 FAX: (812) 462-3279

James W. Bramble, CPA, Treasurer
james.bramble@vigocounty.in.gov

July 16, 2013

Indiana State Board of Accounts
302 West Washington St. RM E418
Indianapolis IN 46204

RE: Vigo County Treasurer
Audit Finding 2012-1

In response to Audit Finding 2012-1, which points out the Treasurer's office failure to reconcile monthly bank statements to the cash book, several changes have been made.

1. The employee responsible for reconciliations in the past has been terminated.
2. Employees with experience and training in the field of accounting are now performing the monthly bank reconciliations.
3. The employees responsible for the reconciliations work under the direct supervision of the Treasurer.
4. Monthly reconciliations are regularly reviewed by the Treasurer.
5. The unrecorded balance in the Bureau of Motor Vehicles excise tax account will be distributed in the December tax settlement.

Since the above actions were taken in January and February 2013, the Treasurer has consistently been able to reconcile bank statements to the cash book. These actions should be sufficient to correct the internal control weakness described in the audit finding.

Sincerely

A handwritten signature in black ink, appearing to read "James W. Bramble", written in a cursive style.

James W. Bramble
Vigo County Treasurer



Vigo County Auditor
VIGO COUNTY ANNEX
131 OAK STREET
TERRE HAUTE, INDIANA 47807
(812) 462-3361 FAX: (812) 231-0091

Timothy M. Seprodi, CPA, Auditor
tim.seprodi@vigocounty.in.gov

Kylissa Miller, Chief Deputy Auditor
kylissa.miller@vigocounty.in.gov

July 12, 2013

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

RE: 2012-1 Audit Finding

To Whom It May Concern,

In response to Finding 2012-1 Internal Controls over Financial Transactions and Reporting in Section II, my staff and I have reviewed the document and are prepared to take the following corrective actions:

1. Requested the departments use the complete account number and format when submitting claims for processing including the Fund, Object, and Location numbers reducing the opportunity for misinterpretation.
2. Requiring personnel in my office to verify payment was issued out of the proper fund/account for any claims submitted for agency payments.

The above corrective actions should be sufficient to resolve the current finding. If there continues to be an issue, we will review the plan and adjust accordingly.

Sincerely,

A handwritten signature in blue ink that reads "Timothy M. Seprodi". The signature is written in a cursive, flowing style.

Timothy M. Seprodi
Vigo County Auditor

Clerk of the Circuit Court

43rd Judicial Circuit



David R. Crockett

33 South 3rd Street
Terre Haute, IN 47807-3425
Telephone (812) 462-3211
Fax (812) 462-3285

Section III-Federal Award Findings and Questions Costs

Finding 2012-2 Internal Controls - Cash Management

Federal Agency: U.S. Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Pass-Through Entity: Indiana Department of Child Services

May 15, 2013

We are in receipt of a memo from your agency entitled "Federal Award Findings and Questioned Costs". We will outline in this letter the plan we intend to implement to correct the issues in that communication.

The goal of any organization is to correct identified mistakes to become better in the future. Sometimes, in order to correct mistakes made by others, you must first take control of the process that caused the mistake. That is the essence of the corrective plan that our office will undertake.

Per the memo we received, we are aware that incorrect claims were submitted for reimbursement that claimed IV-D reimbursement for FICA/Med and PERF, but did not claim reimbursement for health insurance and unemployment insurance. We are aware of the guidelines for reimbursement and refer to the attached list whenever we are handling such claims. Per the memo an effective internal control system for reporting needs established. The claims filed by our specific office have not, in recent memory, been subject of any sort of corrective action.

Our plan at this time is to start claiming health insurance on the April 2013 Report of Monthly Expenses Claim for Title IV-D (State Form 54529). Also on the April Claim our office will go back the eight quarters allowable and add this as a prior period adjustment. As of May 15, 2013 this has been done with the prior period adjustment for the past eight quarters beginning April 2011 and going through March 2013 resulting in a claim of \$48,949.30 for health insurance. This claim will reimburse the County at the 66% reimbursement of approximately \$32,306.54.

Unemployment insurance paid by the county will be added to our May Report of Monthly Expenses Claim for Title IV-D (State Form 54529). Also on the May Claim our office will go back the eight quarters allowable and add this as a prior period adjustment.

The Chief Deputy Clerk and the Supervisor of Bookkeeping will conduct a review of all expenses allowable twice a year and review claims. All Reports of Monthly Expenses Claim for Title IV-D and the Quarterly Incentive Expenditure Reports for Title IV-D will be reviewed and signed by both the Chief Deputy Clerk and the Supervisor of Bookkeeping.

Sincerely,



David R. Crockett,
Clerk of the Vigo Circuit Court

CORRECTIVE ACTION PLAN

Finding 2012-2 - Internal Controls - Cash Management

Federal Agency: U.S. Dept. of Health and Human Services

CFDA Number: 93.563

Pass-through Entity: Indiana Department of Child Services

We are in receipt of a memo from your agency entitled "Federal Award Findings and Questioned Costs" We will outline in this letter the plan we intend to implement to correct the issues in that communications.

The goal of our organization is to correct unidentified mistakes to become better in the future. That is our goal to work with other agencies involved with Title IV-D reporting in correcting any errors and work together to make sure we report all expenditures that we can for our county.

Per the memo, the Title IV-D office did not claim Fringe benefit amounts for caseworkers or prosecutors employed by the office. The office was unaware that we could claim those for reimbursements, this has been adjusted and claimed already on the last 2 monthly claims to the State. We are working closely with the CSB Auditors in make sure amounts are correct and we are claiming what we are allowed to claim by law.

Also, this was the situation for the Title IV-D Court as well. Fringe benefits amounts for the Deputy Sheriff were not being reported for reimbursements. Again the office was unaware that these benefits were reimbursable. This officers salary is the Sheriff's Dept. budget. We are working with the Sheriff's Dept. to get

the proper amount of benefits and salary for officer. We have already submitted the past quarters to the CSB Auditor for reimbursements. We have been working with CSB Auditor's office in correcting this for reimbursements.

We are also working with the Auditor to find out the unemployment insurance paid by the County. We do not know the amount that is available for potential reimbursement to the County, nor did we know it was reimbursable. I have spoken with CSB Auditor and they said we can go back and claim it on next months claim only if the Auditor can give us an amount. We will be working with the Auditor to get a figure for the Prosecutor and Court.

Our plan at this time it to continue working with the Auditor, CSB, Sheriff's Dept and Title IV-D Court so that we stay familiar and up on all reimbursements and their guidelines. We are working on correcting the under reporting of Fridge Benefits and will submit what we can up to our 8 quarters and work on reporting them monthly for the rest of the year and so forth. The Prosecutor's Office will continue to work on the claims for the Prosecutor's Office and the Title IV-D Court but each office will continue to be in control of their own billing.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry R. Modesitt". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Terry R. Modesitt

Prosecuting Attorney

May 30,2013

FINDING 2012-3- INTERNAL CONTROLS-REPORTING

Federal Agency: U.S. Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number 93.563

Pass through Entity: Indiana Department of Child Services

The Title IV-D office, and Title IV-D Court has been in contact with the Auditor's Office to help with the amounts for reimbursements. The fact that the IV-D Court officers salary isn't on our payroll the amounts of his salary, and benefits are given to us by the Sheriff's Dept. We are working and will continue to work with the Auditor's Office to get the proper information to report to the State CSB for reimbursements. We are working close with the State CSB in making sure everything that can be claimed is being claimed as we can go back 8 quarters to do so and will claim what we can for reimbursements. We have at this time in working with CSB claimed all fringe benefits for 2011 for the Title IV-D office and Title IV-D court officer, with the exception of unemployment insurance. The Auditor is not sure they can give me a breakdown or an amount for reimbursement of unemployment insurance so we will have to wait to hear from them for the outcome. If they can't give us an amount we will not claim it as the State CSB said it is better to under claim than over claim. Our office is working with the Auditor in making every effort to try to find an amount.

We will continue to work with our local agencies, the Auditor, to make sure we are claiming everything that we can for the County. This will continue to be an ongoing partnership.

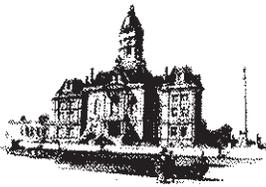
We are working as well with the State CSB to make sure that our claims are correct and we are getting all the reimbursements we can. Copies of all claims are being sent to CSB along with the reimbursement forms for their records.

Our plan is to continue to work, communicate with these two agencies to make sure everything is being done correctly, and that we are taken all measurements to get any and all reimbursements that we can.

Sincerely,

A handwritten signature in black ink, appearing to read 'Terry R. Modesitt', with a long horizontal flourish extending to the right.

Terry R. Modesitt



TERRY R. MODESITT
PROSECUTING ATTORNEY
OF VIGO COUNTY
 CHILD SUPPORT DIVISION
 COURTHOUSE, 33 SOUTH THIRD STREET
 TERRE HAUTE, IN 47807
 PHONE (812) 462-3308
 FAX (812) 232-2664



CHILD SUPPORT DIVISION
 PROSECUTOR

MEGAN N. RAMSEY, DEPUTY

May 22, 2013

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NUMBER 2012-1

Original SBA Audit Report Number: CFDA Number 93.563
 Fiscal Year: 2012-1
 Auditee Contact Person: Holly A. Silver
 Title of Contact Person: Administrator
 Phone Number: (812)462-3209
 Status of Findings: Corrective efforts are ongoing pursuant to The Corrective Action Plan Previously Submitted. Will continue to work closer with Auditor/Court/Sheriff's dept. for amounts On salaries & benefits for reimbursements.

Holly A. Silver
 Holly A. Silver
 Administrator
 Child Support

6-10-13
 Date

VIGO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 18, 2013, with Judy Anderson, President of the Board of County Commissioners; Michael Cioli, County Commissioner; Timothy M. Seprodi, Auditor; and Kylissa Miller, Chief Deputy Auditor.