

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

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



FILED
09/17/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards	6-7
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	10-12
Notes to Financial Statement	13-18
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	20-45
Schedule of Payables and Receivables	46
Schedule of Leases and Debt	47
Schedule of Capital Assets.....	49
Other Report	50
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.....	52-54
Schedule of Expenditures of Federal Awards	56-58
Notes to Schedule of Expenditures of Federal Awards.....	59
Schedule of Findings and Questioned Costs	60-64
Auditee Prepared Schedule:	
Corrective Action Plan.....	65-68
Exit Conference.....	69

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Pauline E. Graff	01-01-11 to 12-31-14
Treasurer	Larry R. Ernest Jackie Meyers	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Wendy Hudson	01-01-11 to 12-31-14
Sheriff	Bradley D. Rogers	01-01-11 to 12-31-14
Recorder	Jerry Weaver	01-01-11 to 12-31-14
President of the Board of County Commissioners	Terry Rodino	01-01-12 to 12-31-13
President of the County Council	John K. Letherman	01-01-12 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF ELKHART COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated August 26, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Other Information

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



Bruce Hartman
State Examiner

August 26, 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 ELKHART 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 Elkhart County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated August 26, 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 a material weakness.

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 weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions

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

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

Elkhart County's Response to Findings

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

Purpose of This Report

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



Bruce Hartman
State Examiner

August 26, 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.

ELKHART 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
General	\$ 5,668,865	\$ 50,190,140	\$ 49,005,489	\$ 6,853,516
Highway	4,616,939	4,738,174	5,740,709	3,614,404
Local Road And Street	1,014,114	1,172,809	1,094,347	1,092,576
Accident Report	14,204	20,824	24,576	10,452
Firearms Training	50,740	64,209	64,292	50,657
Health	849,211	2,355,545	2,569,820	634,936
Law Enforcement Continuing Ed	10,493	9,846	9,408	10,931
Clerk's Records Perpetuation	149,351	67,471	44,367	172,455
Electronic Map Generation	56,092	24,066	32,039	48,119
Unsafe Building	4,588	21,205	4,500	21,293
Emergency Telephone System	2,281,746	1,046,569	1,880,323	1,447,992
Drug Free Community	278,522	220,671	263,457	235,736
Emergency Planning/Right To Know	144,923	23,144	36,712	131,355
Parks And Recreation	275,822	1,140,041	1,300,475	115,388
Prosecutor Title IV-D #1	206,525	140,545	9,303	337,767
Extradition	224,521	61,556	45,783	240,294
Juvenile Probation Service	78,631	35,176	53,694	60,113
Adult Probation Services	222,457	870,527	793,046	299,938
Recorder's Records Perpetuation	461,937	288,724	555,026	195,635
User Fee	112,887	19,279	12,051	120,115
Health Maintenance	152,063	71,897	57,091	166,869
Pretrial Diversion	2,380	42,178	38,626	5,932
Guardian Ad Litem/Court	-	60,936	60,936	-
Plat Book	189,586	39,990	20,383	209,193
Misdemeanant	-	119,431	43,089	76,342
Supplemental Public Defender Svc	5,231	129,834	51,799	83,266
Clerk Title IV-D #1	173,320	93,302	88,706	177,916
Jail Commissary	59,983	562,601	568,615	53,969
Surveyor's Corner Perpetuation	59,499	32,470	31,550	60,419
Jury Pay	218,941	35,166	156,500	97,607
Rainy Day	2,367,285	-	800,000	1,567,285
Sales Disclosure	88,239	34,640	42,866	80,013
Community Corrections	19,215	31,536	50,751	-
Levy Excess	-	255,788	-	255,788
Clerk IVD ARRA	24,323	-	-	24,323
Prosecutor IVD ARRA	74,040	-	74,040	-
Co General IVD ARRA	106,040	-	85,814	20,226
County Elected Officials Training	6,470	15,581	550	21,501
Cumulative Capital Development	1,841,878	1,044,467	935,470	1,950,875
Park Nonreverting Capital	292,113	213,161	180,478	324,796
Cumulative Bridge	1,666,997	847,612	748,770	1,765,839
Cumulative Drainage	872,475	416,979	419,406	870,048
Co Economic Development Income Tax	6,180,768	4,137,600	8,099,163	2,219,205
Major Bridge	1,715,751	1,664,648	1,192,877	2,187,522
Sheriff's Pension	253,363	325,625	430,574	148,414
Congressional School Principal	45,862	-	-	45,862
Congressional School Interest	82,513	-	1,834	80,679
Clerk's Trust	1,557,275	22,926,815	23,360,587	1,123,503
Surplus Tax Sale	2,506,540	3,513,616	2,547,407	3,472,749
Tax Sale Redemption	45,213	625,394	653,798	16,809
Surplus Tax	1,665,654	492,936	980,320	1,178,270
State Fines And Forfeitures	150,826	844,223	871,192	123,857
Sewage Collections	-	189,032	189,032	-
Infraction Judgements	75,624	487,120	529,842	32,902
Inheritance Tax	509,348	4,283,615	3,618,108	1,174,855
Sheriff's Inmate Trust	98,227	2,348,353	2,374,559	72,021
Special Death Benefit	1,335	16,930	16,805	1,460
Cedit Agency	-	8,170,908	8,170,908	-
Wheel Tax	-	559,274	552,584	6,690
Sur Tax	-	4,036,484	4,036,484	-
Child Restraint Violations Fines	350	5,475	5,375	450
Cvet Agency	-	1,353,731	1,353,731	-

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

ELKHART 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
Tax Distribution	5,727,558	4,469,771	5,727,558	4,469,771
COPS Methamphetamine Initiative	(12,651)	59,088	60,523	(14,086)
Emergency Mgmt Performance Grant	-	3,622	3,622	-
Tuberculosis Assist Grant	-	500	500	-
CR 17 Phase 2C Project	7,518,753	-	6,333,845	1,184,908
Sheriff's Donation Fund	18,850	5,200	16,922	7,128
Homeowners Repair Grant	-	25,422	25,422	-
Property Reassessment 2006	1,014,054	-	450,152	563,902
Dental Project MCH	-	32	40,692	(40,660)
State Homeland Security Grant	-	547	547	-
Law Enforcement Terrorism Prevention	-	90,000	90,000	-
Alternate Dispute Resolution	-	15,435	2,433	13,002
Family Court Fund	-	25,000	17,310	7,690
Road Maintenance & Construction	-	2,747,894	1,171,610	1,576,284
State Indoor Radon Gas	-	1,944	4,271	(2,327)
Neighborhood Stabilization	-	292,091	292,091	-
Breastfeeding Peer Counselors	-	22,950	34,623	(11,673)
IU-GGH Child Abuse Grant	-	5,000	-	5,000
County Offender Transport	-	8,738	-	8,738
Hea 1001 Homestead Credit	27,898	478	-	28,376
Convention And Tourism	114,730	985,271	1,100,000	1
Property Reassessment 2015	281,773	280,477	-	562,250
Economic Development Commission	-	1,423,167	1,423,167	-
Election Bd/Voter Registration	299,504	708,717	599,202	409,019
County Property Sold	619,086	280	350,291	269,075
Hazardous Waste Disposal Tax	19,727	-	19,727	-
Abandoned Vehicles	8,193	7,815	6,169	9,839
Prenatal Substance Abuse Grant	(9,426)	35,710	36,293	(10,009)
Diabetes Grant	-	4,308	1,362	2,946
Mch Grant	401,975	577,097	603,362	375,710
Wic Grant	(96,743)	961,320	1,052,313	(187,736)
Public Health Coordinator Grant	4,181	10,943	10,943	4,181
Highway Safety Grant	1,942	48,783	52,882	(2,157)
Economic Development Promotion Grant	14,241	-	14,241	-
Edward Byrne Memorial Fund	1,846	25,288	25,288	1,846
Sexually Transmitted Disease Grant	(289)	41,670	46,185	(4,804)
Stop Grant-Victim Assistance	(1,488)	21,802	29,139	(8,825)
Fatal Alcohol Crash Grant	(20,817)	100,187	104,313	(24,943)
Justice Assistance Grant	6,590	-	6,590	-
Economic Dev Commission-County	3,000	-	-	3,000
Park And Rec Nonreverting Operating	166,731	115,122	104,468	177,385
Special Cagit	407,601	-	375,593	32,008
Park Donations	174,648	256,386	219,494	211,540
Donation Court House War Memorial	3,057	2,500	4,954	603
Sexually Transmitted Disease	731	-	731	-
In Tobacco Prevent And Cessation Grant	21,893	103,038	78,993	45,938
Infraction Deferral Program	20,306	299,730	293,714	26,322
Redevelopment Com	6,697	19	1,723	4,993
County Seizure Asset	413,690	243,324	261,132	395,882
Public Safety Communications	593,384	1,261,294	1,343,401	511,277
Tax Billing System	14,231	-	-	14,231
Tax Management System	161,786	22,507	1,331	182,962
Aggressive Driving Grant	-	3,304	3,192	112
Pros Attny Special Project Fees	280,901	279,148	327,931	232,118
Brownfield Grant	-	234,727	234,727	-
Redaction	148,957	15,581	52,075	112,463
Court Improvement Grant	3,662	7,218	7,636	3,244
Childhood Lead Poison Prevention	(5,178)	47,999	42,760	61
County Redevelopment Authority (Tif)	-	1,423,167	1,423,167	-
Ghs Breastfeeding Grant	2,159	5,161	7,320	-
Ctp (Comm Corr)	231,615	188,546	86,263	333,898
Idoc Grant 2009-2010 (Comm Corr)	2,634,500	2,983,883	3,292,420	2,325,963

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

ELKHART 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
Voca Recovery Stimulus Grant	(11,980)	32,446	20,466	-
Stop Recovery Stimulus Grant	(698)	698	-	-
Weed & Vegetation Control	1,672	550	1	2,221
Child & Parent Services Grant	2,000	-	2,000	-
Northwest Gateway (Tif)	362,126	223,154	91,219	494,061
South Benton (Tif)	40,321	27,408	1,000	66,729
3 Million Federal Stimulus Grant	42,652	650,032	536,829	155,855
Dui Task Force Grant	(635)	25,532	24,559	338
Millersburg Ii (Tif)	20,097	133,296	1,500	151,893
Medical Reserve Core	4,444	9,990	9,884	4,550
Co General IV-D Incentive	207,151	93,302	7,588	292,865
Lare Grant	-	24,800	24,800	-
Energy Efficiency & Conservation	-	91,150	91,150	-
Commissioner Certificate Redemption	3,091	1,530	-	4,621
Auditor Ineligible Ded	182,900	101,035	35,778	248,157
Dlgr Homestead Database	199	12	181	30
Vaccines For Children	239	-	218	21
Debt Service - Other	12,049,828	3,381,168	6,337,080	9,093,916
Sawmill Refund	11,720	-	11,720	-
Tif Western Gateway	168,710	76,638	197,991	47,357
Tif Millersburg Forest Green	37,568	25,545	12,721	50,392
Tif Middlebury South Agriculture	87,100	22,971	1,500	108,571
Tif Middlebury South East	182,351	195,760	259,656	118,455
Tif Middlebury East	1,097,685	451,052	919,100	629,637
Tif North Baugo	12,519	18,704	21,074	10,149
Tif Ne Corridor/Cr 6 & 7	2,228,930	1,423,167	826,323	2,825,774
Community Service Block Grant	1,746	-	1,746	-
Criminal Justice Facilities	375,069	8,274,663	4,959,229	3,690,503
Home Consortium Grant	2,664	-	2,469	195
County Major Moves Construction	8,518,398	909,218	-	9,427,616
Six Span Bridge	243,642	-	243,642	-
Workman's Comp Insurance Trust	577,518	161,178	431,241	307,455
Group Insurance Trust	506,017	10,972,369	11,112,927	365,459
Property And Liability Ins Trust	185,272	809,140	368,150	626,262
Payroll	408,723	37,397,147	37,693,710	112,160
Training And Ed-Coroner	2,039	19,791	19,576	2,254
Distributable - Fit	-	980,386	980,386	-
Distributable - License Excise	-	16,014,939	16,014,939	-
Local Option - Ptrc	-	7,881,952	7,881,952	-
Riverboat Wager Tax Distribution	-	1,170,324	1,170,324	-
Local Option - Certified Shares	-	23,646,403	23,646,403	-
Education Plate Fees	-	3,769	3,769	-
Court Fees Agency	40,337	40,557	-	80,894
Peddlers License	100	-	100	-
County Employee Benefit	-	7,955,551	7,955,551	-
New Paris Conservancy District	-	341,361	341,361	-
Economic Improvement Goshen Dt	-	63,095	63,095	-
Elkhart County Regional Sewer Distr	726	-	726	-
Rush Memorial	645	-	-	645
Property Tax Distributions	-	180,166,048	180,166,048	-
Certificate Sale Surplus	88,405	-	7,174	81,231
Solid Waste - Landfill	15,893,893	2,876,827	2,089,595	16,681,125
Solid Waste-Closure Costs	4,900,104	58,868	-	4,958,972
S.W. Environmental Special Projects	751,887	229,154	750,000	231,041
Solid Waste - Capital Reserve	3,281,977	117,736	1,111,279	2,288,434
Stormwater Utility	2,884,181	2,024,650	1,454,735	3,454,096
Totals	\$ 116,448,486	\$ 452,164,136	\$ 462,801,115	\$ 105,811,507

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

ELKHART 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,

ELKHART 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, 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, 911 telephone services, recycling fees, dog pound 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).

Utility fees which are comprised mostly of charges for current services.

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.

Utility operating expenses which include all outflows for operating the utilities.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Restatement of County Offices

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

ELKHART COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

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

Note 9. Holding Corporation

The County has entered into capital leases with the Elkhart County Corrections Complex 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 \$2,681,805.

Note 10. Other Postemployment Benefits

The County provides to eligible retirees and their spouses the following benefits; health care benefits. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

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.

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

	General	Highway	Local Road And Street	Accident Report	Firearms Training	Health	Law Enforcement Continuing Ed
Cash and investments - beginning	\$ 5,668,865	\$ 4,616,939	\$ 1,014,114	\$ 14,204	\$ 50,740	\$ 849,211	\$ 10,493
Receipts:							
Taxes	29,764,625	-	-	-	-	1,637,396	-
Licenses and permits	13,700	-	-	-	-	507,936	-
Intergovernmental	5,732,158	4,241,816	1,172,809	-	-	209,664	-
Charges for services	3,083,557	53,798	-	20,824	64,209	-	-
Fines and forfeits	673,777	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	10,922,323	442,560	-	-	-	549	9,846
Total receipts	<u>50,190,140</u>	<u>4,738,174</u>	<u>1,172,809</u>	<u>20,824</u>	<u>64,209</u>	<u>2,355,545</u>	<u>9,846</u>
Disbursements:							
Personal services	33,242,770	3,853,430	-	-	-	2,382,446	-
Supplies	1,137,867	653,822	882,296	-	7,988	63,564	-
Other services and charges	14,217,776	172,764	87,575	24,576	26,100	115,361	9,408
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	209,494	1,060,693	124,476	-	30,204	7,480	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	197,582	-	-	-	-	969	-
Total disbursements	<u>49,005,489</u>	<u>5,740,709</u>	<u>1,094,347</u>	<u>24,576</u>	<u>64,292</u>	<u>2,569,820</u>	<u>9,408</u>
Excess (deficiency) of receipts over disbursements	<u>1,184,651</u>	<u>(1,002,535)</u>	<u>78,462</u>	<u>(3,752)</u>	<u>(83)</u>	<u>(214,275)</u>	<u>438</u>
Cash and investments - ending	<u>\$ 6,853,516</u>	<u>\$ 3,614,404</u>	<u>\$ 1,092,576</u>	<u>\$ 10,452</u>	<u>\$ 50,657</u>	<u>\$ 634,936</u>	<u>\$ 10,931</u>

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

	Clerk's Records Perpetuation	Electronic Map Generation	Unsafe Building	Emergency Telephone System	Drug Free Community	Emergency Planning/Right To Know	Parks And Recreation
Cash and investments - beginning	\$ 149,351	\$ 56,092	\$ 4,588	\$ 2,281,746	\$ 278,522	\$ 144,923	\$ 275,822
Receipts:							
Taxes	-	-	-	-	-	-	1,040,149
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	23,028	86,577
Charges for services	-	24,066	-	1,046,569	-	-	3,710
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	67,471	-	21,205	-	220,671	116	9,605
Total receipts	<u>67,471</u>	<u>24,066</u>	<u>21,205</u>	<u>1,046,569</u>	<u>220,671</u>	<u>23,144</u>	<u>1,140,041</u>
Disbursements:							
Personal services	-	-	-	361,131	-	-	1,140,494
Supplies	34,937	159	-	-	-	805	51,923
Other services and charges	-	31,880	4,500	530,045	263,457	19,540	103,475
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,430	-	-	989,147	-	16,367	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	4,583
Total disbursements	<u>44,367</u>	<u>32,039</u>	<u>4,500</u>	<u>1,880,323</u>	<u>263,457</u>	<u>36,712</u>	<u>1,300,475</u>
Excess (deficiency) of receipts over disbursements	<u>23,104</u>	<u>(7,973)</u>	<u>16,705</u>	<u>(833,754)</u>	<u>(42,786)</u>	<u>(13,568)</u>	<u>(160,434)</u>
Cash and investments - ending	<u>\$ 172,455</u>	<u>\$ 48,119</u>	<u>\$ 21,293</u>	<u>\$ 1,447,992</u>	<u>\$ 235,736</u>	<u>\$ 131,355</u>	<u>\$ 115,388</u>

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

	Prosecutor Title IV-D #1	Extradition	Juvenile Probation Service	Adult Probation Services	Recorder's Records Perpetuation	User Fee	Health Maintenance
Cash and investments - beginning	\$ 206,525	\$ 224,521	\$ 78,631	\$ 222,457	\$ 461,937	\$ 112,887	\$ 152,063
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	140,545	-	-	-	-	-	71,647
Charges for services	-	-	-	-	270,081	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	61,556	35,176	870,527	18,643	19,279	250
Total receipts	<u>140,545</u>	<u>61,556</u>	<u>35,176</u>	<u>870,527</u>	<u>288,724</u>	<u>19,279</u>	<u>71,897</u>
Disbursements:							
Personal services	123	-	18,791	592,788	481,323	-	22,214
Supplies	-	-	30,884	21,557	1,918	-	1,068
Other services and charges	-	45,783	4,019	171,888	53,045	-	5,975
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,180	-	-	-	-	-	27,671
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	6,813	18,740	12,051	163
Total disbursements	<u>9,303</u>	<u>45,783</u>	<u>53,694</u>	<u>793,046</u>	<u>555,026</u>	<u>12,051</u>	<u>57,091</u>
Excess (deficiency) of receipts over disbursements	<u>131,242</u>	<u>15,773</u>	<u>(18,518)</u>	<u>77,481</u>	<u>(266,302)</u>	<u>7,228</u>	<u>14,806</u>
Cash and investments - ending	<u>\$ 337,767</u>	<u>\$ 240,294</u>	<u>\$ 60,113</u>	<u>\$ 299,938</u>	<u>\$ 195,635</u>	<u>\$ 120,115</u>	<u>\$ 166,869</u>

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

	Pretrial Diversion	Guardian Ad Litem/Court	Plat Book	Misdemeanant	Supplemental Public Defender Svc	Clerk Title IV-D #1	Jail Commissary
Cash and investments - beginning	\$ 2,380	\$ -	\$ 189,586	\$ -	\$ 5,231	\$ 173,320	\$ 59,983
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	60,936	-	-	-	93,302	-
Charges for services	-	-	39,990	-	-	-	562,601
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	42,178	-	-	119,431	129,834	-	-
Total receipts	<u>42,178</u>	<u>60,936</u>	<u>39,990</u>	<u>119,431</u>	<u>129,834</u>	<u>93,302</u>	<u>562,601</u>
Disbursements:							
Personal services	-	60,936	17,643	-	51,799	375	-
Supplies	-	-	964	31,706	-	-	-
Other services and charges	-	-	214	-	-	-	568,615
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	1,552	11,383	-	88,331	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	38,626	-	10	-	-	-	-
Total disbursements	<u>38,626</u>	<u>60,936</u>	<u>20,383</u>	<u>43,089</u>	<u>51,799</u>	<u>88,706</u>	<u>568,615</u>
Excess (deficiency) of receipts over disbursements	<u>3,552</u>	<u>-</u>	<u>19,607</u>	<u>76,342</u>	<u>78,035</u>	<u>4,596</u>	<u>(6,014)</u>
Cash and investments - ending	<u>\$ 5,932</u>	<u>\$ -</u>	<u>\$ 209,193</u>	<u>\$ 76,342</u>	<u>\$ 83,266</u>	<u>\$ 177,916</u>	<u>\$ 53,969</u>

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

	Surveyor's Corner Perpetuation	Jury Pay	Rainy Day	Sales Disclosure	Community Corrections	Levy Excess	Clerk IVD ARRA
Cash and investments - beginning	\$ 59,499	\$ 218,941	\$ 2,367,285	\$ 88,239	\$ 19,215	\$ -	\$ 24,323
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	32,470	-	-	34,640	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	35,166	-	-	31,536	255,788	-
Total receipts	<u>32,470</u>	<u>35,166</u>	<u>-</u>	<u>34,640</u>	<u>31,536</u>	<u>255,788</u>	<u>-</u>
Disbursements:							
Personal services	-	156,500	-	-	-	-	-
Supplies	3,665	-	-	-	-	-	-
Other services and charges	-	-	-	25,461	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	17,885	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	10,000	-	800,000	17,405	50,751	-	-
Total disbursements	<u>31,550</u>	<u>156,500</u>	<u>800,000</u>	<u>42,866</u>	<u>50,751</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>920</u>	<u>(121,334)</u>	<u>(800,000)</u>	<u>(8,226)</u>	<u>(19,215)</u>	<u>255,788</u>	<u>-</u>
Cash and investments - ending	<u>\$ 60,419</u>	<u>\$ 97,607</u>	<u>\$ 1,567,285</u>	<u>\$ 80,013</u>	<u>\$ -</u>	<u>\$ 255,788</u>	<u>\$ 24,323</u>

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

	Prosecutor IVD ARRA	Co General IVD ARRA	County Elected Officials Training	Cumulative Capital Development	Park Nonreverting Capital	Cumulative Bridge	Cumulative Drainage
Cash and investments - beginning	\$ 74,040	\$ 106,040	\$ 6,470	\$ 1,841,878	\$ 292,113	\$ 1,666,997	\$ 872,475
Receipts:							
Taxes	-	-	-	932,779	-	677,775	374,202
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	77,640	150,000	169,837	42,777
Charges for services	-	-	-	11,448	-	-	-
Fines and forfeits	-	-	-	-	961	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	15,581	22,600	62,200	-	-
Total receipts	-	-	15,581	1,044,467	213,161	847,612	416,979
Disbursements:							
Personal services	-	-	-	-	-	277,231	-
Supplies	-	-	-	-	-	53,670	-
Other services and charges	-	-	550	72,531	-	39,934	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	74,040	85,814	-	862,939	180,478	377,935	419,406
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	74,040	85,814	550	935,470	180,478	748,770	419,406
Excess (deficiency) of receipts over disbursements	(74,040)	(85,814)	15,031	108,997	32,683	98,842	(2,427)
Cash and investments - ending	\$ -	\$ 20,226	\$ 21,501	\$ 1,950,875	\$ 324,796	\$ 1,765,839	\$ 870,048

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

	Co Economic Development Income Tax	Major Bridge	Sheriff's Pension	Congressional School Principal	Congressional School Interest	Clerk's Trust	Surplus Tax Sale
Cash and investments - beginning	\$ 6,180,768	\$ 1,715,751	\$ 253,363	\$ 45,862	\$ 82,513	\$ 1,557,275	\$ 2,506,540
Receipts:							
Taxes	3,585,733	1,536,737	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	308,794	127,911	-	-	-	-	-
Charges for services	-	-	325,625	-	-	-	-
Fines and forfeits	-	-	-	-	-	22,926,815	-
Utility fees	-	-	-	-	-	-	-
Other receipts	243,073	-	-	-	-	-	3,513,616
Total receipts	4,137,600	1,664,648	325,625	-	-	22,926,815	3,513,616
Disbursements:							
Personal services	-	-	430,574	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,834	23,360,587	-
Debt service - principal and interest	111,233	750,000	-	-	-	-	-
Capital outlay	5,367,930	442,877	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	2,620,000	-	-	-	-	-	2,547,407
Total disbursements	8,099,163	1,192,877	430,574	-	1,834	23,360,587	2,547,407
Excess (deficiency) of receipts over disbursements	(3,961,563)	471,771	(104,949)	-	(1,834)	(433,772)	966,209
Cash and investments - ending	\$ 2,219,205	\$ 2,187,522	\$ 148,414	\$ 45,862	\$ 80,679	\$ 1,123,503	\$ 3,472,749

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

	Tax Sale Redemption	Surplus Tax	State Fines And Forfeitures	Sewage Collections	Infraction Judgements	Inheritance Tax	Sheriff's Inmate Trust
Cash and investments - beginning	\$ 45,213	\$ 1,665,654	\$ 150,826	\$ -	\$ 75,624	\$ 509,348	\$ 98,227
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	4,283,615	-
Charges for services	-	-	-	189,032	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	625,394	492,936	844,223	-	487,120	-	2,348,353
Total receipts	<u>625,394</u>	<u>492,936</u>	<u>844,223</u>	<u>189,032</u>	<u>487,120</u>	<u>4,283,615</u>	<u>2,348,353</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	653,798	980,320	871,192	189,032	529,842	3,618,108	2,374,559
Total disbursements	<u>653,798</u>	<u>980,320</u>	<u>871,192</u>	<u>189,032</u>	<u>529,842</u>	<u>3,618,108</u>	<u>2,374,559</u>
Excess (deficiency) of receipts over disbursements	<u>(28,404)</u>	<u>(487,384)</u>	<u>(26,969)</u>	<u>-</u>	<u>(42,722)</u>	<u>665,507</u>	<u>(26,206)</u>
Cash and investments - ending	<u>\$ 16,809</u>	<u>\$ 1,178,270</u>	<u>\$ 123,857</u>	<u>\$ -</u>	<u>\$ 32,902</u>	<u>\$ 1,174,855</u>	<u>\$ 72,021</u>

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

	Special Death Benefit	Cedit Agency	Wheel Tax	Sur Tax	Child Restraint Violations Fines	Cvet Agency	Tax Distribution
Cash and investments - beginning	\$ 1,335	\$ -	\$ -	\$ -	\$ 350	\$ -	\$ 5,727,558
Receipts:							
Taxes	-	8,170,908	-	-	-	-	1,923,663
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,353,731	2,376,674
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	16,930	-	559,274	4,036,484	5,475	-	169,434
Total receipts	<u>16,930</u>	<u>8,170,908</u>	<u>559,274</u>	<u>4,036,484</u>	<u>5,475</u>	<u>1,353,731</u>	<u>4,469,771</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	16,805	8,170,908	552,584	4,036,484	5,375	1,353,731	5,727,558
Total disbursements	<u>16,805</u>	<u>8,170,908</u>	<u>552,584</u>	<u>4,036,484</u>	<u>5,375</u>	<u>1,353,731</u>	<u>5,727,558</u>
Excess (deficiency) of receipts over disbursements	<u>125</u>	<u>-</u>	<u>6,690</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>(1,257,787)</u>
Cash and investments - ending	<u>\$ 1,460</u>	<u>\$ -</u>	<u>\$ 6,690</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ -</u>	<u>\$ 4,469,771</u>

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

	COPS Methamphetamine Initiative	Emergency Mgmt Performance Grant	Tuberculosis Assist Grant	CR 17 Phase 2C Project	Sheriff's Donation Fund	Homeowners Repair Grant	Property Reassessment 2006
Cash and investments - beginning	\$ (12,651)	\$ -	\$ -	\$ 7,518,753	\$ 18,850	\$ -	\$ 1,014,054
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	59,088	3,622	500	-	-	24,151	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	5,200	1,271	-
Total receipts	<u>59,088</u>	<u>3,622</u>	<u>500</u>	<u>-</u>	<u>5,200</u>	<u>25,422</u>	<u>-</u>
Disbursements:							
Personal services	57,492	-	-	-	-	-	50,079
Supplies	853	3,622	500	-	-	-	-
Other services and charges	1,823	-	-	-	-	25,422	400,073
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	355	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	6,333,845	16,922	-	-
Total disbursements	<u>60,523</u>	<u>3,622</u>	<u>500</u>	<u>6,333,845</u>	<u>16,922</u>	<u>25,422</u>	<u>450,152</u>
Excess (deficiency) of receipts over disbursements	<u>(1,435)</u>	<u>-</u>	<u>-</u>	<u>(6,333,845)</u>	<u>(11,722)</u>	<u>-</u>	<u>(450,152)</u>
Cash and investments - ending	<u>\$ (14,086)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,184,908</u>	<u>\$ 7,128</u>	<u>\$ -</u>	<u>\$ 563,902</u>

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

	Dental Project MCH	State Homeland Security Grant	Law Enforcement Terrorism Prevention	Alternate Dispute Resolution	Family Court Fund	Road Maintenance & Construction	State Indoor Radon Gas
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	2,747,894	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	32	547	90,000	-	25,000	-	1,944
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	50	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	15,385	-	-	-
Total receipts	<u>32</u>	<u>547</u>	<u>90,000</u>	<u>15,435</u>	<u>25,000</u>	<u>2,747,894</u>	<u>1,944</u>
Disbursements:							
Personal services	1,348	-	-	-	-	-	-
Supplies	312	547	-	-	-	1,061,610	2,327
Other services and charges	39,032	-	-	2,433	17,310	-	1,944
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	90,000	-	-	110,000	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>40,692</u>	<u>547</u>	<u>90,000</u>	<u>2,433</u>	<u>17,310</u>	<u>1,171,610</u>	<u>4,271</u>
Excess (deficiency) of receipts over disbursements	<u>(40,660)</u>	<u>-</u>	<u>-</u>	<u>13,002</u>	<u>7,690</u>	<u>1,576,284</u>	<u>(2,327)</u>
Cash and investments - ending	<u>\$ (40,660)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,002</u>	<u>\$ 7,690</u>	<u>\$ 1,576,284</u>	<u>\$ (2,327)</u>

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

	Neighborhood Stabilization	Breastfeeding Peer Counselors	IU-GGH Child Abuse Grant	County Offender Transport	Hea 1001 Homestead Credit	Convention And Tourism	Property Reassessment 2015
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 27,898	\$ 114,730	\$ 281,773
Receipts:							
Taxes	-	-	-	-	-	985,271	255,004
Licenses and permits	-	-	-	-	-	-	4,248
Intergovernmental	292,091	22,950	5,000	-	-	-	21,225
Charges for services	-	-	-	8,738	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	478	-	-
Total receipts	<u>292,091</u>	<u>22,950</u>	<u>5,000</u>	<u>8,738</u>	<u>478</u>	<u>985,271</u>	<u>280,477</u>
Disbursements:							
Personal services	-	32,960	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	292,091	1,663	-	-	-	1,100,000	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>292,091</u>	<u>34,623</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(11,673)</u>	<u>5,000</u>	<u>8,738</u>	<u>478</u>	<u>(114,729)</u>	<u>280,477</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (11,673)</u>	<u>\$ 5,000</u>	<u>\$ 8,738</u>	<u>\$ 28,376</u>	<u>\$ 1</u>	<u>\$ 562,250</u>

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

	Economic Development Commission	Election Bd/Voter Registration	County Property Sold	Hazardous Waste Disposal Tax	Abandoned Vehicles	Prenatal Substance Abuse Grant	Diabetes Grant
Cash and investments - beginning	\$ -	\$ 299,504	\$ 619,086	\$ 19,727	\$ 8,193	\$ (9,426)	\$ -
Receipts:							
Taxes	1,423,167	630,800	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	77,505	-	-	-	35,710	4,291
Charges for services	-	-	-	-	-	-	17
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	412	280	-	7,815	-	-
Total receipts	<u>1,423,167</u>	<u>708,717</u>	<u>280</u>	<u>-</u>	<u>7,815</u>	<u>35,710</u>	<u>4,308</u>
Disbursements:							
Personal services	-	241,078	-	-	-	34,690	-
Supplies	-	162,731	-	-	-	859	1,312
Other services and charges	-	160,880	-	-	6,169	744	50
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	34,513	350,291	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,423,167	-	-	19,727	-	-	-
Total disbursements	<u>1,423,167</u>	<u>599,202</u>	<u>350,291</u>	<u>19,727</u>	<u>6,169</u>	<u>36,293</u>	<u>1,362</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>109,515</u>	<u>(350,011)</u>	<u>(19,727)</u>	<u>1,646</u>	<u>(583)</u>	<u>2,946</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 409,019</u>	<u>\$ 269,075</u>	<u>\$ -</u>	<u>\$ 9,839</u>	<u>\$ (10,009)</u>	<u>\$ 2,946</u>

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

	Mch Grant	Wic Grant	Public Health Coordinator Grant	Highway Safety Grant	Economic Development Promotion Grant	Edward Byrne Memorial Fund	Sexually Transmitted Disease Grant
Cash and investments - beginning	\$ 401,975	\$ (96,743)	\$ 4,181	\$ 1,942	\$ 14,241	\$ 1,846	\$ (289)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	200,222	960,325	10,943	48,783	-	25,288	41,670
Charges for services	374,440	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,435	995	-	-	-	-	-
Total receipts	<u>577,097</u>	<u>961,320</u>	<u>10,943</u>	<u>48,783</u>	<u>-</u>	<u>25,288</u>	<u>41,670</u>
Disbursements:							
Personal services	413,194	943,993	-	38,253	-	-	29,672
Supplies	34,336	59,674	6,142	-	-	-	11,456
Other services and charges	152,701	45,667	371	-	-	-	4,146
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	1,161	777	4,430	14,629	-	25,288	911
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,970	2,202	-	-	14,241	-	-
Total disbursements	<u>603,362</u>	<u>1,052,313</u>	<u>10,943</u>	<u>52,882</u>	<u>14,241</u>	<u>25,288</u>	<u>46,185</u>
Excess (deficiency) of receipts over disbursements	<u>(26,265)</u>	<u>(90,993)</u>	<u>-</u>	<u>(4,099)</u>	<u>(14,241)</u>	<u>-</u>	<u>(4,515)</u>
Cash and investments - ending	<u>\$ 375,710</u>	<u>\$ (187,736)</u>	<u>\$ 4,181</u>	<u>\$ (2,157)</u>	<u>\$ -</u>	<u>\$ 1,846</u>	<u>\$ (4,804)</u>

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

	Stop Grant-Victim Assistance	Fatal Alcohol Crash Grant	Justice Assistance Grant	Economic Dev Commission-County	Park And Rec Nonreverting Operating	Special Cagit	Park Donations
Cash and investments - beginning	\$ (1,488)	\$ (20,817)	\$ 6,590	\$ 3,000	\$ 166,731	\$ 407,601	\$ 174,648
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	53	-	-
Intergovernmental	21,356	64,936	-	-	-	-	72,808
Charges for services	-	-	-	-	97,364	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	446	35,251	-	-	17,705	-	183,578
Total receipts	<u>21,802</u>	<u>100,187</u>	<u>-</u>	<u>-</u>	<u>115,122</u>	<u>-</u>	<u>256,386</u>
Disbursements:							
Personal services	23,543	95,171	-	-	-	-	-
Supplies	1,940	1,796	-	-	48,783	-	-
Other services and charges	2,628	7,346	-	-	47,622	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	1,028	-	-	-	7,868	-	10,500
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	6,590	-	195	375,593	208,994
Total disbursements	<u>29,139</u>	<u>104,313</u>	<u>6,590</u>	<u>-</u>	<u>104,468</u>	<u>375,593</u>	<u>219,494</u>
Excess (deficiency) of receipts over disbursements	<u>(7,337)</u>	<u>(4,126)</u>	<u>(6,590)</u>	<u>-</u>	<u>10,654</u>	<u>(375,593)</u>	<u>36,892</u>
Cash and investments - ending	<u>\$ (8,825)</u>	<u>\$ (24,943)</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 177,385</u>	<u>\$ 32,008</u>	<u>\$ 211,540</u>

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

	Donation Court House War Memorial	Sexually Transmitted Disease	In Tobacco Prevent And Cessation Grant	Infraction Deferral Program	Redevelopment Com	County Seizure Asset	Public Safety Communications
Cash and investments - beginning	\$ 3,057	\$ 731	\$ 21,893	\$ 20,306	\$ 6,697	\$ 413,690	\$ 593,384
Receipts:							
Taxes	-	-	-	-	-	-	1,148,327
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	102,988	-	-	-	111,535
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,500	-	50	299,730	19	243,324	1,432
Total receipts	2,500	-	103,038	299,730	19	243,324	1,261,294
Disbursements:							
Personal services	-	731	76,636	-	-	40,120	1,000,912
Supplies	-	-	997	-	210	6,592	11,557
Other services and charges	-	-	1,360	-	1,513	13,536	330,785
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	61,460	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	4,954	-	-	293,714	-	139,424	147
Total disbursements	4,954	731	78,993	293,714	1,723	261,132	1,343,401
Excess (deficiency) of receipts over disbursements	(2,454)	(731)	24,045	6,016	(1,704)	(17,808)	(82,107)
Cash and investments - ending	\$ 603	\$ -	\$ 45,938	\$ 26,322	\$ 4,993	\$ 395,882	\$ 511,277

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

	Tax Billing System	Tax Management System	Aggressive Driving Grant	Pros Attny Special Project Fees	Brownfield Grant	Redaction	Court Improvement Grant
Cash and investments - beginning	\$ 14,231	\$ 161,786	\$ -	\$ 280,901	\$ -	\$ 148,957	\$ 3,662
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	3,304	-	234,727	-	2,000
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	22,507	-	279,148	-	15,581	5,218
Total receipts	-	22,507	3,304	279,148	234,727	15,581	7,218
Disbursements:							
Personal services	-	-	1,809	212,277	-	-	-
Supplies	-	-	-	20,062	-	-	-
Other services and charges	-	-	-	50,948	234,727	-	7,636
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	1,383	43,584	-	52,075	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	1,331	-	1,060	-	-	-
Total disbursements	-	1,331	3,192	327,931	234,727	52,075	7,636
Excess (deficiency) of receipts over disbursements	-	21,176	112	(48,783)	-	(36,494)	(418)
Cash and investments - ending	\$ 14,231	\$ 182,962	\$ 112	\$ 232,118	\$ -	\$ 112,463	\$ 3,244

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

	Childhood Lead Poison Prevention	County Redevelopment Authority (Tif)	Ghs Breastfeeding Grant	Ctp (Comm Corr)	Idoc Grant 2009-2010 (Comm Corr)	Voca Recovery Stimulus Grant	Stop Recovery Stimulus Grant
Cash and investments - beginning	\$ (5,178)	\$ -	\$ 2,159	\$ 231,615	\$ 2,634,500	\$ (11,980)	\$ (698)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	47,999	-	5,000	65,731	1,004,957	25,854	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	1,423,167	161	122,815	1,978,926	6,592	698
Total receipts	47,999	1,423,167	5,161	188,546	2,983,883	32,446	698
Disbursements:							
Personal services	17,264	-	7,320	54,126	1,634,428	20,466	-
Supplies	15,271	-	-	2,449	25,143	-	-
Other services and charges	10,225	-	-	16,325	1,402,838	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	13,363	230,011	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	1,423,167	-	-	-	-	-
Total disbursements	42,760	1,423,167	7,320	86,263	3,292,420	20,466	-
Excess (deficiency) of receipts over disbursements	5,239	-	(2,159)	102,283	(308,537)	11,980	698
Cash and investments - ending	\$ 61	\$ -	\$ -	\$ 333,898	\$ 2,325,963	\$ -	\$ -

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

	Weed & Vegetation Control	Child & Parent Services Grant	Northwest Gateway (Tif)	South Benton (Tif)	3 Million Federal Stimulus Grant	Dui Task Force Grant	Millersburg li (Tif)
Cash and investments - beginning	\$ 1,672	\$ 2,000	\$ 362,126	\$ 40,321	\$ 42,652	\$ (635)	\$ 20,097
Receipts:							
Taxes	-	-	223,154	27,408	-	-	133,296
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	632,261	25,532	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	550	-	-	-	17,771	-	-
Total receipts	<u>550</u>	<u>-</u>	<u>223,154</u>	<u>27,408</u>	<u>650,032</u>	<u>25,532</u>	<u>133,296</u>
Disbursements:							
Personal services	-	-	-	-	72,081	8,307	-
Supplies	-	-	-	-	6,682	-	-
Other services and charges	-	-	91,219	1,000	457,366	-	1,500
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	16,252	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1	2,000	-	-	700	-	-
Total disbursements	<u>1</u>	<u>2,000</u>	<u>91,219</u>	<u>1,000</u>	<u>536,829</u>	<u>24,559</u>	<u>1,500</u>
Excess (deficiency) of receipts over disbursements	<u>549</u>	<u>(2,000)</u>	<u>131,935</u>	<u>26,408</u>	<u>113,203</u>	<u>973</u>	<u>131,796</u>
Cash and investments - ending	<u>\$ 2,221</u>	<u>\$ -</u>	<u>\$ 494,061</u>	<u>\$ 66,729</u>	<u>\$ 155,855</u>	<u>\$ 338</u>	<u>\$ 151,893</u>

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

	Medical Reserve Core	Co General IV-D Incentive	Lare Grant	Energy Efficiency & Conservation	Commissioner Certificate Redemption	Auditor Ineligible Ded	Dlgr Homestead Database
Cash and investments - beginning	\$ 4,444	\$ 207,151	\$ -	\$ -	\$ 3,091	\$ 182,900	\$ 199
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	9,990	93,302	24,800	91,150	-	-	-
Charges for services	-	-	-	-	-	101,035	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	1,530	-	12
Total receipts	<u>9,990</u>	<u>93,302</u>	<u>24,800</u>	<u>91,150</u>	<u>1,530</u>	<u>101,035</u>	<u>12</u>
Disbursements:							
Personal services	-	-	-	-	-	19,372	-
Supplies	4,138	-	-	-	-	5,056	-
Other services and charges	1,106	-	24,800	91,150	-	10,500	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	4,640	7,588	-	-	-	850	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	181
Total disbursements	<u>9,884</u>	<u>7,588</u>	<u>24,800</u>	<u>91,150</u>	<u>-</u>	<u>35,778</u>	<u>181</u>
Excess (deficiency) of receipts over disbursements	<u>106</u>	<u>85,714</u>	<u>-</u>	<u>-</u>	<u>1,530</u>	<u>65,257</u>	<u>(169)</u>
Cash and investments - ending	<u>\$ 4,550</u>	<u>\$ 292,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,621</u>	<u>\$ 248,157</u>	<u>\$ 30</u>

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

	Vaccines For Children	Debt Service - Other	Sawmill Refund	Tif Western Gateway	Tif Millersburg Forest Green	Tif Middlebury South Agriculture	Tif Middlebury South East
Cash and investments - beginning	\$ 239	\$ 12,049,828	\$ 11,720	\$ 168,710	\$ 37,568	\$ 87,100	\$ 182,351
Receipts:							
Taxes	-	-	-	76,638	25,545	22,971	195,760
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	3,381,168	-	-	-	-	-
Total receipts	-	3,381,168	-	76,638	25,545	22,971	195,760
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	218	-	-	-	-	-	-
Other services and charges	-	6,336,830	-	197,991	12,721	1,500	259,656
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	250	11,720	-	-	-	-
Total disbursements	218	6,337,080	11,720	197,991	12,721	1,500	259,656
Excess (deficiency) of receipts over disbursements	(218)	(2,955,912)	(11,720)	(121,353)	12,824	21,471	(63,896)
Cash and investments - ending	\$ 21	\$ 9,093,916	\$ -	\$ 47,357	\$ 50,392	\$ 108,571	\$ 118,455

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

	Tif Middlebury East	Tif North Baugo	Tif Ne Corridor/Cr 6 & 7	Community Service Block Grant	Criminal Justice Facilities	Home Consortium Grant	County Major Moves Construction
Cash and investments - beginning	\$ 1,097,685	\$ 12,519	\$ 2,228,930	\$ 1,746	\$ 375,069	\$ 2,664	\$ 8,518,398
Receipts:							
Taxes	451,052	18,704	-	-	7,882,087	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	391,940	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	1,423,167	-	636	-	909,218
Total receipts	<u>451,052</u>	<u>18,704</u>	<u>1,423,167</u>	<u>-</u>	<u>8,274,663</u>	<u>-</u>	<u>909,218</u>
Disbursements:							
Personal services	-	-	-	-	520	-	-
Supplies	-	-	-	-	277,217	-	-
Other services and charges	16,500	21,074	128,413	-	1,318,286	682	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	902,600	-	697,910	-	39,605	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	1,746	3,323,601	1,787	-
Total disbursements	<u>919,100</u>	<u>21,074</u>	<u>826,323</u>	<u>1,746</u>	<u>4,959,229</u>	<u>2,469</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(468,048)</u>	<u>(2,370)</u>	<u>596,844</u>	<u>(1,746)</u>	<u>3,315,434</u>	<u>(2,469)</u>	<u>909,218</u>
Cash and investments - ending	<u>\$ 629,637</u>	<u>\$ 10,149</u>	<u>\$ 2,825,774</u>	<u>\$ -</u>	<u>\$ 3,690,503</u>	<u>\$ 195</u>	<u>\$ 9,427,616</u>

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

	Six Span Bridge	Workman's Comp Insurance Trust	Group Insurance Trust	Property And Liability Ins Trust	Payroll	Training And Ed-Coroner	Distributable - Fit
Cash and investments - beginning	\$ 243,642	\$ 577,518	\$ 506,017	\$ 185,272	\$ 408,723	\$ 2,039	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	980,386
Charges for services	-	161,178	10,971,972	809,140	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	397	-	37,397,147	19,791	-
Total receipts	<u>-</u>	<u>161,178</u>	<u>10,972,369</u>	<u>809,140</u>	<u>37,397,147</u>	<u>19,791</u>	<u>980,386</u>
Disbursements:							
Personal services	-	-	26,840	-	37,693,710	-	-
Supplies	-	-	2,863	-	-	-	-
Other services and charges	-	431,241	11,083,224	368,150	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	243,642	-	-	-	-	19,576	980,386
Total disbursements	<u>243,642</u>	<u>431,241</u>	<u>11,112,927</u>	<u>368,150</u>	<u>37,693,710</u>	<u>19,576</u>	<u>980,386</u>
Excess (deficiency) of receipts over disbursements	<u>(243,642)</u>	<u>(270,063)</u>	<u>(140,558)</u>	<u>440,990</u>	<u>(296,563)</u>	<u>215</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 307,455</u>	<u>\$ 365,459</u>	<u>\$ 626,262</u>	<u>\$ 112,160</u>	<u>\$ 2,254</u>	<u>\$ -</u>

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

	Distributable - License Excise	Local Option - Ptrc	Riverboat Wager Tax Distribution	Local Option - Certified Shares	Education Plate Fees	Court Fees Agency	Peddlers License
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,337	\$ 100
Receipts:							
Taxes	-	-	-	23,646,403	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	16,014,939	7,881,952	1,170,324	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	40,557	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	3,769	-	-
Total receipts	<u>16,014,939</u>	<u>7,881,952</u>	<u>1,170,324</u>	<u>23,646,403</u>	<u>3,769</u>	<u>40,557</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	16,014,939	7,881,952	1,170,324	23,646,403	3,769	-	100
Total disbursements	<u>16,014,939</u>	<u>7,881,952</u>	<u>1,170,324</u>	<u>23,646,403</u>	<u>3,769</u>	<u>-</u>	<u>100</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	40,557	(100)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,894</u>	<u>\$ -</u>

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

	County Employee Benefit	New Paris Conservancy District	Economic Improvement Goshen Dt	Elkhart County Regional Sewer Distr	Rush Memorial	Property Tax Distributions	Certificate Sale Surplus
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 726	\$ 645	\$ -	\$ 88,405
Receipts:							
Taxes	-	-	-	-	-	180,166,048	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	7,955,551	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	341,361	63,095	-	-	-	-
Total receipts	<u>7,955,551</u>	<u>341,361</u>	<u>63,095</u>	<u>-</u>	<u>-</u>	<u>180,166,048</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	7,955,551	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	341,361	63,095	726	-	180,166,048	7,174
Total disbursements	<u>7,955,551</u>	<u>341,361</u>	<u>63,095</u>	<u>726</u>	<u>-</u>	<u>180,166,048</u>	<u>7,174</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(726)</u>	<u>-</u>	<u>-</u>	<u>(7,174)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645</u>	<u>\$ -</u>	<u>\$ 81,231</u>

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

	Solid Waste - Landfill	Solid Waste-Closure Costs	S.W. Environmental Special Projects	Solid Waste - Capital Reserve	Stormwater Utility	Totals
Cash and investments - beginning	\$ 15,893,893	\$ 4,900,104	\$ 751,887	\$ 3,281,977	\$ 2,884,181	\$ 116,448,486
Receipts:						
Taxes	-	-	-	-	-	269,703,496
Licenses and permits	-	-	-	-	-	525,937
Intergovernmental	-	-	-	-	820,557	52,182,736
Charges for services	2,851,483	-	-	-	-	29,485,478
Fines and forfeits	-	-	-	-	-	23,642,160
Utility fees	-	-	-	-	96,421	96,421
Other receipts	25,344	58,868	229,154	117,736	1,107,672	76,527,908
Total receipts	<u>2,876,827</u>	<u>58,868</u>	<u>229,154</u>	<u>117,736</u>	<u>2,024,650</u>	<u>452,164,136</u>
Disbursements:						
Personal services	833,283	-	-	-	-	86,772,243
Supplies	381,412	-	-	-	-	5,137,460
Other services and charges	686,305	-	-	-	-	73,833,666
Debt service - principal and interest	-	-	-	-	-	861,233
Capital outlay	11,991	-	-	1,111,279	-	14,261,054
Utility operating expenses	-	-	-	-	353,884	353,884
Other disbursements	176,604	-	750,000	-	1,100,851	281,581,575
Total disbursements	<u>2,089,595</u>	<u>-</u>	<u>750,000</u>	<u>1,111,279</u>	<u>1,454,735</u>	<u>462,801,115</u>
Excess (deficiency) of receipts over disbursements	<u>787,232</u>	<u>58,868</u>	<u>(520,846)</u>	<u>(993,543)</u>	<u>569,915</u>	<u>(10,636,979)</u>
Cash and investments - ending	<u>\$ 16,681,125</u>	<u>\$ 4,958,972</u>	<u>\$ 231,041</u>	<u>\$ 2,288,434</u>	<u>\$ 3,454,096</u>	<u>\$ 105,811,507</u>

ELKHART COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2012

Government or Enterprise	Accounts Payable	Accounts Receivable
Landfill	\$ 418,175	\$ -
Stormwater Utility	8,713	-
Governmental activities	14,506,716	331
Totals	\$ 14,933,604	\$ 331

ELKHART COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
1st Source Bank Leasing	Ferri Boom Flail Mower	\$ 6,197	10-08-12	10-08-14
Municipal Capital Corporation	2010 Total Patcher model 7500	<u>13,227</u>	07-15-10	07-15-14
Total governmental activities		<u>19,424</u>		
Total of annual lease payments		<u>\$ 19,424</u>		
Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year	
Governmental activities:				
General obligation bonds	Bank of New York - Correctional Complex (\$23 595 000)	\$ 14,690,000	\$ 2,284,194	
General obligation bonds	Lake City Bank - Correctional Complex (\$29 840 000)	29,045,000	1,360,076	
Notes and loans payable	Municipal Capital Corporation - Highway	24,419	13,227	
Notes and loans payable	Elkhart County Major Moves	14,398,425	1,500,000	
Notes and loans payable	Elkhart County Major Moves	5,000,000	604,570	
Notes and loans payable	Fifth Third Bank - HVAC/Dental Clinic/Brickwork	99,468	52,455	
Capital leases payable	Correctional Complex Building (\$9,415,000)	9,415,000	443,660	
Capital leases payable	Correctional Complex Building (\$9,900,000)	9,900,000	2,189,245	
Capital leases payable	Correctional Complex Building (\$8,565,000)	<u>315,000</u>	<u>43,056</u>	
Total governmental activities		<u>82,887,312</u>	<u>8,490,483</u>	
Totals		<u>\$ 82,887,312</u>	<u>\$ 8,490,483</u>	

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ELKHART COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 889,041
Infrastructure	465,242,084
Buildings	149,539,525
Improvements other than buildings	4,585,226
Machinery, equipment, and vehicles	16,372,488
Construction in progress	22,005,677
Books and other	7,065,908
Total governmental activities	665,699,949
Landfill:	
Land	1,134,214
Buildings	2,040,739
Improvements other than buildings	84,396
Machinery, equipment, and vehicles	5,695,779
Total Landfill	8,955,128
Total capital assets	\$ 674,655,077

ELKHART COUNTY
OTHER REPORT

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

County Auditor

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF ELKHART COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Elkhart 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 Programs

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

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

Other Matters

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

The County's response to the noncompliance findings identified in our audit is described in the accompanying 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.

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

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



Bruce Hartman
State Examiner

August 26, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Agriculture</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children	Indiana State Department of Health	10.557	WIC 119-2	\$ 928,368
		10.557	WPCG 119-2	1,539
		10.557	WIC 119-3	<u>31,434</u>
Total - Special Supplemental Nutrition Program for Women, Infants, and Children				<u>961,341</u>
Total - Department of Agriculture				<u>961,341</u>
<u>Department of Housing and Urban Development</u>				
Lead-Based Paint Hazard Control in Privately-Owned Housing	Direct grant	14.900	INLHB0541-12	<u>301,608</u>
Lead Hazard Control Cluster				
ARRA - Lead Based Paint Hazard Control in Privately-Owned Housing	Direct grant	14.907	INLB0 407-08	<u>203,613</u>
CDBG - State Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Direct grant	14.228	B-11-UN-18-0003	<u>292,091</u>
Total - Department of Housing and Urban Development				<u>797,312</u>
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program	Direct grant Indiana Criminal Justice Institute	16.738 16.738	2010-DJ-BX-2622 0321DJBX025403	20,288 <u>5,000</u>
Total - JAG Program Cluster				<u>25,288</u>
ARRA - Public Safety Partnership and Community Policing Grants	Direct grant	16.710	2010CKWX0448	<u>59,088</u>
Crime Victim Assistance	Indiana Criminal Justice Institute			
		16.575	11VAPR135	<u>107,045</u>
Violence Against Women Formula Grants	Indiana Criminal Justice Institute			
		16.588	11STPR051	<u>21,356</u>
ARRA - Recovery Act - State Victim Assistance Formula Grant Program	Indiana Criminal Justice Institute			
		16.801	2009-SG-B9-0094	<u>25,854</u>
Equitable Sharing Program	Direct grant			
		16.922		<u>261,132</u>
Total - Department of Justice				<u>499,763</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation			
		20.205	DES 0401066	17,762
			DES 0710953	46,238
			DES 0800045	44,810
			DES 0901972	13,234
			DES 1005591	54,266
			DES 1005623	67,184
			DES 1005799	36,900
			DES 1005843	68,218
			DES 1005941	64,187
			DES 1005994	<u>81,444</u>
Total Highway Planning and Construction				<u>494,243</u>
Recreational Trails Program	Indiana Department of Natural Resources			
		20.219	RT-11-007	<u>150,000</u>
Total - Highway Planning and Construction Cluster				<u>644,243</u>

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation (continued)</u>				
Highway Safety Cluster				
State and Community Highway Safety	Indiana Criminal Justice Institute			
Highway Safety		20.600	D3-12-6414	48,783
DUI Task Force		20.600	DD - 18X9204020IN12	<u>3,304</u>
Total - State and Community Highway Safety				<u>52,087</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	Indiana Criminal Justice Institute			
F.A.C.T. 146-980		20.601	FACT - 18X9204100IN12	64,936
F.A.C.T. 146-981		20.601	DUI - 18X90204100IN12	25,531
Dangerous Driving		20.601	FACT - 18X9204100IN13	<u>3,806</u>
Total - Alcohol Impaired Driving Countermeasures Incentive Grants I				<u>94,273</u>
Total - Highway Safety Cluster				<u>146,360</u>
Total - Department of Transportation				<u>790,603</u>
<u>Environmental Protection Agency</u>				
State Indoor Radon Grants	Indiana Department of Health			
		66.032	SIRG119-1	<u>1,944</u>
ARRA - Brownfield Assessment and Cleanup Cooperative Agreements	Direct grant			
Brownfield Grant		66.818	BF-00E93401	<u>234,727</u>
Total - Environmental Protection Agency				<u>236,671</u>
<u>Department of Energy</u>				
ARRA - Energy Efficiency and Conservation				
Block Grant Program (EECBG)	Direct grant			
		81.128	DE-SC0003221	<u>91,150</u>
<u>Election Assistance Commission</u>				
Help America Vote Act Requirements Payments	Secretary of State			
H.A.V.A. Grant 106-190		90.401	0630803INVOTE03	<u>26,636</u>
Total - Election Assistance Commission				<u>26,636</u>
<u>Department of Health and Human Services</u>				
Medical Reserve Corps Small Grant Program	National Association of County and City Health Officials			
NACCHO Grant		93.008		<u>767</u>
Project Grants and Cooperative Agreements				
for Tuberculosis Control Programs	Indiana State Department of Health			
Tuberculosis Fund 227-980		93.116		<u>500</u>
Childhood Lead Poisoning Prevention Projects -				
State and Local Childhood Lead Poisoning Prevention	Indiana State Department of Health			
and Surveillance of Blood Levels in Children		93.197	CLP 119-24	<u>44,935</u>
Centers for Disease Control and Prevention -				
Investigations and Technical Assistance	Indiana State Department of Health			
Public Health Coordinator		93.283		<u>10,943</u>
Child Support Enforcement	Indiana Department of Child Services			
Clerk		93.563		395,163
Prosecutor				804,874
Court				138,627
Incentive				104,929
Indirect				<u>219,962</u>
Total Child Support Enforcement				<u>1,663,555</u>
State Court Improvement Program	Supreme Court of Indiana			
		93.586	022FG1101INSCIT	<u>2,550</u>
National Bioterrorism Hospital Preparedness Program	Indiana Department of Health			
		93.889	BHP 119-3	<u>4,990</u>

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Health and Human Services (continued)</u>				
HIV Prevention Activities - Health Department Based	Indiana Department of Health	93.940	AIDS 119-6	<u>41,670</u>
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems Diabetes Grant	Indiana State Department of Health	93.988	12551094 DG	<u>1,291</u>
Maternal and Child Health Services Block Grant to the States M.C.H. Grant 126-311	Indiana State Department of Health	93.994	MCH 119-2	17,183
M.C.H. Grant 126-611		93.994	MCH 119-1	<u>183,039</u>
Total - Maternal and Child Health Services Block Grants to States				<u>200,222</u>
Total - Department of Health and Human Services				<u>1,971,423</u>
<u>Department of Homeland Security</u>				
Disaster Grants - Public Assistance	Indiana Department of Homeland Security	97.036		<u>11,356</u>
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-2-088A C44P-2-327A	3,622 <u>55,831</u>
Total - Emergency Management Performance Grants				<u>59,453</u>
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	C44P-2-050A C44P-2-402A	90,000 <u>547</u>
Total - Homeland Security Grant Program				<u>90,547</u>
Total - Department of Homeland Security				<u>161,356</u>
Total federal awards expended				<u>\$ 5,536,255</u>

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

ELKHART COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Subrecipients

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

Program Title	Federal CFDA Number	2012
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	\$ 32,939
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	290,096
Equitable Sharing Program	16.922	104,173

ELKHART 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
14.900	Lead-Based Paint Hazard Control in Privately-Owned Housing CDBG - State Administered CDBG Cluster Highway Planning and Construction Cluster
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2012-1 - INTERNAL CONTROLS OVER SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The County did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

ELKHART COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

During the audit of the SEFA, we noted the following errors: the schedule did not include Pass-Through Agencies when applicable; award numbers were not included; two major grants, CFDA 14.900 and 14.228, were omitted from the schedule for \$301,608 and \$292,091, respectively; the CFDA numbers for two other major grants, CFDA 20.205 and 93.563, were not included on the schedule and the amounts that were included were understated by \$366,382 and \$1,558,626, respectively; there was a total of \$930,055 of non-major grants omitted from the schedule; and there were many grants in which the name did not agree with the Catalog of Federal Domestic Assistance. Audit adjustments were proposed and accepted by the County, and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation to the financial statements.

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)

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

OMB Circular A-133, Subpart C, section .310 states in part:

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.

ELKHART COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-2 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO HIGHWAY PLANNING AND CONSTRUCTION CLUSTER

Federal Agency: Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
State Award Number: DES 1005591
Pass-Through Entity: Indiana Department of Transportation

Management of Elkhart County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and cash management compliance requirement. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

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

The grant consists of several projects, some of which are handled through the Elkhart County Highway Department and some of which go through the Elkhart County Park Department. All projects are on a reimbursement basis based on the terms of the grant agreement. One of the projects handled through the Park Department is for the Pumpkinvine Nature Trail. For the Pumpkinvine project, payments to vendors were made on August 27, 2012, September 24, 2012, and December 17, 2012, but the corresponding reimbursements were received on August 17, 2012, September 7, 2012, and October 8, 2012.

Requests for reimbursement from the Indiana Department of Transportation are prepared by Park Department personnel and forwarded to the County Auditor for review and approval. Copies of the invoices for the vendor payments should be included with the reimbursement form along with proof that the check has been issued to the vendor. The Auditor's office personnel are not receiving copies of the invoices from the Park Department and no one in the County Auditor's office is reviewing the dates checks are issued to vendors to ensure that payments have been made prior to reimbursements being requested.

ELKHART COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

49 CFR 18.21 (d) states:

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

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

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

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

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and cash management compliance requirement.

FINDING 2012-3 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO LEAD-BASED PAINT HAZARD CONTROL IN PRIVATELY-OWNED HOUSING

Federal Agency: Housing and Urban Development
Federal Program: Lead-Based Paint Hazard Control in Privately-Owned Housing
CFDA Number: 14.900
Federal Award Number: INLHB0541-12

Management of Elkhart County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement cash management compliance requirement. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

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

ELKHART COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Elkhart County received a grant to be used to rehabilitate homes with high concentrations of lead. Per the terms of the grant agreement, this was to be a reimbursement grant. Grant expenditures were to be paid at the local level and a LOCCS VRS - Request Voucher for Grant Payment was to be submitted to the Department of Housing and Urban Development for reimbursement. In reviewing the payment requests and discussing the issue with officials, it was determined that the reimbursement requests included estimated expenses rather than expenses paid. For example, the request dated July, 30, 2012 (received on August 30, 2012) included personnel expenses for the period June 1, 2012 through September 30, 2012. The request dated September 26, 2012 (received October 1, 2012) included amounts for the totals of contracts signed for rehabilitation work although the work had not yet been completed or paid.

24 CFR 85.21 (d) states:

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

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

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

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

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and cash management compliance requirement.

Elkhart County Auditor's Office

July 26, 2013

State Board of Accounts

Annual Audit 2012 Corrective Action

Finding 2012-1 – INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING – SEFA

The management of Elkhart County has reviewed the findings and offer the following corrective action:

The Grant Administrator will be responsible for maintaining a complete schedule for all grants utilizing a form presented at the Auditor's Spring 2005 Conference. The form will be completed in its entirety. A separate account number will be used to distinguish Federal Grants and State Grants. Each County entity applying for a grant will be required to submit copies of all applications, awards and reports to the Auditor's office to facilitate completion of our forms. Each grant is tracked by Fund, Department and Account number. A separate list of all grants will be supplied as a checklist for the annual report.

Respectfully submitted,



Pauline E. Graff
Elkhart County Auditor

/peg

CORRECTIVE ACTION PLAN

Finding Number 2012-2

Auditee Contact Person Larry Neff
Title of Contact Person Director of Parks
Phone Number 574-535-6458

Description of action taken to correct finding:

We will first pay a bill/claim BEFORE any money on a reimbursement is distributed per SBA.

Signed: 
Date: 7-31-13



Elkhart County Lead Hazard Control Program

Preventing Lead Poisoning One Home at a Time!

CORRECTIVE ACTION PLAN

August 6, 2013

Finding Number 2012-3

Elkhart Lead Hazard/Healthy Homes Grant Phase 2

Auditee Contact Person: Kristine Krueger
Title of Contact Person: Elkhart County Grants Administrator
Phone Number: (574) 535-6746

Description of action taken to correct finding:

Elkhart County and the Elkhart County Lead Hazard Control & Healthy Homes Program (Program) have taken steps to educate and reinforce the definition of "reimbursement" to ensure everyone involved with the Program follows the correct procedures when paying expenditures and drawing down from HUD's Line of Credit Control System (LOCCS).

As requested by HUD, the Program has submitted certification that Lead Hazard Control funds for Grant #INLHB0541-12 are dealt as reimbursement. This certification letter was signed by Terry Rodino, President of Elkhart County Board of Commissioners and Pauline Graff, Elkhart County Auditor. (See attached letter.)

Respectfully,

A handwritten signature in blue ink that reads "Kristine Krueger".

Kristine A Krueger
County Grants Administrator
Program Fiscal Manager

Elkhart County Lead Hazard Control Program
117 N. Second Street
Goshen, IN 46526
(574) 535-6746

Ms Yolanda Domneys
Senior Technical Assistance Specialist
US Department of Housing and Urban Development
451 7th Street SN Room 823
Washington DC 20410

July 29, 2013

RE: Elkhart County Lead Hazard Healthy Home Program (Grant #INLHB0541-12)

Dear Ms Yolanda Domneys:

Elkhart County Administration wishes to provide you and the Department of Housing and Urban Development clarification of a misperception.

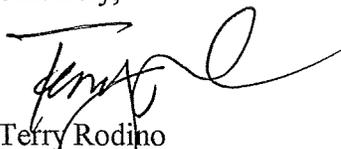
This letter shall act as the County's certification that **all funds** requested, drawn down and received from HUD for the Lead Hazard Healthy Home Grant are done so strictly on a cost reimbursement basis.

Program Manager and Director personally review all invoices to be paid. If work has been completed in regard to that invoice, it is approved, signed and sent to the Program Fiscal Manager. This individual verifies invoice information, posts to the program ledger and submits said invoices to the County Auditor's Office who also reviews, then posts to the County ledger and sends payment.

Understanding the process and requirements of receiving funding (reimbursement) prior to any incurred expenses related to this award, the County Commissioners and County Council approved and allocated to the program the full grant amount. The County allocated the full grant amount at the beginning of our performance period. This has allowed a foundation for which the program can in an efficient and timely manner provide payment for completed services and/or work. In addition, this also provides Program Staff with the assurance that expenses are being paid between draw down requests and that grant funds are indeed used to reimburse the County.

Please feel free to contact either of us if there are any questions or further information is needed.

Sincerely,



Terry Rodino
Board of Commissioners, President



Pauline Graff
Elkhart County Auditor

ELKHART COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 26, 2013, with Pauline E. Graff, Auditor; Terry Rodino, President of the Board of County Commissioners; and David L. Hess, Vice President of the County Council.