

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

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



**FILED**  
09/17/2013



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Billie J. Tumey Jody Edwards	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Treasurer	Paula R. Stewart	10-28-09 to 12-31-16
Clerk	Myron D. Rainey	01-01-09 to 12-31-16
Sheriff	Samuel J. Craig	01-01-11 to 12-31-14
Recorder	Jessica Allen	01-01-09 to 12-31-16
President of the Board of County Commissioners	Christopher May William Spreen	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	James R. Edwards Eugene K. McCracken	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF LAWRENCE COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of Lawrence 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 13, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

***Accompanying Information***

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other 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 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 13, 2013



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

TO: THE OFFICIALS OF LAWRENCE 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 Lawrence 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 13, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

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

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

***Lawrence 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 13, 2013

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## FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

LAWRENCE 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	\$ 2,721,224	\$ 53,072,714	\$ 52,275,086	\$ 3,518,852
ACCIDENT REPORT	3,751	4,646	1,057	7,340
AVIATION	11,333	142,262	149,299	4,296
BID DEPOSITS AND BOND HOLDING	140	-	-	140
CAGIT COUNTY CERTIFIED SHARES	-	5,704,597	5,704,597	-
CHILD ADVOCACY	200	-	-	200
CITY AND TOWN COURT COSTS	9,352	13,157	9,296	13,213
CLERKS RECORDS PERPETUATION	5,955	27,215	25,831	7,339
COMMUNITY CORRECTIONS	18,516	246,314	235,053	29,777
COMMUNITY TRANSITION PROGRAM	3,195	21,385	19,650	4,930
SALES DISCLOSURE - COUNTY SHARE	8,379	4,520	5,407	7,492
COVERED BRIDGE	25,598	1,850	-	27,448
CUMULATIVE BRIDGE	2,122,959	1,060,722	1,714,457	1,469,224
CUMULATIVE CAPITAL DEVELOPMENT	1,219,148	175,220	532,069	862,299
DRUG FREE COMMUNITY	36,481	47,064	35,900	47,645
ECONOMIC DEVELOPMENT FEE	500	112,980	112,980	500
EMERGENCY PLANNING/RIGHT TO KNOW	4,249	20,009	6,277	17,981
EMERGENCY TELEPHONE SYSTEM	57,795	124,581	182,376	-
FIREARMS TRAINING	60,447	21,805	30,700	51,552
HEALTH	128,766	198,262	268,927	58,101
LOCAL HEALTH MAINTENANCE	85,466	41,050	60,266	66,250
LOCAL ROAD AND STREET	139,110	384,276	351,783	171,603
LOIT PUBLIC SAFETY - COUNTY SHARE	203,522	967,574	836,967	334,129
MISDEMEANANT	70,798	52,550	47,595	75,753
MOTOR VEHICLE HIGHWAY	1,457,899	3,008,013	2,884,421	1,581,491
PLAT BOOK	7,907	9,927	13,040	4,794
RAINY DAY	2,216,220	-	-	2,216,220
REASSESSMENT 2009	252,131	-	197,508	54,623
REASSESSMENT 2015	339,169	332,782	1,000	670,951
RECORDERS RECORDS PERPETUATION	32,296	62,374	65,641	29,029
RIVERBOAT	165,431	-	-	165,431
SEX AND VIOLENT OFFENDER ADMIN	5,702	2,872	2,118	6,456
SHERIFF'S PENSION TRUST	3,271	21,483	21,366	3,388
SUPPLEMENTAL PUBLIC DEFENDER	31,271	17,106	22,858	25,519
SURPLUS TAX	15,303	122,988	53,708	84,583
SURVEYOR CORNER PERPETUATION	48,551	8,548	5,069	52,030
TAX SALE FEES	296,280	628,824	335,162	589,942
TAX SALE REDEMPTION	1,270	146,578	147,848	-
TOBACCO SETTLEMENT GRANT	66,755	24,800	15,065	76,490
WIRELESS 911	290,323	74,691	365,014	-
GUARDIAN AD LITEM	6,082	4,974	8,927	2,129
AUDITORS INELIGIBLE DEDUCTIONS	-	16,730	2,473	14,257
COUNTY ELECTED OFFICIAL TRAINING	1,452	3,799	100	5,151
COUNTY OFFENDER TRANSPORTATION	63	63	-	126
STATEWIDE 911	-	558,760	211,699	347,061
ADULT PROBATION	3,995	82,299	85,175	1,119
JUVENILE PROBATION	21,946	14,061	29,347	6,660
ALTERNATIVE DISPUTE RESOLUTION	8,560	6,020	8,850	5,730
FAMILY RELATIONS FUND	3,671	10,785	9,255	5,201
RECORDER REDACTING FEE	72,459	6,015	806	77,668
LAW ENFORCEMENT CONT ED EXPENSE	5,048	-	1,276	3,772
COUNTY USER FEES	127,665	9,139	4,996	131,808
LAWRENCE CO POLICE TRAINING	5,319	-	769	4,550
NON-VIOLENCE PROGRAM- PROB SOLVING	3,724	19,745	21,357	2,112
INFRACTION DEFERRAL FEES	16,687	39,381	37,344	18,724
JURY FEE FUND	392	5,688	4,429	1,651
COMPAS	82	450	386	146
ADAPT USER FEES	1,696	91,958	88,807	4,847
CIRCUIT COURT BAIL FEES	4,411	4,549	6,266	2,694
SUPER 1 BAIL FEES	7,667	8,126	9,915	5,878
SUPER II BAIL FEES	3,945	18,604	18,302	4,247
WORK RELEASE	61,089	-	-	61,089

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

LAWRENCE 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
OVWI TRUST FEE	118	-	-	118
CRIME CONTROL	-	11,394	11,394	-
PROJECT INCOME	196,723	112,875	132,842	176,756
ACCIDENT INVESTIGATION	11,491	2,910	1,152	13,249
PROBATION ADMIN FEE	2,652	32,957	35,068	541
PRE TRIAL DIVERSION	18,901	34,420	43,952	9,369
SHERIFF SALE ADMINISTRATION	32,115	40,880	23,300	49,695
DARE SHERIFF DONATIONS FUND	8,791	3,834	5,169	7,456
PROBATION GIFTS TRUST	228	-	-	228
EXTENSION OFFICE DONATIONS	424	-	-	424
SHERIFF DONATIONS	1,500	-	-	1,500
4700501T-HANGAR GRANT	(3,500)	3,500	-	-
LAWRENCE COUNTY REDEVELOPMENT	47,246	461,557	393,327	115,476
LAW CO REDEVELOP MILL CREEK	-	64	43	21
JAIL LEASE RENTAL	7,745	7,324	635	14,434
COURTHOUSE PLAZA LEASE/RENTAL	56,343	243,135	260,601	38,877
EXTENSION BLDG LEASE/RENTAL	87,985	244,493	184,838	147,640
COUNTY LEASE RENTAL	2,216	-	2,216	-
SELF INSURANCE	997,068	2,144,970	1,697,691	1,444,347
WELFARE TRUST	42,656	-	-	42,656
AVIATION FUEL FUND	26,316	76,500	65,470	37,346
GUN RANGE	11,295	-	11,295	-
PROSECUTOR CEF	17,428	-	2,699	14,729
DRUG SEIZURE	11,864	1,134	5,607	7,391
ISP MARIJUANA EXTRICATION #1	77	-	-	77
ISP MARIJUANA EXTRICATION #2	7,311	1,470	-	8,781
IMMUNIZATION	36,838	13,566	11,730	38,674
PANDEMIC FLU	2,226	-	72	2,154
SAFE HAVEN NLCS GRANT	674	6,488	7,034	128
PCA CHILD SUPPORT ENFORCEMENT	4,614	28,571	33,185	-
2008 TAX SALE SURPLUS	2,840	-	-	2,840
DUNN COUNTY RENTAL	321,259	2,530	26,908	296,881
DH POST CLOSING	3,989,713	457,906	531,498	3,916,121
OLD PROJECT INCOME	760	140	-	900
INVESTIGATOR'S CASH FUND	572	-	-	572
TAX SALE REIMBURSEMENT	-	34,855	5,950	28,905
EMERGENCY MANAGEMENT	9,406	63,410	55,983	16,833
2012 COMMISSIONER SALE	-	88,549	61,548	27,001
PAYROLL	519,082	5,116,783	5,468,080	167,785
SETTLEMENT	105,981	36,219,634	36,271,920	53,695
LOIT PUBLIC SAFETY	-	1,901,532	1,901,532	-
CAGIT PTRC	-	1,902,097	1,902,097	-
WHEEL TAX/SURTAX COMBINED	-	1,225,975	1,225,935	40
CVET AGENCY	-	281,542	281,542	-
FINANCIAL INSTITUTIONS TAX	-	224,418	224,418	-
HEA 1001-2008 STATE HOMESTEAD	1,110	-	-	1,110
HOMESTEAD CREDIT REBATE	81	-	-	81
LOIT PTRC	136,621	3,803,063	3,303,497	636,187
STATE FINES AND FORFEITURES	-	600	500	100
INFRACTION JUDGEMENTS	-	37,414	37,414	-
OVERWEIGHT VEHICLE FINES	-	100	100	-
SPECIAL DEATH BENEFIT	-	2,735	2,735	-
STATE DISCLOSURE-STATE SHARE	298	4,520	4,543	275
CORONER'S TRAINING & CON'T EDUCATION	315	4,863	4,781	397
INTERSTATE COMPACT - STATE SHARE	63	62	125	-
MORTGAGE RECORDING FEES - STATE SHARE	348	4,128	4,100	376
DLGF HOMESTEAD PROP. DATABASE	-	13	13	-
SEX AND VIOLENT OFFENDER ADMIN	-	1,781	1,781	-
CHILD RESTRAINT VIOLATIONS FINES	-	1,375	1,375	-
INHERITANCE TAX	113,300	677,588	624,569	166,319
EDUCATION PLATE FEE AGENCY	573	788	788	573
RIVERBOAT REVENUE SHARING	2,002	273,294	273,294	2,002

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

LAWRENCE 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
INNKEEPERS TAX COLLECTIONS	-	251,125	251,125	-
SURPLUS/EXCESS 2007 PLUS	18,633	-	11,174	7,459
EXCESS CAGIT	3	-	-	3
2010 TAX SALE SURPLUS	30,487	-	4,302	26,185
2010 TAX SALE REDEMPTION	882	-	-	882
JUNE 2012 SETTLEMENT CORRECT	3,288	2,059	5,347	-
SURPLUS DOG	1,987	-	-	1,987
PCA CHILD SUPPORT	-	6,156	776	5,380
RUNWAY PAVING GRANT	15,798	265,649	274,858	6,589
HAVA TITLE III GRANT	4,839	-	-	4,839
06JF017 JUVENILE DETENTION ALT	5,702	-	-	5,702
09-JB-010 JDAP09	-	1,332	1,332	-
COURT REFORM GRANT	21,893	-	12,531	9,362
06-JB-204 JDAP10	-	-	1,879	(1,879)
10VAPR187 VICTIM ASSISTANCE GR	(8,943)	38,952	40,506	(10,497)
C44P-2-251A 2011 SHSP (EQUIP)	-	50,774	58,572	(7,798)
10-DJ-090 EQUIP GRANT (PROB.)	-	5,300	5,300	-
SUPREME COURT GRANT - PROB SOLV	-	3,500	-	3,500
2012 DATA SHARE GRANT	-	2,000	-	2,000
93.563 ARRA COUNTY IV-D INCENTIVE	-	215	215	-
93.563 ARRA CLERK IV-D INCENTIVE	784	1,497	715	1,566
93.563 COUNTY IVD INCENTIVE	51,483	48,308	7,402	92,389
93.563 PROS IV-D INCENTIVE POS	93,650	70,714	21,795	142,569
93.563 CLERK IV-D INCENTIVE POST '99	152,590	30,159	57,039	125,710
LEP SUBGRANT FEMA - PLANNING	16	-	-	16
BIO-TERRORISM PREPAREDNESS	1,240	-	-	1,240
BIO-TERRORISM DISTRICT GRANT	66	-	-	66
BIO-TERRORISM DISTRICT PART 2	941	-	191	750
08A-DJ-057 OVWI DRUG COURT	(774)	99,776	106,707	(7,705)
BPRS 146-2 PUBLIC HEALTH COORD	13,560	-	8,285	5,275
HOMELAND SECURITY 2006 GRANT	71	-	-	71
09RT003 PATHWAYS TO RECOVERY	(18,684)	69,522	66,940	(16,102)
06ST063 DV/SEXUAL ASSAULT PREV	3	-	-	3
FAMILY COURT GRANT	3,925	11,300	13,904	1,321
K8-2011-03-03-19 OPERATION PUL	3,161	20,188	23,642	(293)
TAP-TEG BOOT CAMP (LCC)	1	3,000	3,030	(29)
TAP-TEG DCLCC-10 (LLC)	1,744	3,600	2,234	3,110
022T IN SUPREME COURT GRANT	2,500	-	2,500	-
C449-0-075A ACAMS	(58,946)	82,279	23,268	65
C44P-9-818A DISTRICT 8 CORR DIN	(7,639)	34,661	26,327	695
09-JF-012 JUV DETENTION ALTERN	71	-	-	71
PUBLIC HEALTH PREPAREDNESS GRA	(9,524)	10,490	11,840	(10,874)
TAP-TEG ERT TRAINING (LLC)	4,122	-	3,533	589
SHSP GRANT	8,551	164	15,298	(6,583)
C440-0-075A WEBGIS GRANT	(2,748)	2,748	-	-
HD-009-011 INDIANA HOUSING GRA	1	-	-	1
97.042 EMA COMPETITIVE GRANT	2,120	-	-	2,120
97.073 EXERCISE & TRAINING GRANT	(4,222)	30,358	27,295	(1,159)
97. SHSP GRANT	(714)	120,563	143,278	(23,429)
START THE PEACE GRANT	285	-	274	11
NATIONAL FOREST	-	-	1,200	(1,200)
16.738 JAG SHERIFF GRANT	(123)	-	-	(123)
TOBACCO SETTLEMENT GRANT	(2,514)	38,497	779	35,204
C44P-2-037A FIRE TRAINING GR	(4,673)	48,559	64,155	(20,269)
PLEASANT RUN FIRE DEPT GRANT	4,160	366,786	370,946	-
IN LOCAL HEALTH DEPT TRST ACCT	-	-	4,803	(4,803)
TREASURER AFTER SETTLEMENT COLLECTIONS	1,122,338	1,164,190	1,122,338	1,164,190
CLERK TRUST - CSI	472,273	2,852,948	2,838,095	487,126
CLERK'S TRUST	77,229	-	865	76,364
CLERK'S ISETS	13,665	1,235,794	1,243,057	6,402
SHERIFF INMATE TRUST	8,858	227,861	224,817	11,902
SHERIFF COMMISSARY	62,769	120,985	123,990	59,764

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

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

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
SHERIFF EVIDENCE	15,575	-	890	14,685
AVIATION CHECKING	20,637	9,649	25,272	5,014
PROSECUTOR'S BAD CHECK COLLECTIONS	2,139	45,829	46,287	1,681
Totals	<u>\$ 21,480,821</u>	<u>\$ 130,988,109</u>	<u>\$ 129,733,124</u>	<u>\$ 22,735,806</u>

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

LAWRENCE 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.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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

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

*E. Disbursements*

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

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

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

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

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

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

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

*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.

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

*B. County Police Retirement Plan*

*Plan Description*

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

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*Funding Policy*

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

**C. County Police Benefit Plan**

*Plan Description*

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

*Funding Policy*

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

**Note 7. Restatement of County Offices**

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

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of grants functioning on a reimbursement basis.

LAWRENCE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9.  *Holding Corporation***

The County has entered into a capital lease with Courthouse Annex 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 \$260,601.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the County which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the County. It is presented as intended by the County.

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

	GENERAL	ACCIDENT REPORT	AVIATION	BID DEPOSITS AND BOND HOLDING	CAGIT COUNTY CERTIFIED SHARES	CHILD ADVOCACY	CITY AND TOWN COURT COSTS
Cash and investments - beginning	\$ 2,721,224	\$ 3,751	\$ 11,333	\$ 140	\$ -	\$ 200	\$ 9,352
Receipts:							
Taxes	7,840,270	-	64,012	-	5,704,597	-	-
Intergovernmental	891,681	-	7,977	-	-	-	-
Charges for services	1,322,390	4,646	39,965	-	-	-	-
Fines and forfeits	180,901	-	-	-	-	-	13,157
Other receipts	42,837,472	-	30,308	-	-	-	-
Total receipts	<u>53,072,714</u>	<u>4,646</u>	<u>142,262</u>	<u>-</u>	<u>5,704,597</u>	<u>-</u>	<u>13,157</u>
Disbursements:							
Personal services	8,285,690	-	21,438	-	-	-	-
Supplies	236,567	1,057	19,071	-	-	-	-
Other services and charges	1,752,424	-	55,289	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	30,238	-	6,746	-	-	-	-
Other disbursements	41,970,167	-	46,755	-	5,704,597	-	9,296
Total disbursements	<u>52,275,086</u>	<u>1,057</u>	<u>149,299</u>	<u>-</u>	<u>5,704,597</u>	<u>-</u>	<u>9,296</u>
Excess (deficiency) of receipts over disbursements	<u>797,628</u>	<u>3,589</u>	<u>(7,037)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,861</u>
Cash and investments - ending	<u>\$ 3,518,852</u>	<u>\$ 7,340</u>	<u>\$ 4,296</u>	<u>\$ 140</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ 13,213</u>

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

	CLERKS RECORDS PERPETUATION	COMMUNITY CORRECTIONS	COMMUNITY TRANSITION PROGRAM	SALES DISCLOSURE COUNTY SHARE	COVERED BRIDGE	CUMULATIVE BRIDGE	CUMULATIVE CAPITAL DEVELOPMENT
Cash and investments - beginning	\$ 5,955	\$ 18,516	\$ 3,195	\$ 8,379	\$ 25,598	\$ 2,122,959	\$ 1,219,148
Receipts:							
Taxes	-	-	-	-	1,850	803,174	155,804
Intergovernmental	4,378	246,314	21,385	-	-	100,092	19,416
Charges for services	22,545	-	-	4,520	-	-	-
Fines and forfeits	292	-	-	-	-	-	-
Other receipts	-	-	-	-	-	157,456	-
Total receipts	<u>27,215</u>	<u>246,314</u>	<u>21,385</u>	<u>4,520</u>	<u>1,850</u>	<u>1,060,722</u>	<u>175,220</u>
Disbursements:							
Personal services	-	199,062	-	-	-	269,666	-
Supplies	258	10,904	-	-	-	219,704	-
Other services and charges	25,573	14,431	19,650	5,407	-	218,457	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,006,630	532,069
Other disbursements	-	10,656	-	-	-	-	-
Total disbursements	<u>25,831</u>	<u>235,053</u>	<u>19,650</u>	<u>5,407</u>	<u>-</u>	<u>1,714,457</u>	<u>532,069</u>
Excess (deficiency) of receipts over disbursements	<u>1,384</u>	<u>11,261</u>	<u>1,735</u>	<u>(887)</u>	<u>1,850</u>	<u>(653,735)</u>	<u>(356,849)</u>
Cash and investments - ending	<u>\$ 7,339</u>	<u>\$ 29,777</u>	<u>\$ 4,930</u>	<u>\$ 7,492</u>	<u>\$ 27,448</u>	<u>\$ 1,469,224</u>	<u>\$ 862,299</u>

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

	DRUG FREE COMMUNITY	ECONOMIC DEVELOPMENT FEE	EMERGENCY PLANNING/RIGHT TO KNOW	EMERGENCY TELEPHONE SYSTEM	FIREARMS TRAINING	HEALTH	LOCAL HEALTH MAINTENANCE
Cash and investments - beginning	\$ 36,481	\$ 500	\$ 4,249	\$ 57,795	\$ 60,447	\$ 128,766	\$ 85,466
Receipts:							
Taxes	-	-	-	-	-	96,622	-
Intergovernmental	-	-	20,009	-	-	12,041	41,050
Charges for services	-	-	-	124,581	21,805	68,564	-
Fines and forfeits	47,064	112,980	-	-	-	-	-
Other receipts	-	-	-	-	-	21,035	-
Total receipts	<u>47,064</u>	<u>112,980</u>	<u>20,009</u>	<u>124,581</u>	<u>21,805</u>	<u>198,262</u>	<u>41,050</u>
Disbursements:							
Personal services	-	-	-	23,261	-	258,437	2,672
Supplies	-	-	178	-	-	1,651	2,289
Other services and charges	-	-	4,509	104,198	30,700	8,839	16,808
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	1,590	-	-	-	-
Other disbursements	35,900	112,980	-	54,917	-	-	38,497
Total disbursements	<u>35,900</u>	<u>112,980</u>	<u>6,277</u>	<u>182,376</u>	<u>30,700</u>	<u>268,927</u>	<u>60,266</u>
Excess (deficiency) of receipts over disbursements	<u>11,164</u>	<u>-</u>	<u>13,732</u>	<u>(57,795)</u>	<u>(8,895)</u>	<u>(70,665)</u>	<u>(19,216)</u>
Cash and investments - ending	<u>\$ 47,645</u>	<u>\$ 500</u>	<u>\$ 17,981</u>	<u>\$ -</u>	<u>\$ 51,552</u>	<u>\$ 58,101</u>	<u>\$ 66,250</u>

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

	LOCAL ROAD AND STREET	LOIT PUBLIC SAFETY - COUNTY SHARE	MISDEMEANANT	MOTOR VEHICLE HIGHWAY	PLAT BOOK	RAINY DAY	REASSESSMENT 2009
Cash and investments - beginning	\$ 139,110	\$ 203,522	\$ 70,798	\$ 1,457,899	\$ 7,907	\$ 2,216,220	\$ 252,131
Receipts:							
Taxes	-	967,574	-	932,618	-	-	-
Intergovernmental	384,276	-	-	1,944,436	-	-	-
Charges for services	-	-	-	-	9,927	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	52,550	130,959	-	-	-
Total receipts	384,276	967,574	52,550	3,008,013	9,927	-	-
Disbursements:							
Personal services	-	324,514	-	1,223,960	9,451	-	31,988
Supplies	190,934	149,990	14,203	299,031	2,639	-	2,821
Other services and charges	-	318,463	11,392	1,343,209	950	-	162,473
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	160,849	44,000	22,000	18,146	-	-	226
Other disbursements	-	-	-	75	-	-	-
Total disbursements	351,783	836,967	47,595	2,884,421	13,040	-	197,508
Excess (deficiency) of receipts over disbursements	32,493	130,607	4,955	123,592	(3,113)	-	(197,508)
Cash and investments - ending	\$ 171,603	\$ 334,129	\$ 75,753	\$ 1,581,491	\$ 4,794	\$ 2,216,220	\$ 54,623

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

	REASSESSMENT 2015	RECORDERS RECORDS PERPETUATION	RIVERBOAT	SEX AND VIOLENT OFFENDER ADMIN	SHERIFF'S PENSION TRUST	SUPPLEMENTAL PUBLIC DEFENDER	SURPLUS TAX
Cash and investments - beginning	\$ 339,169	\$ 32,296	\$ 165,431	\$ 5,702	\$ 3,271	\$ 31,271	\$ 15,303
Receipts:							
Taxes	295,906	-	-	-	-	-	122,988
Intergovernmental	36,876	-	-	-	-	-	-
Charges for services	-	62,374	-	2,872	-	-	-
Fines and forfeits	-	-	-	-	21,483	17,106	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>332,782</u>	<u>62,374</u>	<u>-</u>	<u>2,872</u>	<u>21,483</u>	<u>17,106</u>	<u>122,988</u>
Disbursements:							
Personal services	-	27,221	-	-	21,366	-	-
Supplies	-	38,420	-	-	-	22,858	-
Other services and charges	1,000	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,118	-	-	53,708
Total disbursements	<u>1,000</u>	<u>65,641</u>	<u>-</u>	<u>2,118</u>	<u>21,366</u>	<u>22,858</u>	<u>53,708</u>
Excess (deficiency) of receipts over disbursements	<u>331,782</u>	<u>(3,267)</u>	<u>-</u>	<u>754</u>	<u>117</u>	<u>(5,752)</u>	<u>69,280</u>
Cash and investments - ending	<u>\$ 670,951</u>	<u>\$ 29,029</u>	<u>\$ 165,431</u>	<u>\$ 6,456</u>	<u>\$ 3,388</u>	<u>\$ 25,519</u>	<u>\$ 84,583</u>

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

	SURVEYOR CORNER PERPETUATION	TAX SALE FEES	TAX SALE REDEMPTION	TOBACCO SETTLEMENT GRANT	WIRELESS 911	GUARDIAN AD LITEM	AUDITORS INELIGIBLE DEDUCTIONS
Cash and investments - beginning	\$ 48,551	\$ 296,280	\$ 1,270	\$ 66,755	\$ 290,323	\$ 6,082	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	16,730
Intergovernmental	-	-	-	24,800	-	4,974	-
Charges for services	8,548	628,824	146,578	-	74,691	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,548</u>	<u>628,824</u>	<u>146,578</u>	<u>24,800</u>	<u>74,691</u>	<u>4,974</u>	<u>16,730</u>
Disbursements:							
Personal services	-	-	-	330	-	-	-
Supplies	69	-	-	1,874	-	-	-
Other services and charges	5,000	-	-	8,815	12,487	8,927	2,473
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	4,046	27,684	-	-
Other disbursements	-	335,162	147,848	-	324,843	-	-
Total disbursements	<u>5,069</u>	<u>335,162</u>	<u>147,848</u>	<u>15,065</u>	<u>365,014</u>	<u>8,927</u>	<u>2,473</u>
Excess (deficiency) of receipts over disbursements	<u>3,479</u>	<u>293,662</u>	<u>(1,270)</u>	<u>9,735</u>	<u>(290,323)</u>	<u>(3,953)</u>	<u>14,257</u>
Cash and investments - ending	<u>\$ 52,030</u>	<u>\$ 589,942</u>	<u>\$ -</u>	<u>\$ 76,490</u>	<u>\$ -</u>	<u>\$ 2,129</u>	<u>\$ 14,257</u>

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

	COUNTY ELECTED OFFICIAL TRAINING	COUNTY OFFENDER TRANSPORTATION	STATEWIDE 911	ADULT PROBATION	JUVENILE PROBATION	ALTERNATIVE DISPUTE RESOLUTION	FAMILY RELATIONS FUND
Cash and investments - beginning	\$ 1,452	\$ 63	\$ -	\$ 3,995	\$ 21,946	\$ 8,560	\$ 3,671
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,799	-	179,173	-	-	-	-
Fines and forfeits	-	63	-	82,299	14,061	6,020	10,785
Other receipts	-	-	379,587	-	-	-	-
Total receipts	3,799	63	558,760	82,299	14,061	6,020	10,785
Disbursements:							
Personal services	-	-	25,423	85,175	23,330	8,850	-
Supplies	-	-	-	-	-	-	-
Other services and charges	100	-	175,870	-	119	-	9,255
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	9,854	-	-	-	-
Other disbursements	-	-	552	-	5,898	-	-
Total disbursements	100	-	211,699	85,175	29,347	8,850	9,255
Excess (deficiency) of receipts over disbursements	3,699	63	347,061	(2,876)	(15,286)	(2,830)	1,530
Cash and investments - ending	\$ 5,151	\$ 126	\$ 347,061	\$ 1,119	\$ 6,660	\$ 5,730	\$ 5,201

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

	RECORDER REDACTING FEE	LAW ENFORCEMENT CONT ED EXPENSE	COUNTY USER FEES	LAWRENCE GO POLICE TRAINING	NON-VIOLENCE PROGRAM- PROB SOLVING	INFRACTION DEFERRAL FEES	JURY FEE FUND
Cash and investments - beginning	\$ 72,459	\$ 5,048	\$ 127,665	\$ 5,319	\$ 3,724	\$ 16,687	\$ 392
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	6,015	-	-	-	-	-	-
Fines and forfeits	-	-	9,139	-	19,745	38,940	5,688
Other receipts	-	-	-	-	-	441	-
Total receipts	<u>6,015</u>	<u>-</u>	<u>9,139</u>	<u>-</u>	<u>19,745</u>	<u>39,381</u>	<u>5,688</u>
Disbursements:							
Personal services	-	-	-	-	21,108	11,916	-
Supplies	806	-	-	-	249	403	-
Other services and charges	-	1,276	4,996	769	-	5,133	4,429
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	17,640	-
Other disbursements	-	-	-	-	-	2,252	-
Total disbursements	<u>806</u>	<u>1,276</u>	<u>4,996</u>	<u>769</u>	<u>21,357</u>	<u>37,344</u>	<u>4,429</u>
Excess (deficiency) of receipts over disbursements	<u>5,209</u>	<u>(1,276)</u>	<u>4,143</u>	<u>(769)</u>	<u>(1,612)</u>	<u>2,037</u>	<u>1,259</u>
Cash and investments - ending	<u>\$ 77,668</u>	<u>\$ 3,772</u>	<u>\$ 131,808</u>	<u>\$ 4,550</u>	<u>\$ 2,112</u>	<u>\$ 18,724</u>	<u>\$ 1,651</u>

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

	COMPAS	ADAPT USER FEES	CIRCUIT COURT BAIL FEES	SUPER 1 BAIL FEES	SUPER II BAIL FEES	WORK RELEASE	OVWI TRUST FEE
Cash and investments - beginning	\$ 82	\$ 1,696	\$ 4,411	\$ 7,667	\$ 3,945	\$ 61,089	\$ 118
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	450	91,958	4,549	8,126	18,604	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>450</u>	<u>91,958</u>	<u>4,549</u>	<u>8,126</u>	<u>18,604</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	86,796	-	-	-	-	-
Supplies	-	-	4,564	2,333	5,699	-	-
Other services and charges	386	1,831	1,702	7,582	3,360	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	205	-	-
Other disbursements	-	180	-	-	9,038	-	-
Total disbursements	<u>386</u>	<u>88,807</u>	<u>6,266</u>	<u>9,915</u>	<u>18,302</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>64</u>	<u>3,151</u>	<u>(1,717)</u>	<u>(1,789)</u>	<u>302</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 146</u>	<u>\$ 4,847</u>	<u>\$ 2,694</u>	<u>\$ 5,878</u>	<u>\$ 4,247</u>	<u>\$ 61,089</u>	<u>\$ 118</u>

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

	CRIME CONTROL	PROJECT INCOME	ACCIDENT INVESTIGATION	PROBATION ADMIN FEE	PRE TRIAL DIVERSION	SHERIFF SALE ADMINISTRATION	DARE SHERIFF DONATIONS FUND
Cash and investments - beginning	\$ -	\$ 196,723	\$ 11,491	\$ 2,652	\$ 18,901	\$ 32,115	\$ 8,791
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	2,910	-	-	40,880	-
Fines and forfeits	11,394	112,875	-	32,957	34,420	-	-
Other receipts	-	-	-	-	-	-	3,834
Total receipts	<u>11,394</u>	<u>112,875</u>	<u>2,910</u>	<u>32,957</u>	<u>34,420</u>	<u>40,880</u>	<u>3,834</u>
Disbursements:							
Personal services	6,794	70,602	-	-	9,948	-	-
Supplies	35	60,186	218	-	1,515	-	5,169
Other services and charges	4,565	2,054	934	-	14,000	23,300	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	18,489	-	-
Other disbursements	-	-	-	35,068	-	-	-
Total disbursements	<u>11,394</u>	<u>132,842</u>	<u>1,152</u>	<u>35,068</u>	<u>43,952</u>	<u>23,300</u>	<u>5,169</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(19,967)</u>	<u>1,758</u>	<u>(2,111)</u>	<u>(9,532)</u>	<u>17,580</u>	<u>(1,335)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 176,756</u>	<u>\$ 13,249</u>	<u>\$ 541</u>	<u>\$ 9,369</u>	<u>\$ 49,695</u>	<u>\$ 7,456</u>

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

	PROBATION GIFTS TRUST	EXTENSION OFFICE DONATIONS	SHERIFF DONATIONS	4700501T-HANGAR GRANT	LAWRENCE COUNTY REDEVELOPMENT	LAW CO REDEVELOP MILL CREEK	JAIL LEASE RENTAL
Cash and investments - beginning	\$ 228	\$ 424	\$ 1,500	\$ (3,500)	\$ 47,246	\$ -	\$ 7,745
Receipts:							
Taxes	-	-	-	-	461,557	64	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	3,500	-	-	7,324
Total receipts	-	-	-	3,500	461,557	64	7,324
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	635
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	393,327	43	-
Total disbursements	-	-	-	-	393,327	43	635
Excess (deficiency) of receipts over disbursements	-	-	-	3,500	68,230	21	6,689
Cash and investments - ending	\$ 228	\$ 424	\$ 1,500	\$ -	\$ 115,476	\$ 21	\$ 14,434

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

	COURTHOUSE PLAZA LEASE/RENTAL	EXTENSION BLDG LEASE/RENTAL	COUNTY LEASE RENTAL	SELF INSURANCE	WELFARE TRUST	AVIATION FUEL FUND	GUN RANGE
Cash and investments - beginning	\$ 56,343	\$ 87,985	\$ 2,216	\$ 997,068	\$ 42,656	\$ 26,316	\$ 11,295
Receipts:							
Taxes	216,193	217,400	-	-	-	-	-
Intergovernmental	26,942	27,093	-	-	-	-	-
Charges for services	-	-	-	-	-	76,500	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	2,144,970	-	-	-
Total receipts	<u>243,135</u>	<u>244,493</u>	<u>-</u>	<u>2,144,970</u>	<u>-</u>	<u>76,500</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	1,697,691	-	-	-
Supplies	-	-	-	-	-	64,134	-
Other services and charges	5,000	-	-	-	-	1,336	11,295
Debt service - principal and interest	255,601	184,838	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	2,216	-	-	-	-
Total disbursements	<u>260,601</u>	<u>184,838</u>	<u>2,216</u>	<u>1,697,691</u>	<u>-</u>	<u>65,470</u>	<u>11,295</u>
Excess (deficiency) of receipts over disbursements	<u>(17,466)</u>	<u>59,655</u>	<u>(2,216)</u>	<u>447,279</u>	<u>-</u>	<u>11,030</u>	<u>(11,295)</u>
Cash and investments - ending	<u>\$ 38,877</u>	<u>\$ 147,640</u>	<u>\$ -</u>	<u>\$ 1,444,347</u>	<u>\$ 42,656</u>	<u>\$ 37,346</u>	<u>\$ -</u>

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

	PROSECUTOR CEF	DRUG SEIZURE	ISP MARIJUANA EXTRICATION #1	ISP MARIJUANA EXTRICATION #2	IMMUNIZATION	PANDEMIC FLU	SAFE HAVEN NLCS GRANT
Cash and investments - beginning	\$ 17,428	\$ 11,864	\$ 77	\$ 7,311	\$ 36,838	\$ 2,226	\$ 674
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	1,134	-	1,470	13,566	-	6,488
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	1,134	-	1,470	13,566	-	6,488
Disbursements:							
Personal services	-	-	-	-	-	-	7,034
Supplies	-	-	-	-	-	-	-
Other services and charges	2,699	5,607	-	-	11,730	72	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	2,699	5,607	-	-	11,730	72	7,034
Excess (deficiency) of receipts over disbursements	(2,699)	(4,473)	-	1,470	1,836	(72)	(546)
Cash and investments - ending	\$ 14,729	\$ 7,391	\$ 77	\$ 8,781	\$ 38,674	\$ 2,154	\$ 128

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

	PCA CHILD SUPPORT ENFORCEMENT	2008 TAX SALE SURPLUS	DUNN COUNTY RENTAL	DH POST CLOSING	OLD PROJECT INCOME	INVESTIGATOR'S CASH FUND	TAX SALE REIMBURSEMENT
Cash and investments - beginning	\$ 4,614	\$ 2,840	\$ 321,259	\$ 3,989,713	\$ 760	\$ 572	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	34,855
Intergovernmental	1,794	-	-	-	-	-	-
Charges for services	-	-	-	-	140	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	26,777	-	2,530	457,906	-	-	-
Total receipts	28,571	-	2,530	457,906	140	-	34,855
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	6,407	-	24,378	45,785	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	60,432	-	-	-
Other disbursements	26,778	-	2,530	425,281	-	-	5,950
Total disbursements	33,185	-	26,908	531,498	-	-	5,950
Excess (deficiency) of receipts over disbursements	(4,614)	-	(24,378)	(73,592)	140	-	28,905
Cash and investments - ending	\$ -	\$ 2,840	\$ 296,881	\$ 3,916,121	\$ 900	\$ 572	\$ 28,905

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

	EMERGENCY MANAGEMENT	2012 COMMISSIONER SALE	PAYROLL	SETTLEMENT	LOIT PUBLIC SAFETY	CAGIT PTRC	WHEEL TAX/SURTAX COMBINED
Cash and investments - beginning	\$ 9,406	\$ -	\$ 519,082	\$ 105,981	\$ -	\$ -	\$ -
Receipts:							
Taxes	17,760	88,549	-	-	1,901,532	1,902,097	-
Intergovernmental	17,938	-	-	-	-	-	1,225,975
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	27,712	-	5,116,783	36,219,634	-	-	-
Total receipts	<u>63,410</u>	<u>88,549</u>	<u>5,116,783</u>	<u>36,219,634</u>	<u>1,901,532</u>	<u>1,902,097</u>	<u>1,225,975</u>
Disbursements:							
Personal services	44,080	-	-	-	-	-	-
Supplies	744	-	-	-	-	-	-
Other services and charges	7,696	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	3,398	-	-	-	-	-	-
Other disbursements	65	61,548	5,468,080	36,271,920	1,901,532	1,902,097	1,225,935
Total disbursements	<u>55,983</u>	<u>61,548</u>	<u>5,468,080</u>	<u>36,271,920</u>	<u>1,901,532</u>	<u>1,902,097</u>	<u>1,225,935</u>
Excess (deficiency) of receipts over disbursements	<u>7,427</u>	<u>27,001</u>	<u>(351,297)</u>	<u>(52,286)</u>	<u>-</u>	<u>-</u>	<u>40</u>
Cash and investments - ending	<u>\$ 16,833</u>	<u>\$ 27,001</u>	<u>\$ 167,785</u>	<u>\$ 53,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40</u>

LAWRENCE COUNTY  
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 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	CVET AGENCY	FINANCIAL INSTITUTIONS TAX	HEA 1001-2008 STATE HOMESTEAD	HOMESTEAD CREDIT REBATE	LOIT PTRC	STATE FINES AND FORFEITURES	INFRACTION JUDGEMENTS
Cash and investments - beginning	\$ -	\$ -	\$ 1,110	\$ 81	\$ 136,621	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	3,803,063	-	-
Intergovernmental	281,542	224,418	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	600	37,414
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>281,542</u>	<u>224,418</u>	<u>-</u>	<u>-</u>	<u>3,803,063</u>	<u>600</u>	<u>37,414</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	281,542	224,418	-	-	3,303,497	500	37,414
Total disbursements	<u>281,542</u>	<u>224,418</u>	<u>-</u>	<u>-</u>	<u>3,303,497</u>	<u>500</u>	<u>37,414</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,566</u>	<u>100</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,110</u>	<u>\$ 81</u>	<u>\$ 636,187</u>	<u>\$ 100</u>	<u>\$ -</u>

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

	OVERWEIGHT VEHICLE FINES	SPECIAL DEATH BENEFIT	STATE DISCLOSURE-STATE SHARE	CORONER'S TRAINING & CON'T EDUCATION	INTERSTATE COMPACT - STATE SHARE	MORTGAGE RECORDING FEES - STATE SHARE	DLGF HOMESTEAD PROP. DATABASE
Cash and investments - beginning	\$ -	\$ -	\$ 298	\$ 315	\$ 63	\$ 348	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	4,863	-	4,128	13
Fines and forfeits	100	-	-	-	62	-	-
Other receipts	-	2,735	4,520	-	-	-	-
Total receipts	<u>100</u>	<u>2,735</u>	<u>4,520</u>	<u>4,863</u>	<u>62</u>	<u>4,128</u>	<u>13</u>
Disbursements:							
Personal services	-	2,735	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	100	-	4,543	4,781	125	4,100	13
Total disbursements	<u>100</u>	<u>2,735</u>	<u>4,543</u>	<u>4,781</u>	<u>125</u>	<u>4,100</u>	<u>13</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(23)</u>	<u>82</u>	<u>(63)</u>	<u>28</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ 397</u>	<u>\$ -</u>	<u>\$ 376</u>	<u>\$ -</u>

LAWRENCE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
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 For The Year Ended December 31, 2012  
 (Continued)

	SEX AND VIOLENT OFFENDER ADMIN	CHILD RESTRAINT VIOLATIONS FINES	INHERITANCE TAX	EDUCATION PLATE FEE AGENCY	RIVERBOAT REVENUE SHARING	INNKEEPERS TAX COLLECTIONS	SURPLUS/EXCESS 2007 PLUS
Cash and investments - beginning	\$ -	\$ -	\$ 113,300	\$ 573	\$ 2,002	\$ -	\$ 18,633
Receipts:							
Taxes	-	-	-	-	-	251,125	-
Intergovernmental	-	-	677,588	788	273,294	-	-
Charges for services	259	-	-	-	-	-	-
Fines and forfeits	-	1,375	-	-	-	-	-
Other receipts	1,522	-	-	-	-	-	-
Total receipts	<u>1,781</u>	<u>1,375</u>	<u>677,588</u>	<u>788</u>	<u>273,294</u>	<u>251,125</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,781	1,375	624,569	788	273,294	251,125	11,174
Total disbursements	<u>1,781</u>	<u>1,375</u>	<u>624,569</u>	<u>788</u>	<u>273,294</u>	<u>251,125</u>	<u>11,174</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>53,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,174)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,319</u>	<u>\$ 573</u>	<u>\$ 2,002</u>	<u>\$ -</u>	<u>\$ 7,459</u>

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

	EXCESS CAGIT	Excess CAGIT	2010 TAX SALE SURPLUS	2010 TAX SALE REDEMPTION	JUNE 2012 SETTLEMENT CORRECT	SURPLUS DOG	PCA CHILD SUPPORT
Cash and investments - beginning	\$ 3	\$ -	\$ 30,487	\$ 882	\$ 3,288	\$ 1,987	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	6,156
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	2,059	-	-
Total receipts	-	-	-	-	2,059	-	6,156
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	4,302	-	5,347	-	776
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	4,302	-	5,347	-	776
Excess (deficiency) of receipts over disbursements	-	-	(4,302)	-	(3,288)	-	5,380
Cash and investments - ending	\$ 3	\$ -	\$ 26,185	\$ 882	\$ -	\$ 1,987	\$ 5,380

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

	RUNWAY PAVING GRANT	HAVA TITLE III GRANT	06JF017 JUVENILE DETENTION ALT	09-JB-010 JDAP09	COURT REFORM GRANT	06-JB-204 JDAP10	10VAPR187 VICTIM ASSISTANCE GR
Cash and investments - beginning	\$ 15,798	\$ 4,839	\$ 5,702	\$ -	\$ 21,893	\$ -	\$ (8,943)
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	265,649	-	-	1,332	-	-	38,952
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>265,649</u>	<u>-</u>	<u>-</u>	<u>1,332</u>	<u>-</u>	<u>-</u>	<u>38,952</u>
Disbursements:							
Personal services	-	-	-	-	-	-	37,439
Supplies	-	-	-	1,332	8,607	-	-
Other services and charges	274,858	-	-	-	3,924	-	3,067
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,879	-
Total disbursements	<u>274,858</u>	<u>-</u>	<u>-</u>	<u>1,332</u>	<u>12,531</u>	<u>1,879</u>	<u>40,506</u>
Excess (deficiency) of receipts over disbursements	<u>(9,209)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,531)</u>	<u>(1,879)</u>	<u>(1,554)</u>
Cash and investments - ending	<u>\$ 6,589</u>	<u>\$ 4,839</u>	<u>\$ 5,702</u>	<u>\$ -</u>	<u>\$ 9,362</u>	<u>\$ (1,879)</u>	<u>\$ (10,497)</u>

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

	C44P-2-251A 2011 SHSP (EQUIP)	10-DJ-090 EQUIP GRANT (PROB.)	SUPREME COURT GRANT - PROB SOLV	2012 DATA SHARE GRANT	93.563 ARRA COUNTY IV-D INCENTIVE	93.563 ARRA CLERK IV-D INCENTIVE	93.563 COUNTY IVD INCENTIVE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 784	\$ 51,483
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	34,774	5,300	3,500	2,000	-	-	14,237
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	16,000	-	-	-	215	1,497	34,071
Total receipts	50,774	5,300	3,500	2,000	215	1,497	48,308
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	4,989	-	-	-	-	6,802
Other services and charges	58,572	311	-	-	-	-	600
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	215	715	-
Total disbursements	58,572	5,300	-	-	215	715	7,402
Excess (deficiency) of receipts over disbursements	(7,798)	-	3,500	2,000	-	782	40,906
Cash and investments - ending	\$ (7,798)	\$ -	\$ 3,500	\$ 2,000	\$ -	\$ 1,566	\$ 92,389

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

	93.563 PROS IV-D INCENTIVE POS	93.563 CLERK IV-D INCENTIVE POST '99	LEP SUBGRANT FEMA - PLANNING	BIO-TERRORISM PREPAREDNESS	BIO-TERRORISM DISTRICT GRANT	BIO-TERRORISM DISTRICT PART 2	08A-DJ-057 OVWI DRUG COURT
Cash and investments - beginning	\$ 93,650	\$ 152,590	\$ 16	\$ 1,240	\$ 66	\$ 941	\$ (774)
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	21,419	18,036	-	-	-	-	90,907
Charges for services	-	-	-	-	-	-	8,869
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	49,295	12,123	-	-	-	-	-
Total receipts	<u>70,714</u>	<u>30,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,776</u>
Disbursements:							
Personal services	-	6,691	-	-	-	-	96,393
Supplies	5,733	6,105	-	-	-	191	10,314
Other services and charges	4,171	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,441	-	-	-	-	-	-
Other disbursements	2,450	44,243	-	-	-	-	-
Total disbursements	<u>21,795</u>	<u>57,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>191</u>	<u>106,707</u>
Excess (deficiency) of receipts over disbursements	<u>48,919</u>	<u>(26,880)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(191)</u>	<u>(6,931)</u>
Cash and investments - ending	<u>\$ 142,569</u>	<u>\$ 125,710</u>	<u>\$ 16</u>	<u>\$ 1,240</u>	<u>\$ 66</u>	<u>\$ 750</u>	<u>\$ (7,705)</u>

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

	BPRS 146-2 PUBLIC HEALTH COORD	HOMELAND SECURITY 2006 GRANT	09RT003 PATHWAYS TO RECOVERY	06ST063 DV/SEXUAL ASSAULT PREV	FAMILY COURT GRANT	K8-2011-03-03-19 OPERATION PUL	TAP-TEG BOOT CAMP (LCC)
Cash and investments - beginning	\$ 13,560	\$ 71	\$ (18,684)	\$ 3	\$ 3,925	\$ 3,161	\$ 1
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	53,904	-	11,300	17,376	-
Charges for services	-	-	-	-	-	-	3,000
Fines and forfeits	-	-	3,118	-	-	2,812	-
Other receipts	-	-	12,500	-	-	-	-
Total receipts	-	-	69,522	-	11,300	20,188	3,000
Disbursements:							
Personal services	-	-	66,883	-	13,673	23,642	2,055
Supplies	8,285	-	57	-	114	-	-
Other services and charges	-	-	-	-	117	-	975
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	8,285	-	66,940	-	13,904	23,642	3,030
Excess (deficiency) of receipts over disbursements	(8,285)	-	2,582	-	(2,604)	(3,454)	(30)
Cash and investments - ending	\$ 5,275	\$ 71	\$ (16,102)	\$ 3	\$ 1,321	\$ (293)	\$ (29)

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

	TAP-TEG DCLCC-10 (LLC)	022T IN SUPREME COURT GRANT	C449-0-075A ACAMS	C44P-9-818A DISTRICT 8 CORRDIN	09-JF-012 JUV DETENTION ALTERN	PUBLIC HEALTH PREPAREDNESS GRA
Cash and investments - beginning	\$ 1,744	\$ 2,500	\$ (58,946)	\$ (7,639)	\$ 71	\$ (9,524)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	69,800	33,407	-	10,490
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,600	-	12,479	1,254	-	-
Total receipts	3,600	-	82,279	34,661	-	10,490
Disbursements:						
Personal services	2,234	-	-	14,000	-	-
Supplies	-	-	-	-	-	2,232
Other services and charges	-	2,500	23,268	327	-	6,995
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	2,613
Other disbursements	-	-	-	12,000	-	-
Total disbursements	2,234	2,500	23,268	26,327	-	11,840
Excess (deficiency) of receipts over disbursements	1,366	(2,500)	59,011	8,334	-	(1,350)
Cash and investments - ending	\$ 3,110	\$ -	\$ 65	\$ 695	\$ 71	\$ (10,874)

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

	TAP-TEG ERT TRAINING (LLC)	SHSP GRANT	C440-0-075A WEBGIS GRANT	HD-009-011 INDIANA HOUSING GRA	97.042 EMA COMPETITIVE GRANT	97.073 EXERCISE & TRAINING GRANT
Cash and investments - beginning	\$ 4,122	\$ 8,551	\$ (2,748)	\$ 1	\$ 2,120	\$ (4,222)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	110	-	-	-	29,633
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	54	2,748	-	-	725
Total receipts	<u>-</u>	<u>164</u>	<u>2,748</u>	<u>-</u>	<u>-</u>	<u>30,358</u>
Disbursements:						
Personal services	-	12,600	-	-	-	17,247
Supplies	-	2,477	-	-	-	3,858
Other services and charges	-	221	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	3,533	-	-	-	-	6,190
Total disbursements	<u>3,533</u>	<u>15,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,295</u>
Excess (deficiency) of receipts over disbursements	<u>(3,533)</u>	<u>(15,134)</u>	<u>2,748</u>	<u>-</u>	<u>-</u>	<u>3,063</u>
Cash and investments - ending	<u>\$ 589</u>	<u>\$ (6,583)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 2,120</u>	<u>\$ (1,159)</u>

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

	97. SHSP GRANT	START THE PEACE GRANT	NATIONAL FOREST	16,738 JAG SHERIFF GRANT	TOBACCO SETTLEMENT GRANT	C44P-2-037A FIRE TRAINING GR
Cash and investments - beginning	\$ (714)	\$ 285	\$ -	\$ (123)	\$ (2,514)	\$ (4,673)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	119,282	-	-	-	38,497	47,143
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,281	-	-	-	-	1,416
Total receipts	<u>120,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,497</u>	<u>48,559</u>
Disbursements:						
Personal services	23,077	-	1,200	-	553	61,057
Supplies	5,439	-	-	-	141	-
Other services and charges	98,025	274	-	-	85	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	16,737	-	-	-	-	3,098
Total disbursements	<u>143,278</u>	<u>274</u>	<u>1,200</u>	<u>-</u>	<u>779</u>	<u>64,155</u>
Excess (deficiency) of receipts over disbursements	<u>(22,715)</u>	<u>(274)</u>	<u>(1,200)</u>	<u>-</u>	<u>37,718</u>	<u>(15,596)</u>
Cash and investments - ending	<u>\$ (23,429)</u>	<u>\$ 11</u>	<u>\$ (1,200)</u>	<u>\$ (123)</u>	<u>\$ 35,204</u>	<u>\$ (20,269)</u>

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

	PLEASANT RUN FIRE DEPT GRANT	IN LOCAL HEALTH DEPT TRST ACCT	TREASURER AFTER SETTLEMENT COLLECTIONS	CLERK TRUST CSI	CLERK'S TRUST	CLERK'S ISETS
Cash and investments - beginning	\$ 4,160	\$ -	\$ 1,122,338	\$ 472,273	\$ 77,229	\$ 13,665
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	1,164,190	2,852,948	-	1,235,794
Fines and forfeits	-	-	-	-	-	-
Other receipts	366,786	-	-	-	-	-
Total receipts	<u>366,786</u>	<u>-</u>	<u>1,164,190</u>	<u>2,852,948</u>	<u>-</u>	<u>1,235,794</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	863	-	-	-	-
Other services and charges	-	3,940	1,122,338	2,838,095	865	1,243,057
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	370,946	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>370,946</u>	<u>4,803</u>	<u>1,122,338</u>	<u>2,838,095</u>	<u>865</u>	<u>1,243,057</u>
Excess (deficiency) of receipts over disbursements	<u>(4,160)</u>	<u>(4,803)</u>	<u>41,852</u>	<u>14,853</u>	<u>(865)</u>	<u>(7,263)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (4,803)</u>	<u>\$ 1,164,190</u>	<u>\$ 487,126</u>	<u>\$ 76,364</u>	<u>\$ 6,402</u>

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

	SHERIFF INMATE TRUST	SHERIFF COMMISSARY	SHERIFF EVIDENCE	AVIATION CHECKING	PROSECUTOR'S BAD CHECK COLLECTIONS	Totals
Cash and investments - beginning	\$ 8,858	\$ 62,769	\$ 15,575	\$ 20,637	\$ 2,139	\$ 21,480,821
Receipts:						
Taxes	-	-	-	-	-	25,896,340
Intergovernmental	-	-	-	-	-	7,450,281
Charges for services	227,861	120,985	-	9,649	45,829	8,553,293
Fines and forfeits	-	-	-	-	-	940,537
Other receipts	-	-	-	-	-	88,147,658
Total receipts	<u>227,861</u>	<u>120,985</u>	<u>-</u>	<u>9,649</u>	<u>45,829</u>	<u>130,988,109</u>
Disbursements:						
Personal services	-	-	-	-	-	13,179,282
Supplies	-	-	-	-	-	1,428,112
Other services and charges	224,817	123,990	890	25,272	46,287	10,634,041
Debt service - principal and interest	-	-	-	-	-	440,439
Capital outlay	-	-	-	-	-	2,347,242
Other disbursements	-	-	-	-	-	101,704,008
Total disbursements	<u>224,817</u>	<u>123,990</u>	<u>890</u>	<u>25,272</u>	<u>46,287</u>	<u>129,733,124</u>
Excess (deficiency) of receipts over disbursements	<u>3,044</u>	<u>(3,005)</u>	<u>(890)</u>	<u>(15,623)</u>	<u>(458)</u>	<u>1,254,985</u>
Cash and investments - ending	<u>\$ 11,902</u>	<u>\$ 59,764</u>	<u>\$ 14,685</u>	<u>\$ 5,014</u>	<u>\$ 1,681</u>	<u>\$ 22,735,806</u>

LAWRENCE COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Courthouse Annex Building Corporation	Courthouse Annex	<u>\$ 263,490</u>	07-15-02	01-15-23
Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year	
Type	Purpose			
Governmental activities:				
General obligation bonds	2004 Sofaland Building	\$ 1,985,000	\$ 263,490	
Notes and loans payable	Hanger loan and highway equipment	<u>445,000</u>	<u>187,728</u>	
Totals		<u>\$ 2,430,000</u>	<u>\$ 451,218</u>	

LAWRENCE COUNTY  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2012

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

	Ending Balance
Governmental activities:	
Land	\$ 1,668,500
Infrastructure	28,380,356
Buildings	21,568,000
Machinery, equipment, and vehicles	7,057,707
Construction in progress	120,000
Total governmental activities	58,794,563
Total capital assets	\$ 58,794,563

LAWRENCE COUNTY  
OTHER REPORT

The annual report presented herein was prepared in addition to the 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 LAWRENCE COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited Lawrence 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.

***Basis for Qualified Opinion on Airport Improvement Program***

As described in item 2012-2 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding cash management that are applicable to its Airport Improvement Program. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

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

***Qualified Opinion on Airport Improvement Program***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* paragraph, 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 the Airport Improvement Program for the year ended December 31, 2012.

***Unmodified Opinion on Each of the Other 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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2012.

***Other 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 item 2012-2 to be material weaknesses.

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

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

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



Bruce Hartman  
State Examiner

August 13, 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.

LAWRENCE 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 COMMERCE</u>				
ARRA - State Broadband Data and Development Grant Program 067Broadband000	Indiana Office of Technology	11.558		\$ <u>2,000</u>
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
CDBG - State Administered CDBG Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Focus Grant	Indiana Office of Community and Rural Affairs	14.228	CF-08-504	<u>364,946</u>
<u>DEPARTMENT OF JUSTICE</u>				
JAG Program Cluster Edward Byrne Memorial Justice Assistance Grant Program 2010-DJ-BX-0254 2010-DJ-BX-0254 2011-DJ-BX-2622	Indiana Criminal Justice Institute	16.738	10-DJ-045 10-DJ-090 11-DJ-022	25,902 5,300 <u>65,005</u>
Total - JAG Program Cluster				<u>96,207</u>
Juvenile Accountability Block Grants FY 2008-08-JB-FX-4403	Indiana Criminal Justice Institute	16.523	09-JB-010	<u>1,332</u>
Crime Victim Assistance 2011-VA-GX-0039	Indiana Criminal Justice Institute	16.575	2011-VA-GX-0039	<u>26,218</u>
Residential Substance Abuse Treatment for State Prisoners 2010-DJ-BX-0254 2010-RT-BX-0011 2010-RT-BX-0052	Indiana Criminal Justice Institute	16.593	10-RT-005 10-RT-006 09-RT-004	5,647 11,948 <u>36,307</u>
Total - Residential Substance Abuse Treatment for State Prisoners				<u>53,902</u>
Total - Department of Justice				<u>177,659</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
Airport Improvement Program	Direct Grant	20.106	3-18-0005-09 3-18-0005-11 3-18-0005-10	51,215 58,486 <u>132,287</u>
Total - Airport Improvement Program				<u>241,988</u>
Highway Planning and Construction Cluster Highway Planning and Construction DES#1005118	Indiana Department of Transportation	20.205		<u>25,252</u>
Total - Highway Planning and Construction Cluster				<u>25,252</u>
Highway Safety Cluster State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	K4-2012-09-03-06 OP-12-04-02-54	1,500 <u>5,081</u>
Total - State and Community Highway Safety				<u>6,581</u>

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

LAWRENCE 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 (continued)				
Alcohol Impaired Driving Countermeasurers Incentive Grants I	Indiana Criminal Justice Institute	20.601	K8-2012-03-03-20	10,795
Total - Highway Safety Cluster				17,376
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Transportation	20.703	C44-2-216A	16,000
Total - Department of Transportation				300,616
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Public Health Emergency Preparedness	Indiana Department of Health	93.069	BPRS 146-40	10,490
Child Support Enforcement	Indiana Department of Child Services	93.563		
PCA Child Support Enforcement				1,967
Prosecutor PCA				943
Circuit Court				53,514
Clerk				44,785
Prosecutor				141,918
Prosecutor Incentive				19,555
Clerk Incentive				14,811
County Incentive				3,246
Indirect Costs				54,274
Total - Child Support Enforcement				335,013
Total - Department of Health and Human Services				345,503
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) 093-06415-00	Indiana Department of Homeland Security	97.036		126,599
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P2-354A	14,866
State Homeland Security Program (SHSP) 2010-SS-TO-0038 2009-SS-T9-0032 2009-SS-T9-0032	Indiana Department of Homeland Security	97.073	C44P-1-072A C44P-0-205A C44P-1-221A C44P-2-055A C44P-2-251A	118,889 35,292 29,531 69,800 34,774
Total - State Homeland Security Program (SHSP)				288,286
Total - Department of Homeland Security				429,751
Total federal awards expended				\$ 1,620,475

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

LAWRENCE 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 Lawrence 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
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	\$ <u>328,946</u>

LAWRENCE 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:	
CDBG – State Administered CDBG Program	Unmodified
Airport Improvement Program	Qualified
Child Support Enforcement	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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	CDBG – State Administered CDBG Cluster Airport Improvement Program
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee? no

LAWRENCE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section II – Financial Statement Findings**

**FINDING 2012-1 - INTERNAL CONTROLS OVER THE  
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.

During the audit of the SEFA, we noted the following errors:

1. Some Federal programs were not reported.
2. The pass-through entity and identifying number assigned by the pass-through entity for some Federal programs were not always included or were incorrect.
3. The amounts reported for Federal awards expended for some individual Federal programs were not correct.
4. The Federal awards reported for some individual Federal programs did not include the CFDA number.

Audit adjustments were proposed, 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 statement.

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(b) states:

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

LAWRENCE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (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.
- (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 AND NONCOMPLIANCE OVER CASH MANAGEMENT**

Federal Agency: Department of Transportation  
Federal Program: Airport Improvement Program  
CFDA Number: 20.106

Federal Award Number and Year (or Other Identifying Number): 3-18-0005.09, 3-18-0005.10, 3-18-0005.11

Amounts received for the Airport Improvement Program Grants were supposed to be disbursed before the reimbursement was received from the federal agency. However, the County had requested and received the reimbursement before the funds were disbursed. The following table indicates the dates the funds were received and disbursed.

Federal Program	Date of Reimbursement Request	Receipt Date	Check Date	Check Number	Vendor	Check Amount	Federal Share	Days Held
3-18-0005-09	01-10-12	02-07-12	02-10-12	77567	Harper Company	\$ 36,677.91	\$ 34,844.01	3
3-18-0005-09	01-10-12	02-07-12	04-24-12	79045	Woolpert	17,233.26	16,371.60	77
3-18-0005-10	01-10-12	02-07-12	04-24-12	79045	Woolpert	5,928.13	5,631.72	77
3-18-0005-10	01-10-12	02-07-12	02-17-12	77802	Daniel & Holly McBride	4,650.00	4,417.50	10
3-18-0005-10	12-13-11	02-08-12	04-24-12	79045	Woolpert	4,725.30	4,489.04	76
3-18-0005-10	12-13-11	02-08-12	01-27-12	77251	Quad-J, Inc.	58,315.50	55,399.73	(12)
3-18-0005-10	02-14-12	05-18-12	06-05-12	80029	OR Colon	8,075.00	7,671.25	18
3-18-0005-10	04-10-12	05-18-12	06-05-12	80028	Woolpert	14,674.70	13,940.97	18
3-18-0005-10	04-10-12	05-18-12	06-05-12	80028	Woolpert	2,876.25	2,732.44	18
3-18-0005-10	04-10-12	05-18-12	06-05-12	80030	C Sam Bond	1,200.00	1,140.00	18
3-18-0005-10	05-08-12	08-15-12	06-19-12	80295	Woolpert	1,055.00	1,002.25	(57)
3-18-0005-10	05-08-12	08-15-12	06-19-12	80296	Quad-J, Inc.	6,479.50	6,155.53	(57)

LAWRENCE COUNTY  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 (Continued)

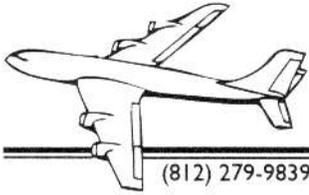
Federal Program	Date of Reimbursement Request	Receipt Date	Check Date	Check Number	Vendor	Check Amount	Federal Share	Days Held
3-18-0005-10	08-14-12	09-28-12	10-23-12	82786	OR Colon	8,333.33	7,916.66	25
3-18-0005-10	08-14-12	09-28-12	10-23-12	82787	Woolpert	1,757.81	1,669.92	25
3-18-0005-10	08-14-12	09-28-12	10-23-12	82787	Woolpert	622.50	591.38	25
3-18-0005-10	08-14-12	09-28-12	10-23-12	82787	Woolpert	1,381.25	1,312.19	25
3-18-0005-10	08-14-12	09-28-12	10-23-12	82787	Woolpert	5,928.12	5,631.71	25
3-18-0005-10	08-14-12	09-28-12	10-09-12	82538	Bundy	12,500.00	11,875.00	11
3-18-0005-10	08-14-12	09-28-12	12-04-12	83682	Henderson	750.00	712.50	67
3-18-0005-11	09-17-12	11-16-12	11-20-12	83263	Woolpert	58,441.35	52,597.22	4
3-18-0005-11	11-13-12	11-19-12	12-07-12	83711	Woolpert	6,543.75	5,889.38	18
						<u>\$ 258,148.66</u>	<u>\$ 241,991.97</u>	

49 CFR 18.21 (d) states:

"Reimbursement. 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 actual rate of disbursement."

Surplus cash indicates noncompliance with the cash management requirement as set forth by the grant agreement. Additionally, failure to minimize the cash on hand may cause future funding to be reduced by the federal agency.

We recommended that the Aviation Board and County Officials comply with the compliance requirements set forth in the grant agreement for cash management and the reimbursement of expenditures.



(812) 279-9839

*Board of Aviation Commissioners*  
Lawrence County, Indiana

3213 TUNNELTON ROAD • BEDFORD, INDIANA 47421



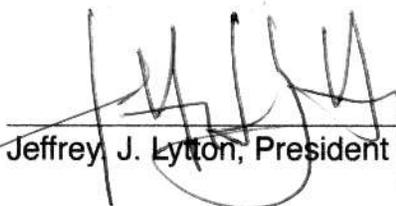
**August 8, 2013**

**Response to Prior Audit Finding 2011-2 "Cash Management"**

The current Lawrence County Board of Aviation Commissioners was appointed by the Lawrence County Commissioners to begin serving on January 1, 2013. During the first few meetings this new board became aware of this prior finding and, unable to find a response, began discussing ways to insure the cash management and reimbursement of expenditures being administered under federal grants are brought into compliance with the Board's grant agreement with the FAA.

At it's April 2013 meeting, the Board adopted procedures to administer the receipt and disbursement of federal grant monies in compliance, not only with the grant agreements but the applicable CFR.

**Lawrence County Board of Aviation Commissioners**



Jeffrey J. Lytton, President

**VIRGIL I. GRISSOM AIRPORT**



LIMESTONE CAPITAL OF THE WORLD

OFFICE OF  
AUDITOR OF LAWRENCE COUNTY  
JODY EDWARDS  
916 15<sup>TH</sup> STREET, SUITE 28  
BEDFORD, INDIANA 47421

July 29, 2013

Response and Corrective Action to Finding 2012-01 Internal Controls Over the Schedule of Expenditures of Federal Awards

The Federal Programs were reported in the Annual Report. Each Fund that the county has was properly reported. However, some of these Federal grants did not show in one area of the Annual Report- this was unintentional, and they were reported in the totals, and also listed in the main portion of the Annual Report. Also, the bookkeeper will be keeping a spreadsheet with the Federal Grants with CFDA's on it to prevent these funds from not showing in the correct portion of the Annual Report. We will be requiring a grant award summary with each grant. We will be sending a notice to all offices informing them that we must have correct CFDA numbers and award amounts for each grant.

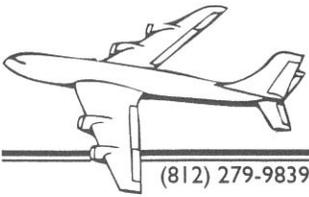
Response and Corrective Action to Finding 2012-2 Internal Control, Cash Management

The Auditor's office relies on the Aviation Department as grant administrator to provide proper documents to correctly post payments and pay claims. The Auditor's office will again inform the Aviation program of deadlines for claims to help in their claims being paid timely. In addition, the Auditor's office will require the Aviation Department to inform of anticipation of receipt of funds, so that we may also inform the Treasurer's office of the deposits. The Auditor's office shall require a schedule of deposits anticipated and payments so that they may be accounted properly. Many times when EFT deposits from the state come in, there are not adequate descriptions on these to identify the proper funds to credit.

Thank you so much for your consideration.

Sincerely,

Jody Edwards  
Lawrence County Auditor



(812) 279-9839

*Board of Aviation Commissioners*  
**Lawrence County, Indiana**

3213 TUNNELTON ROAD • BEDFORD, INDIANA 47421



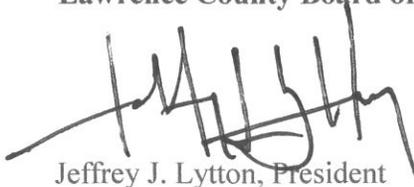
**July 30, 2013**

**Response and Corrective Action to Finding 2012-2 Internal Controls and  
Noncompliance over Cash Management**

The current Lawrence County Board of Aviation Commissioners, having been seated January 1, 2013, has been made aware of certain delays in preparing and submitting claims for payment to various vendors and contractors for airport improvement projects funded by a combination of monies from the Federal Aviation Administration, the State of Indiana Department of Transportation and Lawrence County. This delay is, as this Board now understands, in violation of 49CFR 18.20 (b) (7).

In order to address this violation and insure compliance in the administration of future grants the Board, at its April 2013 monthly meeting, adopted a resolution stating that any motion to approve signing and submitting a request for funds advanced to the Board from Federal grants will also include the approval and signing of a claim or claims for payment of the work completed for that grant. In addition, the Airport Manager is instructed to submit those claims to the Lawrence County Auditor along with other claims approved at the meeting. It is the intent of this Board that the Lawrence County Auditor and Treasurer hold claims to be paid against the Airport Improvement Account until such time as sufficient funds are received from the grant payer.

**Lawrence County Board of Aviation Commissioners**



Jeffrey J. Lytton, President

LAWRENCE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 13, 2013, with William Spreen, President of the Board of County Commissioners; Eugene K. McCracken, President of County Council; and Jody Edwards, Auditor.