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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

JEFFERSON COUNTY, INDIANA

January 1, 2011 to December 31, 2011

FILED
07/25/2012

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SCHEDULE OF OFFICIALS

Office	Official	Term
Auditor	Celeste G. Reed	01-01-11 to 12-31-14
Treasurer	Linda M. Greene	01-01-09 to 12-31-12
Clerk	Karen L. Mannix	01-01-11 to 12-31-14
Sheriff	John I. Wallace	01-01-11 to 12-31-14
Recorder	Leigh Koehler	01-01-09 to 12-31-12
President of the Board of County Commissioners	Mark Cash	01-01-11 to 12-31-11
	Julie Berry	01-01-12 to 12-31-12
President of the County Council	William H. Hensler	01-01-11 to 12-31-12

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF JEFFERSON COUNTY, INDIANA

We have audited the accompanying financial statement of Jefferson County (County), for the year ended December 31, 2011. The financial statement is the responsibility of the County's management. Our responsibility is to express an opinion on the 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 includes consideration of internal control over financial reporting as a basis for designing 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 over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 1, 2012, 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 and should be considered in assessing the results of our audit.

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 has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (Indiana Code 36-8-16) and enhanced wireless emergency telephone fees (Indiana Code 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41 these fees have been subject to an annual audit performed by the 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.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets 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.

This report is intended solely for the information and use of the County's management, County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 1, 2012

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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 JEFFERSON COUNTY, INDIANA

We have audited the financial statement of Jefferson County (County), for the year ended December 31, 2011, and have issued our report thereon dated June 1, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1, that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 2011-1.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management, County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 1, 2012

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.

JEFFERSON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
GENERAL	$ 57,051	$ 6,561,853	$ 6,422,808	$ 196,096
HIGHWAY	976,877	1,700,182	1,913,358	763,701
LOCAL ROADS & STREETS	249,481	267,364	273,739	243,106
ACCIDENT REPORTS	4,320	1,830	5,239	911
FIREARMS TRAINING	28,188	11,170	36,302	3,056
HEALTH DEPARTMENT	609,986	549,486	880,977	278,495
HANOVER TOWN FINES	1,559	429	-	1,988
CLERK RECORD PERPETUATION FUND	47,903	10,168	12,268	45,803
ADMINISTRATIVE FEE PROBATION	2,565	-	-	2,565
GAMING REVENUE/HISTORIC BOARD	417,395	61,809	23,798	455,406
EMERGENCY TELEPHONE 911-PSAP	314,335	154,481	247,569	221,247
COUNTY DRUG FREE	34,841	44,250	32,891	46,200
IC TRANSFER FEES	-	600	537	63
JUV PROBATION SERVICES	7,041	5,064	195	11,910
ADULT PROBATION	25,509	115,821	55,427	85,903
RECORDERS RECORDS PERPETUATION	299,825	33,625	-	333,450
PCA - FEE PAYMENTS CHILD SUPPORT	697	1,490	900	1,287
PRE-TRIAL DIVERSION	131,459	30,533	39,288	122,704
FAMILY AND CHILDREN	-	4	-	4
PLAT BOOK	5,536	214	88	5,662
COUNTY MISDEMEANANT FUND	41,271	22,126	33,064	30,333
SUPPLEMENTAL PUBLIC DEFENDER	28,759	32,512	57,204	4,067
CLERKS INCENTIVE	20,288	17,506	9,415	28,379
COUNTY SURVEYOR CORNER PERPETUAL	4,303	5,968	6,000	4,271
PRISONER REIMBURSEMENT	2,400	-	-	2,400
RAINY DAY FUND	974,053	20,018	241,975	752,096
SALES DISCLOSURE FEES	8,413	3,020	101	11,332
COMMUNITY CORRECTION	73,160	204,406	210,631	66,935
LEVY EXCESS	26,780	-	-	26,780
PROSECUTING ATTORNEY INCENTIVE	37,259	26,336	6,796	56,799
SISWD	2,644	-	-	2,644
ANIMAL SHELTER	59,149	169,649	172,426	56,372
NEW REASSESSMENT	147,455	-	80,910	66,545
REASSESSMENT 2015	-	192,104	-	192,104
COUNTY ID PROTECTION ACT	52,213	7,372	-	59,585
CLERK ARRA FUND	2,771	-	-	2,771
PROSECUTOR ARRA	7,668	-	921	6,747
RECORDERS CONTINUING EDUCATION	-	985	-	985
CUM CAP DEVELOPMENT	1,414,244	176,198	222,541	1,367,901
CUM BRIDGE	1,542,104	763,788	1,245,423	1,060,469
CUM JAIL	675,863	123,701	87,127	712,437
CUM COURTHOUSE	2,812,667	2,813,810	3,423,195	2,203,282
CUM VOTING	222,173	-	996	221,177
SHERIFF PENSION TRUST	1,144	12,583	13,727	-
CITY AND TOWN COURT COST	-	-	263	(263)
CORONERS TRAINING & CONTINUING EDUCATION	226	3,248	3,180	294
TAX SALE REDEMPTION	4,098	306,670	309,180	1,588
SURPLUS TAX	187,548	34,193	186,757	34,984
SETTLEMENT	-	29,155,778	29,155,778	-
STATE FINES & FORFEITURES	-	67,436	53,287	14,149
INFRACTION JUDGMENTS	1,562	28,701	28,817	1,446
INHERITANCE TAX	10,510	760,592	710,240	60,862
SPECIAL DEATH BENEFITS	310	3,590	3,515	385
EDUCATION PLATE EXCISE	-	825	20,825	(20,000)
FINANCIAL INSTITUTION TAX	-	128,245	128,245	-
JEFFERSON COUNTY ORDINANCE FEES	1,618	-	-	1,618
FAMILY VIOLENCE VICTIM ASSISTANCE	4,204	-	-	4,204
CONVENTION & TOURISM	-	284,090	284,100	(10)
MORTGAGE RECORDING FEES-STATE	-	3,068	2,493	575
CVET	-	51,970	51,970	-

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

JEFFERSON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
RIVERBOAT WAG TAX SHARING	189,623	198,411	206,601	181,433
2007 HOMESTEAD CREDIT REBATE DIST	10,996	-	10,996	-
HEA 1001 STATE HSC FUND	(506)	-	-	(506)
PAYROLL CLEARING	142,841	2,904,547	2,904,568	142,820
CEMETERY BOARD	89,627	-	11,244	78,383
SHERIFF INMATE TRUST	15,473	150,478	148,597	17,354
RECORDER CASH	22,833	109,749	122,088	10,494
CLERK CASH	785,439	3,140,247	3,155,636	770,050
SHERIFF COMMISSARY	108,377	59,247	101,862	65,762
SHERIFF PENSION CASH	2,254,200	186,761	208,317	2,232,644
TREASURER'S CASH BOOK	444,059	29,080,728	29,155,778	369,009
SHERIFF CASH BOOK	-	953,296	953,246	50
CORNERSTONE SOCIETY	1,402	-	-	1,402
JAWS PROGRAM	122	-	-	122
OUT OF SCHOOL GRANT (JAIBG)	720	-	-	720
COMMUNITY TRANS. PROGRAM	17,825	-	-	17,825
LAW ENFORCEMENT FEDERAL FORFEITURE FUND	1,611	-	-	1,611
ELIZABETH RHODES	5,822	-	-	5,822
EXCISE POLICE	297	36	-	333
GUARDIAN AD LITEM	21,534	12,404	12,404	21,534
JURY FEES	3,086	2,936	-	6,022
COUNTY CHILD ABUSE FEES	50	-	-	50
ORDINANCE DEF/LOIT	2,998	-	-	2,998
ALCOHOL & TOBACCO COMMISSION	990	743	-	1,733
CEDIT	2,120,900	1,699,374	1,571,288	2,248,986
COMMUNITY CORRECTION CTP	-	14,902	13,085	1,817
THINK GIS	2,000	-	-	2,000
EMERGENCY/ RIGHT TO KNOW	16,841	8,715	11,478	14,078
HEALTH MAINTENANCE	58,322	33,139	54,150	37,311
SRI	10,580	22,074	17,780	14,874
SURPLUS TAX SALE	230,043	558,186	317,928	470,301
JEFFERSON COUNTY WIRELESS EMERGENCY TELEPHONE	42,825	122,183	128,763	36,245
CASA/GRANT	-	1,522	136	1,386
ELECTION & REGISTRATION	233,590	29,946	96,590	166,946
STATE FAIR	15,096	-	17,400	(2,304)
INFRACTION DEFERRAL PROGRAM	-	6,770	5,630	1,140
CEMETERY BOARD DONATIONS	9,276	-	900	8,376
COURTHOUSE INS REST FUND	337,380	6,704,680	7,011,829	30,231
EDP/CASINO REVENUE	11,411	70,809	60,000	22,220
SHERIFF RESERVE UNIT FUND	1,014	-	578	436
SEIZED & FORFEITED PROPERTY	7,876	1,664	2,333	7,207
MENTAL HEALTH	-	160,291	159,468	823
PROJECT INCOME- COMMUNITY CORR	-	64,820	32,278	32,542
LOCAL TRUST HEALTH	-	20,709	-	20,709
CASINO REVENUE	718,472	494,470	444,230	768,712
JEFFERSON COUNTY SHERIFF CONTINUING EDUCATION	469	793	1,282	(20)
INDIANA STATE POLICE	32,831	2,557	2,650	32,738
DEPT OF NATURAL RESOURCES	563	226	56	733
CITY OF MADISON	8,828	9,180	-	18,008
WIC	(8,994)	156,258	157,028	(9,764)
HOMELAND SEC/SEMA	35,521	6,750	3,697	38,574
FEDERAL PROJ H/W	109,472	-	109,472	-
TITLE IV-D INCENTIVE FUND	-	17,506	-	17,506
COUNTY AUDITOR	25	-	25	-
COUNTY ANIMAL SHELTER	100	-	100	-
COUNTY PLANNING AND ZONING	100	-	100	-
Totals	$ 19,695,385	$ 91,977,968	$ 93,908,077	$ 17,765,276

The notes to the financial statement are an integral part of this 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 (Indiana Code 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, 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.

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

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

Note 5. Risk Management

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

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

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 (Indiana Code 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 (Indiana Code 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. 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 (Indiana Code 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. 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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's 2011 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.

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011

	GENERAL	HIGHWAY	LOCAL ROADS & STREETS	ACCIDENT REPORTS	FIREARMS TRAINING	HEALTH DEPARTMENT	HANOVER TOWN FINES
Cash and investments - beginning	$ 57,051	$ 976,877	$ 249,481	$ 4,320	$ 28,188	$ 609,986	$ 1,559
Receipts:							
Taxes	5,594,104	-	-	-	-	-	-
Licenses and permits	37,111	-	-	-	-	63,950	-
Intergovernmental	212,614	1,266,069	267,364	-	-	-	-
Charges for services	391,818	434,113	-	1,830	11,170	349,500	-
Fines and forfeits	326,206	-	-	-	-	55,204	-
Other receipts	-	-	-	-	-	80,832	429
Total receipts	6,561,853	1,700,182	267,364	1,830	11,170	549,486	429
Disbursements:							
Personal services	4,328,718	977,040	-	-	-	656,233	-
Supplies	526,377	572,988	273,739	-	-	28,775	-
Other services and charges	1,562,411	207,393	-	-	-	195,339	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,302	155,937	-	-	-	630	-
Other disbursements	-	-	-	5,239	36,302	-	-
Total disbursements	6,422,808	1,913,358	273,739	5,239	36,302	880,977	-
Excess (deficiency) of receipts over disbursements	139,045	(213,176)	(6,375)	(3,409)	(25,132)	(331,491)	429
Cash and investments - ending	$ 196,096	$ 763,701	$ 243,106	$ 911	$ 3,056	$ 278,495	$ 1,988

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	CLERK RECORD PERPETUATION FUND	ADMINISTRATIVE FEE PROBATION	GAMING REVENUE/ HISTORIC BOARD	EMERGENCY TELEPHONE 911-PSAP	COUNTY DRUG FREE	IC TRANSFER FEES	JUV PROBATION SERVICES
Cash and investments - beginning	$ 47,903	$ 2,565	$ 417,395	$ 314,335	$ 34,841	$ -	$ 7,041
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	44,250	-	-
Charges for services	10,168	-	-	149,364	-	-	-
Fines and forfeits	-	-	-	-	-	600	-
Other receipts	-	-	61,809	5,117	-	-	5,064
Total receipts	10,168	-	61,809	154,481	44,250	600	5,064
Disbursements:							
Personal services	-	-	-	83,000	-	-	-
Supplies	5,131	-	-	-	-	-	-
Other services and charges	-	-	-	78,486	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	66,582	-	-	-
Other disbursements	7,137	-	23,798	19,501	32,891	537	195
Total disbursements	12,268	-	23,798	247,569	32,891	537	195
Excess (deficiency) of receipts over disbursements	(2,100)	-	38,011	(93,088)	11,359	63	4,869
Cash and investments - ending	$ 45,803	$ 2,565	$ 455,406	$ 221,247	$ 46,200	$ 63	$ 11,910

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	ADULT PROBATION	RECORDERS RECORDS PERPETUATION	PCA - FEE PAYMENTS CHILD SUPPORT	PRE-TRIAL DIVERSION	FAMILY AND CHILDREN	PLAT BOOK	COUNTY MISDEMEANANT FUND
Cash and investments - beginning	$ 25,509	$ 299,825	$ 697	$ 131,459	$ -	$ 5,536	$ 41,271
Receipts:							
Taxes	-	-	-	-	4	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	24,371	-	-	-	-	-	-
Charges for services	-	2,623	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	21,623
Other receipts	91,450	31,002	1,490	30,533	-	214	503
Total receipts	115,821	33,625	1,490	30,533	4	214	22,126
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	55,427	-	900	39,288	-	88	33,064
Total disbursements	55,427	-	900	39,288	-	88	33,064
Excess (deficiency) of receipts over disbursements	60,394	33,625	590	(8,755)	4	126	(10,938)
Cash and investments - ending	$ 85,903	$ 333,450	$ 1,287	$ 122,704	$ 4	$ 5,662	$ 30,333

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	SUPPLEMENTAL PUBLIC DEFENDER	CLERKS INCENTIVE	COUNTY SURVEYOR CORNER PERPETUAL	PRISONER REIMBURSEMENT	RAINY DAY FUND	SALES DISCLOSURE FEES	COMMUNITY CORRECTION
Cash and investments - beginning	$ 28,759	$ 20,288	$ 4,303	$ 2,400	$ 974,053	$ 8,413	$ 73,160
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	17,506	-	-	-	-	163,382
Charges for services	-	-	-	-	-	-	12,780
Fines and forfeits	-	-	-	-	-	-	2,808
Other receipts	32,512	-	5,968	-	20,018	3,020	25,436
Total receipts	32,512	17,506	5,968	-	20,018	3,020	204,406
Disbursements:							
Personal services	-	-	-	-	-	-	129,746
Supplies	396	1,000	-	-	-	-	18,326
Other services and charges	7,133	8,415	6,000	-	-	101	16,580
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	45,729
Other disbursements	49,675	-	-	-	241,975	-	250
Total disbursements	57,204	9,415	6,000	-	241,975	101	210,631
Excess (deficiency) of receipts over disbursements	(24,692)	8,091	(32)	-	(221,957)	2,919	(6,225)
Cash and investments - ending	$ 4,067	$ 28,379	$ 4,271	$ 2,400	$ 752,096	$ 11,332	$ 66,935

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	LEVY EXCESS	PROSECUTING ATTORNEY INCENTIVE	SISWD	ANIMAL SHELTER	NEW REASSESSMENT	REASSESSMENT 2015	COUNTY ID PROTECTION ACT
Cash and investments - beginning	$ 26,780	$ 37,259	$ 2,644	$ 59,149	$ 147,455	$ -	$ 52,213
Receipts:							
Taxes	-	-	-	169,649	-	192,104	-
Licenses and permits	-	-	-	-	-	-	7,372
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	26,336	-	-	-	-	-
Total receipts	-	26,336	-	169,649	-	192,104	7,372
Disbursements:							
Personal services	-	-	-	72,426	1,245	-	-
Supplies	-	-	-	100,000	500	-	-
Other services and charges	-	-	-	-	78,390	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	775	-	-
Other disbursements	-	6,796	-	-	-	-	-
Total disbursements	-	6,796	-	172,426	80,910	-	-
Excess (deficiency) of receipts over disbursements	-	19,540	-	(2,777)	(80,910)	192,104	7,372
Cash and investments - ending	$ 26,780	$ 56,799	$ 2,644	$ 56,372	$ 66,545	$ 192,104	$ 59,585

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	CLERK ARRA FUND	PROSECUTOR ARRA	RECORDERS CONTINUING EDUCATION	CUM CAP DEVELOPMENT	CUM BRIDGE	CUM JAIL	CUM COURTHOUSE
Cash and investments - beginning	$ 2,771	$ 7,668	$ -	$ 1,414,244	$ 1,542,104	$ 675,863	$ 2,812,667
Receipts:							
Taxes	-	-	-	162,887	699,055	113,116	226,231
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	13,311	57,130	9,245	18,490
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	985	-	7,603	1,340	2,569,089
Total receipts	-	-	985	176,198	763,788	123,701	2,813,810
Disbursements:							
Personal services	-	-	-	-	286,871	-	-
Supplies	-	-	-	-	53,281	1,376	-
Other services and charges	-	-	-	136,495	290,480	13,387	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	86,046	614,791	-	212,400
Other disbursements	-	921	-	-	-	72,364	3,210,795
Total disbursements	-	921	-	222,541	1,245,423	87,127	3,423,195
Excess (deficiency) of receipts over disbursements	-	(921)	985	(46,343)	(481,635)	36,574	(609,385)
Cash and investments - ending	$ 2,771	$ 6,747	$ 985	$ 1,367,901	$ 1,060,469	$ 712,437	$ 2,203,282

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	CUM VOTING	SHERIFF PENSION TRUST	CITY AND TOWN COURT COST	CORONERS TRAINING & CONTINUING EDUCATION	TAX SALE REDEMPTION	SURPLUS TAX	SETTLEMENT
Cash and investments - beginning	$ 222,173	$ 1,144	$ -	$ 226	$ 4,098	$ 187,548	$ -
Receipts:							
Taxes	-	-	-	-	-	34,193	26,366,894
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	2,788,884
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	12,583	-	3,248	306,670	-	-
Total receipts	-	12,583	-	3,248	306,670	34,193	29,155,778
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	263	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	996	13,727	-	3,180	309,180	186,757	29,155,778
Total disbursements	996	13,727	263	3,180	309,180	186,757	29,155,778
Excess (deficiency) of receipts over disbursements	(996)	(1,144)	(263)	68	(2,510)	(152,564)	-
Cash and investments - ending	$ 221,177	$ -	$ (263)	$ 294	$ 1,588	$ 34,984	$ -

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	STATE FINES & FORFEITURES	INFRACTION JUDGMENTS	INHERITANCE TAX	SPECIAL DEATH BENEFITS	EDUCATION PLATE EXCISE	FINANCIAL INSTITUTION TAX	JEFFERSON COUNTY ORDINANCE FEES
Cash and investments - beginning	$ -	$ 1,562	$ 10,510	$ 310	$ -	$ -	$ 1,618
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	128,245	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	67,436	28,701	760,592	3,590	825	-	-
Total receipts	67,436	28,701	760,592	3,590	825	128,245	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	20,713	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	53,287	28,817	710,240	3,515	112	128,245	-
Total disbursements	53,287	28,817	710,240	3,515	20,825	128,245	-
Excess (deficiency) of receipts over disbursements	14,149	(116)	50,352	75	(20,000)	-	-
Cash and investments - ending	$ 14,149	$ 1,446	$ 60,862	$ 385	$ (20,000)	$ -	$ 1,618

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	FAMILY VIOLENCE VICTIM ASSISTANCE	CONVENTION & TOURISM	MORTGAGE RECORDING FEES-STATE	CVET	RIVERBOAT WAG TAX SHARING	2007 HOMESTEAD CREDIT REBATE DIST	HEA 1001 STATE HSC FUND
Cash and investments - beginning	$ 4,204	$ -	$ -	$ -	$ 189,623	$ 10,996	$ (506)
Receipts:							
Taxes	-	16,501	-	51,970	198,411	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	267,589	3,068	-	-	-	-
Total receipts	-	284,090	3,068	51,970	198,411	-	-
Disbursements:							
Personal services	-	-	-	-	92,217	-	-
Supplies	-	16,501	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	267,599	2,493	51,970	114,384	10,996	-
Total disbursements	-	284,100	2,493	51,970	206,601	10,996	-
Excess (deficiency) of receipts over disbursements	-	(10)	575	-	(8,190)	(10,996)	-
Cash and investments - ending	$ 4,204	$ (10)	$ 575	$ -	$ 181,433	$ -	$ (506)

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	PAYROLL CLEARING	CEMETERY BOARD	SHERIFF INMATE TRUST	RECORDER CASH	CLERK CASH	SHERIFF COMMISSARY	SHERIFF PENSION CASH
Cash and investments - beginning	$ 142,841	$ 89,627	$ 15,473	$ 22,833	$ 785,439	$ 108,377	$ 2,254,200
Receipts:							
Taxes	2,904,547	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	150,478	109,749	-	-	-
Fines and forfeits	-	-	-	-	3,140,247	-	-
Other receipts	-	-	-	-	-	59,247	186,761
Total receipts	2,904,547	-	150,478	109,749	3,140,247	59,247	186,761
Disbursements:							
Personal services	2,904,568	11,244	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	3,155,636	101,862	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	148,597	122,088	-	-	208,317
Total disbursements	2,904,568	11,244	148,597	122,088	3,155,636	101,862	208,317
Excess (deficiency) of receipts over disbursements	(21)	(11,244)	1,881	(12,339)	(15,389)	(42,615)	(21,556)
Cash and investments - ending	$ 142,820	$ 78,383	$ 17,354	$ 10,494	$ 770,050	$ 65,762	$ 2,232,644

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	TREASURER'S CASH BOOK	SHERIFF CASH BOOK	CORNERSTONE SOCIETY	JAWS PROGRAM	OUT OF SCHOOL GRANT (JAIBG)	COMMUNITY TRANS. PROGRAM	LAW ENFORCEMENT FEDERAL FORFEITURE FUND
Cash and investments - beginning	$ 444,059	$ -	$ 1,402	$ 122	$ 720	$ 17,825	$ 1,611
Receipts:							
Taxes	29,080,728	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	953,296	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	29,080,728	953,296	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	29,155,778	953,246	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	29,155,778	953,246	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(75,050)	50	-	-	-	-	-
Cash and investments - ending	$ 369,009	$ 50	$ 1,402	$ 122	$ 720	$ 17,825	$ 1,611

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	ELIZABETH RHODES	EXCISE POLICE	GUARDIAN AD LITEM	JURY FEES	COUNTY CHILD ABUSE FEES	ORDINANCE DEF/LOIT	ALCOHOL & TOBACCO COMMISSION
Cash and investments - beginning	$ 5,822	$ 297	$ 21,534	$ 3,086	$ 50	$ 2,998	$ 990
Receipts:							
Taxes	-	-	-	2,936	-	-	743
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	12,404	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	36	-	-	-	-	-
Total receipts	-	36	12,404	2,936	-	-	743
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	12,404	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	12,404	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	36	-	2,936	-	-	743
Cash and investments - ending	$ 5,822	$ 333	$ 21,534	$ 6,022	$ 50	$ 2,998	$ 1,733

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	CEDIT	COMMUNITY CORRECTION CTP	THINK GIS	EMERGENCY/ RIGHT TO KNOW	HEALTH MAINTENANCE	SRI	SURPLUS TAX SALE
Cash and investments - beginning	$ 2,120,900	$ -	$ 2,000	$ 16,841	$ 58,322	$ 10,580	$ 230,043
Receipts:							
Taxes	1,679,874	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	14,902	-	8,715	-	-	-
Charges for services	-	-	-	-	33,139	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	19,500	-	-	-	-	22,074	558,186
Total receipts	1,699,374	14,902	-	8,715	33,139	22,074	558,186
Disbursements:							
Personal services	-	471	-	-	20,000	-	-
Supplies	1,385	3,570	-	-	4,310	-	-
Other services and charges	745,403	4,960	-	-	-	-	-
Debt service - principal and interest	824,500	-	-	-	-	-	-
Capital outlay	-	4,084	-	-	29,840	-	-
Other disbursements	-	-	-	11,478	-	17,780	317,928
Total disbursements	1,571,288	13,085	-	11,478	54,150	17,780	317,928
Excess (deficiency) of receipts over disbursements	128,086	1,817	-	(2,763)	(21,011)	4,294	240,258
Cash and investments - ending	$ 2,248,986	$ 1,817	$ 2,000	$ 14,078	$ 37,311	$ 14,874	$ 470,301

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	JEFFERSON COUNTY WIRELESS EMERGENGY TELEPHONE	CASA/GRANT	ELECTION & REGISTRATION	STATE FAIR	INFRACTION DEFERRAL PROGRAM	CEMETERY BOARD DONATIONS	COURTHOUSE INS REST FUND
Cash and investments - beginning	$ 42,825	$ -	$ 233,590	$ 15,096	$ -	$ 9,276	$ 337,380
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	500,000
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	122,183	1,522	29,946	-	6,770	-	6,204,680
Total receipts	122,183	1,522	29,946	-	6,770	-	6,704,680
Disbursements:							
Personal services	80,779	-	65,068	-	-	-	-
Supplies	33,904	-	14,525	17,400	-	-	115,000
Other services and charges	14,080	-	7,178	-	-	-	2,638,708
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	9,650	-	-	-	1,712,600
Other disbursements	-	136	169	-	5,630	900	2,545,521
Total disbursements	128,763	136	96,590	17,400	5,630	900	7,011,829
Excess (deficiency) of receipts over disbursements	(6,580)	1,386	(66,644)	(17,400)	1,140	(900)	(307,149)
Cash and investments - ending	$ 36,245	$ 1,386	$ 166,946	$ (2,304)	$ 1,140	$ 8,376	$ 30,231

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	EDP/ CASINO REVENUE	SHERIFF RESERVE UNIT FUND	SEIZED & FORFEITED PROPERTY	MENTAL HEALTH	PROJECT INCOME- COMMUNITY CORRECTION	LOCAL TRUST HEALTH	CASINO REVENUE
Cash and investments - beginning	$ 11,411	$ 1,014	$ 7,876	$ -	$ -	$ -	$ 718,472
Receipts:							
Taxes	-	-	-	148,182	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	70,809	-	-	12,109	-	-	-
Charges for services	-	-	-	-	29,698	-	-
Fines and forfeits	-	-	-	-	35,122	-	-
Other receipts	-	-	1,664	-	-	20,709	494,470
Total receipts	70,809	-	1,664	160,291	64,820	20,709	494,470
Disbursements:							
Personal services	-	-	-	-	4,022	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	40,000	-	-	-	12,197	-	444,230
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	15,980	-	-
Other disbursements	20,000	578	2,333	159,468	79	-	-
Total disbursements	60,000	578	2,333	159,468	32,278	-	444,230
Excess (deficiency) of receipts over disbursements	10,809	(578)	(669)	823	32,542	20,709	50,240
Cash and investments - ending	$ 22,220	$ 436	$ 7,207	$ 823	$ 32,542	$ 20,709	$ 768,712

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	JEFFERSON COUNTY SHERIFF CONTINUING EDUCATION	INDIANA STATE POLICE	DEPT OF NATURAL RESOURCES	CITY OF MADISON	WIC	HOMELAND SEC/SEMA
Cash and investments - beginning	$ 469	$ 32,831	$ 563	$ 8,828	$ (8,994)	$ 35,521
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	156,258	6,750
Fines and forfeits	-	-	-	-	-	-
Other receipts	793	2,557	226	9,180	-	-
Total receipts	793	2,557	226	9,180	156,258	6,750
Disbursements:						
Personal services	-	-	-	-	140,245	-
Supplies	-	-	-	-	7,830	-
Other services and charges	-	-	-	-	6,156	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,797	-
Other disbursements	1,282	2,650	56	-	-	3,697
Total disbursements	1,282	2,650	56	-	157,028	3,697
Excess (deficiency) of receipts over disbursements	(489)	(93)	170	9,180	(770)	3,053
Cash and investments - ending	$ (20)	$ 32,738	$ 733	$ 18,008	$ (9,764)	$ 38,574

JEFFERSON COUNTY
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

	FEDERAL PROJ H/W	TITLE IV-D INCENTIVE FUND	COUNTY AUDITOR	COUNTY ANIMAL SHELTER	COUNTY PLANNING AND ZONING	Totals
Cash and investments - beginning	$ 109,472	$ -	$ 25	$ 100	$ 100	$ 19,695,385
Receipts:						
Taxes	-	-	-	-	-	67,642,129
Licenses and permits	-	-	-	-	-	108,433
Intergovernmental	-	17,506	-	-	-	5,634,902
Charges for services	-	-	-	-	-	2,815,138
Fines and forfeits	-	-	-	-	-	3,581,810
Other receipts	-	-	-	-	-	12,195,556
Total receipts	-	17,506	-	-	-	91,977,968
Disbursements:						
Personal services	-	-	-	-	-	9,853,893
Supplies	-	-	-	-	-	1,796,577
Other services and charges	-	-	-	-	-	39,913,161
Debt service - principal and interest	-	-	-	-	-	824,500
Capital outlay	-	-	-	-	-	2,963,143
Other disbursements	109,472	-	25	100	100	38,556,803
Total disbursements	109,472	-	25	100	100	93,908,077
Excess (deficiency) of receipts over disbursements	(109,472)	17,506	(25)	(100)	(100)	(1,930,109)
Cash and investments - ending	$ -	$ 17,506	$ -	$ -	$ -	$ 17,765,276

JEFFERSON COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	$ 373,264	$ 140,687

JEFFERSON COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Frazier Properties LLC	Jefferson County Commissioners - Community Corrections	$ 18,000	08-01-11	12-31-12
Jefferson Building Corp	Bond for Jail renovation	824,500	07-15-07	01-01-16
Jefferson County Red Cross	Jefferson County Commissioners	1,800	01-01-11	12-31-11
Madison Investors Limited	Jefferson County Commissioners - Extention Office	18,000	06-01-11	12-31-11
Madison Township Volunteer Fire Co.	Jefferson County EMA Director's office	1	09-01-11	01-01-11
Total governmental activities		862,301		
Total of annual lease payments		$ 862,301		

Description of Debt			
Type	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Jail Renovation	$ 3,360,000	$ 816,668
Totals		$ 3,360,000	$ 816,668

JEFFERSON COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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	$ 178,400
Infrastructure	21,557,185
Buildings	8,232,469
Improvements other than buildings	176,468
Machinery, equipment and vehicles	4,689,794
Construction in progress	5,000,000
Total governmental activities	39,834,316
Total capital assets	$ 39,834,316

JEFFERSON COUNTY
OTHER REPORT

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

County Auditor

SUPPLEMENTAL AUDIT OF

FEDERAL AWARDS

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF JEFFERSON COUNTY, INDIANA

Compliance

We have audited the compliance of the Jefferson County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance 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, 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.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the County's management, County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 1, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

JEFFERSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
U.S. DEPARTMENT OF AGRICULTURE			
Pass-Through Indiana State Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		
Fiscal Year 2011 Contract		WIC 138-1	$ 152,524
Total for federal grantor agency			152,524
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-Through Lt. Governor			
Community Development Block Grant - State Administered CDBG Cluster			
Community Development Block Grants/State's			
Program and Non-Entitlement Grants in Hawaii	14.228		
Jefferson County Courthouse ADA Restoration/Improvement Project		EDS# A192-11-FF-10-100	500,000
Total for federal grantor agency			500,000
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-Through Indiana Criminal Justice Institute			
Highway Safety Cluster			
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601		
Operation Pullover		D3-11-5313	2,000
Operation Pullover		K8-2201-03-03-13	4,661
Total for program			6,661
Safety Belt Performance Grants	20.609		
2011 Safety Belt		FY11 NHTSA 40	2,184
			8,845
Pass-Through Indiana Department of Homeland Security			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		
Commodity Flow Study		C44P-1-178A	4,759
Total for federal grantor agency			13,604

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

JEFFERSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011
(Continued)

Federal Grantor Agency/Pass-Through Entity Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through Indiana State Department of Health			
Public Health Emergency Preparedness	93.069		
Center for Disease Control and Prevention for H1N1		H1N1 138-68	43,499
Center for Disease Control and Prevention - Investigation and Technical Assistance	93.283		
Center for Disease Control and Prevention		BPRS 138-70	7,974
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563		
Child Support Enforcement		2011	229,786
Pass-Through Supreme Court of Indiana			
Child Abuse and Neglect State Grants	93.669		
CAPTA Grant		2011	13,926
Total for federal grantor agency			295,185
U.S. DEPARTMENT OF HOMELAND SECURITY			
Pass-Through Indiana Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		
Jefferson County Severe Storms and Flooding 2008, FEMA DR#1795		385PA17950	17,823
Emergency Management Performance Grants	97.042		
Indiana FY 2010 EMPG Project Submission, 2010-EPE9-0012		C44P-1-328A	13,569
Employee Salary		C44P-1-122A	3,750
Total for program			17,319
Total for federal grantor agency			35,142
Total federal awards expended			$ 996,455

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

JEFFERSON COUNTY JEFFERSON COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

JEFFERSON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	yes
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

Name of Federal Program or Cluster
Community Development Block Grant – State Administered CDBG Cluster

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FEDERAL FINDING 2011-1 - CERTIFICATION FOR TIME WORKED AND PAID DAYS OFF - SALARIED/HOURLY EMPLOYEES

We selected certain payroll payments made during the year 2011. For the payroll payments selected, we noted that time worked (days or hours) and paid time-off (i.e. vacation or sick) was not reported on the Payroll Schedule and Voucher for 144 salaried/hourly employees. The total amount paid for undocumented time worked and paid time-off for these employees totaled $161,484.

The Payroll Schedule and Voucher (Form 99), a prescribed form, submitted to the County Auditor requires the elected officer holder and/or head of the department to report the total time worked and the total time-off during the payroll period for each employee under their supervision. Because documentation was not presented to support the payroll payments, validity of the payments could not be established. This information is required to establish the validity of payroll payments made and is integral part of the County's internal controls over payroll payments.

Failure to properly report time worked and/or paid time-off could result in the County paying employees for days or hours not actually worked or for unauthorized time-off. We recommended the County implement a system to properly report the actual time worked or time-off for each County employee on the prescribed payroll form.

Indiana Code 5-11-9-2 states in part: ". . . all accounts or vouchers of any political subdivision of the state for personal services of officers and employees shall be made in such form as may be prescribed by the state board of accounts."

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 14)

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. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 14)

Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 14)

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

JEFFERSON COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CELESTE REED, AUDITOR

Courthouse - Room 101
300 E. Main Street
Madison, IN 47250

JEFFERSON COUNTY

Office: 812-265-8942
Fax: 812-273-5302
celeste.reed@jeffersoncounty.in.gov

May 21, 2012

Finding No. 2011-1, Certification for Time Worked and Paid Days Off – Salaried/ Hourly Employees
Contact Person: Celeste G. Reed
Title: County Auditor
Phone Number: 812-265-8942

Jefferson County will review and implement procedures for the proper use of Payroll Form 99. We Plan to inform all office holders and department heads to show actual time worked and/or paid days off for each employee under their supervision for each payroll period on the Payroll Form 99.

Signed by,

Celeste G. Reed

Celeste G. Reed

JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 1, 2012, with Celeste G. Reed, Auditor; Julie Berry, President of the Board of County Commissioners; and William H. Hensler, President of the County Council.