

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

MORGAN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
08/17/2012



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SCHEDULE OF OFFICIALS

| <u>Office</u>                                     | <u>Official</u>             | <u>Term</u>          |
|---|-----------------------------|----------------------|
| Auditor   | Brenda Adams                | 01-01-11 to 12-31-14 |
| Treasurer   | Dena Burkett                | 01-01-09 to 12-31-12 |
| Clerk   | Marquerite (Peggy) Mayfield | 01-01-11 to 12-31-14 |
| Sheriff   | Robert J. Downey            | 01-01-11 to 12-31-14 |
| Recorder  | Pamela Kivett               | 01-01-09 to 12-31-12 |
| President of the Board of<br>County Commissioners | Norman Voyles               | 01-01-11 to 12-31-12 |
| President of the<br>County Council                | Kenneth L. Hale             | 01-01-11 to 12-31-12 |



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MORGAN COUNTY, INDIANA

We have audited the accompanying financial statement of Morgan County (County), for the year ended December 31, 2011. This financial statement is the responsibility of the County's management. 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 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 (IC 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 presents 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 July 18, 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 (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 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, Board of 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

July 18, 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 MORGAN COUNTY, INDIANA

We have audited the financial statement of Morgan County (County), for the year ended December 31, 2011, and have issued our report thereon dated July 18, 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.

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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the County's management, Board of 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

July 18, 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.

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

| Fund                                | Cash and<br>Investments<br>01-01-11 | Receipts      | Disbursements | Cash and<br>Investments<br>12-31-11 |
|-------------------------------------|-------------------------------------|---------------|---------------|-------------------------------------|
| General                             | \$ 4,908,741                        | \$ 13,435,757 | \$ 14,229,422 | \$ 4,115,076                        |
| Highway                             | 353,880                             | 2,430,511     | 2,489,506     | 294,885                             |
| Local Road And Street               | 1,431,339                           | 1,234,980     | 1,124,174     | 1,542,145                           |
| Accident Report                     | 6,026                               | 5,858         | 3,237         | 8,647                               |
| Firearms Training                   | 73,230                              | 34,643        | 36,600        | 71,273                              |
| Health                              | 157,285                             | 471,090       | 498,175       | 130,200                             |
| Law Enforcement Continuing Ed       | 4                                   | 2,348         | 1,113         | 1,239                               |
| Clerk's Records Perpetuation        | 21,413                              | 13,564        | 12,381        | 22,596                              |
| Emergency Telephone System          | 918,070                             | 293,916       | 500,942       | 711,044                             |
| Drug Free Community                 | 110,719                             | 48,723        | 79,768        | 79,674                              |
| Emergency Planning/Right To Know    | 38,917                              | 4,536         | 315           | 43,138                              |
| Extradition                         | 5,750                               | 3,000         | 5,750         | 3,000                               |
| Juvenile Probation Service          | 27,416                              | 18,852        | -             | 46,268                              |
| Adult Probation Services            | 831,987                             | 255,231       | 298,828       | 788,390                             |
| Recorder's Records Perpetuation     | 265,411                             | 122,678       | 147,957       | 240,132                             |
| Health Maintenance                  | 55,944                              | 49,264        | 50,367        | 54,841                              |
| Court Appointed Special Advocate    | 15,687                              | 18,681        | 10,116        | 24,252                              |
| Plat Book                           | 61,270                              | 14,570        | 34,965        | 40,875                              |
| Misdemeanant                        | 238                                 | 42,249        | 42,199        | 288                                 |
| Supplemental Public Defender Svc    | 204,377                             | 86,076        | 58,960        | 231,493                             |
| Jail Commissary                     | 149,877                             | 356,994       | 215,388       | 291,483                             |
| Surveyor's Corner Perpetuation      | 76,350                              | 11,930        | 14,305        | 73,975                              |
| Jury Pay                            | 16,301                              | 13,693        | 26,067        | 3,927                               |
| Rainy Day                           | 6,867,548                           | 2,034         | 586,003       | 6,283,579                           |
| Sales Disclosure                    | 25,088                              | 6,155         | -             | 31,243                              |
| Local Health Dept Trust #901        | 37,409                              | -             | 22,877        | 14,532                              |
| Levy Excess                         | 29,198                              | -             | 29,198        | -                                   |
| Identification Security Protection  | 84,433                              | 22,928        | 9,538         | 97,823                              |
| Wireless Emergency Telephone System | 483,154                             | 232,807       | -             | 715,961                             |
| Campaign Finance Enforcement        | -                                   | 100           | -             | 100                                 |
| Reassessment 2017                   | -                                   | 530,477       | -             | 530,477                             |
| Co Elected Officials Training       | -                                   | 2,611         | -             | 2,611                               |
| Cumulative Capital Development      | 5,589,492                           | 1,145,563     | 1,967,988     | 4,767,067                           |
| Cumulative Bridge                   | 706,183                             | 553,985       | 511,130       | 749,038                             |
| Cumulative Building                 | 2,887,891                           | 365,388       | 119,113       | 3,134,166                           |
| Self-Insurance                      | (81,385)                            | 3,410,140     | 3,062,374     | 266,381                             |
| Sheriff's Pension                   | 4,724,465                           | 548,593       | 505,304       | 4,767,754                           |
| City And Town Court Costs           | 6,327                               | 11,772        | 12,179        | 5,920                               |
| Clerk's Trust                       | 73,726                              | 1,712,904     | 1,651,997     | 134,633                             |
| Surplus Tax Sale                    | 277,776                             | 545,827       | 311,980       | 511,623                             |
| Tax Sale Redemption                 | -                                   | 90,634        | 90,634        | -                                   |
| Surplus Tax                         | 100,899                             | 194,718       | 166,057       | 129,560                             |
| State Fines And Forfeitures         | 2,079                               | 12,100        | 11,456        | 2,723                               |
| Sheriff                             | 28,496                              | 1,928,049     | 1,871,412     | 85,133                              |
| Infraction Judgements               | 14,605                              | 162,300       | 166,317       | 10,588                              |
| Inheritance Tax                     | 289,461                             | 1,394,618     | 1,435,628     | 248,451                             |
| Special Death Benefit               | 415                                 | 5,335         | 5,320         | 430                                 |
| Education Plate Fees Agency         | -                                   | 1,350         | 1,350         | -                                   |
| Financial Institution Tax           | -                                   | 192,467       | 192,467       | -                                   |
| Sheriff Retirement                  | -                                   | 36,004        | 36,004        | -                                   |
| Wheel Tax                           | -                                   | 120,146       | 119,751       | 395                                 |
| Sur Tax                             | -                                   | 698,468       | 698,468       | -                                   |
| MC Conv.Visit.&Tour.Promotion       | -                                   | 96,809        | -             | 96,809                              |
| Mortgage Fees-State Share           | 823                                 | 6,760         | 6,895         | 688                                 |
| Child Restraint Violations Fines    | 150                                 | 1,075         | 1,150         | 75                                  |
| CVET Agency                         | -                                   | 275,359       | 275,359       | -                                   |
| Homestead Credit Rebate             | 30,296                              | 3             | 7,639         | 22,660                              |
| Hea 1001 State Homestead Credit     | (3,738)                             | 184           | -             | (3,554)                             |
| LOIT Property Tax Relief            | 489,300                             | 12,551,691    | 12,466,628    | 574,363                             |
| LOIT Operating                      | -                                   | 2,454,082     | 2,454,082     | -                                   |
| LOIT Public Safety                  | -                                   | 3,067,603     | 3,067,603     | -                                   |
| Cedit Homestead Credit              | 13,639                              | 863,438       | 860,992       | 16,085                              |

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

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

| Fund                            | Cash and<br>Investments<br>01-01-11 | Receipts   | Disbursements | Cash and<br>Investments<br>12-31-11 |
|---------------------------------|-------------------------------------|------------|---------------|-------------------------------------|
| Settlement Clearing             | -                                   | 50,521,019 | 50,521,019    | -                                   |
| After Settlement Collections    | 871,612                             | 964,914    | 871,612       | 964,914                             |
| Title IV-D Incentive            | -                                   | 46,492     | 26            | 46,466                              |
| Comm Corr Grant #275            | -                                   | 122,008    | 104,324       | 17,684                              |
| Bullet Proof Vest Grant         | -                                   | 1,685      | 18,624        | (16,939)                            |
| Flood Homes Demolition          | -                                   | 46,664     | 21,482        | 25,182                              |
| CDBG-Old Town Waverly           | -                                   | 250,000    | 173,110       | 76,890                              |
| OCRA-Wildwood Dam               | -                                   | 881,649    | 881,649       | -                                   |
| OCRA-Lake Edgewood              | -                                   | 223,142    | 223,142       | -                                   |
| Homeland Security/Domestic Prep | -                                   | 3,750      | 3,750         | -                                   |
| Local Health Dept Trust #616    | -                                   | 41,135     | 10,899        | 30,236                              |
| CTP Grant                       | -                                   | 1,775      | 1,065         | 710                                 |
| Work Release Intake Fee         | -                                   | 2,775      | -             | 2,775                               |
| Old Town Waverly                | -                                   | 1,219,097  | 519,330       | 699,767                             |
| Co Offender Transportation      | -                                   | 125        | -             | 125                                 |
| Property Reassessment           | 2,653,070                           | 6,974      | 492,593       | 2,167,451                           |
| Law Enforcement                 | 89,744                              | 4,764      | 24,588        | 69,920                              |
| Riverboat Revenue Sharing       | 434,545                             | 1,160,840  | 466,688       | 1,128,697                           |
| Operation Pullover              | 270                                 | 15,000     | 15,023        | 247                                 |
| EMA Donations                   | 161                                 | 600        | -             | 761                                 |
| County Edit Fund                | 2,453,785                           | 1,948,258  | 592,322       | 3,809,721                           |
| K-9 Donation                    | 431                                 | -          | 281           | 150                                 |
| Federal Forfeited Property      | 3,274                               | -          | 1,355         | 1,919                               |
| ADAPT                           | 121,461                             | 44,882     | 81,154        | 85,189                              |
| Community Transition            | 10,886                              | 4,610      | -             | 15,496                              |
| Law Enforcement Co User         | 6,342                               | 2,765      | 127           | 8,980                               |
| CASA Donations                  | 1,534                               | -          | 513           | 1,021                               |
| Comm Corr Proj Income #276      | -                                   | 388,456    | 34,683        | 353,773                             |
| Special Probation Programs      | 130                                 | -          | -             | 130                                 |
| Boot Camp Fees                  | 2,664                               | -          | -             | 2,664                               |
| Interpreter Grant               | 3,090                               | -          | -             | 3,090                               |
| Administration Fee (Probation)  | 68,094                              | 48,303     | 66,664        | 49,733                              |
| Health Bioterrorism #502        | (566)                               | 9,259      | 8,693         | -                                   |
| Health Bioterrorism #602        | (11,728)                            | 28,172     | 16,444        | -                                   |
| Clerk Incentive                 | 36,465                              | 24,142     | 29,217        | 31,390                              |
| Prosecutor Incentive            | 149,435                             | 64,029     | 80,243        | 133,221                             |
| Comm Corr Proj Income #726      | 316,864                             | 99,334     | 416,198       | -                                   |
| Comm Corr Grant #727            | 5,104                               | 111,563    | 116,667       | -                                   |
| Operation Round Up Grant        | -                                   | 5,000      | 5,000         | -                                   |
| Prosecutor/Victim Adv #807      | -                                   | 7,688      | 7,688         | -                                   |
| Pre-Trial Div Traffic           | 180,121                             | 184,360    | 224,376       | 140,105                             |
| Pre-Trial Div Check             | 13,223                              | 6,290      | 3,145         | 16,368                              |
| Stop Violence Ag Women #904     | (2,347)                             | 10,561     | 8,214         | -                                   |
| Stop Violence Ag Women #905     | -                                   | -          | 7,350         | (7,350)                             |
| Prosecutor/Victim Adv #907      | -                                   | -          | 6,323         | (6,323)                             |
| Local Health-Bioterrorism       | -                                   | -          | 7,604         | (7,604)                             |
| Comm Dev Block Grant #511       | 60,874                              | 37,285     | 101,124       | (2,965)                             |
| Mo Co Partner Water Quality     | 13,083                              | 11,525     | 15,378        | 9,230                               |
| Sex & Violent Offender Admin    | 4,934                               | 4,478      | 4,200         | 5,212                               |
| Dui Task Force                  | 17                                  | -          | 17            | -                                   |
| Private Collection Agency       | 1,110                               | 1,351      | 811           | 1,650                               |
| County Public Safety            | 4,484,214                           | 1,724,119  | 1,813,332     | 4,395,001                           |
| Victim Assistance #906          | (7,103)                             | 25,070     | 17,967        | -                                   |
| Comm Corr Grant #277            | -                                   | 351        | 351           | -                                   |
| Recreational Trails Prog        | (51,799)                            | 52,717     | 1,836         | (918)                               |
| Jail Bond Proceeds              | 2,085,139                           | 5,496      | 2,089,273     | 1,362                               |
| CDBG                            | (110,081)                           | 403,880    | 409,620       | (115,821)                           |
| Health Immunization Prg         | (486)                               | 9,232      | 8,746         | -                                   |
| Brooklyn Pedestrian Bridge      | 40,986                              | 48,292     | 41,314        | 47,964                              |
| Clerk ARRA Fund                 | 1,789                               | -          | -             | 1,789                               |
| County General ARRA Fund        | 28,695                              | -          | -             | 28,695                              |
| Prosecutor ARRA Fund            | 12,963                              | -          | -             | 12,963                              |

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

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

| Fund                                | Cash and<br>Investments<br>01-01-11 | Receipts              | Disbursements         | Cash and<br>Investments<br>12-31-11 |
|-------------------------------------|-------------------------------------|-----------------------|-----------------------|-------------------------------------|
| Health Bioterrorism #812            | -                                   | -                     | 3,943                 | (3,943)                             |
| Hazard Mitigation Primary #814      | 802,466                             | 603,458               | 1,340,760             | 65,164                              |
| Hazard Mitigation-Henderson #815    | 182,624                             | 189,234               | 368,610               | 3,248                               |
| Recorder                            | 57,119                              | 30,926                | 57,119                | 30,926                              |
| Homestead Credit (Local Option)     | -                                   | 9,202,808             | 9,202,808             | -                                   |
| Prop Replacement & Homestead Credit | -                                   | 3,067,603             | 3,067,603             | -                                   |
| Probation Department Agency         | 71,867                              | 61,955                | 71,867                | 61,955                              |
| Payroll                             | -                                   | 9,861,199             | 9,861,199             | -                                   |
| Perf                                | 222,723                             | 853,831               | 1,076,554             | -                                   |
| Payroll Withholding-Insurance       | -                                   | 85,893                | 85,893                | -                                   |
| Life Insurance                      | 1,124                               | 50,884                | 52,008                | -                                   |
| Insurance-Other                     | -                                   | 350,235               | 350,235               | -                                   |
| Aflac #216                          | 3,822                               | 47,714                | 48,063                | 3,473                               |
| United Way                          | -                                   | 1,094                 | 1,094                 | -                                   |
| Vol Perf Contribution               | 10,487                              | 36,000                | 46,487                | -                                   |
| Economic Dev Income Tax (Edit)      | -                                   | 2,466,967             | 2,466,967             | -                                   |
| Sex & Violent Offender State        | 41                                  | 498                   | 509                   | 30                                  |
| Sales Discl-State Asses Train       | 590                                 | 6,155                 | 6,195                 | 550                                 |
| Coroner's Con'T Ed Fund             | 795                                 | 4,231                 | 4,704                 | 322                                 |
| Interstate Compact Fee              | -                                   | 100                   | 100                   | -                                   |
| Clerk's Interest Trust              | 353,539                             | 9,065                 | 192,746               | 169,858                             |
| Clerk's Child Support               | 13,186                              | 1,702,583             | 1,697,082             | 18,687                              |
| Clerk's Petty Cash                  | 150                                 | -                     | -                     | 150                                 |
| Clerk's Bonds                       | 570,109                             | 455,387               | 561,323               | 464,173                             |
| Probation Certificate               | 15,000                              | 34                    | 34                    | 15,000                              |
| Co Economic Dev Fund                | 1,050                               | 4,350                 | 1,800                 | 3,600                               |
| LOIT Stabilization                  | 3,936,213                           | -                     | 341,920               | 3,594,293                           |
| Sheriff Inmate Trust                | 25,382                              | 361,955               | 351,804               | 35,533                              |
| Morgan Co Plan Commission           | 4,320                               | 4,356                 | 4,320                 | 4,356                               |
| Recorder Cash                       | 50                                  | -                     | -                     | 50                                  |
| Health Dept Cash                    | 35                                  | -                     | -                     | 35                                  |
| Prosecutor-Check Deception          | 800                                 | 87                    | 800                   | 87                                  |
| <b>Totals</b>                       | <b>\$ 52,653,453</b>                | <b>\$ 142,498,099</b> | <b>\$ 144,437,129</b> | <b>\$ 50,714,423</b>                |

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

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

*E. Disbursements*

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

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

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

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

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

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

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 (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.

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. County Police Retirement Plan*

*Plan Description*

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

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## 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 prepared by management of the County. It is presented as intended by the County.

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

|  | General             | Highway           | Local<br>Road<br>And<br>Street | Accident<br>Report | Firearms<br>Training | Health            | Law<br>Enforcement<br>Continuing<br>Ed |
|--|---------------------|-------------------|--------------------------------|--------------------|----------------------|-------------------|--|
| Cash and investments - beginning                   | \$ 4,908,741        | \$ 353,880        | \$ 1,431,339                   | \$ 6,026           | \$ 73,230            | \$ 157,285        | \$ 4                                   |
| Receipts:  |                     |                   |                                |                    |                      |                   |  |
| Taxes  | 10,527,800          | -                 | -                              | -                  | -                    | 329,702           | -                                      |
| Licenses and permits                               | 75,024              | -                 | -                              | -                  | -                    | -                 | -                                      |
| Intergovernmental                                  | 806,480             | 2,423,320         | 1,164,483                      | -                  | -                    | 42,652            | -                                      |
| Charges for services                               | 403,263             | -                 | -                              | 5,858              | 34,643               | 92,007            | -                                      |
| Fines and forfeits                                 | 463,132             | -                 | -                              | -                  | -                    | -                 | 2,348                                  |
| Other receipts                                     | 1,160,058           | 7,191             | 70,497                         | -                  | -                    | 6,729             | -                                      |
| Total receipts                                     | <u>13,435,757</u>   | <u>2,430,511</u>  | <u>1,234,980</u>               | <u>5,858</u>       | <u>34,643</u>        | <u>471,090</u>    | <u>2,348</u>                           |
| Disbursements:                                     |                     |                   |                                |                    |                      |                   |  |
| Personal services                                  | 9,756,895           | 1,721,054         | -                              | -                  | -                    | 445,693           | -                                      |
| Supplies   | 766,696             | 639,132           | 170,666                        | 498                | 32,558               | 15,996            | 257                                    |
| Other services and charges                         | 3,302,349           | 128,247           | 901,329                        | -                  | 420                  | 27,436            | 856                                    |
| Debt service - principal and interest              | -                   | -                 | -                              | -                  | -                    | -                 | -                                      |
| Capital outlay                                     | 249,906             | 1,073             | 52,179                         | 2,739              | 3,622                | 9,050             | -                                      |
| Other disbursements                                | 153,576             | -                 | -                              | -                  | -                    | -                 | -                                      |
| Total disbursements                                | <u>14,229,422</u>   | <u>2,489,506</u>  | <u>1,124,174</u>               | <u>3,237</u>       | <u>36,600</u>        | <u>498,175</u>    | <u>1,113</u>                           |
| Excess (deficiency) of receipts over disbursements | <u>(793,665)</u>    | <u>(58,995)</u>   | <u>110,806</u>                 | <u>2,621</u>       | <u>(1,957)</u>       | <u>(27,085)</u>   | <u>1,235</u>                           |
| Cash and investments - ending                      | <u>\$ 4,115,076</u> | <u>\$ 294,885</u> | <u>\$ 1,542,145</u>            | <u>\$ 8,647</u>    | <u>\$ 71,273</u>     | <u>\$ 130,200</u> | <u>\$ 1,239</u>                        |

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

|  | Clerk's<br>Records<br>Perpetuation | Emergency<br>Telephone<br>System | Drug<br>Free<br>Community | Emergency<br>Planning/Right<br>To<br>Know | Extradition     | Juvenile<br>Probation<br>Service | Adult<br>Probation<br>Services |
|--|------------------------------------|----------------------------------|---------------------------|---|-----------------|----------------------------------|--------------------------------|
| Cash and investments - beginning                   | \$ 21,413                          | \$ 918,070                       | \$ 110,719                | \$ 38,917                                 | \$ 5,750        | \$ 27,416                        | \$ 831,987                     |
| Receipts:  |                                    |                                  |                           |   |                 |                                  |                                |
| Taxes  | -                                  | -                                | -                         | -   | -               | -                                | -                              |
| Licenses and permits                               | -                                  | -                                | -                         | -   | -               | -                                | -                              |
| Intergovernmental                                  | 1,951                              | -                                | -                         | 4,536                                     | -               | -                                | -                              |
| Charges for services                               | -                                  | 293,916                          | -                         | -   | -               | 18,852                           | 255,199                        |
| Fines and forfeits                                 | 11,613                             | -                                | 48,723                    | -   | 3,000           | -                                | -                              |
| Other receipts                                     | -                                  | -                                | -                         | -   | -               | -                                | 32                             |
| Total receipts                                     | <u>13,564</u>                      | <u>293,916</u>                   | <u>48,723</u>             | <u>4,536</u>                              | <u>3,000</u>    | <u>18,852</u>                    | <u>255,231</u>                 |
| Disbursements:                                     |                                    |                                  |                           |   |                 |                                  |                                |
| Personal services                                  | 10,806                             | 19,187                           | -                         | -   | -               | -                                | 270,450                        |
| Supplies   | -                                  | -                                | 538                       | -   | -               | -                                | -                              |
| Other services and charges                         | 1,575                              | 405,410                          | 53,424                    | 315                                       | 5,750           | -                                | 28,178                         |
| Debt service - principal and interest              | -                                  | -                                | -                         | -   | -               | -                                | -                              |
| Capital outlay                                     | -                                  | 76,345                           | 25,806                    | -   | -               | -                                | -                              |
| Other disbursements                                | -                                  | -                                | -                         | -   | -               | -                                | 200                            |
| Total disbursements                                | <u>12,381</u>                      | <u>500,942</u>                   | <u>79,768</u>             | <u>315</u>                                | <u>5,750</u>    | <u>-</u>                         | <u>298,828</u>                 |
| Excess (deficiency) of receipts over disbursements | <u>1,183</u>                       | <u>(207,026)</u>                 | <u>(31,045)</u>           | <u>4,221</u>                              | <u>(2,750)</u>  | <u>18,852</u>                    | <u>(43,597)</u>                |
| Cash and investments - ending                      | <u>\$ 22,596</u>                   | <u>\$ 711,044</u>                | <u>\$ 79,674</u>          | <u>\$ 43,138</u>                          | <u>\$ 3,000</u> | <u>\$ 46,268</u>                 | <u>\$ 788,390</u>              |

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

|  | Recorder's<br>Records<br>Perpetuation | Health<br>Maintenance | Court<br>Appointed<br>Special<br>Advocate | Plat<br>Book     | Misdemeanant  | Supplemental<br>Public<br>Defender<br>Svc | Jail<br>Commissary |
|--|---------------------------------------|-----------------------|---|------------------|---------------|---|--------------------|
| Cash and investments - beginning                   | \$ 265,411                            | \$ 55,944             | \$ 15,687                                 | \$ 61,270        | \$ 238        | \$ 204,377                                | \$ 149,877         |
| Receipts:  |                                       |                       |   |                  |               |   |                    |
| Taxes  | -                                     | -                     | -   | -                | -             | -   | -                  |
| Licenses and permits                               | -                                     | -                     | -   | -                | -             | -   | -                  |
| Intergovernmental                                  | -                                     | 48,859                | 18,623                                    | -                | 42,249        | -   | -                  |
| Charges for services                               | 122,678                               | 405                   | -   | 14,570           | -             | -   | -                  |
| Fines and forfeits                                 | -                                     | -                     | -   | -                | -             | 86,076                                    | -                  |
| Other receipts                                     | -                                     | -                     | 58  | -                | -             | -   | 356,994            |
| Total receipts                                     | <u>122,678</u>                        | <u>49,264</u>         | <u>18,681</u>                             | <u>14,570</u>    | <u>42,249</u> | <u>86,076</u>                             | <u>356,994</u>     |
| Disbursements:                                     |                                       |                       |   |                  |               |   |                    |
| Personal services                                  | 30,553                                | 36,483                | 5,621                                     | -                | -             | -   | -                  |
| Supplies   | 787                                   | 3,190                 | 713                                       | -                | 10,549        | -   | -                  |
| Other services and charges                         | 42,406                                | 9,065                 | 3,782                                     | 34,965           | 31,650        | 58,960                                    | -                  |
| Debt service - principal and interest              | -                                     | -                     | -   | -                | -             | -   | -                  |
| Capital outlay                                     | 74,211                                | 1,629                 | -   | -                | -             | -   | -                  |
| Other disbursements                                | -                                     | -                     | -   | -                | -             | -   | 215,388            |
| Total disbursements                                | <u>147,957</u>                        | <u>50,367</u>         | <u>10,116</u>                             | <u>34,965</u>    | <u>42,199</u> | <u>58,960</u>                             | <u>215,388</u>     |
| Excess (deficiency) of receipts over disbursements | <u>(25,279)</u>                       | <u>(1,103)</u>        | <u>8,565</u>                              | <u>(20,395)</u>  | <u>50</u>     | <u>27,116</u>                             | <u>141,606</u>     |
| Cash and investments - ending                      | <u>\$ 240,132</u>                     | <u>\$ 54,841</u>      | <u>\$ 24,252</u>                          | <u>\$ 40,875</u> | <u>\$ 288</u> | <u>\$ 231,493</u>                         | <u>\$ 291,483</u>  |

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

|  | Surveyor's<br>Corner<br>Perpetuation | Jury<br>Pay | Rainy<br>Day | Sales<br>Disclosure | Local<br>Health<br>Dept<br>Trust<br>#901 | Levy<br>Excess | Identification<br>Security<br>Protection |
|--|--------------------------------------|-------------|--------------|---------------------|--|----------------|--|
| Cash and investments - beginning                   | \$ 76,350                            | \$ 16,301   | \$ 6,867,548 | \$ 25,088           | \$ 37,409                                | \$ 29,198      | \$ 84,433                                |
| Receipts:  |                                      |             |              |                     |  |                |  |
| Taxes  | -                                    | -           | 1,119        | -                   | -  | -              | -  |
| Licenses and permits                               | -                                    | -           | -            | -                   | -  | -              | -  |
| Intergovernmental                                  | -                                    | -           | -            | -                   | -  | -              | -  |
| Charges for services                               | 11,930                               | -           | 915          | 6,155               | -  | -              | 16,692                                   |
| Fines and forfeits                                 | -                                    | 13,244      | -            | -                   | -  | -              | -  |
| Other receipts                                     | -                                    | 449         | -            | -                   | -  | -              | 6,236                                    |
| Total receipts                                     | 11,930                               | 13,693      | 2,034        | 6,155               | -  | -              | 22,928                                   |
| Disbursements:                                     |                                      |             |              |                     |  |                |  |
| Personal services                                  | -                                    | -           | 112,000      | -                   | 11,032                                   | -              | -  |
| Supplies   | -                                    | -           | -            | -                   | 2,460                                    | -              | -  |
| Other services and charges                         | 14,305                               | 26,067      | 474,003      | -                   | 885                                      | -              | 1,463                                    |
| Debt service - principal and interest              | -                                    | -           | -            | -                   | -  | -              | -  |
| Capital outlay                                     | -                                    | -           | -            | -                   | -  | -              | 8,075                                    |
| Other disbursements                                | -                                    | -           | -            | -                   | 8,500                                    | 29,198         | -  |
| Total disbursements                                | 14,305                               | 26,067      | 586,003      | -                   | 22,877                                   | 29,198         | 9,538                                    |
| Excess (deficiency) of receipts over disbursements | (2,375)                              | (12,374)    | (583,969)    | 6,155               | (22,877)                                 | (29,198)       | 13,390                                   |
| Cash and investments - ending                      | \$ 73,975                            | \$ 3,927    | \$ 6,283,579 | \$ 31,243           | \$ 14,532                                | \$ -           | \$ 97,823                                |

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

|   | Wireless<br>Emergency<br>Telephone<br>System | Campaign<br>Finance<br>Enforcement | Reassessment<br>2017 | Co<br>Elected<br>Officials<br>Training | Cumulative<br>Capital<br>Development | Cumulative<br>Bridge | Cumulative<br>Building |
|---|--|------------------------------------|----------------------|--|--------------------------------------|----------------------|------------------------|
| Cash and investments - beginning                      | \$ 483,154                                   | \$ -                               | \$ -                 | \$ -                                   | \$ 5,589,492                         | \$ 706,183           | \$ 2,887,891           |
| Receipts:   |  |                                    |                      |  |                                      |                      |                        |
| Taxes   | -  | -                                  | 469,753              | -                                      | 516,436                              | 291,772              | 320,949                |
| Licenses and permits                                  | -  | -                                  | -                    | -                                      | -                                    | -                    | -                      |
| Intergovernmental                                     | 232,807                                      | -                                  | 60,724               | -                                      | 117,946                              | 199,604              | 41,520                 |
| Charges for services                                  | -  | -                                  | -                    | 2,611                                  | -                                    | -                    | -                      |
| Fines and forfeits                                    | -  | 100                                | -                    | -                                      | -                                    | -                    | -                      |
| Other receipts  | -  | -                                  | -                    | -                                      | 511,181                              | 62,609               | 2,919                  |
| Total receipts  | 232,807                                      | 100                                | 530,477              | 2,611                                  | 1,145,563                            | 553,985              | 365,388                |
| Disbursements:  |  |                                    |                      |  |                                      |                      |                        |
| Personal services                                     | -  | -                                  | -                    | -                                      | -                                    | 249,985              | -                      |
| Supplies  | -  | -                                  | -                    | -                                      | 162,880                              | -                    | -                      |
| Other services and charges                            | -  | -                                  | -                    | -                                      | 658,705                              | 155,440              | 8,613                  |
| Debt service - principal and interest                 | -  | -                                  | -                    | -                                      | -                                    | -                    | -                      |
| Capital outlay  | -  | -                                  | -                    | -                                      | 345,267                              | 105,705              | 110,500                |
| Other disbursements                                   | -  | -                                  | -                    | -                                      | 801,136                              | -                    | -                      |
| Total disbursements                                   | -  | -                                  | -                    | -                                      | 1,967,988                            | 511,130              | 119,113                |
| Excess (deficiency) of receipts over<br>disbursements | 232,807                                      | 100                                | 530,477              | 2,611                                  | (822,425)                            | 42,855               | 246,275                |
| Cash and investments - ending                         | \$ 715,961                                   | \$ 100                             | \$ 530,477           | \$ 2,611                               | \$ 4,767,067                         | \$ 749,038           | \$ 3,134,166           |

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

|  | Self-Insurance | Sheriff's<br>Pension | City<br>And<br>Town<br>Court<br>Costs | Clerk's<br>Trust | Surplus<br>Tax<br>Sale | Tax<br>Sale<br>Redemption | Surplus<br>Tax |
|--|----------------|----------------------|---------------------------------------|------------------|------------------------|---------------------------|----------------|
| Cash and investments - beginning                   | \$ (81,385)    | \$ 4,724,465         | \$ 6,327                              | \$ 73,726        | \$ 277,776             | \$ -                      | \$ 100,899     |
| Receipts:  |                |                      |                                       |                  |                        |                           |                |
| Taxes  | -              | -                    | -                                     | -                | -                      | 90,634                    | 194,718        |
| Licenses and permits                               | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Intergovernmental                                  | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Charges for services                               | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Fines and forfeits                                 | -              | -                    | 11,772                                | -                | -                      | -                         | -              |
| Other receipts                                     | 3,410,140      | 548,593              | -                                     | 1,712,904        | 545,827                | -                         | -              |
| Total receipts                                     | 3,410,140      | 548,593              | 11,772                                | 1,712,904        | 545,827                | 90,634                    | 194,718        |
| Disbursements:                                     |                |                      |                                       |                  |                        |                           |                |
| Personal services                                  | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Supplies   | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Other services and charges                         | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Debt service - principal and interest              | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Capital outlay                                     | -              | -                    | -                                     | -                | -                      | -                         | -              |
| Other disbursements                                | 3,062,374      | 505,304              | 12,179                                | 1,651,997        | 311,980                | 90,634                    | 166,057        |
| Total disbursements                                | 3,062,374      | 505,304              | 12,179                                | 1,651,997        | 311,980                | 90,634                    | 166,057        |
| Excess (deficiency) of receipts over disbursements | 347,766        | 43,289               | (407)                                 | 60,907           | 233,847                | -                         | 28,661         |
| Cash and investments - ending                      | \$ 266,381     | \$ 4,767,754         | \$ 5,920                              | \$ 134,633       | \$ 511,623             | \$ -                      | \$ 129,560     |

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

|  | State<br>Fines<br>And<br>Forfeitures | Sheriff          | Infraction<br>Judgements | Inheritance<br>Tax | Special<br>Death<br>Benefit | Education<br>Plate<br>Fees<br>Agency | Financial<br>Institution<br>Tax |
|--|--------------------------------------|------------------|--------------------------|--------------------|-----------------------------|--------------------------------------|---------------------------------|
| Cash and investments - beginning                   | \$ 2,079                             | \$ 28,496        | \$ 14,605                | \$ 289,461         | \$ 415                      | \$ -                                 | \$ -                            |
| Receipts:  |                                      |                  |                          |                    |                             |                                      |                                 |
| Taxes  | -                                    | -                | -                        | 1,394,618          | -                           | -                                    | -                               |
| Licenses and permits                               | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Intergovernmental                                  | -                                    | -                | -                        | -                  | -                           | -                                    | 192,467                         |
| Charges for services                               | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Fines and forfeits                                 | 12,100                               | -                | 162,300                  | -                  | 5,335                       | 1,350                                | -                               |
| Other receipts                                     | -                                    | 1,928,049        | -                        | -                  | -                           | -                                    | -                               |
| Total receipts                                     | <u>12,100</u>                        | <u>1,928,049</u> | <u>162,300</u>           | <u>1,394,618</u>   | <u>5,335</u>                | <u>1,350</u>                         | <u>192,467</u>                  |
| Disbursements:                                     |                                      |                  |                          |                    |                             |                                      |                                 |
| Personal services                                  | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Supplies   | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Other services and charges                         | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Debt service - principal and interest              | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Capital outlay                                     | -                                    | -                | -                        | -                  | -                           | -                                    | -                               |
| Other disbursements                                | 11,456                               | 1,871,412        | 166,317                  | 1,435,628          | 5,320                       | 1,350                                | 192,467                         |
| Total disbursements                                | <u>11,456</u>                        | <u>1,871,412</u> | <u>166,317</u>           | <u>1,435,628</u>   | <u>5,320</u>                | <u>1,350</u>                         | <u>192,467</u>                  |
| Excess (deficiency) of receipts over disbursements | <u>644</u>                           | <u>56,637</u>    | <u>(4,017)</u>           | <u>(41,010)</u>    | <u>15</u>                   | <u>-</u>                             | <u>-</u>                        |
| Cash and investments - ending                      | <u>\$ 2,723</u>                      | <u>\$ 85,133</u> | <u>\$ 10,588</u>         | <u>\$ 248,451</u>  | <u>\$ 430</u>               | <u>\$ -</u>                          | <u>\$ -</u>                     |

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

|  | Sheriff<br>Retirement | Wheel<br>Tax   | Sur<br>Tax     | MC<br>Conv.Visit.&Tour.Promotion | Mortgage<br>Fees-State<br>Share | Child<br>Restraint<br>Violations<br>Fines | CVET<br>Agency |
|--|-----------------------|----------------|----------------|----------------------------------|---------------------------------|---|----------------|
| Cash and investments - beginning                   | \$ -                  | \$ -           | \$ -           | \$ -                             | \$ 823                          | \$ 150                                    | \$ -           |
| Receipts:  |                       |                |                |                                  |                                 |   |                |
| Taxes  | -                     | -              | -              | 96,809                           | -                               | -   | -              |
| Licenses and permits                               | -                     | -              | -              | -                                | -                               | -   | -              |
| Intergovernmental                                  | -                     | 120,146        | 698,468        | -                                | -                               | -   | 275,359        |
| Charges for services                               | -                     | -              | -              | -                                | 6,760                           | -   | -              |
| Fines and forfeits                                 | -                     | -              | -              | -                                | -                               | 1,075                                     | -              |
| Other receipts                                     | 36,004                | -              | -              | -                                | -                               | -   | -              |
| Total receipts                                     | <u>36,004</u>         | <u>120,146</u> | <u>698,468</u> | <u>96,809</u>                    | <u>6,760</u>                    | <u>1,075</u>                              | <u>275,359</u> |
| Disbursements:                                     |                       |                |                |                                  |                                 |   |                |
| Personal services                                  | -                     | -              | -              | -                                | -                               | -   | -              |
| Supplies   | -                     | -              | -              | -                                | -                               | -   | -              |
| Other services and charges                         | -                     | -              | -              | -                                | -                               | -   | -              |
| Debt service - principal and interest              | -                     | -              | -              | -                                | -                               | -   | -              |
| Capital outlay                                     | -                     | -              | -              | -                                | -                               | -   | -              |
| Other disbursements                                | 36,004                | 119,751        | 698,468        | -                                | 6,895                           | 1,150                                     | 275,359        |
| Total disbursements                                | <u>36,004</u>         | <u>119,751</u> | <u>698,468</u> | <u>-</u>                         | <u>6,895</u>                    | <u>1,150</u>                              | <u>275,359</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u>              | <u>395</u>     | <u>-</u>       | <u>96,809</u>                    | <u>(135)</u>                    | <u>(75)</u>                               | <u>-</u>       |
| Cash and investments - ending                      | <u>\$ -</u>           | <u>\$ 395</u>  | <u>\$ -</u>    | <u>\$ 96,809</u>                 | <u>\$ 688</u>                   | <u>\$ 75</u>                              | <u>\$ -</u>    |

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

|  | Homestead<br>Credit<br>Rebate | Hea<br>1001<br>State<br>Homestead<br>Credit | LOIT<br>Property<br>Tax<br>Relief | LOIT<br>Operating | LOIT<br>Public<br>Safety | Cedit<br>Homestead<br>Credit | Settlement<br>Clearing |
|--|-------------------------------|---|-----------------------------------|-------------------|--------------------------|------------------------------|------------------------|
| Cash and investments - beginning                   | \$ 30,296                     | \$ (3,738)                                  | \$ 489,300                        | \$ -              | \$ -                     | \$ 13,639                    | \$ -                   |
| Receipts:  |                               |   |                                   |                   |                          |                              |                        |
| Taxes  | -                             | 184   | 12,551,691                        | 2,454,082         | 3,067,603                | 863,438                      | 43,033,815             |
| Licenses and permits                               | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Intergovernmental                                  | -                             | -   | -                                 | -                 | -                        | -                            | 7,487,204              |
| Charges for services                               | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Fines and forfeits                                 | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Other receipts                                     | 3                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Total receipts                                     | <u>3</u>                      | <u>184</u>                                  | <u>12,551,691</u>                 | <u>2,454,082</u>  | <u>3,067,603</u>         | <u>863,438</u>               | <u>50,521,019</u>      |
| Disbursements:                                     |                               |   |                                   |                   |                          |                              |                        |
| Personal services                                  | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Supplies   | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Other services and charges                         | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Debt service - principal and interest              | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Capital outlay                                     | -                             | -   | -                                 | -                 | -                        | -                            | -                      |
| Other disbursements                                | 7,639                         | -   | 12,466,628                        | 2,454,082         | 3,067,603                | 860,992                      | 50,521,019             |
| Total disbursements                                | <u>7,639</u>                  | <u>-</u>                                    | <u>12,466,628</u>                 | <u>2,454,082</u>  | <u>3,067,603</u>         | <u>860,992</u>               | <u>50,521,019</u>      |
| Excess (deficiency) of receipts over disbursements | <u>(7,636)</u>                | <u>184</u>                                  | <u>85,063</u>                     | <u>-</u>          | <u>-</u>                 | <u>2,446</u>                 | <u>-</u>               |
| Cash and investments - ending                      | <u>\$ 22,660</u>              | <u>\$ (3,554)</u>                           | <u>\$ 574,363</u>                 | <u>\$ -</u>       | <u>\$ -</u>              | <u>\$ 16,085</u>             | <u>\$ -</u>            |

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

|  | After<br>Settlement<br>Collections | Title<br>IV-D<br>Incentive | Comm<br>Corr<br>Grant<br>#275 | Bullet<br>Proof<br>Vest<br>Grant | Flood<br>Homes<br>Demolition | CDBG-Old<br>Town<br>Waverly | OCRA-Wildwood<br>Dam |
|--|------------------------------------|----------------------------|-------------------------------|----------------------------------|------------------------------|-----------------------------|----------------------|
| Cash and investments - beginning                   | \$ 871,612                         | \$ -                       | \$ -                          | \$ -                             | \$ -                         | \$ -                        | \$ -                 |
| Receipts:  |                                    |                            |                               |                                  |                              |                             |                      |
| Taxes  | -                                  | -                          | -                             | -                                | -                            | -                           | -                    |
| Licenses and permits                               | -                                  | -                          | -                             | -                                | -                            | -                           | -                    |
| Intergovernmental                                  | -                                  | 42,559                     | 122,008                       | 1,685                            | -                            | -                           | 881,649              |
| Charges for services                               | -                                  | -                          | -                             | -                                | -                            | -                           | -                    |
| Fines and forfeits                                 | -                                  | -                          | -                             | -                                | -                            | -                           | -                    |
| Other receipts                                     | 964,914                            | 3,933                      | -                             | -                                | 46,664                       | 250,000                     | -                    |
| Total receipts                                     | 964,914                            | 46,492                     | 122,008                       | 1,685                            | 46,664                       | 250,000                     | 881,649              |
| Disbursements:                                     |                                    |                            |                               |                                  |                              |                             |                      |
| Personal services                                  | -                                  | 26                         | 100,730                       | -                                | -                            | -                           | -                    |
| Supplies   | -                                  | -                          | 1,893                         | 18,624                           | -                            | -                           | -                    |
| Other services and charges                         | -                                  | -                          | 1,701                         | -                                | 21,482                       | 10,110                      | 170,401              |
| Debt service - principal and interest              | -                                  | -                          | -                             | -                                | -                            | -                           | -                    |
| Capital outlay                                     | -                                  | -                          | -                             | -                                | -                            | 163,000                     | 711,248              |
| Other disbursements                                | 871,612                            | -                          | -                             | -                                | -                            | -                           | -                    |
| Total disbursements                                | 871,612                            | 26                         | 104,324                       | 18,624                           | 21,482                       | 173,110                     | 881,649              |
| Excess (deficiency) of receipts over disbursements | 93,302                             | 46,466                     | 17,684                        | (16,939)                         | 25,182                       | 76,890                      | -                    |
| Cash and investments - ending                      | \$ 964,914                         | \$ 46,466                  | \$ 17,684                     | \$ (16,939)                      | \$ 25,182                    | \$ 76,890                   | \$ -                 |

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

|  | OCRA-Lake<br>Edgewood | Homeland<br>Security/Domestic<br>Prep | Local<br>Health<br>Dept<br>Trust<br>#616 | CTP<br>Grant  | Work<br>Release<br>Intake<br>Fee | Old<br>Town<br>Waverly | Co<br>Offender<br>Transportation |
|--|-----------------------|---------------------------------------|--|---------------|----------------------------------|------------------------|----------------------------------|
| Cash and investments - beginning                   | \$ -                  | \$ -                                  | \$ -                                     | \$ -          | \$ -                             | \$ -                   | \$ -                             |
| Receipts:  |                       |                                       |  |               |                                  |                        |                                  |
| Taxes  | -                     | -                                     | -  | -             | -                                | -                      | -                                |
| Licenses and permits                               | -                     | -                                     | -  | -             | -                                | -                      | -                                |
| Intergovernmental                                  | 223,142               | 3,750                                 | 32,525                                   | 1,775         | -                                | 469,097                | -                                |
| Charges for services                               | -                     | -                                     | -  | -             | 2,775                            | -                      | 125                              |
| Fines and forfeits                                 | -                     | -                                     | 110                                      | -             | -                                | -                      | -                                |
| Other receipts                                     | -                     | -                                     | 8,500                                    | -             | -                                | 750,000                | -                                |
| Total receipts                                     | <u>223,142</u>        | <u>3,750</u>                          | <u>41,135</u>                            | <u>1,775</u>  | <u>2,775</u>                     | <u>1,219,097</u>       | <u>125</u>                       |
| Disbursements:                                     |                       |                                       |  |               |                                  |                        |                                  |
| Personal services                                  | -                     | -                                     | 8,736                                    | -             | -                                | -                      | -                                |
| Supplies   | -                     | -                                     | 1,700                                    | -             | -                                | -                      | -                                |
| Other services and charges                         | 15,350                | -                                     | 463                                      | -             | -                                | 30,330                 | -                                |
| Debt service - principal and interest              | -                     | -                                     | -  | -             | -                                | -                      | -                                |
| Capital outlay                                     | 207,792               | 3,750                                 | -  | -             | -                                | 489,000                | -                                |
| Other disbursements                                | -                     | -                                     | -  | 1,065         | -                                | -                      | -                                |
| Total disbursements                                | <u>223,142</u>        | <u>3,750</u>                          | <u>10,899</u>                            | <u>1,065</u>  | <u>-</u>                         | <u>519,330</u>         | <u>-</u>                         |
| Excess (deficiency) of receipts over disbursements | <u>-</u>              | <u>-</u>                              | <u>30,236</u>                            | <u>710</u>    | <u>2,775</u>                     | <u>699,767</u>         | <u>125</u>                       |
| Cash and investments - ending                      | <u>\$ -</u>           | <u>\$ -</u>                           | <u>\$ 30,236</u>                         | <u>\$ 710</u> | <u>\$ 2,775</u>                  | <u>\$ 699,767</u>      | <u>\$ 125</u>                    |

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

|  | Property<br>Reassessment | Law<br>Enforcement | Riverboat<br>Revenue<br>Sharing | Operation<br>Pullover | EMA<br>Donations | County<br>Edit<br>Fund | K-9<br>Donation |
|--|--------------------------|--------------------|---------------------------------|-----------------------|------------------|------------------------|-----------------|
| Cash and investments - beginning                   | \$ 2,653,070             | \$ 89,744          | \$ 434,545                      | \$ 270                | \$ 161           | \$ 2,453,785           | \$ 431          |
| Receipts:  |                          |                    |                                 |                       |                  |                        |                 |
| Taxes  | -                        | -                  | -                               | -                     | -                | 1,547,158              | -               |
| Licenses and permits                               | -                        | -                  | -                               | -                     | -                | -                      | -               |
| Intergovernmental                                  | 29                       | -                  | 417,342                         | 15,000                | -                | 390,908                | -               |
| Charges for services                               | -                        | -                  | -                               | -                     | -                | -                      | -               |
| Fines and forfeits                                 | -                        | 3,143              | -                               | -                     | -                | -                      | -               |
| Other receipts                                     | 6,945                    | 1,621              | 743,498                         | -                     | 600              | 10,192                 | -               |
| Total receipts                                     | <u>6,974</u>             | <u>4,764</u>       | <u>1,160,840</u>                | <u>15,000</u>         | <u>600</u>       | <u>1,948,258</u>       | <u>-</u>        |
| Disbursements:                                     |                          |                    |                                 |                       |                  |                        |                 |
| Personal services                                  | 388,950                  | -                  | 8,754                           | 15,023                | -                | -                      | -               |
| Supplies   | 4,059                    | 2,219              | 13,032                          | -                     | -                | 60,822                 | -               |
| Other services and charges                         | 97,161                   | 5,368              | 459                             | -                     | -                | 109,558                | 281             |
| Debt service - principal and interest              | -                        | -                  | -                               | -                     | -                | -                      | -               |
| Capital outlay                                     | 2,423                    | 17,001             | 38,837                          | -                     | -                | 352,942                | -               |
| Other disbursements                                | -                        | -                  | 405,606                         | -                     | -                | 69,000                 | -               |
| Total disbursements                                | <u>492,593</u>           | <u>24,588</u>      | <u>466,688</u>                  | <u>15,023</u>         | <u>-</u>         | <u>592,322</u>         | <u>281</u>      |
| Excess (deficiency) of receipts over disbursements | <u>(485,619)</u>         | <u>(19,824)</u>    | <u>694,152</u>                  | <u>(23)</u>           | <u>600</u>       | <u>1,355,936</u>       | <u>(281)</u>    |
| Cash and investments - ending                      | <u>\$ 2,167,451</u>      | <u>\$ 69,920</u>   | <u>\$ 1,128,697</u>             | <u>\$ 247</u>         | <u>\$ 761</u>    | <u>\$ 3,809,721</u>    | <u>\$ 150</u>   |

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

|  | Federal<br>Forfeited<br>Property | ADAPT      | Community<br>Transition | Law<br>Enforcement<br>Co<br>User | CASA<br>Donations | Comm<br>Corr<br>Proj<br>Income<br>#276 | Special<br>Probation<br>Programs |
|--|----------------------------------|------------|-------------------------|----------------------------------|-------------------|--|----------------------------------|
| Cash and investments - beginning                   | \$ 3,274                         | \$ 121,461 | \$ 10,886               | \$ 6,342                         | \$ 1,534          | \$ -                                   | \$ 130                           |
| Receipts:  |                                  |            |                         |                                  |                   |  |                                  |
| Taxes  | -                                | -          | -                       | -                                | -                 | -                                      | -                                |
| Licenses and permits                               | -                                | -          | -                       | -                                | -                 | -                                      | -                                |
| Intergovernmental                                  | -                                | -          | 4,610                   | -                                | -                 | -                                      | -                                |
| Charges for services                               | -                                | 44,882     | -                       | -                                | -                 | 47,755                                 | -                                |
| Fines and forfeits                                 | -                                | -          | -                       | 2,765                            | -                 | -                                      | -                                |
| Other receipts                                     | -                                | -          | -                       | -                                | -                 | 340,701                                | -                                |
| Total receipts                                     | -                                | 44,882     | 4,610                   | 2,765                            | -                 | 388,456                                | -                                |
| Disbursements:                                     |                                  |            |                         |                                  |                   |  |                                  |
| Personal services                                  | -                                | 74,863     | -                       | -                                | -                 | 21,437                                 | -                                |
| Supplies   | -                                | 1,435      | -                       | -                                | 363               | -                                      | -                                |
| Other services and charges                         | -                                | 4,631      | -                       | -                                | 150               | 12,132                                 | -                                |
| Debt service - principal and interest              | -                                | -          | -                       | -                                | -                 | -                                      | -                                |
| Capital outlay                                     | 1,355                            | -          | -                       | -                                | -                 | 144                                    | -                                |
| Other disbursements                                | -                                | 225        | -                       | 127                              | -                 | 970                                    | -                                |
| Total disbursements                                | 1,355                            | 81,154     | -                       | 127                              | 513               | 34,683                                 | -                                |
| Excess (deficiency) of receipts over disbursements | (1,355)                          | (36,272)   | 4,610                   | 2,638                            | (513)             | 353,773                                | -                                |
| Cash and investments - ending                      | \$ 1,919                         | \$ 85,189  | \$ 15,496               | \$ 8,980                         | \$ 1,021          | \$ 353,773                             | \$ 130                           |

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

|  | Boot<br>Camp<br>Fees | Interpreter<br>Grant | Administration<br>Fee<br>(Probation) | Health<br>Bioterrorism<br>#502 | Health<br>Bioterrorism<br>#602 | Clerk<br>Incentive | Prosecutor<br>Incentive |
|--|----------------------|----------------------|--------------------------------------|--------------------------------|--------------------------------|--------------------|-------------------------|
| Cash and investments - beginning                   | \$ 2,664             | \$ 3,090             | \$ 68,094                            | \$ (566)                       | \$ (11,728)                    | \$ 36,465          | \$ 149,435              |
| Receipts:  |                      |                      |                                      |                                |                                |                    |                         |
| Taxes  | -                    | -                    | -                                    | -                              | -                              | -                  | -                       |
| Licenses and permits                               | -                    | -                    | -                                    | -                              | -                              | -                  | -                       |
| Intergovernmental                                  | -                    | -                    | -                                    | 9,259                          | 28,172                         | -                  | 64,029                  |
| Charges for services                               | -                    | -                    | 48,303                               | -                              | -                              | -                  | -                       |
| Fines and forfeits                                 | -                    | -                    | -                                    | -                              | -                              | -                  | -                       |
| Other receipts                                     | -                    | -                    | -                                    | -                              | -                              | 24,142             | -                       |
| Total receipts                                     | -                    | -                    | 48,303                               | 9,259                          | 28,172                         | 24,142             | 64,029                  |
| Disbursements:                                     |                      |                      |                                      |                                |                                |                    |                         |
| Personal services                                  | -                    | -                    | -                                    | 5,190                          | 16,444                         | 11,616             | 53,750                  |
| Supplies   | -                    | -                    | -                                    | 3,267                          | -                              | -                  | 1,022                   |
| Other services and charges                         | -                    | -                    | -                                    | 236                            | -                              | 17,400             | 997                     |
| Debt service - principal and interest              | -                    | -                    | -                                    | -                              | -                              | -                  | -                       |
| Capital outlay                                     | -                    | -                    | -                                    | -                              | -                              | 201                | 332                     |
| Other disbursements                                | -                    | -                    | 66,664                               | -                              | -                              | -                  | 24,142                  |
| Total disbursements                                | -                    | -                    | 66,664                               | 8,693                          | 16,444                         | 29,217             | 80,243                  |
| Excess (deficiency) of receipts over disbursements | -                    | -                    | (18,361)                             | 566                            | 11,728                         | (5,075)            | (16,214)                |
| Cash and investments - ending                      | \$ 2,664             | \$ 3,090             | \$ 49,733                            | \$ -                           | \$ -                           | \$ 31,390          | \$ 133,221              |

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

|  | Comm<br>Corr<br>Proj<br>Income<br>#726 | Comm<br>Corr<br>Grant<br>#727 | Operation<br>Round<br>Up<br>Grant | Prosecutor/Victim<br>Adv<br>#807 | Pre-Trial<br>Div<br>Traffic | Pre-Trial<br>Div<br>Check | Stop<br>Violence<br>Ag<br>Women<br>#904 |
|--|--|-------------------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------|---|
| Cash and investments - beginning                   | \$ 316,864                             | \$ 5,104                      | \$ -                              | \$ -                             | \$ 180,121                  | \$ 13,223                 | \$ (2,347)                              |
| Receipts:  |  |                               |                                   |                                  |                             |                           |   |
| Taxes  | -                                      | -                             | -                                 | -                                | -                           | -                         | -                                       |
| Licenses and permits                               | -                                      | -                             | -                                 | -                                | -                           | -                         | -                                       |
| Intergovernmental                                  | -                                      | 111,201                       | 5,000                             | 7,688                            | -                           | -                         | 10,561                                  |
| Charges for services                               | 99,334                                 | -                             | -                                 | -                                | -                           | -                         | -                                       |
| Fines and forfeits                                 | -                                      | -                             | -                                 | -                                | 184,360                     | 6,290                     | -                                       |
| Other receipts                                     | -                                      | 362                           | -                                 | -                                | -                           | -                         | -                                       |
| Total receipts                                     | <u>99,334</u>                          | <u>111,563</u>                | <u>5,000</u>                      | <u>7,688</u>                     | <u>184,360</u>              | <u>6,290</u>              | <u>10,561</u>                           |
| Disbursements:                                     |  |                               |                                   |                                  |                             |                           |   |
| Personal services                                  | 52,206                                 | 86,958                        | -                                 | 7,688                            | 158,305                     | -                         | 8,214                                   |
| Supplies   | -                                      | 3,063                         | -                                 | -                                | 32                          | -                         | -                                       |
| Other services and charges                         | 21,443                                 | 14,331                        | -                                 | -                                | 1,431                       | -                         | -                                       |
| Debt service - principal and interest              | -                                      | -                             | -                                 | -                                | -                           | -                         | -                                       |
| Capital outlay                                     | 320                                    | -                             | 5,000                             | -                                | 1,341                       | -                         | -                                       |
| Other disbursements                                | 342,229                                | 12,315                        | -                                 | -                                | 63,267                      | 3,145                     | -                                       |
| Total disbursements                                | <u>416,198</u>                         | <u>116,667</u>                | <u>5,000</u>                      | <u>7,688</u>                     | <u>224,376</u>              | <u>3,145</u>              | <u>8,214</u>                            |
| Excess (deficiency) of receipts over disbursements | <u>(316,864)</u>                       | <u>(5,104)</u>                | <u>-</u>                          | <u>-</u>                         | <u>(40,016)</u>             | <u>3,145</u>              | <u>2,347</u>                            |
| Cash and investments - ending                      | <u>\$ -</u>                            | <u>\$ -</u>                   | <u>\$ -</u>                       | <u>\$ -</u>                      | <u>\$ 140,105</u>           | <u>\$ 16,368</u>          | <u>\$ -</u>                             |

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

|  | Stop<br>Violence<br>Ag<br>Women<br>#905 | Prosecutor/Victim<br>Adv<br>#907 | Local<br>Health-Bioterrorism | Comm<br>Dev<br>Block<br>Grant<br>#511 | Mo<br>Co<br>Partner<br>Water<br>Quality | Sex<br>&<br>Violent<br>Offender<br>Admin | Dui<br>Task<br>Force |
|--|---|----------------------------------|------------------------------|---------------------------------------|---|--|----------------------|
| Cash and investments - beginning                   | \$ -                                    | \$ -                             | \$ -                         | \$ 60,874                             | \$ 13,083                               | \$ 4,934                                 | \$ 17                |
| Receipts:  |   |                                  |                              |                                       |   |  |                      |
| Taxes  | -                                       | -                                | -                            | -                                     | -                                       | -  | -                    |
| Licenses and permits                               | -                                       | -                                | -                            | -                                     | -                                       | -  | -                    |
| Intergovernmental                                  | -                                       | -                                | -                            | 37,285                                | 10,925                                  | -  | -                    |
| Charges for services                               | -                                       | -                                | -                            | -                                     | -                                       | 4,478                                    | -                    |
| Fines and forfeits                                 | -                                       | -                                | -                            | -                                     | -                                       | -  | -                    |
| Other receipts                                     | -                                       | -                                | -                            | -                                     | 600                                     | -  | -                    |
| Total receipts                                     | -                                       | -                                | -                            | 37,285                                | 11,525                                  | 4,478                                    | -                    |
| Disbursements:                                     |   |                                  |                              |                                       |   |  |                      |
| Personal services                                  | 7,350                                   | 6,323                            | 7,511                        | 518                                   | -                                       | -  | -                    |
| Supplies   | -                                       | -                                | -                            | -                                     | 3,305                                   | -  | -                    |
| Other services and charges                         | -                                       | -                                | 93                           | 6,982                                 | 9,073                                   | 4,200                                    | -                    |
| Debt service - principal and interest              | -                                       | -                                | -                            | -                                     | -                                       | -  | -                    |
| Capital outlay                                     | -                                       | -                                | -                            | 32,750                                | 3,000                                   | -  | -                    |
| Other disbursements                                | -                                       | -                                | -                            | 60,874                                | -                                       | -  | 17                   |
| Total disbursements                                | 7,350                                   | 6,323                            | 7,604                        | 101,124                               | 15,378                                  | 4,200                                    | 17                   |
| Excess (deficiency) of receipts over disbursements | (7,350)                                 | (6,323)                          | (7,604)                      | (63,839)                              | (3,853)                                 | 278                                      | (17)                 |
| Cash and investments - ending                      | \$ (7,350)                              | \$ (6,323)                       | \$ (7,604)                   | \$ (2,965)                            | \$ 9,230                                | \$ 5,212                                 | \$ -                 |

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

|  | Private<br>Collection<br>Agency | County<br>Public<br>Safety | Victim<br>Assistance<br>#906 | Comm<br>Corr<br>Grant<br>#277 | Recreational<br>Trails<br>Prog | Jail<br>Bond<br>Proceeds | CDBG                |
|--|---------------------------------|----------------------------|------------------------------|-------------------------------|--------------------------------|--------------------------|---------------------|
| Cash and investments - beginning                   | \$ 1,110                        | \$ 4,484,214               | \$ (7,103)                   | \$ -                          | \$ (51,799)                    | \$ 2,085,139             | \$ (110,081)        |
| Receipts:  |                                 |                            |                              |                               |                                |                          |                     |
| Taxes  | -                               | 1,702,526                  | -                            | -                             | -                              | -                        | -                   |
| Licenses and permits                               | -                               | -                          | -                            | -                             | -                              | -                        | -                   |
| Intergovernmental                                  | -                               | -                          | 25,070                       | -                             | 52,717                         | -                        | 403,880             |
| Charges for services                               | 1,351                           | -                          | -                            | -                             | -                              | -                        | -                   |
| Fines and forfeits                                 | -                               | -                          | -                            | -                             | -                              | -                        | -                   |
| Other receipts                                     | -                               | 21,593                     | -                            | 351                           | -                              | 5,496                    | -                   |
| Total receipts                                     | <u>1,351</u>                    | <u>1,724,119</u>           | <u>25,070</u>                | <u>351</u>                    | <u>52,717</u>                  | <u>5,496</u>             | <u>403,880</u>      |
| Disbursements:                                     |                                 |                            |                              |                               |                                |                          |                     |
| Personal services                                  | -                               | 608,248                    | 17,967                       | -                             | -                              | 2,605                    | 1,018               |
| Supplies   | -                               | 100,480                    | -                            | -                             | -                              | -                        | 5                   |
| Other services and charges                         | -                               | 100,571                    | -                            | -                             | 1,836                          | -                        | 12,765              |
| Debt service - principal and interest              | -                               | 829,995                    | -                            | -                             | -                              | -                        | -                   |
| Capital outlay                                     | -                               | 174,038                    | -                            | -                             | -                              | 2,086,668                | 145,832             |
| Other disbursements                                | 811                             | -                          | -                            | 351                           | -                              | -                        | 250,000             |
| Total disbursements                                | <u>811</u>                      | <u>1,813,332</u>           | <u>17,967</u>                | <u>351</u>                    | <u>1,836</u>                   | <u>2,089,273</u>         | <u>409,620</u>      |
| Excess (deficiency) of receipts over disbursements | <u>540</u>                      | <u>(89,213)</u>            | <u>7,103</u>                 | <u>-</u>                      | <u>50,881</u>                  | <u>(2,083,777)</u>       | <u>(5,740)</u>      |
| Cash and investments - ending                      | <u>\$ 1,650</u>                 | <u>\$ 4,395,001</u>        | <u>\$ -</u>                  | <u>\$ -</u>                   | <u>\$ (918)</u>                | <u>\$ 1,362</u>          | <u>\$ (115,821)</u> |

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

|  | Health<br>Immunization<br>Prg | Brooklyn<br>Pedestrian<br>Bridge | Clerk<br>ARRA<br>Fund | County<br>General<br>ARRA<br>Fund | Prosecutor<br>ARRA<br>Fund | Health<br>Bioterrorism<br>#812 | Hazard<br>Mitigation<br>Primary<br>#814 |
|--|-------------------------------|----------------------------------|-----------------------|-----------------------------------|----------------------------|--------------------------------|---|
| Cash and investments - beginning                   | \$ (486)                      | \$ 40,986                        | \$ 1,789              | \$ 28,695                         | \$ 12,963                  | \$ -                           | \$ 802,466                              |
| Receipts:  |                               |                                  |                       |                                   |                            |                                |   |
| Taxes  | -                             | -                                | -                     | -                                 | -                          | -                              | -                                       |
| Licenses and permits                               | -                             | -                                | -                     | -                                 | -                          | -                              | -                                       |
| Intergovernmental                                  | 9,232                         | 48,292                           | -                     | -                                 | -                          | -                              | 602,761                                 |
| Charges for services                               | -                             | -                                | -                     | -                                 | -                          | -                              | -                                       |
| Fines and forfeits                                 | -                             | -                                | -                     | -                                 | -                          | -                              | -                                       |
| Other receipts                                     | -                             | -                                | -                     | -                                 | -                          | -                              | 697                                     |
| Total receipts                                     | <u>9,232</u>                  | <u>48,292</u>                    | <u>-</u>              | <u>-</u>                          | <u>-</u>                   | <u>-</u>                       | <u>603,458</u>                          |
| Disbursements:                                     |                               |                                  |                       |                                   |                            |                                |   |
| Personal services                                  | -                             | -                                | -                     | -                                 | -                          | 3,943                          | 3,055                                   |
| Supplies   | 4,121                         | -                                | -                     | -                                 | -                          | -                              | 14                                      |
| Other services and charges                         | 844                           | -                                | -                     | -                                 | -                          | -                              | 145,782                                 |
| Debt service - principal and interest              | -                             | -                                | -                     | -                                 | -                          | -                              | -                                       |
| Capital outlay                                     | 3,781                         | 41,314                           | -                     | -                                 | -                          | -                              | 437,496                                 |
| Other disbursements                                | -                             | -                                | -                     | -                                 | -                          | -                              | 754,413                                 |
| Total disbursements                                | <u>8,746</u>                  | <u>41,314</u>                    | <u>-</u>              | <u>-</u>                          | <u>-</u>                   | <u>3,943</u>                   | <u>1,340,760</u>                        |
| Excess (deficiency) of receipts over disbursements | <u>486</u>                    | <u>6,978</u>                     | <u>-</u>              | <u>-</u>                          | <u>-</u>                   | <u>(3,943)</u>                 | <u>(737,302)</u>                        |
| Cash and investments - ending                      | <u>\$ -</u>                   | <u>\$ 47,964</u>                 | <u>\$ 1,789</u>       | <u>\$ 28,695</u>                  | <u>\$ 12,963</u>           | <u>\$ (3,943)</u>              | <u>\$ 65,164</u>                        |

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

|  | Hazard<br>Mitigation-Henderson<br>#815 | Recorder  | Homestead<br>Credit<br>(Local<br>Option) | Prop<br>Replacement<br>&<br>Homestead<br>Credit | Probation<br>Department<br>Agency | Payroll   | Perf       |
|--|--|-----------|--|---|-----------------------------------|-----------|------------|
| Cash and investments - beginning                   | \$ 182,624                             | \$ 57,119 | \$ -                                     | \$ -  | \$ 71,867                         | \$ -      | \$ 222,723 |
| Receipts:  |  |           |  |   |                                   |           |            |
| Taxes  | -                                      | -         | 9,202,808                                | 3,067,603                                       | -                                 | -         | -          |
| Licenses and permits                               | -                                      | -         | -  | -   | -                                 | -         | -          |
| Intergovernmental                                  | 179,226                                | -         | -  | -   | -                                 | -         | -          |
| Charges for services                               | -                                      | -         | -  | -   | -                                 | -         | -          |
| Fines and forfeits                                 | -                                      | -         | -  | -   | -                                 | -         | -          |
| Other receipts                                     | 10,008                                 | 30,926    | -  | -   | 61,955                            | 9,861,199 | 853,831    |
| Total receipts                                     | 189,234                                | 30,926    | 9,202,808                                | 3,067,603                                       | 61,955                            | 9,861,199 | 853,831    |
| Disbursements:                                     |  |           |  |   |                                   |           |            |
| Personal services                                  | 1,554                                  | -         | -  | -   | -                                 | -         | -          |
| Supplies   | -                                      | -         | -  | -   | -                                 | -         | -          |
| Other services and charges                         | 76,174                                 | -         | -  | -   | -                                 | -         | -          |
| Debt service - principal and interest              | -                                      | -         | -  | -   | -                                 | -         | -          |
| Capital outlay                                     | 98,250                                 | -         | -  | -   | -                                 | -         | -          |
| Other disbursements                                | 192,632                                | 57,119    | 9,202,808                                | 3,067,603                                       | 71,867                            | 9,861,199 | 1,076,554  |
| Total disbursements                                | 368,610                                | 57,119    | 9,202,808                                | 3,067,603                                       | 71,867                            | 9,861,199 | 1,076,554  |
| Excess (deficiency) of receipts over disbursements | (179,376)                              | (26,193)  | -  | -   | (9,912)                           | -         | (222,723)  |
| Cash and investments - ending                      | \$ 3,248                               | \$ 30,926 | \$ -                                     | \$ -  | \$ 61,955                         | \$ -      | \$ -       |

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

|  | Payroll<br>Withholding-Insurance | Life<br>Insurance | Insurance-Other | Aflac<br>#216   | United<br>Way | Vol<br>Perf<br>Contribution |
|--|----------------------------------|-------------------|-----------------|-----------------|---------------|-----------------------------|
| Cash and investments - beginning                   | \$ -                             | \$ 1,124          | \$ -            | \$ 3,822        | \$ -          | \$ 10,487                   |
| Receipts:  |                                  |                   |                 |                 |               |                             |
| Taxes  | -                                | -                 | -               | -               | -             | -                           |
| Licenses and permits                               | -                                | -                 | -               | -               | -             | -                           |
| Intergovernmental                                  | -                                | -                 | -               | -               | -             | -                           |
| Charges for services                               | -                                | -                 | -               | -               | -             | -                           |
| Fines and forfeits                                 | -                                | -                 | -               | -               | -             | -                           |
| Other receipts                                     | 85,893                           | 50,884            | 350,235         | 47,714          | 1,094         | 36,000                      |
| Total receipts                                     | <u>85,893</u>                    | <u>50,884</u>     | <u>350,235</u>  | <u>47,714</u>   | <u>1,094</u>  | <u>36,000</u>               |
| Disbursements:                                     |                                  |                   |                 |                 |               |                             |
| Personal services                                  | -                                | -                 | -               | -               | -             | -                           |
| Supplies   | -                                | -                 | -               | -               | -             | -                           |
| Other services and charges                         | -                                | -                 | -               | -               | -             | -                           |
| Debt service - principal and interest              | -                                | -                 | -               | -               | -             | -                           |
| Capital outlay                                     | -                                | -                 | -               | -               | -             | -                           |
| Other disbursements                                | 85,893                           | 52,008            | 350,235         | 48,063          | 1,094         | 46,487                      |
| Total disbursements                                | <u>85,893</u>                    | <u>52,008</u>     | <u>350,235</u>  | <u>48,063</u>   | <u>1,094</u>  | <u>46,487</u>               |
| Excess (deficiency) of receipts over disbursements | <u>-</u>                         | <u>(1,124)</u>    | <u>-</u>        | <u>(349)</u>    | <u>-</u>      | <u>(10,487)</u>             |
| Cash and investments - ending                      | <u>\$ -</u>                      | <u>\$ -</u>       | <u>\$ -</u>     | <u>\$ 3,473</u> | <u>\$ -</u>   | <u>\$ -</u>                 |

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

|  | Economic<br>Dev<br>Income<br>Tax<br>(Edit) | Sex<br>&<br>Violent<br>Offender<br>State | Sales<br>Discl-State<br>Asses<br>Train | Coroner's<br>Con'T<br>Ed<br>Fund | Interstate<br>Compact<br>Fee | Clerk's<br>Interest<br>Trust |
|--|--|--|--|----------------------------------|------------------------------|------------------------------|
| Cash and investments - beginning                   | \$ -                                       | \$ 41                                    | \$ 590                                 | \$ 795                           | \$ -                         | \$ 353,539                   |
| Receipts:  |  |  |  |                                  |                              |                              |
| Taxes  | 2,466,967                                  | -  | -                                      | -                                | -                            | -                            |
| Licenses and permits                               | -  | -  | -                                      | -                                | -                            | -                            |
| Intergovernmental                                  | -  | -  | -                                      | -                                | -                            | -                            |
| Charges for services                               | -  | 498                                      | 6,155                                  | -                                | -                            | -                            |
| Fines and forfeits                                 | -  | -  | -                                      | 4,231                            | 100                          | -                            |
| Other receipts                                     | -  | -  | -                                      | -                                | -                            | 9,065                        |
| Total receipts                                     | <u>2,466,967</u>                           | <u>498</u>                               | <u>6,155</u>                           | <u>4,231</u>                     | <u>100</u>                   | <u>9,065</u>                 |
| Disbursements:                                     |  |  |  |                                  |                              |                              |
| Personal services                                  | -  | -  | -                                      | -                                | -                            | -                            |
| Supplies   | -  | -  | -                                      | -                                | -                            | -                            |
| Other services and charges                         | -  | -  | -                                      | -                                | -                            | -                            |
| Debt service - principal and interest              | -  | -  | -                                      | -                                | -                            | -                            |
| Capital outlay                                     | -  | -  | -                                      | -                                | -                            | -                            |
| Other disbursements                                | 2,466,967                                  | 509                                      | 6,195                                  | 4,704                            | 100                          | 192,746                      |
| Total disbursements                                | <u>2,466,967</u>                           | <u>509</u>                               | <u>6,195</u>                           | <u>4,704</u>                     | <u>100</u>                   | <u>192,746</u>               |
| Excess (deficiency) of receipts over disbursements | <u>-</u>                                   | <u>(11)</u>                              | <u>(40)</u>                            | <u>(473)</u>                     | <u>-</u>                     | <u>(183,681)</u>             |
| Cash and investments - ending                      | <u>\$ -</u>                                | <u>\$ 30</u>                             | <u>\$ 550</u>                          | <u>\$ 322</u>                    | <u>\$ -</u>                  | <u>\$ 169,858</u>            |

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

|  | Clerk's<br>Child<br>Support | Clerk's<br>Petty<br>Cash | Clerk's<br>Bonds | Probation<br>Certificate | Co<br>Economic<br>Dev<br>Fund | LOIT<br>Stabilization |
|--|-----------------------------|--------------------------|------------------|--------------------------|-------------------------------|-----------------------|
| Cash and investments - beginning                   | \$ 13,186                   | \$ 150                   | \$ 570,109       | \$ 15,000                | \$ 1,050                      | \$ 3,936,213          |
| Receipts:  |                             |                          |                  |                          |                               |                       |
| Taxes  | -                           | -                        | -                | -                        | -                             | -                     |
| Licenses and permits                               | -                           | -                        | -                | -                        | -                             | -                     |
| Intergovernmental                                  | -                           | -                        | -                | -                        | -                             | -                     |
| Charges for services                               | -                           | -                        | -                | -                        | 4,350                         | -                     |
| Fines and forfeits                                 | -                           | -                        | -                | -                        | -                             | -                     |
| Other receipts                                     | 1,702,583                   | -                        | 455,387          | 34                       | -                             | -                     |
| Total receipts                                     | 1,702,583                   | -                        | 455,387          | 34                       | 4,350                         | -                     |
| Disbursements:                                     |                             |                          |                  |                          |                               |                       |
| Personal services                                  | -                           | -                        | -                | -                        | -                             | -                     |
| Supplies   | -                           | -                        | -                | -                        | -                             | -                     |
| Other services and charges                         | -                           | -                        | -                | -                        | -                             | -                     |
| Debt service - principal and interest              | -                           | -                        | -                | -                        | -                             | -                     |
| Capital outlay                                     | -                           | -                        | -                | -                        | -                             | -                     |
| Other disbursements                                | 1,697,082                   | -                        | 561,323          | 34                       | 1,800                         | 341,920               |
| Total disbursements                                | 1,697,082                   | -                        | 561,323          | 34                       | 1,800                         | 341,920               |
| Excess (deficiency) of receipts over disbursements | 5,501                       | -                        | (105,936)        | -                        | 2,550                         | (341,920)             |
| Cash and investments - ending                      | \$ 18,687                   | \$ 150                   | \$ 464,173       | \$ 15,000                | \$ 3,600                      | \$ 3,594,293          |

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

|  | Sheriff<br>Inmate<br>Trust | Morgan<br>Co<br>Plan<br>Commission | Recorder<br>Cash | Health<br>Dept<br>Cash | Prosecutor-Check<br>Deception | Totals        |
|--|----------------------------|------------------------------------|------------------|------------------------|-------------------------------|---------------|
| Cash and investments - beginning                   | \$ 25,382                  | \$ 4,320                           | \$ 50            | \$ 35                  | \$ 800                        | \$ 52,653,453 |
| Receipts:  |                            |                                    |                  |                        |                               |               |
| Taxes  | -                          | -                                  | -                | -                      | -                             | 94,192,185    |
| Licenses and permits                               | -                          | -                                  | -                | -                      | -                             | 75,024        |
| Intergovernmental                                  | -                          | -                                  | -                | -                      | -                             | 18,190,775    |
| Charges for services                               | -                          | -                                  | -                | -                      | -                             | 1,546,460     |
| Fines and forfeits                                 | -                          | -                                  | -                | -                      | -                             | 1,023,167     |
| Other receipts                                     | 361,955                    | 4,356                              | -                | -                      | 87                            | 27,470,488    |
| Total receipts                                     | 361,955                    | 4,356                              | -                | -                      | 87                            | 142,498,099   |
| Disbursements:                                     |                            |                                    |                  |                        |                               |               |
| Personal services                                  | -                          | -                                  | -                | -                      | -                             | 14,348,741    |
| Supplies   | -                          | -                                  | -                | -                      | -                             | 2,026,376     |
| Other services and charges                         | -                          | -                                  | -                | -                      | -                             | 7,269,333     |
| Debt service - principal and interest              | -                          | -                                  | -                | -                      | -                             | 829,995       |
| Capital outlay                                     | -                          | -                                  | -                | -                      | -                             | 6,083,922     |
| Other disbursements                                | 351,804                    | 4,320                              | -                | -                      | 800                           | 113,878,762   |
| Total disbursements                                | 351,804                    | 4,320                              | -                | -                      | 800                           | 144,437,129   |
| Excess (deficiency) of receipts over disbursements | 10,151                     | 36                                 | -                | -                      | (713)                         | (1,939,030)   |
| Cash and investments - ending                      | \$ 35,533                  | \$ 4,356                           | \$ 50            | \$ 35                  | \$ 87                         | \$ 50,714,423 |

MORGAN COUNTY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2011

| <u>Government or Enterprise</u> | <u>Accounts<br/>Payable</u> | <u>Accounts<br/>Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities         | <u>\$ 626,391</u>           | <u>\$ 385,206</u>              |

MORGAN COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2011

| Lessor                         | Purpose   | Annual<br>Lease<br>Payment | Lease<br>Beginning<br>Date | Lease<br>Ending<br>Date |
|--------------------------------|---|----------------------------|----------------------------|-------------------------|
| Governmental activities:       |   |                            |                            |                         |
| Deere Credit Inc               | 2010 John Deere Skid Steer Loader & 2011 Bucket | \$ 5,987                   | 11-18-10                   | 11-04-14                |
| Kansas State Bank              | 3100 XL Motor Grader Excavator                  | 45,727                     | 02-05-07                   | 01-25-12                |
| PACCAR Financial               | 2 2009 Kenworths 13' Dump Trucks                | 45,115                     | 02-27-08                   | 02-27-12                |
| PACCAR Financial               | 2 2011 Kenworths 10' Dump Trucks                | 45,035                     | 02-12-10                   | 02-12-14                |
| PACCAR Financial               | 2 2009 Kenworths 13' Dump Trucks                | 45,115                     | 03-07-08                   | 03-07-12                |
| PACCAR Financial               | 2 2011 Kenworths 10' Dump Trucks                | <u>45,035</u>              | 02-19-10                   | 02-19-14                |
| Total governmental activities  |   | <u>232,014</u>             |                            |                         |
| Total of annual lease payments |   | <u>\$ 232,014</u>          |                            |                         |

| Type                     | Description of Debt<br>Purpose | Ending<br>Principal<br>Balance | Principal and<br>Interest Due<br>Within One<br>Year |
|--------------------------|--------------------------------|--------------------------------|---|
| Governmental activities: |                                |                                |   |
| Revenue bonds            | Jail Expansion & Work Release  | \$ 6,110,000                   | \$ 836,807  |
| Totals                   |                                | <u>\$ 6,110,000</u>            | <u>\$ 836,807</u>                                   |

MORGAN 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<br>Balance |
|--------------------------|-------------------|
| Governmental activities: |                   |
| Land                     | \$ 3,885,454      |
| Buildings                | 26,297,970        |
| Vehicles                 | 4,924,885         |
| Machinery and Equipment  | 2,581,198         |
| Computer Software        | 2,778,531         |
| Infrastructure           | 46,047,890        |
| Total capital assets     | \$ 86,515,928     |

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://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 MORGAN COUNTY, INDIANA

Compliance

We have audited the compliance of Morgan 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, Board of 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

July 18, 2012

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title    | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended |
|--|---------------------------|--|-------------------------------------|
| <u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>                                    |                           |  |                                     |
| Pass-Through Indiana Office of Community and Rural Affairs                                 |                           |  |                                     |
| CDBG - State-Administered CDBG Cluster   |                           |  |                                     |
| Community Development Block Grants/State's Program and Non-Entitlement<br>Grants in Hawaii | 14.228                    |  |                                     |
| Godsey Road Bridge   |                           | DR1A-09-111  | \$ 295,212                          |
| Wildwood Conservancy Dam   |                           | DR1A-09-112  | 18,617                              |
| Lake Edgewood Conservancy  |                           | DR1A-09-113  | 32,518                              |
| OCRA Wildwood Dam  |                           | DR1B-09-015  | 881,649                             |
| OCRA Lake Edgewood   |                           | DR1B-09-012  | <u>223,142</u>                      |
| Pass-Through Indiana Housing and Community Development Authority                           |                           |  |                                     |
| Flood of 2008 Home Buyout  |                           |  |                                     |
| CDBG Primary   |                           | DR1HB-009-009  | 403,880                             |
| CDBG Henderson   |                           | DR1HB-009-012  | <u>37,285</u>                       |
| Total for cluster  |                           |  | <u>1,892,303</u>                    |
| Total for federal grantor agency   |                           |  | <u>1,892,303</u>                    |
| <u>U.S. DEPARTMENT OF JUSTICE</u>  |                           |  |                                     |
| Pass-Through Indiana Criminal Justice Institute  |                           |  |                                     |
| Crime Victim Assistance  | 16.575                    |  |                                     |
| Victim Assistance Program  |                           | 10VAPR154  | 25,070                              |
|  |                           | 10VAPR194  | <u>7,688</u>                        |
| Total for program  |                           |  | <u>32,758</u>                       |
| Violence Against Women Formula Grants  | 16.588                    |  |                                     |
| Violence Against Women Program   |                           | 10STPR022  | <u>10,560</u>                       |
| Bulletproof Vest Partnership Program   | 16.607                    |  |                                     |
| Bullet Proof Grant   |                           | None   | <u>1,685</u>                        |
| Total for federal grantor agency   |                           |  | <u>45,003</u>                       |
| <u>U.S. DEPARTMENT OF TRANSPORTATION</u>   |                           |  |                                     |
| Pass-Through Indiana Department of Transportation  |                           |  |                                     |
| Highway Planning and Construction Cluster  |                           |  |                                     |
| ARRA - Highway Planning and Construction   | 20.205                    |  |                                     |
| ARRA Centenary Road  |                           | None   | 7,325                               |
| ARRA Old St. Road 37   |                           | None   | 7,006                               |
| ARRA Robb Hill Road  |                           | None   | 9,511                               |
| ARRA Blue Bluff Road   |                           | None   | 5,925                               |
| ARRA Reuben Road   |                           | None   | 1,381                               |
| ARRA Paragon Road  |                           | None   | <u>10,293</u>                       |
| Total  |                           |  | <u>41,441</u>                       |
| Highway Planning and Construction  | 20.205                    |  |                                     |
| Bridge Inventory   |                           | 902121   | 70,846                              |
| Brooklyn Pedestrian Bridge   |                           | A249-09-320650   | 48,292                              |
| Landersdale Trail  |                           | DES#0500826  | 76,112                              |
| Blue Bluff Bridge # 57   |                           | B-31763A   | <u>60,223</u>                       |
| Total  |                           |  | <u>255,473</u>                      |
| Total for program  |                           |  | <u>296,914</u>                      |

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

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

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title   | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended                             |
|---|---------------------------|--|---|
| <u>U.S. DEPARTMENT OF TRANSPORTATION (continued)</u>  |                           |  |   |
| Pass-Through Indiana Department of Natural Resources<br>Recreational Trails Program   | 20.219                    | E 10-9-503   | 52,717  |
| Total for cluster   |                           |  | 349,631   |
| Pass-Through Indiana Criminal Justice Institute<br>Highway Safety Cluster<br>State and Community Highway Safety<br>Safety Belt Performance Grants   | 20.609                    | OP-11-02-01-72<br>OP-12-04-02-60                           | 11,250<br>3,750   |
| Total for cluster   |                           |  | 15,000  |
| Total for federal grantor agency  |                           |  | 364,631   |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>   |                           |  |   |
| Pass-Through Indiana State Department of Health<br>Immunization Cluster<br>Immunization Grants  | 93.268                    | A070-1-073075  | 9,232   |
| Total for cluster   |                           |  | 9,232   |
| Public Health Emergency Preparedness<br>Health Bioterrorism   | 93.069                    | A70-1-0531574<br>A70-1-0531667                             | 9,259<br>28,172   |
| Total for program   |                           |  | 37,431  |
| Pass-Through Indiana Department of Child Services<br>Child Support Enforcement<br>Prosecutor's Expenditures<br>Clerk's Expenditures<br>Indirect Cost<br>Clerk's Incentive<br>Prosecutor's Incentive<br>County Incentive<br>Program Income | 93.563                    | None<br>None<br>None<br>None<br>None<br>None<br>None       | 214,662<br>40,811<br>243,521<br>29,217<br>80,242<br>26<br>1,351 |
| Total for program   |                           |  | 609,830   |
| Total for federal grantor agency  |                           |  | 656,493   |
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>   |                           |  |   |
| Pass-Through Indiana Department of Homeland Security<br>Hazard Mitigation Grant<br>Hazard Mitigation<br>Administration<br>Henderson<br>Old Town Waverly   | 97.039                    | C44P-0179A<br>C44P-9-369A<br>C44P-1-041A<br>C44P-2-019A    | 602,761<br>1,200<br>179,226<br>469,097                          |
| Total for program   |                           |  | 1,252,284   |

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

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

| Federal Grantor Agency/Pass-Through Entity<br>Cluster Title/Program Title/Project Title | Federal<br>CFDA<br>Number | Pass-Through<br>Entity (or Other)<br>Identifying<br>Number | Total<br>Federal Awards<br>Expended |
|---|---------------------------|--|-------------------------------------|
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY (continued)</u>                                 |                           |  |                                     |
| Pass-Through Indiana Department of Homeland Security (continued)                        |                           |  |                                     |
| Emergency Management Performance Grants   | 97.042                    |  |                                     |
| Civil Defense   |                           | C449-1-341A  | 25,633                              |
| Competitive   |                           | C44P-1-132A  | <u>3,750</u>                        |
| Total for program   |                           |  | <u>29,383</u>                       |
| Total for federal grantor agency  |                           |  | <u>1,281,667</u>                    |
| Total federal awards expended   |                           |  | <u>\$ 4,240,097</u>                 |

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

MORGAN 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 Morgan 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, 2011:

| <u>Program Title</u>                   | <u>2011</u>       |
|--|-------------------|
| CDBG - State-Administered CDBG Cluster | <u>\$ 203,426</u> |

MORGAN 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 deficiency identified?                   | none reported |
| Noncompliance material to financial statement noted? | no            |

Federal Awards:

|  |               |
|--|---------------|
| Internal control over major programs:  |               |
| Material weaknesses identified?  | no            |
| Significant deficiency 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:

| CFDA<br>Number | Name of Federal Program or Cluster   |
|----------------|--|
| 97.039         | CDBG - State Administered CDBG Cluster<br>Highway Planning and Construction Cluster<br>Hazard Mitigation Grant |

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**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

MORGAN COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**BRENDA ADAMS**  
AUDITOR OF MORGAN COUNTY  
180 South Main Street, Suite 104  
Martinsville, IN 46151  
(765) 342-1001

August 18, 2012

Finding 2010-1 Reporting  
Original SBA Audit and Report #B39194

To: State Board of Accounts  
State: Indiana  
County: Morgan County  
Federal Agency: U.S. Department of Housing and Urban Development  
Federal Program: Community Development Block Grant  
CFDA Number: 14.246  
Federal Award & Year: EDI-Special Project No. B-03-SP-IN-0242FY 2003  
Direct Grant

This is to notify you the Correction Action Plan presented to the State Board of Accounts on August 2, 2011, to close out the above mentioned grant has been completed.

Finding 2010-2 Reporting  
Original SBA Audit and Report #B39194

To: State Board of Accounts  
State: Indiana  
County: Morgan County  
Federal Agency: U.S. Department of Homeland Security  
Federal Program: Hazard Mitigation Grant  
CFDA Number: C44-P-O-369A  
Pass Through Entity: Indiana Department of Homeland Security

This is to notify you the Correction Action Plan presented to the State Board of Accounts on August 2, 2011, to establish and maintain a Capital Assets Program has been completed.

Regards,



Brenda Adams  
Morgan County Auditor

MORGAN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 26, 2012, with Brenda Adams, Auditor; Norman Voyles, President of the Board of County Commissioners; and Kenneth L. Hale, President of the County Council. Our audit disclosed no material items that warrant comment at this time.