

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
BROWN COUNTY, INDIANA
January 1, 2011 to December 31, 2011



FILED
08/31/2012

*This report was reissued
on 05-30-13 to correct the
Schedule of Expenditures
of Federal Awards and
related reports.*

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Glenda K. Stogsdill	01-01-11 to 12-31-14
Treasurer	Joe Wray Mary Smith	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Beth Mulry	01-01-11 to 12-31-14
Sheriff	Rick Followell	01-01-11 to 12-31-14
Recorder	Sandy Cain	01-01-09 to 12-31-16
President of the Board of County Commissioners	Mary Fouch John Kennard	01-01-11 to 12-31-11 01-01-12 to 12-31-16
President of the County Council	David Critser	01-01-11 to 12-31-13



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF BROWN COUNTY, INDIANA

We have audited the accompanying financial statement of Brown 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. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis of accounting noted above is a different basis than that used in the prior period.

In our report dated August 15, 2012, we expressed an opinion that the financial statement presented fairly, in all material respects, the financial position and results of operations on the basis of accounting described in Note 1. The previously issued report was restricted as to its use. Since this report is not restricted as to its use and the financial statement is presented on the regulatory basis of accounting, the auditing standards generally accepted in the United States require that we issue a dual opinion. Accordingly, we are now issuing an opinion on the presentation of the financial statement in conformity with the accounting principles generally accepted in the United States of America, and a separate opinion on the presentation in accordance with the regulatory basis of accounting described in Note 1. Our present opinion on the financial statement, as presented herein, is different from that expressed in our previously issued report.

In our opinion, because of the matter discussed in the third paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year end December 31, 2011.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 August 15, 2012, except for Finding 2011-2, as to which the date is April 29, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The previously issued Schedule of Expenditures of Federal Awards has been restated. The previously issued Independent Auditor's Report dated August 15, 2012, is not to be relied on because the previously issued Schedule of Expenditures of Federal Awards was materially misstated in relation to the financial statement taken as a whole. The previously issued Independent Auditor's Report is replaced by this Independent Auditor's Report. A schedule representing the changes in the Schedule of Expenditures of Federal Awards is disclosed as Note 2 of the Notes to Schedule of Expenditures of Federal Awards. The accompanying Report on Internal Control over Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with Government Auditing Standards cites an internal control deficiency and noncompliance identified by the auditor as a result of the County having failed to prevent or detect the misstatement in the original Schedule of Expenditures of Federal Awards.

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.

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.

STATE BOARD OF ACCOUNTS

August 15, 2012, except for the Schedule of Expenditures of Federal Awards,
as to which the date is April 29, 2013



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 BROWN COUNTY, INDIANA

We have audited the financial statement of Brown County (County), for the year ended December 31, 2011, and have issued our report thereon dated August 15, 2012, except for the Schedule of Expenditures of Federal Awards, as to which the date is April 29, 2013. 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.

The previously issued Schedule of Expenditures of Federal Awards has been restated. The previously issued 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 dated August 15, 2012, is not to be relied on because the previously issued Schedule of Expenditures of Federal Awards was materially misstated in relation to the financial statement taken as a whole. The previously issued 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 is replaced by this 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. A schedule representing the changes in the Schedule of Expenditures of Federal Awards is disclosed as Note 2 of the Notes to Schedule of Expenditures of Federal Awards. This report cites an internal control deficiency and noncompliance identified by the auditor as a result of the County having failed to prevent or detect the misstatement in the original Schedule of Expenditures of Federal Awards.

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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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)

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 and 2011-2 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions 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. The results of our test disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 and 2011-2.

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

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

August 15, 2012, except for Finding 2011-2, as to which
the date is April 29, 2013

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.

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 3,150,563	\$ 5,459,262	\$ 5,703,117	\$ 2,906,708
Highway	503,333	1,597,386	1,848,821	251,898
Local Road And Street	171,573	180,897	195,279	157,191
Accident Report	8,185	1,606	-	9,791
Firearms Training	31,985	10,603	6,928	35,660
Health	364,666	366,987	430,469	301,184
Clerk's Records Perpetuation	23,618	6,379	5,886	24,111
State Mtg Fees	255	2,198	2,228	225
Drug Free Community	6,469	12,541	12,575	6,435
Emergency Planning/Right To Know	4,636	2,942	360	7,218
Parks And Recreation	25,231	70,688	74,019	21,900
Juvenile Probation Service	15,353	4,835	-	20,188
Adult Probation Services	26,512	34,008	40,432	20,088
Recorder's Records Perpetuation	160,403	34,757	52,614	142,546
User Fee	66,000	10,588	4,551	72,037
Covered Bridge	16,121	1,850	-	17,971
Health Maintenance	17,978	18,285	18,879	17,384
Guardian Ad Litem/Court	15,385	8,402	3,439	20,348
Misdemeanant	15,561	10,764	-	26,325
Supplemental Public Defender Svc	10,834	385	290	10,929
Jail Commissary	30,591	61,210	57,585	34,216
Surveyor's Corner Perpetuation	4,157	3,875	5,808	2,224
Jury Pay	18,500	8,175	-	26,675
Bc Prisoner Reimbursement	15,980	3,930	-	19,910
Rainy Day	1,587,093	15,238	11,000	1,591,331
LEVY EXCESS	17,454	-	-	17,454
County Option Dog Tax	12,707	6,465	2,294	16,878
Cumulative Capital Development	721,673	153,660	205,743	669,590
Cumulative Bridge	784,825	333,645	556,373	562,097
Cumulative Capital Improvement	904,010	4,205	94,201	814,014
Police Pension	1,637,716	290,722	167,882	1,760,556
City And Town Court Costs	3,946	4,759	8,373	332
Congressional School Interest	8,745	-	170	8,575
Tax Sale Redemption	(715)	547,743	542,684	4,344
Surplus Tax	29,097	101,469	-	130,566
State Settlement	-	15,884,769	15,877,222	7,547
State Fines And Forfeitures	727	2,265	2,476	516
State Sales Disclosure Fee	185	1,860	1,880	165
Infraction Judgements	1,776	31,216	31,424	1,568
Inheritance Tax	38,501	194,741	170,504	62,738
Education Plate Fees Agency	-	431	431	-
Financial Institution Tax	-	33,151	33,151	-
Wheel Tax	-	61,026	61,026	-
Child Restraint Violations Fines	-	225	225	-
Homestead Credit Rebate	35,459	-	116	35,343
OPER LEVY FREZE STABILIZATION	742,643	-	-	742,643
Cities Readiness V	-	11,730	11,818	(88)
Mental Health	-	34,617	34,617	-
Dental/MRI Support Clinic	-	2,694	5,139	(2,445)
Reassessment - 2015	-	91,348	-	91,348
Recorder's Training Fund	-	721	-	721
Sheriff Sale Administration	-	600	600	-
County General Incentive Fund	-	68,123	-	68,123
Buyout Grant	-	683,859	673,860	9,999
Buyout Grant 2	-	98,262	100,554	(2,292)
Prosecutor Investigator Grant	-	-	5,057	(5,057)
Helmsburg Br Co Water Grant	-	1,110,310	1,197,240	(86,930)
Stormwater Project	-	256,369	139,162	117,207
PROS CONTROLLED SUB. TAX	236	-	-	236
PROBATION APPLICATION FEE	1,200	-	-	1,200
CITIES READINESS	62	-	-	62

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

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
CITIES READINESS II	3,113	-	-	3,113
PUBLIC HEALTH COORDINATION-BIOT	286	-	-	286
BIOTERRORISM CASH ALLOW	6,469	-	-	6,469
BIOTERRORISM SUPPLEMENTAL A	9,180	-	-	9,180
HOMELAND SECURITY-LETPP	319	-	-	319
BR CO EMERG MANAGEMENT	52	-	-	52
HEA 1001 STATE HSC	4,041	-	-	4,041
PROSECUTOR ST FORFEITU	2,500	-	-	2,500
PROSECUTOR FED FORFEITURE	506	-	-	506
PRESCRIPTION DRUG ABUSE PROGRAM	500	-	-	500
P & Z PROJECT	10,000	-	-	10,000
TITLE III HAVA	49,300	-	-	49,300
JUVENILE AC ABILITY GRANT	593	-	-	593
ECONOMIC DEV COMM - OBER GRANT	2,000	-	-	2,000
TITLE III - FIRE	4,349	-	-	4,349
COUNTY CHILD AVOCAY FUND	927	-	-	927
LAW ENFORCEMENT ED	2,949	-	-	2,949
ACCESS INHANCEMENT	605	-	-	605
EXTRADITION FUND COUNTY	764	-	-	764
E-911 LANDLINE	13,216	134,889	136,645	11,460
COUNTY RECORDER	11,861	8,470	11,861	8,470
SHERIFF'S CASH BOOK	-	133,610	133,610	-
PARK & REC PETTY CASH	2,008	3,159	2,008	3,159
HEALTH DEPT	-	1,823	-	1,823
COMMUNITY CORRECTIONS	2,175	3,179	2,175	3,179
CO HEALTH SUPPORTCLINIC	3	-	3	-
Cities Readiness III	(1,250)	-	-	(1,250)
Convention And Tourism	294,040	645,187	710,000	229,227
Property Reassessment	104,776	-	82,675	22,101
Criminal Justice - Federal	702	151	117	736
Comm Corrections - Home Detention	(6,190)	166,074	179,789	(19,905)
Project Income	18,685	46,694	43,372	22,007
Probation User Fee-Administrative	41,725	11,446	20,380	32,791
Riverboat Wag. Tax Revenue Sharing	344,574	93,601	9,697	428,478
Tobacco Iii	20,519	15,052	10,674	24,897
Health Maintenance Ii	40,398	9,854	7,575	42,677
Urine Drug Screen	1,438	3,108	3,650	896
Recorders Redacted Version	30,832	4,740	385	35,187
Civil Service Fee	13,833	2,790	-	16,623
Race & Gender Interpreter	3,445	2,158	263	5,340
Document Fees	25,737	5,624	-	31,361
Salt Creek Trail	5,348	17,145	24,023	(1,530)
Economic Dev Commission	6,155	10,257	355	16,057
Property Transfer Fee Fund	11,565	4,750	-	16,315
Sheriff Surety Bond	55	920	900	75
Small Claim Service Fee	11,160	1,590	-	12,750
Alt. Dispute Fee	6,925	1,380	1,700	6,605
Pros. Infraction Deferral	21,390	22,220	20,913	22,697
Family Access	(25,518)	86,677	80,769	(19,610)
Pros. Incentive	27,980	2,554	1,174	29,360
Animal Ordinance	4,753	1,325	-	6,078
Clerk Incentive	24,348	11,154	12,594	22,908
Triad	22,508	6,451	12,523	16,436
Substance Treat.	2,400	4,605	4,050	2,955
Comm Transition Prog	38,464	6,732	25,184	20,012
Bond Admin Fees	28,141	5,075	-	33,216
Tobacco Free	10,821	10,000	18,356	2,465
Hwy Safety Plan	69	7,569	6,820	818
Sheriff Dnr Dist	132	1,500	1,607	25
Family Violence & Victim Asst	(10,102)	31,100	46,235	(25,237)
Cedit Excess	1,416,415	559,329	1,642,679	333,065

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

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Sheriff Drug Buy Money	18,829	765	1,715	17,879
Prosecutor Iv D Pca Fund	397	905	600	702
Health Support Clinic	(27,481)	127,131	92,831	6,819
Health Clinic Donation Fund	110,846	441	111,287	-
Parks & Recreation Grant Fund	2,175	2,500	3,296	1,379
Park & Rec Salt Creek Trail Maint	532	2,233	-	2,765
Park & Rec Salt Ck Trail Grant	662,158	1,247	114,188	549,217
Health-Pandemic H1N1	980	-	980	-
E-911 Wireless	40,189	71,397	70,365	41,221
Cagjit-Public Safety	550,660	553,108	722,217	381,551
Tax Sale Surplus	1,377,364	173,597	1,228,488	322,473
Helath Sup Clinic Fees	10,667	2,645	13,312	-
Vaccine For Children Grant	(6,388)	6,388	-	-
Br Co Ema Grant Fund	2,381	4,706	3,706	3,381
Prosecutor Arra Fund	5,697	14,938	2,071	18,564
Owner Occupied Rehab Grant	-	349,283	345,086	4,197
Ems Grant Fund	15,726	472,718	426,658	61,786
Jackson Twsp Fire Station Grant	16,593	2,789	16,922	2,460
Jail Lease Rental	651,181	373,221	592,000	432,402
Payroll	108,852	1,812,218	1,646,709	274,361
Coroners Training & Ed Fee	74	1,110	1,065	119
Surtax	-	398,205	398,205	-
Commercial Vehicle Tax	-	92,083	92,083	-
State Sales Tax	64	38	64	38
Local Option Tax Dist	-	2,383,347	2,383,347	-
Sheriff Service Fees - Retirement	27,551	5,278	31,556	1,273
Congrs. School Principal	8,496	-	-	8,496
Co Econ Dev Income Tax	1	598,925	598,925	1
County Treasurer	550,619	794,597	550,619	794,597
County Clerk	155,672	1,417,872	1,176,349	397,195
County Plan Commission	1,793	2,467	1,793	2,467
County Probation Department	2,456	4,148	2,456	4,148
County Park & Rec Department	8,609	7,184	8,609	7,184
Prosecutors Bad Check	(1,310)	1,490	-	180
Public Safety Loit Distribution	-	595,837	595,837	-
Cagjit-Prop Tax Operating Levy	-	476,669	476,669	-
Cagjit - Hsc 07 Pay 08	30,315	1,192,440	1,197,170	25,585
Special Death Benefits	45	335	355	25
Sex & Violent Offender Fund	1,155	860	351	1,664
Sheriff Dept Inmate Trust	750	54,477	53,494	1,733
Totals	<u>\$ 18,222,866</u>	<u>\$ 42,022,310</u>	<u>\$ 44,614,641</u>	<u>\$ 15,630,535</u>

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

BROWN 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 may 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,

BROWN 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).

Penalties which include fees received for late payments.

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 may 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.

BROWN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

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.

BROWN 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 statement. 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.

BROWN 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 approved by management of the County. It is presented as intended by the County.

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

	General	Highway	Local Road And Street	Accident Report	Firearms Training	Health	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 3,150,563	\$ 503,333	\$ 171,573	\$ 8,185	\$ 31,985	\$ 364,666	\$ 23,618
Receipts:							
Taxes	4,459,193	465,250	-	-	-	301,378	-
Licenses and permits	29,439	2,530	-	-	10,603	-	-
Intergovernmental	215,097	1,066,599	178,828	-	-	20,949	-
Charges for services	394,548	3,476	1,862	-	-	42,754	6,379
Fines and forfeits	54,667	-	-	1,606	-	-	-
Other receipts	306,318	59,531	207	-	-	1,906	-
Total receipts	<u>5,459,262</u>	<u>1,597,386</u>	<u>180,897</u>	<u>1,606</u>	<u>10,603</u>	<u>366,987</u>	<u>6,379</u>
Disbursements:							
Personal services	3,553,759	688,298	-	-	-	403,926	-
Supplies	128,608	682,519	177,474	-	-	13,577	-
Other services and charges	1,872,458	324,286	17,805	-	-	12,840	-
Capital outlay	42,065	153,559	-	-	-	-	-
Other disbursements	106,227	159	-	-	6,928	126	5,886
Total disbursements	<u>5,703,117</u>	<u>1,848,821</u>	<u>195,279</u>	<u>-</u>	<u>6,928</u>	<u>430,469</u>	<u>5,886</u>
Excess (deficiency) of receipts over disbursements	<u>(243,855)</u>	<u>(251,435)</u>	<u>(14,382)</u>	<u>1,606</u>	<u>3,675</u>	<u>(63,482)</u>	<u>493</u>
Cash and investments - ending	<u>\$ 2,906,708</u>	<u>\$ 251,898</u>	<u>\$ 157,191</u>	<u>\$ 9,791</u>	<u>\$ 35,660</u>	<u>\$ 301,184</u>	<u>\$ 24,111</u>

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

	State Mtg Fees	Drug Free Community	Emergency Planning/Right To Know	Parks And Recreation	Juvenile Probation Service	Adult Probation Services
Cash and investments - beginning	\$ 255	\$ 6,469	\$ 4,636	\$ 25,231	\$ 15,353	\$ 26,512
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	2,198	-	2,942	70,688	4,835	-
Fines and forfeits	-	-	-	-	-	34,008
Other receipts	-	12,541	-	-	-	-
Total receipts	<u>2,198</u>	<u>12,541</u>	<u>2,942</u>	<u>70,688</u>	<u>4,835</u>	<u>34,008</u>
Disbursements:						
Personal services	-	-	-	16,165	-	31,318
Supplies	-	-	-	-	-	5,577
Other services and charges	-	12,575	-	-	-	3,298
Capital outlay	-	-	-	-	-	239
Other disbursements	2,228	-	360	57,854	-	-
Total disbursements	<u>2,228</u>	<u>12,575</u>	<u>360</u>	<u>74,019</u>	<u>-</u>	<u>40,432</u>
Excess (deficiency) of receipts over disbursements	<u>(30)</u>	<u>(34)</u>	<u>2,582</u>	<u>(3,331)</u>	<u>4,835</u>	<u>(6,424)</u>
Cash and investments - ending	<u>\$ 225</u>	<u>\$ 6,435</u>	<u>\$ 7,218</u>	<u>\$ 21,900</u>	<u>\$ 20,188</u>	<u>\$ 20,088</u>

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

	Recorder's Records Perpetuation	User Fee	Covered Bridge	Health Maintenance	Guardian Ad Litem/Court	Misdemeanant
Cash and investments - beginning	\$ 160,403	\$ 66,000	\$ 16,121	\$ 17,978	\$ 15,385	\$ 15,561
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	34,757	-	-	18,285	-	10,764
Fines and forfeits	-	10,588	-	-	583	-
Other receipts	-	-	1,850	-	7,819	-
Total receipts	<u>34,757</u>	<u>10,588</u>	<u>1,850</u>	<u>18,285</u>	<u>8,402</u>	<u>10,764</u>
Disbursements:						
Personal services	3,179	-	-	18,879	-	-
Supplies	-	-	-	-	-	-
Other services and charges	24,797	4,551	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>24,638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,439</u>	<u>-</u>
Total disbursements	<u>52,614</u>	<u>4,551</u>	<u>-</u>	<u>18,879</u>	<u>3,439</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(17,857)</u>	<u>6,037</u>	<u>1,850</u>	<u>(594)</u>	<u>4,963</u>	<u>10,764</u>
Cash and investments - ending	<u>\$ 142,546</u>	<u>\$ 72,037</u>	<u>\$ 17,971</u>	<u>\$ 17,384</u>	<u>\$ 20,348</u>	<u>\$ 26,325</u>

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

	Supplemental Public Defender Svc	Jail Commissary	Surveyor's Corner Perpetuation	Jury Pay	Bc Prisoner Reimbursement	Rainy Day
Cash and investments - beginning	\$ 10,834	\$ 30,591	\$ 4,157	\$ 18,500	\$ 15,980	\$ 1,587,093
Receipts:						
Taxes	-	-	-	-	-	15,238
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	3,875	-	3,930	-
Fines and forfeits	385	-	-	8,175	-	-
Other receipts	-	61,210	-	-	-	-
Total receipts	385	61,210	3,875	8,175	3,930	15,238
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	290	-	300	-	-	11,000
Capital outlay	-	-	-	-	-	-
Other disbursements	-	57,585	5,508	-	-	-
Total disbursements	290	57,585	5,808	-	-	11,000
Excess (deficiency) of receipts over disbursements	95	3,625	(1,933)	8,175	3,930	4,238
Cash and investments - ending	<u>\$ 10,929</u>	<u>\$ 34,216</u>	<u>\$ 2,224</u>	<u>\$ 26,675</u>	<u>\$ 19,910</u>	<u>\$ 1,591,331</u>

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

	LEVY EXCESS	County Option Dog Tax	Cumulative Capital Development	Cumulative Bridge	Cumulative Capital Improvement	Police Pension
Cash and investments - beginning	\$ 17,454	\$ 12,707	\$ 721,673	\$ 784,825	\$ 904,010	\$ 1,637,716
Receipts:						
Taxes	-	-	142,758	252,571	-	-
Licenses and permits	-	6,465	-	-	-	-
Intergovernmental	-	-	9,923	17,557	-	-
Charges for services	-	-	-	1,876	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	979	61,641	4,205	290,722
Total receipts	-	6,465	153,660	333,645	4,205	290,722
Disbursements:						
Personal services	-	-	-	105,116	-	-
Supplies	-	-	86,406	19,078	-	-
Other services and charges	-	1,127	119,337	432,179	170	-
Capital outlay	-	-	-	-	94,031	-
Other disbursements	-	1,167	-	-	-	167,882
Total disbursements	-	2,294	205,743	556,373	94,201	167,882
Excess (deficiency) of receipts over disbursements	-	4,171	(52,083)	(222,728)	(89,996)	122,840
Cash and investments - ending	<u>\$ 17,454</u>	<u>\$ 16,878</u>	<u>\$ 669,590</u>	<u>\$ 562,097</u>	<u>\$ 814,014</u>	<u>\$ 1,760,556</u>

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

	City And Town Court Costs	Congressional School Interest	Tax Sale Redemption	Surplus Tax	State Settlement	State Fines And Forfeitures
Cash and investments - beginning	\$ 3,946	\$ 8,745	\$ (715)	\$ 29,097	\$ -	\$ 727
Receipts:						
Taxes	-	-	-	101,469	15,877,222	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	7,547	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	4,759	-	-	-	-	2,265
Other receipts	-	-	547,743	-	-	-
Total receipts	<u>4,759</u>	<u>-</u>	<u>547,743</u>	<u>101,469</u>	<u>15,884,769</u>	<u>2,265</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	8,373	170	542,684	-	15,877,222	2,476
Total disbursements	<u>8,373</u>	<u>170</u>	<u>542,684</u>	<u>-</u>	<u>15,877,222</u>	<u>2,476</u>
Excess (deficiency) of receipts over disbursements	<u>(3,614)</u>	<u>(170)</u>	<u>5,059</u>	<u>101,469</u>	<u>7,547</u>	<u>(211)</u>
Cash and investments - ending	<u>\$ 332</u>	<u>\$ 8,575</u>	<u>\$ 4,344</u>	<u>\$ 130,566</u>	<u>\$ 7,547</u>	<u>\$ 516</u>

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

	State Sales Disclosure Fee	Infraction Judgements	Inheritance Tax	Education Plate Fees Agency	Financial Institution Tax	Wheel Tax
Cash and investments - beginning	\$ 185	\$ 1,776	\$ 38,501	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	194,741	431	-	61,026
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	33,151	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	1,860	31,216	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>1,860</u>	<u>31,216</u>	<u>194,741</u>	<u>431</u>	<u>33,151</u>	<u>61,026</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,880	31,424	170,504	431	33,151	61,026
Total disbursements	<u>1,880</u>	<u>31,424</u>	<u>170,504</u>	<u>431</u>	<u>33,151</u>	<u>61,026</u>
Excess (deficiency) of receipts over disbursements	<u>(20)</u>	<u>(208)</u>	<u>24,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 165</u>	<u>\$ 1,568</u>	<u>\$ 62,738</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Child Restraint Violations Fines	Homestead Credit Rebate	OPER LEVY FREZE STABILIZATION	Cities Readiness V	Mental Health	Dental/MRI Support Clinic
Cash and investments - beginning	\$ -	\$ 35,459	\$ 742,643	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	31,350	2,694
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,267	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	225	-	-	-	-	-
Other receipts	-	-	-	11,730	-	-
Total receipts	<u>225</u>	<u>-</u>	<u>-</u>	<u>11,730</u>	<u>34,617</u>	<u>2,694</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	116	-	-	-	5,139
Capital outlay	-	-	-	11,818	-	-
Other disbursements	225	-	-	-	34,617	-
Total disbursements	<u>225</u>	<u>116</u>	<u>-</u>	<u>11,818</u>	<u>34,617</u>	<u>5,139</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(116)</u>	<u>-</u>	<u>(88)</u>	<u>-</u>	<u>(2,445)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 35,343</u>	<u>\$ 742,643</u>	<u>\$ (88)</u>	<u>\$ -</u>	<u>\$ (2,445)</u>

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

	Reassessment - 2015	Recorder's Training Fund	Sheriff Sale Administration	County General Incentive Fund	Buyout Grant	Buyout Grant 2
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	87,537	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	3,811	-	-	-	-	-
Charges for services	-	721	600	68,123	683,859	98,262
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>91,348</u>	<u>721</u>	<u>600</u>	<u>68,123</u>	<u>683,859</u>	<u>98,262</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	600	-	53,425	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	620,435	100,554
Total disbursements	<u>-</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>673,860</u>	<u>100,554</u>
Excess (deficiency) of receipts over disbursements	<u>91,348</u>	<u>721</u>	<u>-</u>	<u>68,123</u>	<u>9,999</u>	<u>(2,292)</u>
Cash and investments - ending	<u>\$ 91,348</u>	<u>\$ 721</u>	<u>\$ -</u>	<u>\$ 68,123</u>	<u>\$ 9,999</u>	<u>\$ (2,292)</u>

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

	Prosecutor Investigator Grant	Helmsburg Br Co Water Grant	Stormwater Project	PROS CONTROLLED SUB. TAX	PROBATION APPLICATION FEE	CITIES READINESS
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 236	\$ 1,200	\$ 62
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	1,110,310	256,369	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>1,110,310</u>	<u>256,369</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	5,057	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,197,240	139,162	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>5,057</u>	<u>1,197,240</u>	<u>139,162</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(5,057)</u>	<u>(86,930)</u>	<u>117,207</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u><u>\$ (5,057)</u></u>	<u><u>\$ (86,930)</u></u>	<u><u>\$ 117,207</u></u>	<u><u>\$ 236</u></u>	<u><u>\$ 1,200</u></u>	<u><u>\$ 62</u></u>

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

	CITIES READINESS II	PUBLIC HEALTH COORDINATION-BIOT	BIOTERRORISM CASH ALLOW	BIOTERRORISM SUPPLEMENTAL A	HOMELAND SECURITY-LETPP	BR CO EMERG MANAGEMENT
Cash and investments - beginning	\$ 3,113	\$ 286	\$ 6,469	\$ 9,180	\$ 319	\$ 52
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 3,113</u>	<u>\$ 286</u>	<u>\$ 6,469</u>	<u>\$ 9,180</u>	<u>\$ 319</u>	<u>\$ 52</u>

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

	HEA 1001 STATE HSC	PROSECUTOR ST FORFEITU	PROSECUTOR FED FORFEITURE	PRESCRIPTION DRUG ABUSE PROGRAM	P & Z PROJECT	TITLE III HAVA
Cash and investments - beginning	\$ 4,041	\$ 2,500	\$ 506	\$ 500	\$ 10,000	\$ 49,300
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 4,041</u>	<u>\$ 2,500</u>	<u>\$ 506</u>	<u>\$ 500</u>	<u>\$ 10,000</u>	<u>\$ 49,300</u>

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

	JUVENILE AC ABILITY GRANT	ECONOMIC DEV COMM - OBER GRANT	TITLE III - FIRE	COUNTY CHILD AVOCAY FUND	LAW ENFORCEMENT ED	ACCESS INHANCEMENT
Cash and investments - beginning	\$ 593	\$ 2,000	\$ 4,349	\$ 927	\$ 2,949	\$ 605
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ 593	\$ 2,000	\$ 4,349	\$ 927	\$ 2,949	\$ 605

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

	EXTRADITION FUND COUNTY	E-911 LANDLINE	COUNTY RECORDER	SHERIFF'S CASH BOOK	PARK & REC PETTY CASH	HEALTH DEPT
Cash and investments - beginning	\$ 764	\$ 13,216	\$ 11,861	\$ -	\$ 2,008	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	134,889	8,470	133,610	3,159	1,823
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>134,889</u>	<u>8,470</u>	<u>133,610</u>	<u>3,159</u>	<u>1,823</u>
Disbursements:						
Personal services	-	114,098	-	-	-	-
Supplies	-	2,038	11,861	-	2,008	-
Other services and charges	-	20,509	-	133,610	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>136,645</u>	<u>11,861</u>	<u>133,610</u>	<u>2,008</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(1,756)</u>	<u>(3,391)</u>	<u>-</u>	<u>1,151</u>	<u>1,823</u>
Cash and investments - ending	<u>\$ 764</u>	<u>\$ 11,460</u>	<u>\$ 8,470</u>	<u>\$ -</u>	<u>\$ 3,159</u>	<u>\$ 1,823</u>

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

	COMMUNITY CORRECTIONS	CO HEALTH SUPPORTCLINIC	Cities Readiness III	Convention And Tourism	Property Reassessment	Criminal Justice - Federal
Cash and investments - beginning	\$ 2,175	\$ 3	\$ (1,250)	\$ 294,040	\$ 104,776	\$ 702
Receipts:						
Taxes	-	-	-	645,187	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	3,179	-	-	-	-	-
Other receipts	-	-	-	-	-	151
Total receipts	<u>3,179</u>	<u>-</u>	<u>-</u>	<u>645,187</u>	<u>-</u>	<u>151</u>
Disbursements:						
Personal services	-	-	-	-	585	-
Supplies	2,175	3	-	-	-	-
Other services and charges	-	-	-	-	82,090	117
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	710,000	-	-
Total disbursements	<u>2,175</u>	<u>3</u>	<u>-</u>	<u>710,000</u>	<u>82,675</u>	<u>117</u>
Excess (deficiency) of receipts over disbursements	<u>1,004</u>	<u>(3)</u>	<u>-</u>	<u>(64,813)</u>	<u>(82,675)</u>	<u>34</u>
Cash and investments - ending	<u>\$ 3,179</u>	<u>\$ -</u>	<u>\$ (1,250)</u>	<u>\$ 229,227</u>	<u>\$ 22,101</u>	<u>\$ 736</u>

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

	Comm Corrections - Home Detention	Project Income	Probation User Fee-Administrative	Riverboat Wag. Tax Revenue Sharing	Tobacco lii	Health Maintenance li
Cash and investments - beginning	\$ (6,190)	\$ 18,685	\$ 41,725	\$ 344,574	\$ 20,519	\$ 40,398
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	93,601	-	-
Charges for services	166,074	-	11,446	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	46,694	-	-	15,052	9,854
Total receipts	<u>166,074</u>	<u>46,694</u>	<u>11,446</u>	<u>93,601</u>	<u>15,052</u>	<u>9,854</u>
Disbursements:						
Personal services	-	-	20,380	-	-	5,989
Supplies	-	-	-	-	2,978	1,586
Other services and charges	-	-	-	9,697	7,696	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>179,789</u>	<u>43,372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>179,789</u>	<u>43,372</u>	<u>20,380</u>	<u>9,697</u>	<u>10,674</u>	<u>7,575</u>
Excess (deficiency) of receipts over disbursements	<u>(13,715)</u>	<u>3,322</u>	<u>(8,934)</u>	<u>83,904</u>	<u>4,378</u>	<u>2,279</u>
Cash and investments - ending	<u>\$ (19,905)</u>	<u>\$ 22,007</u>	<u>\$ 32,791</u>	<u>\$ 428,478</u>	<u>\$ 24,897</u>	<u>\$ 42,677</u>

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

	Urine Drug Screen	Recorders Redacted Version	Civil Service Fee	Race & Gender Interpreter	Document Fees	Salt Creek Trail
Cash and investments - beginning	\$ 1,438	\$ 30,832	\$ 13,833	\$ 3,445	\$ 25,737	\$ 5,348
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	4,740	-	-	-	-
Fines and forfeits	3,108	-	2,790	-	5,624	-
Other receipts	-	-	-	2,158	-	17,145
Total receipts	<u>3,108</u>	<u>4,740</u>	<u>2,790</u>	<u>2,158</u>	<u>5,624</u>	<u>17,145</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	3,650	385	-	263	-	24,023
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>3,650</u>	<u>385</u>	<u>-</u>	<u>263</u>	<u>-</u>	<u>24,023</u>
Excess (deficiency) of receipts over disbursements	<u>(542)</u>	<u>4,355</u>	<u>2,790</u>	<u>1,895</u>	<u>5,624</u>	<u>(6,878)</u>
Cash and investments - ending	<u>\$ 896</u>	<u>\$ 35,187</u>	<u>\$ 16,623</u>	<u>\$ 5,340</u>	<u>\$ 31,361</u>	<u>\$ (1,530)</u>

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

	Economic Dev Commission	Property Transfer Fee Fund	Sheriff Surety Bond	Small Claim Service Fee	Alt. Dispute Fee	Pros. Infraction Deferral
Cash and investments - beginning	\$ 6,155	\$ 11,565	\$ 55	\$ 11,160	\$ 6,925	\$ 21,390
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	10,257	-	920	-	-	-
Fines and forfeits	-	4,750	-	1,590	1,380	22,220
Other receipts	-	-	-	-	-	-
Total receipts	<u>10,257</u>	<u>4,750</u>	<u>920</u>	<u>1,590</u>	<u>1,380</u>	<u>22,220</u>
Disbursements:						
Personal services	-	-	-	-	-	11,404
Supplies	-	-	-	-	-	3,844
Other services and charges	355	-	900	-	1,700	5,665
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>355</u>	<u>-</u>	<u>900</u>	<u>-</u>	<u>1,700</u>	<u>20,913</u>
Excess (deficiency) of receipts over disbursements	<u>9,902</u>	<u>4,750</u>	<u>20</u>	<u>1,590</u>	<u>(320)</u>	<u>1,307</u>
Cash and investments - ending	<u>\$ 16,057</u>	<u>\$ 16,315</u>	<u>\$ 75</u>	<u>\$ 12,750</u>	<u>\$ 6,605</u>	<u>\$ 22,697</u>

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

	Family Access	Pros. Incentive	Animal Ordinance	Clerk Incentive	Triad	Substance Treat.
Cash and investments - beginning	\$ (25,518)	\$ 27,980	\$ 4,753	\$ 24,348	\$ 22,508	\$ 2,400
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	2,554	-	-	-	-
Fines and forfeits	-	-	1,325	-	-	-
Other receipts	86,677	-	-	11,154	6,451	4,605
Total receipts	<u>86,677</u>	<u>2,554</u>	<u>1,325</u>	<u>11,154</u>	<u>6,451</u>	<u>4,605</u>
Disbursements:						
Personal services	33,134	739	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	47,635	435	-	-	-	4,050
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	12,594	12,523	-
Total disbursements	<u>80,769</u>	<u>1,174</u>	<u>-</u>	<u>12,594</u>	<u>12,523</u>	<u>4,050</u>
Excess (deficiency) of receipts over disbursements	<u>5,908</u>	<u>1,380</u>	<u>1,325</u>	<u>(1,440)</u>	<u>(6,072)</u>	<u>555</u>
Cash and investments - ending	<u>\$ (19,610)</u>	<u>\$ 29,360</u>	<u>\$ 6,078</u>	<u>\$ 22,908</u>	<u>\$ 16,436</u>	<u>\$ 2,955</u>

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

	Comm Transision Prog	Bond Admin Fees	Tobacco Free	Hwy Safety Plan	Sheriff Dnr Dist	Family Violence & Victim Asst
Cash and investments - beginning	\$ 38,464	\$ 28,141	\$ 10,821	\$ 69	\$ 132	\$ (10,102)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	10,000	-	-	-
Charges for services	-	-	-	7,569	-	-
Fines and forfeits	-	5,075	-	-	-	-
Other receipts	6,732	-	-	-	1,500	31,100
Total receipts	<u>6,732</u>	<u>5,075</u>	<u>10,000</u>	<u>7,569</u>	<u>1,500</u>	<u>31,100</u>
Disbursements:						
Personal services	-	-	-	4,813	1,607	46,235
Supplies	-	-	5,456	-	-	-
Other services and charges	-	-	12,900	2,007	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	25,184	-	-	-	-	-
Total disbursements	<u>25,184</u>	<u>-</u>	<u>18,356</u>	<u>6,820</u>	<u>1,607</u>	<u>46,235</u>
Excess (deficiency) of receipts over disbursements	<u>(18,452)</u>	<u>5,075</u>	<u>(8,356)</u>	<u>749</u>	<u>(107)</u>	<u>(15,135)</u>
Cash and investments - ending	<u>\$ 20,012</u>	<u>\$ 33,216</u>	<u>\$ 2,465</u>	<u>\$ 818</u>	<u>\$ 25</u>	<u>\$ (25,237)</u>

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

	Cedit Excess	Sheriff Drug Buy Money	Prosecutor Iv D Pca Fund	Health Support Clinic	Health Clinic Donation Fund	Parks & Recreation Grant Fund
Cash and investments - beginning	\$ 1,416,415	\$ 18,829	\$ 397	\$ (27,481)	\$ 110,846	\$ 2,175
Receipts:						
Taxes	559,329	-	-	-	-	-
Licenses and permits	-	-	-	-	441	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	765	905	127,131	-	2,500
Total receipts	<u>559,329</u>	<u>765</u>	<u>905</u>	<u>127,131</u>	<u>441</u>	<u>2,500</u>
Disbursements:						
Personal services	588,058	-	-	79,487	-	-
Supplies	6,714	-	600	1,711	-	-
Other services and charges	328,467	-	-	11,633	111,287	3,296
Capital outlay	626,686	-	-	-	-	-
Other disbursements	92,754	1,715	-	-	-	-
Total disbursements	<u>1,642,679</u>	<u>1,715</u>	<u>600</u>	<u>92,831</u>	<u>111,287</u>	<u>3,296</u>
Excess (deficiency) of receipts over disbursements	<u>(1,083,350)</u>	<u>(950)</u>	<u>305</u>	<u>34,300</u>	<u>(110,846)</u>	<u>(796)</u>
Cash and investments - ending	<u>\$ 333,065</u>	<u>\$ 17,879</u>	<u>\$ 702</u>	<u>\$ 6,819</u>	<u>\$ -</u>	<u>\$ 1,379</u>

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

	Park & Rec Salt <u>Creek Trail Maint</u>	Park & Rec Salt <u>Ck Trail Grant</u>	Health-Pandemic H1N1	E-911 Wireless	Cagit-Public Safety	Tax Sale Surplus
Cash and investments - beginning	\$ 532	\$ 662,158	\$ 980	\$ 40,189	\$ 550,660	\$ 1,377,364
Receipts:						
Taxes	-	-	-	-	553,108	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	71,397	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,233	1,247	-	-	-	173,597
Total receipts	<u>2,233</u>	<u>1,247</u>	<u>-</u>	<u>71,397</u>	<u>553,108</u>	<u>173,597</u>
Disbursements:						
Personal services	-	-	-	68,968	-	-
Supplies	-	-	-	159	-	-
Other services and charges	-	114,188	980	1,238	644,350	-
Capital outlay	-	-	-	-	77,867	-
Other disbursements	-	-	-	-	-	1,228,488
Total disbursements	<u>-</u>	<u>114,188</u>	<u>980</u>	<u>70,365</u>	<u>722,217</u>	<u>1,228,488</u>
Excess (deficiency) of receipts over disbursements	<u>2,233</u>	<u>(112,941)</u>	<u>(980)</u>	<u>1,032</u>	<u>(169,109)</u>	<u>(1,054,891)</u>
Cash and investments - ending	<u>\$ 2,765</u>	<u>\$ 549,217</u>	<u>\$ -</u>	<u>\$ 41,221</u>	<u>\$ 381,551</u>	<u>\$ 322,473</u>

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

	Helath Sup Clinic Fees	Vaccine For Children Grant	Br Co Ema Grant Fund	Prosecutor Arra Fund	Owner Occupied Rehab Grant	Ems Grant Fund
Cash and investments - beginning	\$ 10,667	\$ (6,388)	\$ 2,381	\$ 5,697	\$ -	\$ 15,726
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	2,645	-	4,706	14,938	-	472,718
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	6,388	-	-	349,283	-
Total receipts	<u>2,645</u>	<u>6,388</u>	<u>4,706</u>	<u>14,938</u>	<u>349,283</u>	<u>472,718</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	67	-	-
Other services and charges	-	-	3,706	-	-	426,658
Capital outlay	-	-	-	-	-	-
Other disbursements	13,312	-	-	2,004	345,086	-
Total disbursements	<u>13,312</u>	<u>-</u>	<u>3,706</u>	<u>2,071</u>	<u>345,086</u>	<u>426,658</u>
Excess (deficiency) of receipts over disbursements	<u>(10,667)</u>	<u>6,388</u>	<u>1,000</u>	<u>12,867</u>	<u>4,197</u>	<u>46,060</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,381</u>	<u>\$ 18,564</u>	<u>\$ 4,197</u>	<u>\$ 61,786</u>

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

	Jackson Twsp Fire Station Grant	Jail Lease Rental	Payroll	Coroners Training & Ed Fee	Surtax	Commercial Vehicle Tax
Cash and investments - beginning	\$ 16,593	\$ 651,181	\$ 108,852	\$ 74	\$ -	\$ -
Receipts:						
Taxes	-	348,964	-	-	398,205	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	24,257	-	-	-	92,083
Charges for services	-	-	-	1,110	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,789	-	1,812,218	-	-	-
Total receipts	2,789	373,221	1,812,218	1,110	398,205	92,083
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	592,000	-	-	-	-
Other disbursements	16,922	-	1,646,709	1,065	398,205	92,083
Total disbursements	16,922	592,000	1,646,709	1,065	398,205	92,083
Excess (deficiency) of receipts over disbursements	(14,133)	(218,779)	165,509	45	-	-
Cash and investments - ending	\$ 2,460	\$ 432,402	\$ 274,361	\$ 119	\$ -	\$ -

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

	State Sales Tax	Local Option Tax Dist	Sheriff Service Fees - Retirement	Congrs. School Principal	Co Econ Dev Income Tax	County Treasurer
Cash and investments - beginning	\$ 64	\$ -	\$ 27,551	\$ 8,496	\$ 1	\$ 550,619
Receipts:						
Taxes	38	2,383,347	-	-	598,925	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	794,597
Fines and forfeits	-	-	5,278	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>38</u>	<u>2,383,347</u>	<u>5,278</u>	<u>-</u>	<u>598,925</u>	<u>794,597</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	64	2,383,347	31,556	-	598,925	550,619
Total disbursements	<u>64</u>	<u>2,383,347</u>	<u>31,556</u>	<u>-</u>	<u>598,925</u>	<u>550,619</u>
Excess (deficiency) of receipts over disbursements	<u>(26)</u>	<u>-</u>	<u>(26,278)</u>	<u>-</u>	<u>-</u>	<u>243,978</u>
Cash and investments - ending	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 1,273</u>	<u>\$ 8,496</u>	<u>\$ 1</u>	<u>\$ 794,597</u>

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

	County Clerk	County Plan Commission	County Probation Department	County Park & Rec Department	Prosecutors Bad Check	Public Safety Loit Distribution
Cash and investments - beginning	\$ 155,672	\$ 1,793	\$ 2,456	\$ 8,609	\$ (1,310)	\$ -
Receipts:						
Taxes	-	-	-	-	-	595,837
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	2,467	4,148	-	-	-
Fines and forfeits	-	-	-	-	1,490	-
Other receipts	1,417,872	-	-	7,184	-	-
Total receipts	<u>1,417,872</u>	<u>2,467</u>	<u>4,148</u>	<u>7,184</u>	<u>1,490</u>	<u>595,837</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,793	-	8,609	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,176,349	-	2,456	-	-	595,837
Total disbursements	<u>1,176,349</u>	<u>1,793</u>	<u>2,456</u>	<u>8,609</u>	<u>-</u>	<u>595,837</u>
Excess (deficiency) of receipts over disbursements	<u>241,523</u>	<u>674</u>	<u>1,692</u>	<u>(1,425)</u>	<u>1,490</u>	<u>-</u>
Cash and investments - ending	<u>\$ 397,195</u>	<u>\$ 2,467</u>	<u>\$ 4,148</u>	<u>\$ 7,184</u>	<u>\$ 180</u>	<u>\$ -</u>

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

	Cagit-Prop Tax Operating Levy	Cagit - Hsc 07 Pay 08	Special Death Benefits	Sex & Violent Offender Fund	Sheriff Dept Inmate Trust	Totals
Cash and investments - beginning	\$ -	\$ 30,315	\$ 45	\$ 1,155	\$ 750	\$ 18,222,866
Receipts:						
Taxes	476,669	1,192,440	-	-	-	29,744,907
Licenses and permits	-	-	-	-	-	49,478
Intergovernmental	-	-	-	-	-	1,776,670
Charges for services	-	-	-	860	54,477	4,730,987
Fines and forfeits	-	-	335	-	-	208,481
Other receipts	-	-	-	-	-	5,511,787
Total receipts	<u>476,669</u>	<u>1,192,440</u>	<u>335</u>	<u>860</u>	<u>54,477</u>	<u>42,022,310</u>
Disbursements:						
Personal services	-	-	-	-	-	5,801,194
Supplies	-	-	-	-	-	1,154,439
Other services and charges	-	-	-	-	53,494	6,300,081
Capital outlay	-	-	-	-	-	1,598,265
Other disbursements	476,669	1,197,170	355	351	-	29,760,662
Total disbursements	<u>476,669</u>	<u>1,197,170</u>	<u>355</u>	<u>351</u>	<u>53,494</u>	<u>44,614,641</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(4,730)</u>	<u>(20)</u>	<u>509</u>	<u>983</u>	<u>(2,592,331)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 25,585</u>	<u>\$ 25</u>	<u>\$ 1,664</u>	<u>\$ 1,733</u>	<u>\$ 15,630,535</u>

BROWN COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 230,543</u>	<u>\$ -</u>

BROWN COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Ending Principal Balance	Lease Beginning Date	Lease Ending Date
Governmental activities: Jail Holding Corp	Pay for new Jail/Law Enforcemnt Building	\$ 592,000	\$ 7,095,000	01-01-03	12-31-29
Total of annual lease payments		<u>\$ 592,000</u>			

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities: Notes and loans payable	E 911 Equipment	\$ 132,607	\$ 81,434
Notes and loans payable	Gradall	<u>90,195</u>	<u>28,488</u>
Total governmental activities		<u>222,802</u>	<u>109,922</u>
Totals		<u>\$ 222,802</u>	<u>\$ 109,922</u>

BROWN 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 5,252,156
Buildings	1,595,800
Improvements other than buildings	82,651,269
Machinery, equipment and vehicles	<u>3,387,940</u>
Total governmental activities	<u>92,887,165</u>
Total capital assets	<u><u>\$ 92,887,165</u></u>

BROWN COUNTY
OTHER REPORTS

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

County Auditor
County Treasurer

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF BROWN COUNTY, INDIANA

Compliance

We have audited the compliance of the Brown 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.

As indicated in Note 2 of the Notes to Schedule of Expenditures of Federal Awards, changes have been made to the Schedule of Expenditures of Federal Awards (SEFA). These changes resulted in an increase in the expenditures reported for the CDBG – State-Administered CDBG Cluster, which was audited as a major program. It also resulted in a decrease in the expenditures reported for the Hazard Mitigation Grant, which was audited as a major. Our audit of these major programs included the expenditures added from this change, although they were not originally reported correctly on the SEFA. Therefore, the opinion given on the CDBG – State-Administered CDBG Cluster and the Hazard Mitigation Grant has not changed and the original date of this report has not been modified.

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

August 15, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Office of Community and Rural Affairs CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228		
		DR2-09-083	\$ 973,884
		DR2-09-094	392,586
		CF-10-103	472,718
		DR1HB-009-003	187,303
		DR1HB-009-004	9,743
Pass-Through Indiana Housing and Community Development Authority			
		DR10R-009-019	333,574
Total for cluster			<u>2,369,808</u>
Total for federal grantor agency			<u>2,369,808</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205		
		DES#0900118	3,547
		DES#0100151	51,885
Total for cluster			<u>55,432</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		
		OP-10-02-01-59	4,303
		OP-12-04-02-50	1,625
		OP-11-02-02-10	1,640
Total for cluster			<u>7,568</u>
Total for federal grantor agency			<u>63,000</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		
Prosecutor's County Share		None	155
Collection Agency Share		None	232
Prosecutor's Incentive Fund		None	11,668
Clerk's Incentive Fund		None	7,755
Title IV-D Incentive Fund		None	7,755
Circuit Court Clerk's Expenditures		None	10,056
County Prosecutor's Expenditures		None	74,553
Indirect Costs		None	10,297
Total for program			<u>122,471</u>
Pass-Through Indiana Family and Social Service Administration Grants to States for Access and Visitation Programs Family Access Program	93.597		
		None	80,892
Total for program			<u>80,892</u>
Total for federal grantor agency			<u>203,363</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Hazard Mitigation Grant	97.039		
		C44P-1-049A	561,910
		C44P-1-052A	28,852
Total for program			<u>590,762</u>
Emergency Management Performance Grants	97.042		
		C44P-1-295A	23,537
Total for program			<u>23,537</u>
Total for federal grantor agency			<u>614,299</u>
Total federal awards expended			<u>\$ 3,250,470</u>

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

BROWN 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 Brown 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. Restatement – CDGB-State-Administered CDBG Cluster and Hazard Mitigation Grant

Subsequent to the issuance of the original audit report on August 15, 2012, it had been determined that the amounts listed as expenditures for the *CDGB-State-Administered CDBG Cluster and Hazard Mitigation Grant* were presented incorrectly. The following schedule presents the corrections.

Program Title	Federal CFDA Number	Project Number	2011
Community Development Block Grant/State's program and Non-Entitlement Grants in Hawaii	14.228	DR2-09-083	\$ 251,228
		DR2-09-094	(251,228)
		DR1HB-009-003	187,303
		DR1HB-009-004	9,743
		DR10R-009-019	(5,687)
Total			<u>191,359</u>
Hazard Mitigation Grant	97.039	C44P-1-049A	(94,388)
		C44P-1-052A	(96,971)
Total			<u>(191,359)</u>

These corrections have no effect on the total amount of federal expenditures of the County for the audit period.

BROWN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unqualified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

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 Number	Name of Federal Program or Cluster
97.039	CDBG – State-Administered CDBG Cluster Hazard Mitigation Grant

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

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control systems of the County Treasurer's and County Auditor's office related to financial transactions and reporting.

The failure to establish and maintain internal controls could enable material misstatements or irregularities to remain undetected.

1. Controls were not in place to ensure the balance per the bank accounts reconciled with the County Treasurer's Cash book. The bank reconciliations consisted of automated software printouts and calculator tapes with various reconciling amounts for each separate bank account. The calculator tapes included various amounts including interest not yet posted to

BROWN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

the books, and other reconciling items. The software printouts were reconciled to the bank statements. This reconciliation was prepared by an employee in the County Treasurer's office. The software printouts were not reconciled to the County Treasurer's Cash Book. Also, no combined bank reconciliation worksheet was completed, which would have enabled the Treasurer's staff to more readily determine whether the bank reconciliations and the Treasurer's cash book actually balanced. The County Treasurer does not review or approve the bank reconciliation.

As of December 31, 2011, the combined bank reconciliation to the County Treasurer's Cash book prepared by the State Board of Accounts was short in the amount of \$30,481.98.

A monthly comparison report is being done monthly between the County Auditor and County Treasurer with differences noted. No effort has been made to identify and correct these differences.

The amount of the funds ledger balance on the County Treasurer's cash book used for reconciliation does not agree to the fund balance from the County Auditor's ledger.

2. Controls are not in place to verify the Annual Financial Report agreed to the County Auditor's ledger. The completed Annual Financial Report contained many incorrect beginning and ending fund balances and some funds were missing altogether. No review was made of the filed copy to the financial ledgers.
3. There were not sufficient controls over the approval of claims by the Board of County Commissioners. Not all disbursements were officially approved by the County Auditor or the Board of County Commissioners. Multiple claims submitted for review did not have the approval of the County Auditor. The claim dockets for 2011 showing approval by the Board of County Commissioners were not provided for review. Upon further inquiry, the 2012 claims dockets were presented showing proper approval of disbursements in the regular claims cycle. Approval is required for all claims; however, no approval was presented for emergency claims paid. Per County Ordinance 05-05-08-03, these claims can be paid before approval; however, they should still be submitted for approval to the Board of County Commissioners at the next regularly scheduled meeting.
4. Controls over the payroll process were insufficient. Multiple timesheets were observed with no supervisor signature. One payroll period in 2011 was not approved by the Board of County Commissioners. During the review of payroll, it was noted that overtime compensation was calculated on an employee's base rate plus their longevity (divided into an hourly amount). Overtime compensation should be calculated on an employee's base rate only. Benefit time was not calculated correctly. On more than one timesheet, the lunch hours taken for the pay period were used in the calculation of flex time accrued. Employees were also getting paid for this time taken for lunch.
5. Controls were not in place to verify all services to the County from outside vendors were supported by a contract. No contract was presented for audit for the monthly software agreement payment to GUTS (Government Utilities Technology Service). GUTS provided assistance in the settlement of taxes. No contract was presented detailing what services were to be provided.

BROWN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objections, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 5-13-6-1(e) states:

"(e) All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

***FINDING 2011-2 - INTERNAL CONTROL OVER PREPARATION OF
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The Schedule of Expenditures of Federal Awards (SEFA) is required by the U.S. Office of Management and Budget Circular A-133, Audits of States, and Local Governments, and Non-Profit Organizations for entities receiving federal funds in excess of \$500,000 in order to summarize the use of federal monies received. The County did not have proper procedures in place to ensure that the SEFA prepared was materially correct.

Effective internal control over preparation of the SEFA involves the identification and analysis of the risks of material misstatement to the County's audited SEFA and then determining how those identified risks should be managed. The County has not identified risks to the preparation of are liable SEFA and as a result has failed to design effective controls over the preparation of the SEFA to prevent or detect material misstatements, including notes to the SEFA.

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

"The auditee shall:

(c) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.

(d) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with Circular A-133, subpart .310."

BROWN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

We recommended that the County implement procedures and controls to ensure that required information is properly recorded and available for preparation of the SEFA.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

BROWN COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.



Glenda Stogsdill
Brown County Auditor
201 Locust Lane
P. O. Box 37
Nashville, IN 47448
(812) 988-5485

NUMBER 2011-1 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS
AND REPORTING

CORRECTIVE ACTION:

THE MONTHLY COMPARISON REPORT DONE: WE WILL MAKE AN
EFFORT TO FIND THE DIFFERENCES WITH THE TREASURER.

THE CONTROLS ON THE CLAIMS WILL BE SIGNED BY THE AUDITOR
AND THE COMMISSIONERS, INCLUDING THE UTILITIES THAT ARE
AUTOMATICALLY PAID WHEN THEY ARE PRESENTED.

THE PAYROLL TIME SHEETS WILL BE CHECKED FOR THE SIGNATURE
OF THE SUPERVISOR. THE OTHER PAYROLL ISSUE WILL BE TAKEN
UP WITH THE COUNTY COUNCIL AND COMMISSIONERS.

THE FEDERAL GRANTS ARE CONTROLLED BY THE COUNTY
ADMINISTRATOR AND KENNA. WE WILL TALK TO BOTH AND SEE
IF THEY WILL PROVIDE MORE INFORMATION ON THE GRANTS.

GUTS WERE NOTIFIED THAT WE DIDN'T HAVE A CURRENT CONTRACT.
GUTS SAID IN THEIR CONTRACT THAT IT CONTINUES UNTIL WE
CANCEL THE LICENSES OURSELF. WE COULD NOT FIND APPENDIX
G WHICH EXPLAINS THE MONTHLY PAYMENTS STARTING JANUARY 2008
AND ENDING IN DECEMBER 2012. THE TREASURER IS GOING TO
CONTACT GUTS AGAIN AND ASK IF THEY CAN PROVIDE US THE
APPENDIX G TO PUT IN OUR FILE.

THE FINANCIAL SIDE: THE BOOKKEEPER IS GOING TO CONTACT
HARRIS AND SEE IF SHE IS NOT ENTERING THE CORRECT INFORMATION AT
THE END OF THE YEAR FOR THE ANNUAL REPORT. WE ARE
ASKING HARRIS TO COME AND DO SOME TRAINING ON HOW TO
USE THE WHOLE HARRIS PROGRAM. THE NEW ADMINISTRATION
WAS NOT TRAINED EFFECIENTLY.

Glenda Stogsdill
8/15/12

Joe Wray
Treasurer

Telephone
(812) 988-5458
Fax
(812) 988-5520

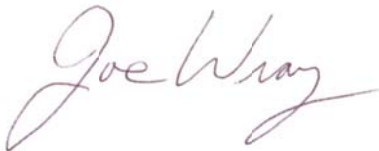
Brown County Treasurer
P.O. Box 98
Nashville, In 47448
wraydj@browncounty-in.us

CORRECTIVE ACTION PLAN

AUGUST 15, 2012

Finding Number 2011-1 Internal Controls over Financial Transactions and Reporting

1. The Treasurer's office will be more consistent in reconciling the bank statements to the cash book each month. This will consist of cleaning up past reconciliation amounts.
2. The Treasurer's office will make better use of a combined monthly reconciliation worksheet to help determine actual balances of each account.
3. The differences between the Auditor and Treasurer offices with the monthly comparison report will continue to be analyzed to correct those differences and become balanced.
4. The Treasurer will review and approve all work done on all bank reconciliation reports.



Joe Wray
Brown County Treasurer



**Glenda Stogsdill
Brown County Auditor
201 Locust Lane
P. O. Box 37
Nashville, IN 47448
(812) 988-5485**

April 15, 2013

Finding No. 2011-2, Internal Control Over Preparation of the Schedule of Expenditures of Federal Awards.

FEDERAL AGENCY:	U.S. Housing and Urban Development
Federal Program:	Community Development Block Grants
CFDA Number:	14.228
FEDERAL AGENCY:	U.S. Department of Homeland Security
Federal Program:	Hazard Mitigation Grant
CFDA Number:	97.039
Auditor Contact Person:	Glenda Stogsdill
Title of Contact Person:	County Auditor
Phone Number:	812-988-5485
Email:	Stogsdill@browncounty-in.us
Completion Date:	April 15, 2013

Corrective Action Plan

Our office will accurately include all grant expenditures on the SEFA and implement controls to see the SEFA is correctly reported.

Glenda Stogsdill Auditor

BROWN COUNTY
EXIT CONFERENCE

The contents of this report, excluding Finding 2011-2, were discussed on August 15, 2012, with Glenda K. Stogsdill, Auditor; Joe Wray, Treasurer; David Critser, President of County Council; and John Kennard, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.

Federal Finding 2011-2 was discussed on April 29, 2013, with Glenda K. Stogsdill, Auditor; John Kennard, President of the Board of County Commissioners; Dave Anderson, Commissioner; Joe Wray, Commissioner; and David Critser, President of County Council. The official response has been made a part of this report and may be found on page 63, entitled Corrective Action Plan.

The change to the Independent Auditor's Report to reflect the adverse opinion on the financial statement in accordance with accounting principles generally accepted in the United States of America was discussed on April 29, 2013, with Glenda K. Stogsdill, Auditor; John Kennard, President of the Board of County Commissioners; Dave Anderson, Commissioner; Joe Wray, Commissioner; and David Critser, President of County Council.