

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

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



FILED
05/09/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Ronald K. Wilson	01-01-11 to 12-31-14
Treasurer	Nyla Dooley Marta Query	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Shirley Van Meter Carol Austin	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Sheriff	Jeremy Britton	01-01-11 to 12-31-14
Recorder	Jody Hoover	01-01-11 to 12-31-14
President of the Board of County Commissioners	Mark Flint Brian S. Davis	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	Gregory K. Willis	01-01-12 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF PIKE COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 23, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Other Information

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



Bruce Hartman
State Examiner

April 23, 2013



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

TO: THE OFFICIALS OF PIKE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Pike County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated April 23, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

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

Purpose of This Report

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



Bruce Hartman
State Examiner

April 23, 2013

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FINANCIAL STATEMENT

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

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

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
SHERIFF INMATE TRUST	\$ 1,328	\$ 92,035	\$ 89,980	\$ 3,383
PROSECUTOR BAD CHECK CASES	-	7,886	7,886	-
PIKE COUNTY JAIL COMMISSARY	68,143	85,687	97,031	56,799
CLERKS TRUST ACCOUNT	2,737,521	1,863,213	2,378,217	2,222,517
SHERIFF CASH BOOK TRUST	-	38,872	38,872	-
GENERAL	3,610,936	5,442,751	6,226,269	2,827,418
ACCIDENT REPORT	3,328	460	-	3,788
CREDIT COUNTY SHARE	1,392,471	949,234	676,539	1,665,166
CITY AND TOWN COURT COSTS	2,465	3,298	-	5,763
CLERKS RECORDS PERPETUATION	2,755	4,701	6,450	1,006
CONGRESSIONAL SCHOOL INTEREST	18,675	127	-	18,802
CONGRESSIONAL SCHOOL PRINCIPAL	16,807	-	-	16,807
SALES DISCLOSURE COUNTY SHARE	10,946	1,760	-	12,706
CUMULATIVE BRIDGE	313,130	458,799	435,269	336,660
CUMULATIVE CAPITAL DEVELOPMENT	692,296	120,422	213,014	599,704
DRUG FREE COMMUNITY	38,280	11,965	29,685	20,560
EMERGENCY TELEPHONE SYSTEM	177,739	37,697	215,436	-
EXTRADITION	7	593	-	600
FIREARMS TRAINING	11,859	8,900	5,816	14,943
HEALTH	125,807	172,105	140,280	157,632
IDENTIFICATION SECURITY PROTECTION	30,259	1,228	-	31,487
LANDFILL CLOSURE	19,161	-	1,315	17,846
LEVY EXCESS	5,590	-	-	5,590
LOCAL HEALTH MAINTENANCE	36,922	32,672	23,555	46,039
LOCAL ROAD AND STREET	18,183	126,545	135,754	8,974
MEDICAL CARE FOR INMATES	10,783	-	757	10,026
MISDEMEANANT	52,118	10,550	-	62,668
MOTOR VEHICLE HIGHWAY	389,939	1,348,309	1,312,152	426,096
PLAT BOOK	30,426	3,685	-	34,111
RAINY DAY	714,939	-	13,474	701,465
REASSESSMENT 2009	393,092	522	268,608	125,006
REASSESSMENT 2015	227,503	232,878	-	460,381
RECORDERS RECORD PERPETUATION	187,430	26,975	5,244	209,161
SHERIFF PENSION	402,552	60,390	84,385	378,557
SUPPLEMENTAL PUBLIC DEFENDER	74,240	78,928	122,025	31,143
SURPLUS TAX	8,087	13,407	14,950	6,544
SURVEYOR'S CORNER PERPETUATION	19,990	2,950	-	22,940
TAX SALE REDEMPTION	-	33,053	30,972	2,081
TAX SALE SURPLUS	12,708	93,582	2,557	103,733
LHMF TOBACCO SETTLEMENT	48,306	14,121	6,079	56,348
WIRELESS EMERGENCY TELEPHONE SYSTEM	340,000	26,650	366,650	-
GAL/CASA	-	12,685	12,685	-
ELECTION AND REGISTRATION	248,457	47,183	87,339	208,301
COUNTY ELECTED OFFICIALS TRAINING	519	1,228	-	1,747
PARK AND RECREATION	899,421	426,150	322,066	1,003,505
STATEWIDE 911	-	516,794	65,906	450,888
ADULT PROBATION ADMINISTRATIVE	38,223	8,993	15,481	31,735
SUPPLEMENTAL ADULT PROBATION FEES	287,295	79,197	33,887	332,605
SUPPLEMENTAL JUVENILE PROBATION	17,694	1,409	-	19,103
JURY PAY USER FEES	30,698	1,518	-	32,216
PROSECUTOR DRUG BUY	106	2,001	-	2,107
PAYROLL CLEARING	86,707	3,027,136	3,009,110	104,733
SETTLEMENT	81,833	14,810,175	14,892,008	-
CREDIT HOMESTEAD CREDIT	-	105,675	89,188	16,487
HEA 1001 STATE HOMESTEAD CREDIT	10	3	-	13
HOMESTEAD CREDIT REBATE	1,165	-	-	1,165

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

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

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
STATE FINES AND FOREITURE	570	1,879	2,154	295
INFRACTION JUDGEMENT	855	8,700	8,960	595
OVERWEIGHT VEHICLE FINES	-	825	825	-
SPECIAL DEATH BENEFIT	90	1,269	1,279	80
SALES DISCLOSURE STATE SHARE	155	1,760	1,730	185
INTERSTATE COMPACT STATE SHARE	125	-	125	-
MORTGAGE RECORDING FEES STATE SHARE	110	1,260	1,255	115
INHERITANCE TAX	150,326	240,549	324,237	66,638
EDUCATIONAL PLATE FEES AGENCY	75	338	281	132
RIVERBOAT REVENUE SHARING	-	76,093	76,093	-
93.563 PROSECUTOR PCA	-	1,099	204	895
93.563 ARRA PROSECUTOR IV-D INCENTIVE	2,093	-	-	2,093
93.563 TITLE IV-D INCENTIVE	347,073	7,178	39,659	314,592
93.563 PROSECUTOR IV-D INCENTIVE	51,895	10,798	8,656	54,037
93.563 CLERK IV-D INCENTIVE	42,107	7,178	1,933	47,352
PRETRIAL DIVERSION	79,969	28,160	40,024	68,105
USER FEE	62,416	2,234	1,222	63,428
SATEWIDE GIS	-	2,000	1,500	500
COUNTY LAW ENFORCEMENT CONTINUING EDUCATION FUND	5,999	463	220	6,242
DONATIONS FOR INMATE REHABILITATION	-	2,000	-	2,000
COLEMAN CEMETERY INVESTMENT	5,000	-	-	5,000
93.069 EMERGENCY PREPAREDNESS H1N1	(240)	-	-	(240)
ADVANCE COLLECTIONS	266,575	5,451	-	272,026
EMS/CPR TRAINING	-	640	80	560
EMS DONATIONS	3,750	4,546	7,330	966
DONATION FUND	14,205	-	-	14,205
DARE	2,307	1,161	1,136	2,332
EMERGENCY MANAGEMENT DONATIONS	100	1,546	-	1,646
REFUGE REVENUE SHARING	56,594	10,280	11,853	55,021
THORNTON TRUST PRINCIPAL	1,000	-	-	1,000
THORNTON TRUST INTEREST	2,347	-	-	2,347
PIKE COUNTY TOBACCO COALITION	6,605	-	-	6,605
COLEMAN CEMETARY INTEREST	3,222	-	800	2,422
COMMISSIONERS CERTIFICATE SALE	-	4,025	-	4,025
MANNED COLLECTION SITES	4,332	64,185	64,185	4,332
TAX SALE VENDOR FEES	5,398	7,336	-	12,734
TAX SALE COST	3,153	3,375	-	6,528
REVERSE 911	1,496	-	1,496	-
LOCAL EMERGENCY PLANNING	57,681	8,139	3,264	62,556
ROAD BONDING	-	36,325	-	36,325
IV-D COLLECTIONS	725	-	725	-
DRUG & ALCOHOL TREATMENT	165	24	189	-
EMS GRANT	646	-	-	646
97.042 EMPG REIMBURSABLE GRANT	-	3,623	3,623	-
BIOTERRORISM	12,380	-	-	12,380
97.055 NARROWBAND EMA	-	7,450	7,450	-
14.228 PATOKA VFD NEW FIRE STATION	-	366,531	366,531	-
16.575 VICTIM ASSISTANCE PROGRAM GRANT	6,144	18,469	21,774	2,839
BROWNFIELD GRANT	68,190	112,233	164,455	15,968
BRIDGE 147 REPLACEMENT 80%	-	83,122	67,122	16,000
COMMISSIONERS EMERGENCY RESPONSE GRANT	-	4,800	-	4,800
14.228 DEBRIS REMOVAL GRANT	-	237,739	237,739	-
SIGN REPLACEMENT GRANT	-	47,790	53,100	(5,310)
Totals	<u>\$ 15,204,482</u>	<u>\$ 31,869,670</u>	<u>\$ 33,000,100</u>	<u>\$ 14,074,052</u>

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

PIKE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

PIKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

PIKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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.

PIKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Restatement of County Offices

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

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of expenditures from reimbursement type federal grants where the reimbursement was not received by December 31, 2012.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	SHERIFF INMATE TRUST	PROSECUTOR BAD CHECK CASES	PIKE COUNTY JAIL COMMISSARY	CLERKS TRUST ACCOUNT	SHERIFF CASH BOOK TRUST	GENERAL	ACCIDENT REPORT	CEDIT COUNTY SHARE
Cash and investments - beginning	\$ 1,328	\$ -	\$ 68,143	\$ 2,737,521	\$ -	\$ 3,610,936	\$ 3,328	\$ 1,392,471
Receipts:								
Taxes	-	-	-	-	-	4,016,332	-	922,201
Licenses and permits	-	-	-	-	-	7,120	-	-
Intergovernmental	-	-	-	-	-	345,771	-	-
Charges for services	-	-	-	-	-	741,611	460	-
Fines and forfeits	-	-	-	-	-	56,748	-	-
Other receipts	92,035	7,886	85,687	1,863,213	38,872	275,169	-	27,033
Total receipts	92,035	7,886	85,687	1,863,213	38,872	5,442,751	460	949,234
Disbursements:								
Personal services	-	-	-	-	-	4,692,866	-	-
Supplies	-	-	-	-	-	153,905	-	607,967
Other services and charges	-	-	-	-	-	787,923	-	5,292
Capital outlay	-	-	-	-	-	91,711	-	-
Other disbursements	89,980	7,886	97,031	2,378,217	38,872	499,864	-	63,280
Total disbursements	89,980	7,886	97,031	2,378,217	38,872	6,226,269	-	676,539
Excess (deficiency) of receipts over disbursements	2,055	-	(11,344)	(515,004)	-	(783,518)	460	272,695
Cash and investments - ending	\$ 3,383	\$ -	\$ 56,799	\$ 2,222,517	\$ -	\$ 2,827,418	\$ 3,788	\$ 1,665,166

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

	CITY AND TOWN COURT COSTS	CLERKS RECORDS PERPETUATION	CONGRESSIONAL SCHOOL INTEREST	CONGRESSIONAL SCHOOL PRINCIPAL	SALES DISCLOSURE COUNTY SHARE	CUMULATIVE BRIDGE	CUMULATIVE CAPITAL DEVELOPMENT	DRUG FREE COMMUNITY
Cash and investments - beginning	\$ 2,465	\$ 2,755	\$ 18,675	\$ 16,807	\$ 10,946	\$ 313,130	\$ 692,296	\$ 38,280
Receipts:								
Taxes	-	-	-	-	-	289,120	111,614	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	22,821	8,808	-
Charges for services	-	-	-	-	1,760	49,710	-	-
Fines and forfeits	3,298	4,701	-	-	-	-	-	-
Other receipts	-	-	127	-	-	97,148	-	11,965
Total receipts	<u>3,298</u>	<u>4,701</u>	<u>127</u>	<u>-</u>	<u>1,760</u>	<u>458,799</u>	<u>120,422</u>	<u>11,965</u>
Disbursements:								
Personal services	-	-	-	-	-	203,045	-	5,395
Supplies	-	-	-	-	-	20,763	-	-
Other services and charges	-	-	-	-	-	95,058	-	-
Capital outlay	-	-	-	-	-	116,403	213,014	-
Other disbursements	-	6,450	-	-	-	-	-	24,290
Total disbursements	<u>-</u>	<u>6,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>435,269</u>	<u>213,014</u>	<u>29,685</u>
Excess (deficiency) of receipts over disbursements	<u>3,298</u>	<u>(1,749)</u>	<u>127</u>	<u>-</u>	<u>1,760</u>	<u>23,530</u>	<u>(92,592)</u>	<u>(17,720)</u>
Cash and investments - ending	<u>\$ 5,763</u>	<u>\$ 1,006</u>	<u>\$ 18,802</u>	<u>\$ 16,807</u>	<u>\$ 12,706</u>	<u>\$ 336,660</u>	<u>\$ 599,704</u>	<u>\$ 20,560</u>

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

	EMERGENCY TELEPHONE SYSTEM	EXTRADITION	FIREARMS TRAINING	HEALTH	IDENTIFICATION SECURITY PROTECTION	LANDFILL CLOSURE	LEVY EXCESS	LOCAL HEALTH MAINTENANCE
Cash and investments - beginning	\$ 177,739	\$ 7	\$ 11,859	\$ 125,807	\$ 30,259	\$ 19,161	\$ 5,590	\$ 36,922
Receipts:								
Taxes	-	-	-	133,130	-	-	-	-
Licenses and permits	-	-	8,900	1,977	-	-	-	-
Intergovernmental	-	-	-	10,591	-	-	-	-
Charges for services	37,697	-	-	26,392	1,228	-	-	32,672
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	593	-	15	-	-	-	-
Total receipts	37,697	593	8,900	172,105	1,228	-	-	32,672
Disbursements:								
Personal services	-	-	-	121,030	-	-	-	23,196
Supplies	170	-	-	11,229	-	-	-	-
Other services and charges	39,149	-	-	6,258	-	-	-	359
Capital outlay	77,390	-	-	-	-	-	-	-
Other disbursements	98,727	-	5,816	1,763	-	1,315	-	-
Total disbursements	215,436	-	5,816	140,280	-	1,315	-	23,555
Excess (deficiency) of receipts over disbursements	(177,739)	593	3,084	31,825	1,228	(1,315)	-	9,117
Cash and investments - ending	\$ -	\$ 600	\$ 14,943	\$ 157,632	\$ 31,487	\$ 17,846	\$ 5,590	\$ 46,039

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

	LOCAL ROAD AND STREET	MEDICAL CARE FOR INMATES	MISDEMEANANT	MOTOR VEHICLE HIGHWAY	PLAT BOOK	RAINY DAY	REASSESSMENT 2009	REASSESSMENT 2015
Cash and investments - beginning	\$ 18,183	\$ 10,783	\$ 52,118	\$ 389,939	\$ 30,426	\$ 714,939	\$ 393,092	\$ 227,503
Receipts:								
Taxes	-	-	-	-	-	-	-	215,831
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	126,545	-	10,550	1,336,747	-	-	-	17,047
Charges for services	-	-	-	-	3,685	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	11,562	-	-	522	-
Total receipts	126,545	-	10,550	1,348,309	3,685	-	522	232,878
Disbursements:								
Personal services	-	-	-	726,366	-	-	84,687	-
Supplies	135,754	-	-	392,786	-	-	1,080	-
Other services and charges	-	757	-	100,296	-	-	182,841	-
Capital outlay	-	-	-	45,616	-	13,474	-	-
Other disbursements	-	-	-	47,088	-	-	-	-
Total disbursements	135,754	757	-	1,312,152	-	13,474	268,608	-
Excess (deficiency) of receipts over disbursements	(9,209)	(757)	10,550	36,157	3,685	(13,474)	(268,086)	232,878
Cash and investments - ending	\$ 8,974	\$ 10,026	\$ 62,668	\$ 426,096	\$ 34,111	\$ 701,465	\$ 125,006	\$ 460,381

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

	RECORDERS RECORD PERPETUATION	SHERIFF PENSION	SUPPLEMENTAL PUBLIC DEFENDER	SURPLUS TAX	SURVEYOR'S CORNER PERPETUATION	TAX SALE REDEMPTION	TAX SALE SURPLUS	LHMF TOBACCO SETTLEMENT
Cash and investments - beginning	\$ 187,430	\$ 402,552	\$ 74,240	\$ 8,087	\$ 19,990	\$ -	\$ 12,708	\$ 48,306
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	14,121
Charges for services	26,975	-	-	13,407	2,950	-	-	-
Fines and forfeits	-	60,390	23,704	-	-	-	-	-
Other receipts	-	-	55,224	-	-	33,053	93,582	-
Total receipts	<u>26,975</u>	<u>60,390</u>	<u>78,928</u>	<u>13,407</u>	<u>2,950</u>	<u>33,053</u>	<u>93,582</u>	<u>14,121</u>
Disbursements:								
Personal services	1,493	84,385	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	6,079
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	3,751	-	122,025	14,950	-	30,972	2,557	-
Total disbursements	<u>5,244</u>	<u>84,385</u>	<u>122,025</u>	<u>14,950</u>	<u>-</u>	<u>30,972</u>	<u>2,557</u>	<u>6,079</u>
Excess (deficiency) of receipts over disbursements	<u>21,731</u>	<u>(23,995)</u>	<u>(43,097)</u>	<u>(1,543)</u>	<u>2,950</u>	<u>2,081</u>	<u>91,025</u>	<u>8,042</u>
Cash and investments - ending	<u>\$ 209,161</u>	<u>\$ 378,557</u>	<u>\$ 31,143</u>	<u>\$ 6,544</u>	<u>\$ 22,940</u>	<u>\$ 2,081</u>	<u>\$ 103,733</u>	<u>\$ 56,348</u>

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

	WIRELESS EMERGENCY TELEPHONE SYSTEM	GAL/CASA	ELECTION AND REGISTRATION	COUNTY ELECTED OFFICIALS TRAINING	PARK AND RECREATION	STATEWIDE 911	ADULT PROBATION ADMINISTRATIVE
Cash and investments - beginning	\$ 340,000	\$ -	\$ 248,457	\$ 519	\$ 899,421	\$ -	\$ 38,223
Receipts:							
Taxes	-	-	43,704	-	145,232	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	12,685	3,479	-	11,555	-	-
Charges for services	26,650	-	-	1,228	269,321	66,660	-
Fines and forfeits	-	-	-	-	-	-	8,993
Other receipts	-	-	-	-	42	450,134	-
Total receipts	26,650	12,685	47,183	1,228	426,150	516,794	8,993
Disbursements:							
Personal services	9,026	-	42,603	-	141,525	26,592	14,379
Supplies	-	-	10,664	-	15,085	-	-
Other services and charges	6,218	-	32,147	-	82,822	31,636	-
Capital outlay	-	-	-	-	-	7,678	-
Other disbursements	351,406	12,685	1,925	-	82,634	-	1,102
Total disbursements	366,650	12,685	87,339	-	322,066	65,906	15,481
Excess (deficiency) of receipts over disbursements	(340,000)	-	(40,156)	1,228	104,084	450,888	(6,488)
Cash and investments - ending	\$ -	\$ -	\$ 208,301	\$ 1,747	\$ 1,003,505	\$ 450,888	\$ 31,735

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

	SUPPLEMENTAL ADULT PROBATION FEES	SUPPLEMENTAL JUVENILE PROBATION	JURY PAY USER FEES	PROSECUTOR DRUG BUY	PAYROLL CLEARING	SETTLEMENT	CREDIT HOMESTEAD CREDIT
Cash and investments - beginning	\$ 287,295	\$ 17,694	\$ 30,698	\$ 106	\$ 86,707	\$ 81,833	\$ -
Receipts:							
Taxes	-	-	-	-	-	14,655,414	105,675
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	154,761	-
Charges for services	79,197	1,409	-	-	-	-	-
Fines and forfeits	-	-	1,518	-	-	-	-
Other receipts	-	-	-	2,001	3,027,136	-	-
Total receipts	<u>79,197</u>	<u>1,409</u>	<u>1,518</u>	<u>2,001</u>	<u>3,027,136</u>	<u>14,810,175</u>	<u>105,675</u>
Disbursements:							
Personal services	23,864	-	-	-	3,009,110	-	-
Supplies	5,344	-	-	-	-	-	-
Other services and charges	4,679	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	14,892,008	89,188
Total disbursements	<u>33,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,009,110</u>	<u>14,892,008</u>	<u>89,188</u>
Excess (deficiency) of receipts over disbursements	<u>45,310</u>	<u>1,409</u>	<u>1,518</u>	<u>2,001</u>	<u>18,026</u>	<u>(81,833)</u>	<u>16,487</u>
Cash and investments - ending	<u>\$ 332,605</u>	<u>\$ 19,103</u>	<u>\$ 32,216</u>	<u>\$ 2,107</u>	<u>\$ 104,733</u>	<u>\$ -</u>	<u>\$ 16,487</u>

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

	HEA 1001 STATE HOMESTEAD CREDIT	HOMESTEAD CREDIT REBATE	STATE FINES AND FOREIGNURE	INFRACTION JUDGEMENT	OVERWEIGHT VEHICLE FINES	SPECIAL DEATH BENEFIT	SALES DISCLOSURE STATE SHARE
Cash and investments - beginning	\$ 10	\$ 1,165	\$ 570	\$ 855	\$ -	\$ 90	\$ 155
Receipts:							
Taxes	3	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	1,760
Fines and forfeits	-	-	1,879	8,700	825	1,269	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>3</u>	<u>-</u>	<u>1,879</u>	<u>8,700</u>	<u>825</u>	<u>1,269</u>	<u>1,760</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	2,154	8,960	825	1,279	1,730
Total disbursements	<u>-</u>	<u>-</u>	<u>2,154</u>	<u>8,960</u>	<u>825</u>	<u>1,279</u>	<u>1,730</u>
Excess (deficiency) of receipts over disbursements	<u>3</u>	<u>-</u>	<u>(275)</u>	<u>(260)</u>	<u>-</u>	<u>(10)</u>	<u>30</u>
Cash and investments - ending	<u>\$ 13</u>	<u>\$ 1,165</u>	<u>\$ 295</u>	<u>\$ 595</u>	<u>\$ -</u>	<u>\$ 80</u>	<u>\$ 185</u>

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

	INTERSTATE COMPACT STATE SHARE	MORTGAGE RECORDING FEES STATE SHARE	INHERITANCE TAX	EDUCATIONAL PLATE FEES AGENCY	RIVERBOAT REVENUE SHARING	93.563 PROSECUTOR PCA	93.563 ARRA PROSECUTOR IV-D INCENTIVE
Cash and investments - beginning	\$ 125	\$ 110	\$ 150,326	\$ 75	\$ -	\$ -	\$ 2,093
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	240,549	-	76,093	-	-
Charges for services	-	1,260	-	-	-	-	-
Fines and forfeits	-	-	-	338	-	-	-
Other receipts	-	-	-	-	-	1,099	-
Total receipts	-	1,260	240,549	338	76,093	1,099	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	204	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	125	1,255	324,237	281	76,093	-	-
Total disbursements	125	1,255	324,237	281	76,093	204	-
Excess (deficiency) of receipts over disbursements	(125)	5	(83,688)	57	-	895	-
Cash and investments - ending	\$ -	\$ 115	\$ 66,638	\$ 132	\$ -	\$ 895	\$ 2,093

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

	93.563 TITLE IV-D INCENTIVE	93.563 PROSECUTOR IV-D INCENTIVE	93.563 CLERK IV-D INCENTIVE	PRETRIAL DIVERSION	USER FEE	SATEWIDE GIS	COUNTY LAW ENFORCEMENT CONTINUING EDUCATION FUND
Cash and investments - beginning	\$ 347,073	\$ 51,895	\$ 42,107	\$ 79,969	\$ 62,416	\$ -	\$ 5,999
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	7,178	10,798	7,178	-	-	-	-
Charges for services	-	-	-	-	-	2,000	-
Fines and forfeits	-	-	-	28,160	2,234	-	-
Other receipts	-	-	-	-	-	-	463
Total receipts	<u>7,178</u>	<u>10,798</u>	<u>7,178</u>	<u>28,160</u>	<u>2,234</u>	<u>2,000</u>	<u>463</u>
Disbursements:							
Personal services	37,249	3,602	-	40,024	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,410	5,054	1,933	-	1,222	1,500	220
Total disbursements	<u>39,659</u>	<u>8,656</u>	<u>1,933</u>	<u>40,024</u>	<u>1,222</u>	<u>1,500</u>	<u>220</u>
Excess (deficiency) of receipts over disbursements	<u>(32,481)</u>	<u>2,142</u>	<u>5,245</u>	<u>(11,864)</u>	<u>1,012</u>	<u>500</u>	<u>243</u>
Cash and investments - ending	<u>\$ 314,592</u>	<u>\$ 54,037</u>	<u>\$ 47,352</u>	<u>\$ 68,105</u>	<u>\$ 63,428</u>	<u>\$ 500</u>	<u>\$ 6,242</u>

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

	DONATIONS FOR INMATE REHABILITATION	COLEMAN CEMETERY INVESTMENT	93.069 EMERGENCY PREPAREDNESS H1N1	ADVANCE COLLECTIONS	EMS/CPR TRAINING	EMS DONATIONS	DONATION FUND
Cash and investments - beginning	\$ -	\$ 5,000	\$ (240)	\$ 266,575	\$ -	\$ 3,750	\$ 14,205
Receipts:							
Taxes	-	-	-	5,451	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	640	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,000	-	-	-	-	4,546	-
Total receipts	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>5,451</u>	<u>640</u>	<u>4,546</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	80	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	7,330	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80</u>	<u>7,330</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>5,451</u>	<u>560</u>	<u>(2,784)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,000</u>	<u>\$ 5,000</u>	<u>\$ (240)</u>	<u>\$ 272,026</u>	<u>\$ 560</u>	<u>\$ 966</u>	<u>\$ 14,205</u>

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

	DARE	EMERGENCY MANAGEMENT DONATIONS	REFUGE REVENUE SHARING	THORNTON TRUST PRINCIPAL	THORNTON TRUST INTEREST	PIKE COUNTY TOBACCO COALITION	COLEMAN CEMETARY INTEREST
Cash and investments - beginning	\$ 2,307	\$ 100	\$ 56,594	\$ 1,000	\$ 2,347	\$ 6,605	\$ 3,222
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	10,280	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,161	1,546	-	-	-	-	-
Total receipts	<u>1,161</u>	<u>1,546</u>	<u>10,280</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	5,000	-	-	-	-
Capital outlay	-	-	6,853	-	-	-	-
Other disbursements	1,136	-	-	-	-	-	800
Total disbursements	<u>1,136</u>	<u>-</u>	<u>11,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800</u>
Excess (deficiency) of receipts over disbursements	<u>25</u>	<u>1,546</u>	<u>(1,573)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(800)</u>
Cash and investments - ending	<u>\$ 2,332</u>	<u>\$ 1,646</u>	<u>\$ 55,021</u>	<u>\$ 1,000</u>	<u>\$ 2,347</u>	<u>\$ 6,605</u>	<u>\$ 2,422</u>

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

	COMMISSIONERS CERTIFICATE SALE	MANNED COLLECTION SITES	TAX SALE VENDOR FEES	TAX SALE COST	REVERSE 911	LOCAL EMERGENCY PLANNING	ROAD BONDING
Cash and investments - beginning	\$ -	\$ 4,332	\$ 5,398	\$ 3,153	\$ 1,496	\$ 57,681	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	7,950	-
Charges for services	-	64,185	7,336	3,375	-	-	-
Fines and forfeits	4,025	-	-	-	-	-	-
Other receipts	-	-	-	-	-	189	36,325
Total receipts	4,025	64,185	7,336	3,375	-	8,139	36,325
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	16	-
Capital outlay	-	-	-	-	-	2,968	-
Other disbursements	-	64,185	-	-	1,496	280	-
Total disbursements	-	64,185	-	-	1,496	3,264	-
Excess (deficiency) of receipts over disbursements	4,025	-	7,336	3,375	(1,496)	4,875	36,325
Cash and investments - ending	\$ 4,025	\$ 4,332	\$ 12,734	\$ 6,528	\$ -	\$ 62,556	\$ 36,325

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

	IV-D COLLECTIONS	DRUG & ALCOHOL TREATMENT	EMS GRANT	97.042 EMPG REIMBURSABLE GRANT	BIOTERRORISM	97.055 NARROWBAND EMA	14.228 PATOKA VFD NEW FIRE STATION
Cash and investments - beginning	\$ 725	\$ 165	\$ 646	\$ -	\$ 12,380	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	7,450	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	24	-	3,623	-	-	366,531
Total receipts	-	24	-	3,623	-	7,450	366,531
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	366,531
Other disbursements	725	189	-	3,623	-	7,450	-
Total disbursements	725	189	-	3,623	-	7,450	366,531
Excess (deficiency) of receipts over disbursements	(725)	(165)	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 646	\$ -	\$ 12,380	\$ -	\$ -

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

	16.575 VICTIM ASSISTANCE PROGRAM GRANT	BROWNFIELD GRANT	BRIDGE 147 REPLACEMENT 80%	COMMISSIONERS EMERGENCY RESPONSE GRANT	14.228 DEBRIS REMOVAL GRANT	SIGN REPLACEMENT GRANT	TOTALS
Cash and investments - beginning	\$ 6,144	\$ 68,190	\$ -	\$ -	\$ -	\$ -	\$ 15,204,482
Receipts:							
Taxes	-	-	-	-	-	-	20,643,707
Licenses and permits	-	-	-	-	-	-	17,997
Intergovernmental	13,469	-	-	-	237,739	47,790	2,741,955
Charges for services	-	-	-	4,800	-	-	1,468,368
Fines and forfeits	-	-	-	-	-	-	206,782
Other receipts	5,000	112,233	83,122	-	-	-	6,790,861
Total receipts	<u>18,469</u>	<u>112,233</u>	<u>83,122</u>	<u>4,800</u>	<u>237,739</u>	<u>47,790</u>	<u>31,869,670</u>
Disbursements:							
Personal services	21,774	-	-	-	-	-	9,312,291
Supplies	-	-	-	-	-	-	1,360,826
Other services and charges	-	164,455	67,122	-	237,739	-	1,849,971
Capital outlay	-	-	-	-	-	53,100	994,738
Other disbursements	-	-	-	-	-	-	19,482,274
Total disbursements	<u>21,774</u>	<u>164,455</u>	<u>67,122</u>	<u>-</u>	<u>237,739</u>	<u>53,100</u>	<u>33,000,100</u>
Excess (deficiency) of receipts over disbursements	<u>(3,305)</u>	<u>(52,222)</u>	<u>16,000</u>	<u>4,800</u>	<u>-</u>	<u>(5,310)</u>	<u>(1,130,430)</u>
Cash and investments - ending	<u>\$ 2,839</u>	<u>\$ 15,968</u>	<u>\$ 16,000</u>	<u>\$ 4,800</u>	<u>\$ -</u>	<u>\$ (5,310)</u>	<u>\$ 14,074,052</u>

PIKE COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 602,692</u>	<u>\$ 5,310</u>

PIKE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
GERMAN AMERICAN BANK	GRADALL	\$ 36,565	04-18-11	04-18-16
JOHN DEERE FINANCIAL	2010 MOWER	4,064	04-01-10	04-01-13
RUXER FORD	2008 FORD EXPLORER	<u>343</u>	03-03-08	02-03-13
Total governmental activities		<u>40,972</u>		
Total of annual lease payments		<u>\$ 40,972</u>		

PIKE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

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

	Ending Balance
Governmental activities:	
Land	\$ 151,000
Infrastructure	85,863
Buildings	6,579,804
Improvement other than buildings	8,267
Machinery, equipment and vehicles	4,375,486
Total governmental activities	11,200,420
Total capital assets	\$ 11,200,420

PIKE COUNTY
OTHER REPORT

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

County Sheriff

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 FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF PIKE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Pike County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2012. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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

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

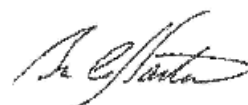
Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Bruce Hartman
State Examiner

April 23, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	IN Office of Community and Rural Affairs	14.228	CF-10-219	\$ 366,531
Patoka Township Fire Station			DR2-09-201	237,739
Debris Removal				<u>604,270</u>
Total - CDBG - State-Administered CDBG Cluster				<u>604,270</u>
Total - Department of Housing and Urban Development				<u>604,270</u>
<u>Department of Justice</u>				
Crime Victim Assistance	IN Criminal Justice Institute	16.575	11VAPR161	13,469
Crime Victim Assistance				<u>13,469</u>
Total - Department of Justice				<u>13,469</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	IN Department of Transportation	20.205	A249-12-320147A	47,790
Sign Replacement			Des #0902251	83,122
Bridge 147			Des #1005846	45,049
Bridge 246			Des #1005848	49,055
Bridge 81			Des #1005976	32,725
Bridge Inspection				<u>257,741</u>
Total - Highway Planning and Construction Cluster				<u>257,741</u>
Total - Department of Transportation				<u>257,741</u>
<u>Environmental Protection Agency</u>				
Brownfields Assessment and Cleanup Cooperative Agreements	Direct Grant	66.818	BF-00E00382	112,233
Total - Environmental Protection Agency				<u>112,233</u>
<u>Department of Health and Human Services</u>				
Child Support Enforcement				
County Share IV-D Incentive	IN Department of Child Services	93.563		39,659
Prosecutor's IV-D Incentive				8,656
Clerk's IV-D Incentive				1,933
County Prosecutor's Expenditures				54,472
Indirect Cost				16,848
Clerk of the Circuit Court Expenditures				14,221
Total - Child Support Enforcement				<u>135,789</u>
Total - Department of Health and Human Services				<u>135,789</u>
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants				
	IN Department of Homeland Security	97.042	C44P-2-117A	3,623
			C44P-2-368A	22,670
Total - Emergency Management Performance Grants				<u>26,293</u>
Interoperable Emergency Communications	IN Department of Homeland Security	97.055	C44P-2-195A	7,450
Total - Department of Homeland Security				<u>33,743</u>
Total federal awards expended				<u>\$ 1,157,245</u>

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

PIKE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Subrecipients

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

Program Title	Federal CFDA Number	2012
Community Development Block Grants/States Program and Non Entitlement Grants in Hawaii	14.228	\$ 366,531

PIKE 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?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

Identification of Major Program:

Name of Federal Program or Cluster

CDBG – State-Administered CDBG Cluster

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

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

PIKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 23, 2013, with Ronald K. Wilson, Auditor; Gregory K. Willis, President of the County Council; and Brian S. Davis, President of the Board of County Commissioners. Our audit disclosed no material items that warrant comment at this time.