

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
DEKALB COUNTY, INDIANA
January 1, 2013 to December 31, 2013



FILED
03/20/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	John Fetters Jan Bauman	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Holly Albright	01-01-13 to 12-31-16
Clerk of the Circuit Court	Martha Grimm	01-01-13 to 12-31-16
County Sheriff	Donald Lauer	01-01-11 to 12-31-18
County Recorder	Katie Firestone	01-01-13 to 12-31-16
County Coroner	Jeffery Warner Michael Gerber	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Assessor	Sheila Stonebraker	01-01-11 to 12-31-18
President of the Board of County Commissioners	Donald Grogg	01-01-13 to 12-31-15
President of the County Council	Alan Middleton	01-01-13 to 12-31-15



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF DEKALB COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of DeKalb County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, 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, 2013.

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, 2013, 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 January 21, 2015, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

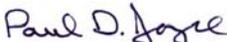
Accompanying Information

Supplementary Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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


Paul D. Joyce, CPA
State Examiner

January 21, 2015



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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 DEKALB 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 DeKalb County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement, and have issued our report thereon dated January 21, 2015, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002, and 2013-003 to be material weaknesses.

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)

Compliance and Other Matters

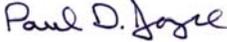
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002, and 2013-003.

DeKalb County's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

January 21, 2015

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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.

DEKALB COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
After Settlement Collections	\$ 915,536	\$ 869,194	\$ 915,536	\$ 869,194
Sheriff Inmate Trust	1,575	132,919	132,355	2,139
Jail Commissary	91,963	107,474	85,735	113,702
Clerk's Trust	522,428	3,542,980	3,920,988	144,420
General	251,755	10,776,270	10,595,324	432,701
Accident Account Report	9,327	5,916	3,201	12,042
CAGIT County Certified Shares	-	2,568,090	2,531,943	36,147
Cty EDIT Cap. Imp. Plan	2,522,349	1,175,681	2,283,531	1,414,499
PTRC/HSC/CEDIT Hmst Special	381,400	1,889,130	2,230,716	39,814
City/Town Court Cost	3,064	8,634	6,129	5,569
Clerk Perpetuation	41,878	11,026	11,896	41,008
County Home (Memorial)	240	-	240	-
Surplus Dog	555	-	-	555
Sales Disclosures	98,860	5,715	-	104,575
Covered Bridge Maint	29,202	1,850	-	31,052
Cumulative Bridge	438,422	559,282	849,132	148,572
Cum Capital Development	1,779,457	433,234	761,402	1,451,289
Cumulative Jail	920	-	920	-
Drug Free Community	28,786	23,523	36,979	15,330
Ambulance Replacement	24,090	50,614	24,694	50,010
LEPC Right to Know	20,654	20,348	16,282	24,720
Extradition	8,907	2,290	-	11,197
Handgun Application	20,836	19,906	30,570	10,172
General Drain	1,225,448	64,063	-	1,289,511
Health	217,014	294,043	276,198	234,859
Co.Id Security Prot/Redacting	20,270	3,856	-	24,126
Health Maintenance	66,698	33,139	24,470	75,367
Local Road & Street	855,983	371,228	352,254	874,957
Medical Care for Inmates	20,361	2,030	-	22,391
County Misdemeanant Fund	69,677	26,433	48,602	47,508
Highway	688,480	2,285,017	1,670,475	1,303,022
Plat Book Fee	90,605	14,020	24,879	79,746
Rainy Day	516,822	17,101	300,000	233,923
Reappraisal 2009	250,688	-	250,688	-
Re-Assessment 2015	741,138	534,112	267,003	1,008,247
Recorder Perpetuation	87,147	57,133	60,684	83,596
Sheriff Pension Trust Fund	5,909	65,130	59,778	11,261
Supp Public Defender	6,472	100	2,075	4,497
Surplus Tax	110,819	121,500	88,055	144,264
Surveyor Corner Perpetuation	7,779	9,235	9,962	7,052
Tax Sale Redemption	1,776	105,193	101,538	5,431
Tax Sale Surplus	388,295	612,295	300,352	700,238
2011 IN LHD Trust Acct Dist	45,222	11,773	6,567	50,428
Auditor's Ineligible Deduction	3,713	28,536	8,237	24,012
Co Elected Officials Training	5,363	3,856	264	8,955
County Offender Transportation	450	438	-	888
Statewide 911 Fund	1,167,792	560,079	855,920	871,951
Adult Administrative Fee	25,601	24,838	24,685	25,754
Juvenile Administrative Fee	1,220	1,395	1,140	1,475
Supp Adult Probation	291,980	106,957	107,599	291,338
Supp Juvenile Probation	19,798	7,404	6,273	20,929
Alternative Dispute Resolution	(5,781)	4,806	8,726	(9,701)
User Fee	212,895	21,357	3,037	231,215
Drain Maintenance	2,839,815	167,452	131,273	2,875,994
K-9 Unit	3,531	500	-	4,031
County Home Resident's Trust	6,194	127,347	127,683	5,858
Sheriff Donation (Drug)	1,975	-	-	1,975
Dekalb Cty CDBG Revolving Loan	71,016	11,000	-	82,016
Self Insurance	(551,504)	2,150	-	(549,354)
Life Insurance	(30)	42,865	39,261	3,574
Child Support	-	46,247	46,247	-
Deferred Compensation	-	44,011	44,011	-
Federal Taxes	-	832,953	832,953	-
FICA	-	606,518	606,518	-
Local Tax	8,337	114,125	113,707	8,755
PERF	179	223,020	223,020	179
Roth (Sheriff/Jail)	-	8,934	8,934	-
State Tax	19,913	273,675	272,974	20,614
Garnishment	-	6,322	6,322	-
Police Retirement	62	27,855	19,350	8,567
Settlement Fund	1,074,456	39,030,192	39,553,192	551,456
Commercial Vehicle Excise Tax	917	186,532	186,556	893
Financial Institution Tax	45	189,236	189,236	45
HEA 1001-2008 STATE HSC FUND	(364)	-	8	(372)
Homestead Credit Rebate Fund	12,269	-	-	12,269
State Fines & Forfeitures	5,398	40,199	19,511	26,086
Infraction Judgements	10,272	134,953	136,831	8,394
Overweight Vehicle Fines	2,053	8,225	9,223	1,055
Special Death Benefit Fee	300	3,295	3,370	225

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

DEKALB COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013
(Continued)

Fund	Cash and Investments		Disbursements	Cash and Investments 12-31-13
	01-01-13	Receipts		
State Sales Disclosure	625	5,625	5,540	710
Coroner Continuing Education	499	3,453	3,588	364
Interstate Compact Fee	-	438	375	63
Mortgage Fee-State	475	4,713	4,848	340
DLGF HMST Property Database	3	22	25	-
Inheritance Tax	184,555	496,465	670,088	10,932
Education Plate Fee	488	506	675	319
Riverboat Gambling	415,992	250,126	608,625	57,493
City Innkeeper's Tax	-	266,839	266,839	-
Property Tax Replacement-CAGIT	-	7,452,262	7,452,262	-
CEDIT	-	1,889,130	1,889,130	-
93.563 Prosecutor PCA	2,026	1,285	1,018	2,293
93.563 Prosecutor IV-D ARRA	16,919	-	16,919	-
93.563 Clerk IV-D Incent ARRA	410	-	-	410
93.563 Title IV-D Incentive Co	75,848	21,225	5,510	91,563
93.563 Pros IV-D Incentive	75,324	31,929	35,038	72,215
93.563 Clerk IV-D Incentive	101,922	22,774	10,543	114,153
Probation Restitution Fee	820	27,893	26,871	1,842
DEBT SERVICE-Central Comm	(4,768)	760,940	193,205	562,967
DEBT SVC-Central Comm Equipt	-	918,164	-	918,164
Flood Mitigation/Holiday Lakes	47,833	12,149	21,013	38,969
Pre Trial Diversion	168,762	36,536	73,944	131,354
Watercraft Fees	2,960	-	2,960	-
Central Commun Bldg Project	(227,402)	797,630	570,228	-
Law Enforcement Assistance	616	-	616	-
Shop With A Cop (Sheriff)	3,360	4,153	-	7,513
Project Income Donations Fund	-	200	-	200
Jail Lease Rental	9,378	-	9,378	-
Late Surrender Fees	73,050	-	-	73,050
Community Corrections 2011	2,852	-	2,852	-
Community Transitional 2011	40,345	-	40,345	-
Comm Corrections State Grant	43,675	97,969	146,778	(5,134)
Sheriff Response Team	2,132	-	369	1,763
Community Transitional 2012	2,554	10,440	3,268	9,726
State Grant Fund CC 2013-2014	-	126,000	98,238	27,762
Certificate Sale Fund	54,506	201	20,884	33,823
Project Income 2013-2014	-	285,869	111,740	174,129
CTP 2013-2014	-	53,680	4,323	49,357
Home Detention/Project Income	72,479	79,781	106,145	46,115
Redevelopment Comm/SDI TIF	1,097,214	-	192,136	905,078
Project Income 2011	137,224	-	137,224	-
Sheriff Continuing Education	18,063	6,570	4,604	20,029
HSA - Health Insurance Accrued	207	-	-	207
Health Insurance Accrued	(20,502)	-	-	(20,502)
American Family	113	91,065	88,693	2,485
COBRA Insurance Fund	7,849	10,954	2,100	16,703
Anthem BC/BS	310,798	1,635,880	1,734,701	211,977
PHP Health Insurance	-	308,578	132,386	176,192
Anthem BC/BC Life Insurance	-	-	3,422	(3,422)
PHP Dental Insurance	(9,014)	-	-	(9,014)
Dental Admin Fee	(652)	-	326	(978)
HRA Claims	(1,025)	136	27,104	(27,993)
Payroll Withholding-HSA Annuity	(45)	63,125	63,125	(45)
Credit Union	-	99,539	99,539	-
United Fund	-	630	455	175
YMCA	-	592	497	95
IN Sheriff 457(B)	-	9,100	9,100	-
Emergency Disaster	1,029	-	-	1,029
93.069 Public Health Bio-Terr	2,815	-	-	2,815
83.534 St Homeland Security Gr	(2,771)	95,415	88,432	4,212
Fire District #3	22,246	159,244	179,036	2,454
20.601 Operation Pullover	83	11,895	11,895	83
66.818 Brownfield Assmt Grant	7,603	30,326	36,652	1,277
State Homeland Security Grant2	2,083	375	1,899	559
20.509 DART Program Grant	-	245,318	245,318	-
Dare Equipment Fund	113,318	60,245	133,300	40,263
Dekalb Local Plan Grant	5,763	-	-	5,763
USDA Infrastructure Grant	2,300	-	2,300	-
Sheriff Inmate GED Classes	8,885	204	4,851	4,238
Access Indiana Grant	1,389	-	-	1,389
Superior Court Dekko Grant	500	-	-	500
Historical Guide Publication	95	-	-	95
Totals	<u>\$ 20,710,478</u>	<u>\$ 86,206,337</u>	<u>\$ 87,470,489</u>	<u>\$ 19,446,326</u>

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

DEKALB 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 Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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.

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

DEKALB 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.

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 a cost-sharing 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
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. County Police Retirement Plan

Plan Description

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

The financial statement contains some funds with deficits in cash. This is a result of grant funds receiving reimbursement for expenditures made by the County that were not received by December 31, 2013, or funds that are still overdrawn from the prior year, especially payroll insurance funds.

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The County has entered into a capital lease with DeKalb County Dispatch Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2013 totaled \$894,000. These payments were made from surplus monies in the holding corporation.

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SUPPLEMENTARY INFORMATION - UNAUDITED

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

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

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

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013

	After Settlement Collections	Sheriff Inmate Trust	Jail Commissary	Clerk's Trust	General	Accident Account Report	CAGIT County Certified Shares
Cash and investments - beginning	\$ 915,536	\$ 1,575	\$ 91,963	\$ 522,428	\$ 251,755	\$ 9,327	\$ -
Receipts:							
Taxes	-	-	-	-	6,389,310	-	2,567,833
Licenses and permits	-	-	-	-	58,714	-	-
Intergovernmental	-	-	-	-	434,829	-	-
Charges for services	-	-	-	-	1,881,946	-	-
Fines and forfeits	-	-	-	-	183,421	-	-
Other receipts	<u>869,194</u>	<u>132,919</u>	<u>107,474</u>	<u>3,542,980</u>	<u>1,828,050</u>	<u>5,916</u>	<u>257</u>
Total receipts	<u>869,194</u>	<u>132,919</u>	<u>107,474</u>	<u>3,542,980</u>	<u>10,776,270</u>	<u>5,916</u>	<u>2,568,090</u>
Disbursements:							
Personal services	-	-	-	-	6,540,206	-	2,024,976
Supplies	-	-	-	-	490,992	-	13,907
Other services and charges	-	-	-	-	2,010,562	-	348,726
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,285	-	34,112
Other disbursements	<u>915,536</u>	<u>132,355</u>	<u>85,735</u>	<u>3,920,988</u>	<u>1,552,279</u>	<u>3,201</u>	<u>110,222</u>
Total disbursements	<u>915,536</u>	<u>132,355</u>	<u>85,735</u>	<u>3,920,988</u>	<u>10,595,324</u>	<u>3,201</u>	<u>2,531,943</u>
Excess (deficiency) of receipts over disbursements	<u>(46,342)</u>	<u>564</u>	<u>21,739</u>	<u>(378,008)</u>	<u>180,946</u>	<u>2,715</u>	<u>36,147</u>
Cash and investments - ending	<u>\$ 869,194</u>	<u>\$ 2,139</u>	<u>\$ 113,702</u>	<u>\$ 144,420</u>	<u>\$ 432,701</u>	<u>\$ 12,042</u>	<u>\$ 36,147</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Cty EDIT Cap. Imp. Plan	PTRC/HSC/CEDIT Hmst Special	City/Town Court Cost	Clerk Perpetuation	County Home (Memorial)	Surplus Dog	Sales Disclosures
Cash and investments - beginning	\$ 2,522,349	\$ 381,400	\$ 3,064	\$ 41,878	\$ 240	\$ 555	\$ 98,860
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>1,175,681</u>	<u>1,889,130</u>	<u>8,634</u>	<u>11,026</u>	<u>-</u>	<u>-</u>	<u>5,715</u>
Total receipts	<u>1,175,681</u>	<u>1,889,130</u>	<u>8,634</u>	<u>11,026</u>	<u>-</u>	<u>-</u>	<u>5,715</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>2,283,531</u>	<u>2,230,716</u>	<u>6,129</u>	<u>11,896</u>	<u>240</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>2,283,531</u>	<u>2,230,716</u>	<u>6,129</u>	<u>11,896</u>	<u>240</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,107,850)</u>	<u>(341,586)</u>	<u>2,505</u>	<u>(870)</u>	<u>(240)</u>	<u>-</u>	<u>5,715</u>
Cash and investments - ending	<u>\$ 1,414,499</u>	<u>\$ 39,814</u>	<u>\$ 5,569</u>	<u>\$ 41,008</u>	<u>\$ -</u>	<u>\$ 555</u>	<u>\$ 104,575</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Covered Bridge Maint	Cumulative Bridge	Cum Capital Development	Cumulative Jail	Drug Free Community	Ambulance Replacement	LEPC Right to Know
Cash and investments - beginning	\$ 29,202	\$ 438,422	\$ 1,779,457	\$ 920	\$ 28,786	\$ 24,090	\$ 20,654
Receipts:							
Taxes	-	394,443	400,481	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	28,992	29,436	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,850	135,847	3,317	-	23,523	50,614	20,348
Total receipts	<u>1,850</u>	<u>559,282</u>	<u>433,234</u>	<u>-</u>	<u>23,523</u>	<u>50,614</u>	<u>20,348</u>
Disbursements:							
Personal services	-	122,242	-	-	-	-	-
Supplies	-	86,039	42,900	-	-	-	-
Other services and charges	-	640,851	312,580	-	-	-	4,587
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	49,060	-	-	-	3,964
Other disbursements	-	-	356,862	920	36,979	24,694	7,731
Total disbursements	<u>-</u>	<u>849,132</u>	<u>761,402</u>	<u>920</u>	<u>36,979</u>	<u>24,694</u>	<u>16,282</u>
Excess (deficiency) of receipts over disbursements	<u>1,850</u>	<u>(289,850)</u>	<u>(328,168)</u>	<u>(920)</u>	<u>(13,456)</u>	<u>25,920</u>	<u>4,066</u>
Cash and investments - ending	<u>\$ 31,052</u>	<u>\$ 148,572</u>	<u>\$ 1,451,289</u>	<u>\$ -</u>	<u>\$ 15,330</u>	<u>\$ 50,010</u>	<u>\$ 24,720</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Extradition	Handgun Application	General Drain	Health	Co.Id Security Prot/Redacting	Health Maintenance	Local Road & Street
Cash and investments - beginning	\$ 8,907	\$ 20,836	\$ 1,225,448	\$ 217,014	\$ 20,270	\$ 66,698	\$ 855,983
Receipts:							
Taxes	-	-	-	251,558	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	18,490	-	-	369,288
Charges for services	-	-	-	22,047	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,290	19,906	64,063	1,948	3,856	33,139	1,940
Total receipts	<u>2,290</u>	<u>19,906</u>	<u>64,063</u>	<u>294,043</u>	<u>3,856</u>	<u>33,139</u>	<u>371,228</u>
Disbursements:							
Personal services	-	-	-	256,485	-	9,402	-
Supplies	-	-	-	7,892	-	15,068	990
Other services and charges	-	-	-	11,621	-	-	247,557
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	200	-	-	103,707
Other disbursements	-	30,570	-	-	-	-	-
Total disbursements	<u>-</u>	<u>30,570</u>	<u>-</u>	<u>276,198</u>	<u>-</u>	<u>24,470</u>	<u>352,254</u>
Excess (deficiency) of receipts over disbursements	<u>2,290</u>	<u>(10,664)</u>	<u>64,063</u>	<u>17,845</u>	<u>3,856</u>	<u>8,669</u>	<u>18,974</u>
Cash and investments - ending	<u>\$ 11,197</u>	<u>\$ 10,172</u>	<u>\$ 1,289,511</u>	<u>\$ 234,859</u>	<u>\$ 24,126</u>	<u>\$ 75,367</u>	<u>\$ 874,957</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Medical Care for Inmates	County Misdemeanant Fund	Highway	Plat Book Fee	Rainy Day	Reappraisal 2009	Re-Assessment 2015
Cash and investments - beginning	\$ 20,361	\$ 69,677	\$ 688,480	\$ 90,605	\$ 516,822	\$ 250,688	\$ 741,138
Receipts:							
Taxes	-	-	-	-	-	-	444,755
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,275,355	-	-	-	32,691
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,030	26,433	9,662	14,020	17,101	-	56,666
Total receipts	2,030	26,433	2,285,017	14,020	17,101	-	534,112
Disbursements:							
Personal services	-	-	1,040,249	-	-	68,991	70,217
Supplies	-	-	485,386	-	-	-	1,339
Other services and charges	-	-	144,840	-	-	125,031	195,447
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	48,602	-	24,879	300,000	56,666	-
Total disbursements	-	48,602	1,670,475	24,879	300,000	250,688	267,003
Excess (deficiency) of receipts over disbursements	2,030	(22,169)	614,542	(10,859)	(282,899)	(250,688)	267,109
Cash and investments - ending	\$ 22,391	\$ 47,508	\$ 1,303,022	\$ 79,746	\$ 233,923	\$ -	\$ 1,008,247

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Recorder Perpetuation	Sheriff Pension Trust Fund	Supp Public Defender	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 87,147	\$ 5,909	\$ 6,472	\$ 110,819	\$ 7,779	\$ 1,776	\$ 388,295
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	57,133	65,130	100	121,500	9,235	105,193	612,295
Total receipts	<u>57,133</u>	<u>65,130</u>	<u>100</u>	<u>121,500</u>	<u>9,235</u>	<u>105,193</u>	<u>612,295</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	60,684	59,778	2,075	88,055	9,962	101,538	300,352
Total disbursements	<u>60,684</u>	<u>59,778</u>	<u>2,075</u>	<u>88,055</u>	<u>9,962</u>	<u>101,538</u>	<u>300,352</u>
Excess (deficiency) of receipts over disbursements	<u>(3,551)</u>	<u>5,352</u>	<u>(1,975)</u>	<u>33,445</u>	<u>(727)</u>	<u>3,655</u>	<u>311,943</u>
Cash and investments - ending	<u>\$ 83,596</u>	<u>\$ 11,261</u>	<u>\$ 4,497</u>	<u>\$ 144,264</u>	<u>\$ 7,052</u>	<u>\$ 5,431</u>	<u>\$ 700,238</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	2011 IN LHD Trust Acct Dist	Auditor's Ineligible Deduction	Co Elected Officials Training	County Offender Transportation	Statewide 911 Fund	Adult Administrative Fee	Juvenile Administrative Fee
Cash and investments - beginning	\$ 45,222	\$ 3,713	\$ 5,363	\$ 450	\$ 1,167,792	\$ 25,601	\$ 1,220
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	4,241	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	11,773	24,295	3,856	438	560,079	24,838	1,395
Total receipts	<u>11,773</u>	<u>28,536</u>	<u>3,856</u>	<u>438</u>	<u>560,079</u>	<u>24,838</u>	<u>1,395</u>
Disbursements:							
Personal services	-	-	-	-	705,814	-	-
Supplies	5,531	-	-	-	2,639	-	-
Other services and charges	1,036	-	-	-	147,467	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	8,237	264	-	-	24,685	1,140
Total disbursements	<u>6,567</u>	<u>8,237</u>	<u>264</u>	<u>-</u>	<u>855,920</u>	<u>24,685</u>	<u>1,140</u>
Excess (deficiency) of receipts over disbursements	<u>5,206</u>	<u>20,299</u>	<u>3,592</u>	<u>438</u>	<u>(295,841)</u>	<u>153</u>	<u>255</u>
Cash and investments - ending	<u>\$ 50,428</u>	<u>\$ 24,012</u>	<u>\$ 8,955</u>	<u>\$ 888</u>	<u>\$ 871,951</u>	<u>\$ 25,754</u>	<u>\$ 1,475</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Supp Adult Probation	Supp Juvenile Probation	Alternative Dispute Resolution	User Fee	Drain Maintenance	K-9 Unit	County Home Resident's Trust
Cash and investments - beginning	\$ 291,980	\$ 19,798	\$ (5,781)	\$ 212,895	\$ 2,839,815	\$ 3,531	\$ 6,194
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>106,957</u>	<u>7,404</u>	<u>4,806</u>	<u>21,357</u>	<u>167,452</u>	<u>500</u>	<u>127,347</u>
Total receipts	<u>106,957</u>	<u>7,404</u>	<u>4,806</u>	<u>21,357</u>	<u>167,452</u>	<u>500</u>	<u>127,347</u>
Disbursements:							
Personal services	100,486	4,100	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	7,113	754	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	1,419	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>8,726</u>	<u>3,037</u>	<u>131,273</u>	<u>-</u>	<u>127,683</u>
Total disbursements	<u>107,599</u>	<u>6,273</u>	<u>8,726</u>	<u>3,037</u>	<u>131,273</u>	<u>-</u>	<u>127,683</u>
Excess (deficiency) of receipts over disbursements	<u>(642)</u>	<u>1,131</u>	<u>(3,920)</u>	<u>18,320</u>	<u>36,179</u>	<u>500</u>	<u>(336)</u>
Cash and investments - ending	<u>\$ 291,338</u>	<u>\$ 20,929</u>	<u>\$ (9,701)</u>	<u>\$ 231,215</u>	<u>\$ 2,875,994</u>	<u>\$ 4,031</u>	<u>\$ 5,858</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Sheriff Donation (Drug)	DeKalb Cty CDBG Revolving Loan	Self Insurance	Life Insurance	Child Support	Deferred Compensation	Federal Taxes
Cash and investments - beginning	\$ 1,975	\$ 71,016	\$ (551,504)	\$ (30)	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	11,000	2,150	42,865	46,247	44,011	832,953
Total receipts	-	11,000	2,150	42,865	46,247	44,011	832,953
Disbursements:							
Personal services	-	-	-	39,261	46,247	44,011	832,953
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	39,261	46,247	44,011	832,953
Excess (deficiency) of receipts over disbursements	-	11,000	2,150	3,604	-	-	-
Cash and investments - ending	\$ 1,975	\$ 82,016	\$ (549,354)	\$ 3,574	\$ -	\$ -	\$ -

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	FICA	Local Tax	PERF	Roth (Sheriff/Jail)	State Tax	Garnishment	Police Retirement
Cash and investments - beginning	\$ -	\$ 8,337	\$ 179	\$ -	\$ 19,913	\$ -	\$ 62
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	606,518	114,125	223,020	8,934	273,675	6,322	27,855
Total receipts	<u>606,518</u>	<u>114,125</u>	<u>223,020</u>	<u>8,934</u>	<u>273,675</u>	<u>6,322</u>	<u>27,855</u>
Disbursements:							
Personal services	606,518	113,707	223,020	8,934	272,974	6,322	19,350
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>606,518</u>	<u>113,707</u>	<u>223,020</u>	<u>8,934</u>	<u>272,974</u>	<u>6,322</u>	<u>19,350</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>418</u>	<u>-</u>	<u>-</u>	<u>701</u>	<u>-</u>	<u>8,505</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 8,755</u>	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ 20,614</u>	<u>\$ -</u>	<u>\$ 8,567</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Settlement Fund	Commercial Vehicle Excise Tax	Financial Institution Tax	HEA 1001-2008 STATE HSC FUND	Homestead Credit Rebate Fund	State Fines & Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ 1,074,456	\$ 917	\$ 45	\$ (364)	\$ 12,269	\$ 5,398	\$ 10,272
Receipts:							
Taxes	34,677,949	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,168,089	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>2,184,154</u>	<u>186,532</u>	<u>189,236</u>	<u>-</u>	<u>-</u>	<u>40,199</u>	<u>134,953</u>
Total receipts	<u>39,030,192</u>	<u>186,532</u>	<u>189,236</u>	<u>-</u>	<u>-</u>	<u>40,199</u>	<u>134,953</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>39,553,192</u>	<u>186,556</u>	<u>189,236</u>	<u>8</u>	<u>-</u>	<u>19,511</u>	<u>136,831</u>
Total disbursements	<u>39,553,192</u>	<u>186,556</u>	<u>189,236</u>	<u>8</u>	<u>-</u>	<u>19,511</u>	<u>136,831</u>
Excess (deficiency) of receipts over disbursements	<u>(523,000)</u>	<u>(24)</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>20,688</u>	<u>(1,878)</u>
Cash and investments - ending	<u>\$ 551,456</u>	<u>\$ 893</u>	<u>\$ 45</u>	<u>\$ (372)</u>	<u>\$ 12,269</u>	<u>\$ 26,086</u>	<u>\$ 8,394</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Overweight Vehicle Fines	Special Death Benefit Fee	State Sales Disclosure	Coroner Continuing Education	Interstate Compact Fee	Mortgage Fee-State	DLGF HMST Property Database
Cash and investments - beginning	\$ 2,053	\$ 300	\$ 625	\$ 499	\$ -	\$ 475	\$ 3
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	4
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>8,225</u>	<u>3,295</u>	<u>5,625</u>	<u>3,453</u>	<u>438</u>	<u>4,713</u>	<u>18</u>
Total receipts	<u>8,225</u>	<u>3,295</u>	<u>5,625</u>	<u>3,453</u>	<u>438</u>	<u>4,713</u>	<u>22</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>9,223</u>	<u>3,370</u>	<u>5,540</u>	<u>3,588</u>	<u>375</u>	<u>4,848</u>	<u>25</u>
Total disbursements	<u>9,223</u>	<u>3,370</u>	<u>5,540</u>	<u>3,588</u>	<u>375</u>	<u>4,848</u>	<u>25</u>
Excess (deficiency) of receipts over disbursements	<u>(998)</u>	<u>(75)</u>	<u>85</u>	<u>(135)</u>	<u>63</u>	<u>(135)</u>	<u>(3)</u>
Cash and investments - ending	<u>\$ 1,055</u>	<u>\$ 225</u>	<u>\$ 710</u>	<u>\$ 364</u>	<u>\$ 63</u>	<u>\$ 340</u>	<u>\$ -</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Inheritance Tax	Education Plate Fee	Riverboat Gambling	Cty Innkeeper's Tax	Property Tax Replacement-CAGIT	CEDIT	93.563 Prosecutor PCA
Cash and investments - beginning	\$ 184,555	\$ 488	\$ 415,992	\$ -	\$ -	\$ -	\$ 2,026
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	496,465	506	250,126	266,839	7,452,262	1,889,130	1,285
Total receipts	496,465	506	250,126	266,839	7,452,262	1,889,130	1,285
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	670,088	675	608,625	266,839	7,452,262	1,889,130	1,018
Total disbursements	670,088	675	608,625	266,839	7,452,262	1,889,130	1,018
Excess (deficiency) of receipts over disbursements	(173,623)	(169)	(358,499)	-	-	-	267
Cash and investments - ending	\$ 10,932	\$ 319	\$ 57,493	\$ -	\$ -	\$ -	\$ 2,293

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	93.563 Prosecutor IV-D ARRA	93.563 Clerk IV-D Incent ARRA	93.563 Title IV-D Incentive Co	93.563 Pros IV-D Incentive	93.563 Clerk IV-D Incentive	Probation Restitution Fee	DEBT SERVICE-Central Comm
Cash and investments - beginning	\$ 16,919	\$ 410	\$ 75,848	\$ 75,324	\$ 101,922	\$ 820	\$ (4,768)
Receipts:							
Taxes	-	-	-	-	-	-	183,134
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	13,461
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	21,225	31,929	22,774	27,893	564,345
Total receipts	-	-	21,225	31,929	22,774	27,893	760,940
Disbursements:							
Personal services	-	-	-	1,599	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	193,205
Capital outlay	-	-	-	-	-	-	-
Other disbursements	16,919	-	5,510	33,439	10,543	26,871	-
Total disbursements	16,919	-	5,510	35,038	10,543	26,871	193,205
Excess (deficiency) of receipts over disbursements	(16,919)	-	15,715	(3,109)	12,231	1,022	567,735
Cash and investments - ending	\$ -	\$ 410	\$ 91,563	\$ 72,215	\$ 114,153	\$ 1,842	\$ 562,967

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	DEBT SVC-Central Comm Equip	Flood Mitigation/Holiday Lakes	Pre Trial Diversion	Watercraft Fees	Central Commun Bldg Project	Law Enforcement Assistance	Shop With A Cop (Sheriff)
Cash and investments - beginning	\$ -	\$ 47,833	\$ 168,762	\$ 2,960	\$ (227,402)	\$ 616	\$ 3,360
Receipts:							
Taxes	855,298	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	62,866	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	12,149	36,536	-	797,630	-	4,153
Total receipts	918,164	12,149	36,536	-	797,630	-	4,153
Disbursements:							
Personal services	-	-	49,902	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	21,013	24,042	2,960	570,228	616	-
Total disbursements	-	21,013	73,944	2,960	570,228	616	-
Excess (deficiency) of receipts over disbursements	918,164	(8,864)	(37,408)	(2,960)	227,402	(616)	4,153
Cash and investments - ending	\$ 918,164	\$ 38,969	\$ 131,354	\$ -	\$ -	\$ -	\$ 7,513

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Project Income Donations Fund	Jail Lease Rental	Late Surrender Fees	Community Corrections 2011	Community Transitional 2011	Comm Corrections State Grant	Sheriff Response Team
Cash and investments - beginning	\$ -	\$ 9,378	\$ 73,050	\$ 2,852	\$ 40,345	\$ 43,675	\$ 2,132
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	200	-	-	-	-	97,969	-
Total receipts	200	-	-	-	-	97,969	-
Disbursements:							
Personal services	-	-	-	-	-	82,123	-
Supplies	-	-	-	-	-	14,146	-
Other services and charges	-	-	-	-	-	40,887	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	9,622	-
Other disbursements	-	9,378	-	2,852	40,345	-	369
Total disbursements	-	9,378	-	2,852	40,345	146,778	369
Excess (deficiency) of receipts over disbursements	200	(9,378)	-	(2,852)	(40,345)	(48,809)	(369)
Cash and investments - ending	\$ 200	\$ -	\$ 73,050	\$ -	\$ -	\$ (5,134)	\$ 1,763

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Community Transitional 2012	State Grant Fund CC 2013-2014	Certificate Sale Fund	Project Income 2013-2014	CTP 2013-2014	Home Detention/Project Income	Redevelopment Comm/SDI TIF
Cash and investments - beginning	\$ 2,554	\$ -	\$ 54,506	\$ -	\$ -	\$ 72,479	\$ 1,097,214
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	10,440	126,000	201	285,869	53,680	79,781	-
Total receipts	<u>10,440</u>	<u>126,000</u>	<u>201</u>	<u>285,869</u>	<u>53,680</u>	<u>79,781</u>	<u>-</u>
Disbursements:							
Personal services	3,268	64,381	-	79,141	4,323	80,021	-
Supplies	-	6,612	-	1,161	-	180	-
Other services and charges	-	22,626	-	12,305	-	12,150	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	4,619	-	18,500	-	63	-
Other disbursements	-	-	20,884	633	-	13,731	192,136
Total disbursements	<u>3,268</u>	<u>98,238</u>	<u>20,884</u>	<u>111,740</u>	<u>4,323</u>	<u>106,145</u>	<u>192,136</u>
Excess (deficiency) of receipts over disbursements	<u>7,172</u>	<u>27,762</u>	<u>(20,683)</u>	<u>174,129</u>	<u>49,357</u>	<u>(26,364)</u>	<u>(192,136)</u>
Cash and investments - ending	<u>\$ 9,726</u>	<u>\$ 27,762</u>	<u>\$ 33,823</u>	<u>\$ 174,129</u>	<u>\$ 49,357</u>	<u>\$ 46,115</u>	<u>\$ 905,078</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	Project Income 2011	Sheriff Continuing Education	HSA - Health Insurance Accrued	Health Insurance Accrued	American Family	COBRA Insurance Fund	Anthem BC/BS
Cash and investments - beginning	\$ 137,224	\$ 18,063	\$ 207	\$ (20,502)	\$ 113	\$ 7,849	\$ 310,798
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	6,570	-	-	91,065	10,954	1,635,880
Total receipts	-	6,570	-	-	91,065	10,954	1,635,880
Disbursements:							
Personal services	-	-	-	-	88,634	-	355,323
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	137,224	4,604	-	-	59	2,100	1,379,378
Total disbursements	137,224	4,604	-	-	88,693	2,100	1,734,701
Excess (deficiency) of receipts over disbursements	(137,224)	1,966	-	-	2,372	8,854	(98,821)
Cash and investments - ending	\$ -	\$ 20,029	\$ 207	\$ (20,502)	\$ 2,485	\$ 16,703	\$ 211,977

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	PHP Health Insurance	Anthem BC/BC Life Insurance	PHP Dental Insurance	Dental Admin Fee	HRA Claims	Payroll Withholding-HSA Annuity	Credit Union
Cash and investments - beginning	\$ -	\$ -	\$ (9,014)	\$ (652)	\$ (1,025)	\$ (45)	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>308,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136</u>	<u>63,125</u>	<u>99,539</u>
Total receipts	<u>308,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136</u>	<u>63,125</u>	<u>99,539</u>
Disbursements:							
Personal services	-	-	-	-	-	63,125	99,539
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>132,386</u>	<u>3,422</u>	<u>-</u>	<u>326</u>	<u>27,104</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>132,386</u>	<u>3,422</u>	<u>-</u>	<u>326</u>	<u>27,104</u>	<u>63,125</u>	<u>99,539</u>
Excess (deficiency) of receipts over disbursements	<u>176,192</u>	<u>(3,422)</u>	<u>-</u>	<u>(326)</u>	<u>(26,968)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 176,192</u>	<u>\$ (3,422)</u>	<u>\$ (9,014)</u>	<u>\$ (978)</u>	<u>\$ (27,993)</u>	<u>\$ (45)</u>	<u>\$ -</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	United Fund	YMCA	IN Sheriff 457(B)	Emergency Disaster	93.069 Public Health Bio-Terr	83.534 St Homeland Security Gr	Fire District #3
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 1,029	\$ 2,815	\$ (2,771)	\$ 22,246
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	630	592	9,100	-	-	95,415	159,244
Total receipts	<u>630</u>	<u>592</u>	<u>9,100</u>	<u>-</u>	<u>-</u>	<u>95,415</u>	<u>159,244</u>
Disbursements:							
Personal services	455	497	9,100	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	88,432	179,036
Total disbursements	<u>455</u>	<u>497</u>	<u>9,100</u>	<u>-</u>	<u>-</u>	<u>88,432</u>	<u>179,036</u>
Excess (deficiency) of receipts over disbursements	<u>175</u>	<u>95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,983</u>	<u>(19,792)</u>
Cash and investments - ending	<u>\$ 175</u>	<u>\$ 95</u>	<u>\$ -</u>	<u>\$ 1,029</u>	<u>\$ 2,815</u>	<u>\$ 4,212</u>	<u>\$ 2,454</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	20.601 Operation Pullover	66.818 Brownfield Assmt Grant	State Homeland Security Grant2	20.509 DART Program Grant	Dare Equipment Fund	DeKalb Local Plan Grant
Cash and investments - beginning	\$ 83	\$ 7,603	\$ 2,083	\$ -	\$ 113,318	\$ 5,763
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	11,895	30,326	375	245,318	60,245	-
Total receipts	<u>11,895</u>	<u>30,326</u>	<u>375</u>	<u>245,318</u>	<u>60,245</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	11,895	36,652	1,899	245,318	133,300	-
Total disbursements	<u>11,895</u>	<u>36,652</u>	<u>1,899</u>	<u>245,318</u>	<u>133,300</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(6,326)</u>	<u>(1,524)</u>	<u>-</u>	<u>(73,055)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 83</u>	<u>\$ 1,277</u>	<u>\$ 559</u>	<u>\$ -</u>	<u>\$ 40,263</u>	<u>\$ 5,763</u>

DEKALB COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

	USDA Infrastructure Grant	Sheriff Inmate GED Classes	Access Indiana Grant	Superior Court Dekko Grant	Historical Guide Publication	Totals
Cash and investments - beginning	\$ 2,300	\$ 8,885	\$ 1,389	\$ 500	\$ 95	\$ 20,710,478
Receipts:						
Taxes	-	-	-	-	-	46,164,761
Licenses and permits	-	-	-	-	-	58,714
Intergovernmental	-	-	-	-	-	5,433,497
Charges for services	-	-	-	-	-	1,908,238
Fines and forfeits	-	-	-	-	-	183,421
Other receipts	-	204	-	-	-	32,457,706
Total receipts	-	204	-	-	-	86,206,337
Disbursements:						
Personal services	-	-	-	-	-	14,137,896
Supplies	-	-	-	-	-	1,174,782
Other services and charges	-	-	-	-	-	4,286,140
Debt service - principal and interest	-	-	-	-	-	193,205
Capital outlay	-	-	-	-	-	226,551
Other disbursements	2,300	4,851	-	-	-	67,451,915
Total disbursements	2,300	4,851	-	-	-	87,470,489
Excess (deficiency) of receipts over disbursements	(2,300)	(4,647)	-	-	-	(1,264,152)
Cash and investments - ending	\$ -	\$ 4,238	\$ 1,389	\$ 500	\$ 95	\$ 19,446,326

DEKALB COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
DeKalb County Dispatch Center Building Corporation	Central Communications Center	<u>\$ 894,000</u>	1/15/2012	1/15/2019

Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Type			
Governmental activities:			
General obligation bonds	Central Communications Building Project	<u>\$ 2,360,000</u>	<u>\$ 190,593</u>

DEKALB COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2013

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	\$ 927,074
Infrastructure	86,015,323
Buildings	11,527,861
Improvements other than buildings	107,356
Machinery, equipment, and vehicles	9,147,476
Books and other	2,418,302
Total governmental activities	110,143,392
Total capital assets	\$ 110,143,392

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF DEKALB COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited DeKalb County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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 each of its major federal programs for the year ended December 31, 2013.

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

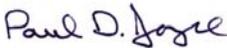
Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the 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 types 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.


Paul D. Joyce, CPA
State Examiner

January 21, 2015

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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.

DEKALB COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Commerce</u>				
ARRA - State Broadband Data and Development Grant Program, Recovery Act State Broadband Data and Development Program	Indiana Office of Technology	11.558	D20-2-7759	\$ 2,000
Total - Department of Commerce				<u>2,000</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction DeKalb Co CR 11A West Cumulative Bridge	Indiana Department of Transportation	20.205	Des 0501174 Des 0902179	147,171 <u>45,003</u>
Total - Highway Planning and Construction Cluster				<u>192,174</u>
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I Operation Pullover	Town of Hudson	20.601	K8-12-03-03-29	<u>11,978</u>
Total - Highway Safety Cluster				<u>11,978</u>
Formula Grants for Rural Areas Council on Aging - DART	Indiana Department of Transportation	20.509	A249-12-320288A A249-13-320321	38,789 <u>108,866</u>
Total - Formula Grants for Rural Areas				<u>147,655</u>
Total - Department of Transportation				<u>351,807</u>
<u>Environmental Protection Agency</u>				
Brownfields Assessment and Cleanup Cooperative Agreements Brownfield Assessment Grant	Direct	66.818	BF-00E00378-0	<u>30,326</u>
Total - Environmental Protection Agency				<u>30,326</u>
<u>Department of Health and Human Services</u>				
Child Support Enforcement	Indiana Department of Child Services	93.563	FY 2013	<u>283,879</u>
Total - Department of Health and Human Services				<u>283,879</u>
<u>Department of Homeland Security</u>				
Hazard Mitigation Grant Holiday Lakes Flood Mitigation	Indiana Department of Homeland Security	97.039	C44P-2-024A	<u>12,107</u>
Emergency Management Performance Grants Homeland Security	Indiana Department of Homeland Security	97.042	C44P-3-103B C44P-3-248B C44P-3-324B	4,054 35,246 <u>11,983</u>
Total - Emergency Management Performance Grants				<u>51,283</u>
State Homeland Security Program (SHSP) Homeland Security	Indiana Department of Homeland Security	97.073	C44P-3-343B C44P-3-343B	58,266 <u>29,999</u>
Total - State Homeland Security Program				<u>88,265</u>
Total - Department of Homeland Security				<u>151,655</u>
Total federal awards expended				<u>\$ 819,667</u>

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

DEKALB 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 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, 2013:

Program Title	Federal CFDA Number	2013
Formula Grants for Rural Areas	20.509	\$ <u>147,655</u>

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
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 Programs:

CFDA Number	Name of Federal Program or Cluster
20.509	Formula Grants for Rural Areas
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 2013-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statement and then determining how those identified risks should be managed. The Auditor has not identified risks to the preparation of a reliable financial statement and, as a result, has failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Monitoring of Controls:** Effective internal control over financial reporting requires the County Commissioners or their designee to monitor and assess the quality of the County's system of internal control. The County Commissioners or their designee has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

The County is required to report all financial information in the Annual Financial Report. This information is used to compile the financial statement. The County's financial statement (Gateway Report) contained the following errors:

- The Local Road & Street fund had investments which were posted incorrectly causing the disbursements to be overstated by \$500,000 and the ending balance to be understated by \$500,000.
- The Highway fund had investments which were posted incorrectly causing the disbursements to be overstated by \$250,000 and the ending balance to be understated by \$250,000.
- The Clerk's Trust fund was not reported correctly. The transactions reported did not include all components of the Clerk's Trust funds required to be reported, thus the beginning balance was understated by \$67,030, the receipts were understated by \$181,457, the disbursements were understated by \$200,347 and the ending balance was understated by \$48,140.
- The County Home Resident's Trust fund was reported using the bank balance instead of the book balance causing the beginning balance to be overstated by \$729, the disbursements to be overstated by \$646 and the ending balance to be overstated by \$83.
- The Probation Restitution Fee fund was reported using the bank balance instead of the book balance causing the beginning balance to be overstated by \$194, the receipts to be understated by \$559, the disbursements to be overstated by \$463, and the ending balance to be understated by \$828.

The County's financial records (County Auditor's Combined Ledger) contained the following deficiencies:

- While verifying the Gateway Report to the County Auditor's Combined Ledger, we found the County Auditor's Combined Ledger had five funds that were corrected by changing the beginning balance. Therefore, the County Auditor's Combined Ledger had five funds that did not agree to the prior year ending balance, nor did it have the correct receipts or disbursements shown for these funds.
- Also, the County Auditor's Combined Ledger reported 27 payroll related fund beginning balances and transactions incorrectly by including numerous years of data. These payroll funds are set up in the system as ongoing funds and are never closed out which causes incorrect balances and transactions to be shown. The Gateway Report, however, was verified and found to be correct.

DEKALB 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 County Auditors of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by in the manner prescribed under IC 5-14-3.8-7."

***FINDING 2013-002 - INTERNAL CONTROLS OVER THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). We noted that a County employee independently prepares the SEFA without oversight, review, or approval. As a result, the SEFA contained errors.

The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected. We believe this deficiency constitutes a material weakness.

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

1. Highway Planning and Construction, CFDA #20.205, was overstated by \$9,209.
2. Council on Aging, CFDA #20.509, was understated by \$2,500.
3. Child Support Enforcement, CFDA #93.563, was overstated by \$11,358.
4. Hazard Mitigation Grant, CFDA #97.039, was overstated by \$8,906.
5. Homeland Security, CFDA #97.042 was incorrectly shown as CFDA #20.703 and the grant total was understated by \$721.
6. State Homeland Security Program (SHSP), CFDA #97.073, were understated by \$61,993.

Audit adjustments were proposed, accepted by the County, and made to the SEFA as presented in this report.

DEKALB 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 County Auditors of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section.310."

OMB Circular A-133, Subpart C, section .310(b) states:

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide the total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2013-003 - INTERNAL CONTROLS OVER PAYROLL PROCESSING

Deficiencies noted in the internal control system of the County related to financial transactions and reporting during the prior audit were still present during the current audit period. We believe the following deficiencies constitute material weaknesses.

Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to payroll and related liabilities. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. In response to prior year's audit findings, the County Auditor's Office developed and put into place a Corrective Action Plan on September 23, 2013. The Plan stated that the payroll reports, generated by an employee in the County Auditor's Office, would be approved by the Payroll Clerk; however, reports observed during the current audit did not have approval signatures.

Monitoring of Controls: Effective internal control over financial reporting requires the Board of County Commissioners or their designee to monitor and assess the quality of the County's system of internal control. The Board of County Commissioners or their designee have not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility place the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

We noted several other deficiencies in the internal control system of the County related to financial transactions and reporting during the current audit. We believe the following deficiencies constitute material weaknesses:

There was no evidence to verify that someone from the County Auditor's Office, independent of the Payroll Clerk, verified that the payroll was paid and posted to the proper funds. The Payroll Vouchers, which report the gross payroll for each employee, did not report the Office, Department, or Funds from which the payments were made. The County generated a Gross Attendance Worksheet by department from their computer accounting software system and used it as their Payroll Schedule and Voucher, General Payroll Form 99. This report, however, did not show the funds from which the employees were paid. The County Commissioners signed an "Allowance of Payroll Claims" for each payroll. Attached to this Allowance was the "Pay History/Check Register Report" which reports the net payroll of each employee. There was no evidence to verify that approval of payroll withholdings was presented to the Board of County Commissioners. In addition, we observed that several payroll withholding accounts were overdrawn and that no one was monitoring this.

We were unable to determine if employees were paid according to the Salary Ordinance since one was not presented for audit. We observed in the County Council Board Minutes that a 2013 budget was passed in October of 2012; however, no separate Salary Ordinance was passed. The Salary Ordinance is not only a statutory requirement, but also represents a management control over payroll disbursements. The Payroll Clerk used prescribed form "Statement of Salaries and Wages Proposed, To Be Paid to Officers and Employees (County Form No. 144)" to determine approved salaries. This form was not signed by the Department Heads.

There was no evidence to show that the County Auditor's Office reconciled the Employee Service Records (General Payroll Form No. 99A) to the Employee Earnings Records and/or determined that employees were taking leave time in accordance with the County's Personnel Policy.

DEKALB 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 County Auditors of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

A separate ordinance must be adopted by the county council at fixing the number of employees and the rates of salaries or wages to be paid officers and employees of the county.

Indiana Code 36-2-5-11(c) states:

"At its annual meeting under IC 36-2-3-7(b)(2), the county fiscal body shall consider the statements and recommendations submitted by the county executive under section 4(b) of this chapter and shall then adopt an ordinance, separate from those adopted under subsection (b), fixing:

- (1) the compensation of all officers, deputies and other employees subject to this chapter; and;
- (2) the number of deputies and other employees for each office, department, commission, or agency, except part-time and hourly rated employees, whose employment shall be limited only by the amount of funds appropriated to pay their compensation."

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The adoption of the Ordinance of Appropriations by the council does not constitute an action fixing the rates of salaries and wages; a separate ordinance is required. (The County Bulletin and Uniform Compliance Guidelines, October of 2009)

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

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the County. The document is presented as intended by the County.

DeKalb County Auditor's Office

Jan Bauman, Auditor
100 South Main Street
Auburn, IN 46706
260-925-2362

January 21, 2015

CORRECTIVE ACTION PLAN

FINDING 2013-001 – INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING (GATEWAY)

Contact Person Responsible for Corrective Action: Jan Bauman
Contact Phone Number: 260-925-2362

Description of Corrective Action Plan:

We will set up two funds in the 2800 series: one for Local Road and Street investments, and another for a Highway investment fund. Investment monies will be transferred in and out to reflect when an investment is made and cashed in.

We will work with the Clerk's Office to make sure the Clerk includes all pertinent information in their report. We will also make sure the book balance is used instead of their bank balance on the the Supplemental CAR report.

We will inform Probation, Sunny Meadows (and Sheriff) that along with their Supplemental CAR they balance to their book balance, not to the bank. We will also ask that they bring their bank statement and ledger report to us when it is time to add the Supplemental CAR data to the AFR so we can make sure they have not balanced to their bank statement.

We will discuss the issue of ending and beginning balances and that we need to be careful about entries in the financial system that can affect the ending, therefore the next year's beginning balance.

We are working with our software company to migrate from ongoing to calendar year. Several stale funds will also be closed as soon as the AFR is complete and submitted to Gateway.

Anticipated Completed Date: 4/30/15

FINDING 2013-002 – INTERNAL CONTROLS OVER THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contact Person Responsible for Corrective Action: Jan Bauman
Contact Phone Number: 260-925-2362

Description of Corrective Action Plan:

We will most likely begin using the spreadsheet that SBOA Field Examiner Stacey Saberniak sent to us to better track the grants. Our goal in 2015 is to initiate county-wide grant procedures. We have examples from a couple of other counties to use as templates. Don France, Susan Sleeper, and I will be working on this together to assure proper reporting.

Anticipated Completed Date: 6/30/15

FINDING 2013-003 – INTERNAL CONTROLS OVER PAYROLL PROCESSING

Contact Person Responsible for Corrective Action: Jan Bauman
Contact Phone Number: 260-925-2362

Description of Corrective Action Plan:

The payroll department and process will undergo a complete re-evaluation in 2015. Segregation of duties is already being addressed. A second payroll processing clerk is learning how to assist processing bi-weekly payroll. Payroll training by the software company has already begun, and will continue as needed in 2015.

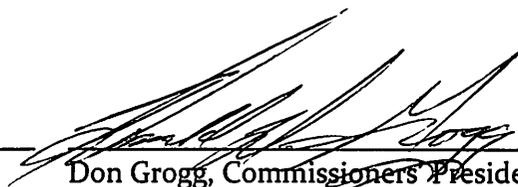
Payroll forms will be also be re-evaluated. We will investigate what better reports are available to provide the fund information SBOA requires.

In 2014, a separate salary ordinance was passed, and we will continue this practice in 2015 going forward.

In 2015 we will determine what needs to be done to reconcile Employee Service Records (General Payroll Form no. 99A) with employee earnings records. We are confident that leave time is being used in accordance with the County's Personnel Policy. We will re-evaluate how we can show this.

Anticipated Completed Date: 12/31/15


Jan Bauman, Auditor


Don Grogg, Commissioners President

OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the County. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.