

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

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



FILED
09/26/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Penny Lukenbill	01-01-11 to 12-31-14
Treasurer	Deborah VanDeMark	01-01-13 to 12-31-16
Clerk	Julie Fox	01-01-11 to 12-31-14
Sheriff	Tom Chamberlin	01-01-11 to 12-31-14
Recorder	Marlene Mahler	01-01-11 to 12-31-14
President of the Board of County Commissioners	Kevin Overmyer	01-01-13 to 12-31-14
President of the County Council	Matthew Hassel	01-01-13 to 12-31-14



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Marshall 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 August 5, 2014, 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 Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

August 5, 2014



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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 MARSHALL 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 Marshall 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 August 5, 2014, 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 item 2013-001 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 item 2013-001.

Marshall 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

August 5, 2014

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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.

MARSHALL 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	\$ 849,162	\$ 1,051,495	\$ 849,162	\$ 1,051,495
Sheriff's Inmate Trust	19,590	1,529,469	1,541,062	7,997
Jail Commissary	92,191	141,678	112,964	120,905
Clerk's Trust	2,227,962	7,041,153	6,970,281	2,298,834
General	6,053,014	8,871,540	8,510,823	6,413,731
Accident Report	8,408	2,551	132	10,827
CAGIT - Special Legislation	4,942,687	1,970,551	1,735,961	5,177,277
CAGIT County Certified Shares	300,000	2,733,363	2,576,998	456,365
Campaign Finance Enforcement - County	842	-	-	842
Child Advocacy	2,210	-	-	2,210
City and Town Court Costs	1,525	18,001	16,674	2,852
Clerk's Records Perpetuation	54,371	24,116	4,820	73,667
Community Corrections	200	-	-	200
Congressional School Interest	16,771	157	-	16,928
Congressional School Principal	21,223	-	-	21,223
Sales Disclosure - County Share	24,004	5,635	2,953	26,686
Cumulative Bridge	1,365,810	1,047,116	1,514,561	898,365
Cumulative Capital Development	848,988	471,430	376,752	943,666
Drug Free Community	66,674	53,625	45,500	74,799
Emergency Planning/Right to Know	42,623	5,666	16,494	31,795
Enhanced Access	9,584	15,000	24,500	84
Extradition and Sheriff's Assistance	158,731	11,425	23,260	146,896
Firearms Training	59,242	31,920	36,636	54,526
General Drain Improvement	418,615	158,144	139,119	437,640
Health	613,529	429,279	399,527	643,281
Identification Security Protection	23,205	3,932	-	27,137
Levy Excess	165,683	-	118,929	46,754
Local Health Maintenance	41,574	33,139	31,218	43,495
Local Road and Street	268,863	426,844	448,809	246,898
Misdemeanant	156,970	50,143	127,322	79,791
Motor Vehicle Highway	1,424,218	3,067,451	3,231,690	1,259,979
Plat Book	62,519	12,603	5,199	69,923
Rainy Day	4,620,237	-	404,910	4,215,327
Reassessment - 2009	83,571	1,860	26,976	58,455
Reassessment - 2015	589,608	310,244	223,619	676,233
Recorder's Records Perpetuation	58,092	72,363	97,206	33,249
Sex and Violent Offender Administration	14,132	2,905	2,995	14,042
Sheriff's Pension Trust	3,135	21,047	22,535	1,647
Supplemental Public Defender Services	43,490	17,748	-	61,238
Surplus Tax	35,403	22,770	26,211	31,962
Surveyor's Corner Perpetuation	13,855	9,800	13,827	9,828
Tax Sale Redemption	(240)	65,107	65,035	(168)
Tax Sale Surplus	291,083	724,677	461,116	554,644
Local Health Department Trust Account	65,354	12,547	25,040	52,861
GAL/CASA	139,992	43,902	40,534	143,360
Auditors Ineligible Deductions	43,939	15,176	14,838	44,277
County Elected Officials Training	5,405	3,932	60	9,277
Statewide 911	577,400	550,176	579,929	547,647
Adult Probation Administrative	4,542	48,496	52,169	869
Juvenile Probation Administrative	3,309	-	-	3,309
Supplemental Adult Probation Services	493,732	78,813	46,104	526,441
Supplemental Juvenile Probation Services	14,222	6,301	-	20,523
County User Fee	39,596	18,489	18,103	39,982
Drainage Maintenance	1,832,573	303,302	366,623	1,769,252
Drug Task Force #1	52,583	100	9,642	43,041
K-9	3,128	-	-	3,128
Payroll Clearing	98,989	3,823,570	3,818,708	103,851
CVET Agency	-	326,653	326,645	8
Sewage Collections	(169)	35,119	35,070	(120)

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

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

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
Financial Institution Tax	-	148,889	148,889	-
HEA 1001 State Homestead Credit	3,376	-	-	3,376
Homestead Credit Rebate	22,134	164	-	22,298
LOIT PTRC	-	1,934,346	1,934,346	-
State Fines and Forfeitures	5,952	79,032	45,930	39,054
Infraction Judgements	10,359	133,214	126,051	17,522
Overweight Vehicle Fines	-	150	150	-
Special Death Benefit	385	4,066	3,716	735
Sales Disclosure - State Share	365	5,635	5,110	890
Coroners Training & Con't Education	434	5,874	5,532	776
Interstate Compact - State Share	-	63	-	63
Mortgage Recording Fees - State Share	490	4,645	4,313	822
DLGF Homestead Property Database	3	19	56	(34)
Sex and Violent Offender Admin - State	26	296	257	65
Child Restraint Violations Fines	200	1,950	1,875	275
Military Fines	4	-	-	4
Inheritance Tax	310,333	483,745	764,136	29,942
Education Plate Fees Agency	75	1,031	1,031	75
Riverboat Revenue Sharing	-	278,726	278,726	-
Innkeepers Tax Collections	16,201	268,033	267,030	17,204
Judgments Due Law Enforcement	2,649	-	-	2,649
93.563 ARRA Prosecutor IV-D Incentive	15,595	137	7,306	8,426
93.563 ARRA Clerk IV-D Incentive	21,788	63	13,747	8,104
93.563 Title IV-D Incentive	225,228	25,288	-	250,516
93.563 Prosecutor IV-D Incentive-Post Oct '99	140,021	38,047	61,031	117,037
93.563 Clerk IV-D Incentive-Prior To Oct '99	5,550	-	-	5,550
93.563 Clerk IV-D Incentive-Post Oct '99	93,561	25,288	-	118,849
Victim Assistance Donations	945	250	-	1,195
Road Cut Bonds	14,700	6,000	1,000	19,700
Intrastate Compact Fees	2,070	708	-	2,778
EPICS	36,290	14,400	-	50,690
Governors Drug Free Indiana	253	-	-	253
DARE	24,727	4,749	8,568	20,908
Crossroads Museum Project	980	-	-	980
Historical Society	30,537	35,000	26,404	39,133
Personal Property Judgements	3,065	-	-	3,065
Riverboat Revenue Sharing County Portion	160,035	160,035	320,069	1
Sheriff Continuing Education	23,644	4,206	-	27,850
Supplemental Technology	3,270	-	-	3,270
DEA Forfeitures	38,405	8,700	8,412	38,693
10.557 WIC	(31,610)	177,440	165,851	(20,021)
16.575 Victim Assistance	5,163	-	-	5,163
20.509 Older Adult Services 5311	-	225,658	217,769	7,889
20.609 Operation Pullover	1,729	8,657	10,223	163
20.609 DUI Task Force	4,879	11,155	9,969	6,065
97.042 EMA Grants	3,276	-	-	3,276
97.042 EMA EMPG	(80)	3,865	3,785	-
93.617 HAVA 2012	1,800	-	-	1,800
97.012 Lake Enforcement DNR Grant	12,234	40,000	51,057	1,177
Court Services	169,992	351,790	200,205	321,577
Prosecutor Pre-Trial Diversion	152,006	98,032	77,218	172,820
Sheriff Pre-Trial Diversion	4,055	-	-	4,055
Prosecutor Continuing Education	476	-	-	476
Drug Task Force #2	488	-	-	488
Victim Impact	2,346	-	-	2,346
Settlement 0181 Corporate Debt Service	-	103,238	103,238	-
Settlement 0209 Welfare Excise Tax	-	1,640,923	1,640,923	-
Settlement 0342 Police Pension	-	20,505	20,505	-
Old Surplus Dog Tax	26	-	-	26

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

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

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
Settlement 0840 Poor Relief	-	55,732	55,732	-
Settlement 0907 Storm Sewer	-	15,117	15,117	-
Settlement 1006 Corporation Tax	-	5,987,667	5,987,667	-
Settlement 1101 EMS	-	400,745	400,745	-
Settlement 1111 Fire Fighting	-	670,719	670,719	-
Settlement 1182 Fire Equipment Debt	-	23,586	23,586	-
Settlement 1190 Cum Fire	-	255,026	255,026	-
Settlement 1214 School Cap Projects	-	6,517,209	6,517,209	-
Settlement 1216 School Debt Service	-	7,871,266	7,871,266	-
Settlement 1217 School Pension Debt	-	832,116	832,116	-
Settlement 1218 2013 School Loan	-	21,664	21,664	-
Settlement 1219 School Exempt Pension Debt	-	130,751	130,751	-
Settlement 1220 School Exempt Debt Service	-	533,169	533,169	-
Settlement 1301 Parks/Rec Towns	-	1,045,973	1,045,973	-
Settlement 1312 Recreation-Twps	-	47,273	47,273	-
Settlement 1420 SW Lake Max Conservancy	-	54,713	54,713	-
Treasurer's Cash Fund	500	-	-	500
Settlement 2013 Library Debt Service	-	259,280	259,280	-
Settlement 2120 Cemetery Operating	-	293,032	293,032	-
Settlement 2379 Corp CCD	-	241,678	241,678	-
Settlement 6301 School Transportation	-	3,322,747	3,322,747	-
Settlement 6302 School Bus Replacement	-	784,865	784,865	-
Settlement 8210 Solid Waste District	-	293,593	293,593	-
Settlement 9100 TIF	-	2,106,536	2,119,582	(13,046)
Settlement 9903 Township Taxes	-	266,714	266,714	-
Local Option Certified Shares Distribution	-	5,803,036	5,803,036	-
MVH Distribution	-	2,644,386	2,644,386	-
Settlement 2010 Library	-	2,096,053	2,096,053	-
Petty Cash Funds	590	-	-	590
Totals	<u>\$ 31,009,469</u>	<u>\$ 84,651,181</u>	<u>\$ 84,661,361</u>	<u>\$ 30,999,289</u>

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

MARSHALL 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 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.

MARSHALL 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 include the following uses:

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

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

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

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

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

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. For 10.557 WIC, this is a result of the fund being set up as a reimbursable grant. The reimbursements for expenditures made by the County were not received by December 31, 2013. There were several other funds with negative cash balances (Tax Sale Redemption, Sewage Collections, DLGF Homestead Property Database, and Settlement 9100 TIF). These funds will be mainly replenished by withholding money from taxing units for the 2013 taxes payable in 2014.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Holding Corporation

The County has entered into a capital lease with Marshall County Holding 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 \$1,213,500.

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.

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

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	General	Accident Report	CAGIT - Special Legislation
Cash and investments - beginning	\$ 849,162	\$ 19,590	\$ 92,191	\$ 2,227,962	\$ 6,053,014	\$ 8,408	\$ 4,942,687
Receipts:							
Taxes	-	-	-	-	6,126,421	-	1,970,551
Licenses and permits	-	-	-	-	62,430	-	-
Intergovernmental	-	-	-	-	1,050,422	-	-
Charges for services	-	1,529,469	-	-	491,375	-	-
Fines and forfeits	-	-	-	-	229,824	-	-
Other receipts	1,051,495	-	141,678	7,041,153	911,068	2,551	-
Total receipts	<u>1,051,495</u>	<u>1,529,469</u>	<u>141,678</u>	<u>7,041,153</u>	<u>8,871,540</u>	<u>2,551</u>	<u>1,970,551</u>
Disbursements:							
Personal services	-	-	-	-	5,411,716	-	451,997
Supplies	-	-	-	-	171,384	-	67,664
Other services and charges	-	-	-	-	2,536,025	-	1,216,300
Capital outlay	-	-	-	-	177,290	-	-
Other disbursements	849,162	1,541,062	112,964	6,970,281	214,408	132	-
Total disbursements	<u>849,162</u>	<u>1,541,062</u>	<u>112,964</u>	<u>6,970,281</u>	<u>8,510,823</u>	<u>132</u>	<u>1,735,961</u>
Excess (deficiency) of receipts over disbursements	<u>202,333</u>	<u>(11,593)</u>	<u>28,714</u>	<u>70,872</u>	<u>360,717</u>	<u>2,419</u>	<u>234,590</u>
Cash and investments - ending	<u>\$ 1,051,495</u>	<u>\$ 7,997</u>	<u>\$ 120,905</u>	<u>\$ 2,298,834</u>	<u>\$ 6,413,731</u>	<u>\$ 10,827</u>	<u>\$ 5,177,277</u>

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

	CAGIT County Certified Shares	Campaign Finance Enforcement - County	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Congressional School Interest
Cash and investments - beginning	\$ 300,000	\$ 842	\$ 2,210	\$ 1,525	\$ 54,371	\$ 200	\$ 16,771
Receipts:							
Taxes	2,717,298	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	18,001	24,116	-	-
Other receipts	16,065	-	-	-	-	-	157
Total receipts	2,733,363	-	-	18,001	24,116	-	157
Disbursements:							
Personal services	2,043,942	-	-	-	2,237	-	-
Supplies	322,756	-	-	-	532	-	-
Other services and charges	100,104	-	-	-	467	-	-
Capital outlay	110,196	-	-	-	1,584	-	-
Other disbursements	-	-	-	16,674	-	-	-
Total disbursements	2,576,998	-	-	16,674	4,820	-	-
Excess (deficiency) of receipts over disbursements	156,365	-	-	1,327	19,296	-	157
Cash and investments - ending	\$ 456,365	\$ 842	\$ 2,210	\$ 2,852	\$ 73,667	\$ 200	\$ 16,928

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

	Congressional School Principal	Sales Disclosure - County Share	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right to Know	Enhanced Access
Cash and investments - beginning	\$ 21,223	\$ 24,004	\$ 1,365,810	\$ 848,988	\$ 66,674	\$ 42,623	\$ 9,584
Receipts:							
Taxes	-	-	639,485	429,577	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	54,066	36,319	-	-	-
Charges for services	-	5,635	341,143	-	-	-	15,000
Fines and forfeits	-	-	-	-	53,625	-	-
Other receipts	-	-	12,422	5,534	-	5,666	-
Total receipts	-	5,635	1,047,116	471,430	53,625	5,666	15,000
Disbursements:							
Personal services	-	-	96,068	-	-	-	-
Supplies	-	-	360,002	-	-	-	-
Other services and charges	-	2,953	120,543	297,990	45,500	16,494	24,500
Capital outlay	-	-	937,948	78,762	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	2,953	1,514,561	376,752	45,500	16,494	24,500
Excess (deficiency) of receipts over disbursements	-	2,682	(467,445)	94,678	8,125	(10,828)	(9,500)
Cash and investments - ending	\$ 21,223	\$ 26,686	\$ 898,365	\$ 943,666	\$ 74,799	\$ 31,795	\$ 84

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

	Extradition and Sheriffs Assistance	Firearms Training	General Drain Improvement	Health	Identification Security Protection	Levy Excess	Local Health Maintenance
Cash and investments - beginning	\$ 158,731	\$ 59,242	\$ 418,615	\$ 613,529	\$ 23,205	\$ 165,683	\$ 41,574
Receipts:							
Taxes	-	-	94,708	290,453	-	-	-
Licenses and permits	-	-	-	59,749	-	-	-
Intergovernmental	-	-	-	57,324	-	-	33,139
Charges for services	11,425	-	-	40	3,932	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	31,920	63,436	21,713	-	-	-
Total receipts	<u>11,425</u>	<u>31,920</u>	<u>158,144</u>	<u>429,279</u>	<u>3,932</u>	<u>-</u>	<u>33,139</u>
Disbursements:							
Personal services	-	-	-	313,122	-	-	30,260
Supplies	-	-	-	9,571	-	-	-
Other services and charges	1,260	-	-	19,340	-	-	958
Capital outlay	22,000	-	-	44,453	-	-	-
Other disbursements	-	36,636	139,119	13,041	-	118,929	-
Total disbursements	<u>23,260</u>	<u>36,636</u>	<u>139,119</u>	<u>399,527</u>	<u>-</u>	<u>118,929</u>	<u>31,218</u>
Excess (deficiency) of receipts over disbursements	<u>(11,835)</u>	<u>(4,716)</u>	<u>19,025</u>	<u>29,752</u>	<u>3,932</u>	<u>(118,929)</u>	<u>1,921</u>
Cash and investments - ending	<u>\$ 146,896</u>	<u>\$ 54,526</u>	<u>\$ 437,640</u>	<u>\$ 643,281</u>	<u>\$ 27,137</u>	<u>\$ 46,754</u>	<u>\$ 43,495</u>

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

	Local Road and Street	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015
Cash and investments - beginning	\$ 268,863	\$ 156,970	\$ 1,424,218	\$ 62,519	\$ 4,620,237	\$ 83,571	\$ 589,608
Receipts:							
Taxes	-	-	-	-	-	-	270,927
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	426,844	35,050	2,757,300	-	-	-	22,906
Charges for services	-	-	-	12,603	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	15,093	310,151	-	-	1,860	16,411
Total receipts	<u>426,844</u>	<u>50,143</u>	<u>3,067,451</u>	<u>12,603</u>	<u>-</u>	<u>1,860</u>	<u>310,244</u>
Disbursements:							
Personal services	-	-	1,498,254	5,199	-	-	143,948
Supplies	448,809	27,439	1,210,809	-	-	276	-
Other services and charges	-	66,276	219,355	-	404,910	25,500	-
Capital outlay	-	33,607	303,272	-	-	1,200	79,671
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>448,809</u>	<u>127,322</u>	<u>3,231,690</u>	<u>5,199</u>	<u>404,910</u>	<u>26,976</u>	<u>223,619</u>
Excess (deficiency) of receipts over disbursements	<u>(21,965)</u>	<u>(77,179)</u>	<u>(164,239)</u>	<u>7,404</u>	<u>(404,910)</u>	<u>(25,116)</u>	<u>86,625</u>
Cash and investments - ending	<u>\$ 246,898</u>	<u>\$ 79,791</u>	<u>\$ 1,259,979</u>	<u>\$ 69,923</u>	<u>\$ 4,215,327</u>	<u>\$ 58,455</u>	<u>\$ 676,233</u>

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

	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Sheriff's Pension Trust	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption
Cash and investments - beginning	\$ 58,092	\$ 14,132	\$ 3,135	\$ 43,490	\$ 35,403	\$ 13,855	\$ (240)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	72,363	-	21,047	-	-	9,800	-
Fines and forfeits	-	2,905	-	-	-	-	-
Other receipts	-	-	-	17,748	22,770	-	65,107
Total receipts	<u>72,363</u>	<u>2,905</u>	<u>21,047</u>	<u>17,748</u>	<u>22,770</u>	<u>9,800</u>	<u>65,107</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	97,206	2,995	22,535	-	26,211	13,827	65,035
Total disbursements	<u>97,206</u>	<u>2,995</u>	<u>22,535</u>	<u>-</u>	<u>26,211</u>	<u>13,827</u>	<u>65,035</u>
Excess (deficiency) of receipts over disbursements	<u>(24,843)</u>	<u>(90)</u>	<u>(1,488)</u>	<u>17,748</u>	<u>(3,441)</u>	<u>(4,027)</u>	<u>72</u>
Cash and investments - ending	<u>\$ 33,249</u>	<u>\$ 14,042</u>	<u>\$ 1,647</u>	<u>\$ 61,238</u>	<u>\$ 31,962</u>	<u>\$ 9,828</u>	<u>\$ (168)</u>

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

	Tax Sale Surplus	Local Health Department Trust Account	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training	Statewide 911	Adult Probation Administrative
Cash and investments - beginning	\$ 291,083	\$ 65,354	\$ 139,992	\$ 43,939	\$ 5,405	\$ 577,400	\$ 4,542
Receipts:							
Taxes	-	-	-	13,814	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	25,637	-	-	-	-
Charges for services	-	-	-	-	3,932	546,123	-
Fines and forfeits	-	-	-	-	-	-	48,496
Other receipts	724,677	12,547	18,265	1,362	-	4,053	-
Total receipts	<u>724,677</u>	<u>12,547</u>	<u>43,902</u>	<u>15,176</u>	<u>3,932</u>	<u>550,176</u>	<u>48,496</u>
Disbursements:							
Personal services	-	25,040	-	5,000	-	480,793	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	60	96,156	-
Capital outlay	-	-	-	6,155	-	2,980	-
Other disbursements	461,116	-	40,534	3,683	-	-	52,169
Total disbursements	<u>461,116</u>	<u>25,040</u>	<u>40,534</u>	<u>14,838</u>	<u>60</u>	<u>579,929</u>	<u>52,169</u>
Excess (deficiency) of receipts over disbursements	<u>263,561</u>	<u>(12,493)</u>	<u>3,368</u>	<u>338</u>	<u>3,872</u>	<u>(29,753)</u>	<u>(3,673)</u>
Cash and investments - ending	<u>\$ 554,644</u>	<u>\$ 52,861</u>	<u>\$ 143,360</u>	<u>\$ 44,277</u>	<u>\$ 9,277</u>	<u>\$ 547,647</u>	<u>\$ 869</u>

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

	Juvenile Probation Administrative	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	County User Fee	Drainage Maintenance	Drug Task Force #1	K-9
Cash and investments - beginning	\$ 3,309	\$ 493,732	\$ 14,222	\$ 39,596	\$ 1,832,573	\$ 52,583	\$ 3,128
Receipts:							
Taxes	-	-	-	-	298,734	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	78,813	6,301	18,489	-	-	-
Other receipts	-	-	-	-	4,568	100	-
Total receipts	<u>-</u>	<u>78,813</u>	<u>6,301</u>	<u>18,489</u>	<u>303,302</u>	<u>100</u>	<u>-</u>
Disbursements:							
Personal services	-	8,246	-	-	-	-	-
Supplies	-	-	-	-	-	946	-
Other services and charges	-	-	-	-	-	6,850	-
Capital outlay	-	-	-	-	-	1,846	-
Other disbursements	-	37,858	-	18,103	366,623	-	-
Total disbursements	<u>-</u>	<u>46,104</u>	<u>-</u>	<u>18,103</u>	<u>366,623</u>	<u>9,642</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>32,709</u>	<u>6,301</u>	<u>386</u>	<u>(63,321)</u>	<u>(9,542)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,309</u>	<u>\$ 526,441</u>	<u>\$ 20,523</u>	<u>\$ 39,982</u>	<u>\$ 1,769,252</u>	<u>\$ 43,041</u>	<u>\$ 3,128</u>

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

	Payroll Clearing	CVET Agency	Sewage Collections	Financial Institution Tax	HEA 1001 State Homestead Credit	Homestead Credit Rebate	LOIT PTRC
Cash and investments - beginning	\$ 98,989	\$ -	\$ (169)	\$ -	\$ 3,376	\$ 22,134	\$ -
Receipts:							
Taxes	-	-	35,119	-	-	164	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	326,653	-	148,889	-	-	1,934,346
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,823,570	-	-	-	-	-	-
Total receipts	3,823,570	326,653	35,119	148,889	-	164	1,934,346
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	3,818,708	326,645	35,070	148,889	-	-	1,934,346
Total disbursements	3,818,708	326,645	35,070	148,889	-	-	1,934,346
Excess (deficiency) of receipts over disbursements	4,862	8	49	-	-	164	-
Cash and investments - ending	\$ 103,851	\$ 8	\$ (120)	\$ -	\$ 3,376	\$ 22,298	\$ -

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

	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share
Cash and investments - beginning	\$ 5,952	\$ 10,359	\$ -	\$ 385	\$ 365	\$ 434	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	4,066	5,635	-	-
Fines and forfeits	79,032	-	150	-	-	-	63
Other receipts	-	133,214	-	-	-	5,874	-
Total receipts	<u>79,032</u>	<u>133,214</u>	<u>150</u>	<u>4,066</u>	<u>5,635</u>	<u>5,874</u>	<u>63</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	45,930	126,051	150	3,716	5,110	5,532	-
Total disbursements	<u>45,930</u>	<u>126,051</u>	<u>150</u>	<u>3,716</u>	<u>5,110</u>	<u>5,532</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>33,102</u>	<u>7,163</u>	<u>-</u>	<u>350</u>	<u>525</u>	<u>342</u>	<u>63</u>
Cash and investments - ending	<u>\$ 39,054</u>	<u>\$ 17,522</u>	<u>\$ -</u>	<u>\$ 735</u>	<u>\$ 890</u>	<u>\$ 776</u>	<u>\$ 63</u>

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

	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Military Fines	Inheritance Tax	Education Plate Fees Agency
Cash and investments - beginning	\$ 490	\$ 3	\$ 26	\$ 200	\$ 4	\$ 310,333	\$ 75
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	483,745	-
Charges for services	4,645	-	-	-	-	-	-
Fines and forfeits	-	-	296	1,950	-	-	-
Other receipts	-	19	-	-	-	-	1,031
Total receipts	<u>4,645</u>	<u>19</u>	<u>296</u>	<u>1,950</u>	<u>-</u>	<u>483,745</u>	<u>1,031</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,313	56	257	1,875	-	764,136	1,031
Total disbursements	<u>4,313</u>	<u>56</u>	<u>257</u>	<u>1,875</u>	<u>-</u>	<u>764,136</u>	<u>1,031</u>
Excess (deficiency) of receipts over disbursements	<u>332</u>	<u>(37)</u>	<u>39</u>	<u>75</u>	<u>-</u>	<u>(280,391)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 822</u>	<u>\$ (34)</u>	<u>\$ 65</u>	<u>\$ 275</u>	<u>\$ 4</u>	<u>\$ 29,942</u>	<u>\$ 75</u>

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

	Riverboat Revenue Sharing	Innkeepers Tax Collections	Judgments Due Law Enforcement	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ -	\$ 16,201	\$ 2,649	\$ 15,595	\$ 21,788	\$ 225,228	\$ 140,021
Receipts:							
Taxes	-	268,033	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	278,726	-	-	-	-	25,288	38,047
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	137	63	-	-
Total receipts	<u>278,726</u>	<u>268,033</u>	<u>-</u>	<u>137</u>	<u>63</u>	<u>25,288</u>	<u>38,047</u>
Disbursements:							
Personal services	-	-	-	-	5,344	-	61,031
Supplies	-	-	-	1,697	3,723	-	-
Other services and charges	-	-	-	1,492	4,680	-	-
Capital outlay	-	-	-	4,117	-	-	-
Other disbursements	<u>278,726</u>	<u>267,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>278,726</u>	<u>267,030</u>	<u>-</u>	<u>7,306</u>	<u>13,747</u>	<u>-</u>	<u>61,031</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,003</u>	<u>-</u>	<u>(7,169)</u>	<u>(13,684)</u>	<u>25,288</u>	<u>(22,984)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 17,204</u>	<u>\$ 2,649</u>	<u>\$ 8,426</u>	<u>\$ 8,104</u>	<u>\$ 250,516</u>	<u>\$ 117,037</u>

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

	93.563 Clerk IV-D Incentive-Prior To Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Victim Assistance Donations	Road Cut Bonds	Intrastate Compact Fees	EPICS	Governors Drug Free Indiana
Cash and investments - beginning	\$ 5,550	\$ 93,561	\$ 945	\$ 14,700	\$ 2,070	\$ 36,290	\$ 253
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	25,288	-	-	-	-	-
Charges for services	-	-	-	6,000	-	14,400	-
Fines and forfeits	-	-	-	-	708	-	-
Other receipts	-	-	250	-	-	-	-
Total receipts	<u>-</u>	<u>25,288</u>	<u>250</u>	<u>6,000</u>	<u>708</u>	<u>14,400</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	1,000	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>25,288</u>	<u>250</u>	<u>5,000</u>	<u>708</u>	<u>14,400</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,550</u>	<u>\$ 118,849</u>	<u>\$ 1,195</u>	<u>\$ 19,700</u>	<u>\$ 2,778</u>	<u>\$ 50,690</u>	<u>\$ 253</u>

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

	DARE	Crossroads Museum Project	Historical Society	Personal Property Judgements	Riverboat Revenue Sharing County Portion	Sheriff Continuing Education	Supplemental Technology
Cash and investments - beginning	\$ 24,727	\$ 980	\$ 30,537	\$ 3,065	\$ 160,035	\$ 23,644	\$ 3,270
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	160,035	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	4,206	-
Other receipts	4,749	-	35,000	-	-	-	-
Total receipts	<u>4,749</u>	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>160,035</u>	<u>4,206</u>	<u>-</u>
Disbursements:							
Personal services	-	-	26,404	-	-	-	-
Supplies	7,280	-	-	-	-	-	-
Other services and charges	1,288	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	320,069	-	-
Total disbursements	<u>8,568</u>	<u>-</u>	<u>26,404</u>	<u>-</u>	<u>320,069</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,819)</u>	<u>-</u>	<u>8,596</u>	<u>-</u>	<u>(160,034)</u>	<u>4,206</u>	<u>-</u>
Cash and investments - ending	<u>\$ 20,908</u>	<u>\$ 980</u>	<u>\$ 39,133</u>	<u>\$ 3,065</u>	<u>\$ 1</u>	<u>\$ 27,850</u>	<u>\$ 3,270</u>

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

	DEA Forfeitures	10.557 WIC	16.575 Victim Assistance	20.509 Older Adult Services 5311	20.609 Operation Pullover	20.609 DUI Task Force	97.042 EMA Grants
Cash and investments - beginning	\$ 38,405	\$ (31,610)	\$ 5,163	\$ -	\$ 1,729	\$ 4,879	\$ 3,276
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	177,410	-	225,658	8,657	11,155	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	288	-	-	-	-	-	-
Other receipts	8,412	30	-	-	-	-	-
Total receipts	<u>8,700</u>	<u>177,440</u>	<u>-</u>	<u>225,658</u>	<u>8,657</u>	<u>11,155</u>	<u>-</u>
Disbursements:							
Personal services	-	120,276	-	-	6,723	3,956	-
Supplies	-	4,073	-	-	-	-	-
Other services and charges	-	41,502	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	8,412	-	-	217,769	3,500	6,013	-
Total disbursements	<u>8,412</u>	<u>165,851</u>	<u>-</u>	<u>217,769</u>	<u>10,223</u>	<u>9,969</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>288</u>	<u>11,589</u>	<u>-</u>	<u>7,889</u>	<u>(1,566)</u>	<u>1,186</u>	<u>-</u>
Cash and investments - ending	<u>\$ 38,693</u>	<u>\$ (20,021)</u>	<u>\$ 5,163</u>	<u>\$ 7,889</u>	<u>\$ 163</u>	<u>\$ 6,065</u>	<u>\$ 3,276</u>

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

	97.042 EMA EMPG	93.617 HAVA 2012	97.012 Lake Enforcement DNR Grant	Court Services	Prosecutor Pre-Trial Diversion	Sheriff Pre-Trial Diversion	Prosecutor Continuing Education
Cash and investments - beginning	\$ (80)	\$ 1,800	\$ 12,234	\$ 169,992	\$ 152,006	\$ 4,055	\$ 476
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	3,865	-	20,000	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	305,113	98,032	-	-
Other receipts	-	-	20,000	46,677	-	-	-
Total receipts	<u>3,865</u>	<u>-</u>	<u>40,000</u>	<u>351,790</u>	<u>98,032</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	35,116	108,165	32,617	-	-
Supplies	-	-	9,642	2,134	2,042	-	-
Other services and charges	-	-	6,299	84,419	37,740	-	-
Capital outlay	3,785	-	-	1,045	4,819	-	-
Other disbursements	-	-	-	4,442	-	-	-
Total disbursements	<u>3,785</u>	<u>-</u>	<u>51,057</u>	<u>200,205</u>	<u>77,218</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>80</u>	<u>-</u>	<u>(11,057)</u>	<u>151,585</u>	<u>20,814</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,800</u>	<u>\$ 1,177</u>	<u>\$ 321,577</u>	<u>\$ 172,820</u>	<u>\$ 4,055</u>	<u>\$ 476</u>

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

	Drug Task Force #2	Victim Impact	Settlement 0181 Corporate Debt Service	Settlement 0209 Welfare Excise Tax	Settlement 0342 Police Pension	Old Surplus Dog Tax
Cash and investments - beginning	\$ 488	\$ 2,346	\$ -	\$ -	\$ -	\$ 26
Receipts:						
Taxes	-	-	103,238	1,640,923	20,505	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	103,238	1,640,923	20,505	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	103,238	1,640,923	20,505	-
Total disbursements	-	-	103,238	1,640,923	20,505	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ 488	\$ 2,346	\$ -	\$ -	\$ -	\$ 26

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

	Settlement 0840 Poor Relief	Settlement 0907 Storm Sewer	Settlement 1006 Corporation Tax	Settlement 1101 EMS	Settlement 1111 Fire Fighting	Settlement 1182 Fire Equipment Debt
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	55,732	15,117	5,987,667	400,745	670,719	23,586
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>55,732</u>	<u>15,117</u>	<u>5,987,667</u>	<u>400,745</u>	<u>670,719</u>	<u>23,586</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	55,732	15,117	5,987,667	400,745	670,719	23,586
Total disbursements	<u>55,732</u>	<u>15,117</u>	<u>5,987,667</u>	<u>400,745</u>	<u>670,719</u>	<u>23,586</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Settlement 1190 Cum Fire	Settlement 1214 School Cap Projects	Settlement 1216 School Debt Service	Settlement 1217 School Pension Debt	Settlement 1218 2013 School Loan	Settlement 1219 School Exempt Pension Debt
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	255,026	6,517,209	7,871,266	832,116	21,664	130,751
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>255,026</u>	<u>6,517,209</u>	<u>7,871,266</u>	<u>832,116</u>	<u>21,664</u>	<u>130,751</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>255,026</u>	<u>6,517,209</u>	<u>7,871,266</u>	<u>832,116</u>	<u>21,664</u>	<u>130,751</u>
Total disbursements	<u>255,026</u>	<u>6,517,209</u>	<u>7,871,266</u>	<u>832,116</u>	<u>21,664</u>	<u>130,751</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Settlement 1220 School Exempt Debt Service	Settlement 1301 Parks/Rec Towns	Settlement 1312 Recreation-Twps	Settlement 1420 SW Lake Max Conservancy	Treasurer's Cash Fund	Settlement 2013 Library Debt Service
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -
Receipts:						
Taxes	533,169	1,045,973	47,273	54,713	-	259,280
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>533,169</u>	<u>1,045,973</u>	<u>47,273</u>	<u>54,713</u>	<u>-</u>	<u>259,280</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>533,169</u>	<u>1,045,973</u>	<u>47,273</u>	<u>54,713</u>	<u>-</u>	<u>259,280</u>
Total disbursements	<u>533,169</u>	<u>1,045,973</u>	<u>47,273</u>	<u>54,713</u>	<u>-</u>	<u>259,280</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ -</u>

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

	Settlement 2120 Cemetery Operating	Settlement 2379 Corp CCD	Settlement 6301 School Transportation	Settlement 6302 School Bus Replacement	Settlement 8210 Solid Waste District	Settlement 9100 TIF
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	293,032	241,678	3,322,747	784,865	293,593	2,106,536
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>293,032</u>	<u>241,678</u>	<u>3,322,747</u>	<u>784,865</u>	<u>293,593</u>	<u>2,106,536</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>293,032</u>	<u>241,678</u>	<u>3,322,747</u>	<u>784,865</u>	<u>293,593</u>	<u>2,119,582</u>
Total disbursements	<u>293,032</u>	<u>241,678</u>	<u>3,322,747</u>	<u>784,865</u>	<u>293,593</u>	<u>2,119,582</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(13,046)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,046)</u>

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

	Settlement 9903 Township Taxes	Local Option Certified Shares Distribution	MVH Distribution	Settlement 2010 Library	Petty Cash Funds	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 590	\$ 31,009,469
Receipts:						
Taxes	266,714	5,803,036	-	2,096,053	-	54,850,210
Licenses and permits	-	-	-	-	-	122,179
Intergovernmental	-	-	2,644,386	-	-	11,011,155
Charges for services	-	-	-	-	-	3,098,633
Fines and forfeits	-	-	-	-	-	970,408
Other receipts	-	-	-	-	-	14,598,596
Total receipts	<u>266,714</u>	<u>5,803,036</u>	<u>2,644,386</u>	<u>2,096,053</u>	<u>-</u>	<u>84,651,181</u>
Disbursements:						
Personal services	-	-	-	-	-	10,915,454
Supplies	-	-	-	-	-	2,650,779
Other services and charges	-	-	-	-	-	5,378,961
Capital outlay	-	-	-	-	-	1,814,730
Other disbursements	266,714	5,803,036	2,644,386	2,096,053	-	63,901,437
Total disbursements	<u>266,714</u>	<u>5,803,036</u>	<u>2,644,386</u>	<u>2,096,053</u>	<u>-</u>	<u>84,661,361</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,180)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590</u>	<u>\$ 30,999,289</u>

MARSHALL COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2013

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,037,195</u>	<u>\$ -</u>

MARSHALL COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Marshall County Holding Corporation	Pay bond issue for jail construction	<u>\$ 1,213,000</u>	1/9/2006	3/18/2028

MARSHALL 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	\$ 1,696,484
Infrastructure	69,696,782
Buildings	22,764,176
Improvements other than buildings	70,380
Machinery, equipment, and vehicles	9,017,188
Books and other	50,000
 Total capital assets	 \$ 103,295,010

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Marshall 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)

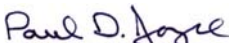
Report on Internal Control Over Compliance

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

August 5, 2014

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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.

MARSHALL 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 Agriculture</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children Peer Counselor Grant WIC	Indiana Department of Health	10.557	EDS A70-4-070591 WIC 149-3	\$ 8,718 <u>168,693</u>
Total - Department of Agriculture				<u>177,411</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction 7th Road Construction Bridge Inspection	Indiana Department of Transportation	20.205	DES #0810140 DES #1005103	328,076 <u>13,067</u>
Total - Highway Planning and Construction Cluster				<u>341,143</u>
<u>Highway Safety Cluster</u>				
State and Community Highway Safety State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	K4-2013-09-03-06	<u>3,500</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I		20.601	EDS D3-13-8138	<u>11,155</u>
Safety Belt Performance Grants		20.609	EDS D3-14-8235	<u>5,157</u>
Total - Highway Safety Cluster				<u>19,812</u>
<u>Transit Services Programs Cluster</u>				
New Freedom Program Older Adult Services	Indiana Department of Transportation	20.521	12NWFR700	<u>14,604</u>
Formula Grants for Rural Areas Older Adult Services	Indiana Department of Transportation	20.509	1,800,290,700	<u>153,419</u>
Total - Department of Transportation				<u>528,978</u>
<u>Department of Health and Human Services</u>				
Public Health Emergency Preparedness Health Dept Preparedness 1	Indiana Department of Health	93.069	2U90TP517024-11	<u>18,267</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Health Dept Preparedness 2	Indiana Department of Health	93.074	1U90TP000521-01	<u>1,569</u>
Child Support Enforcement IVD Incentive Prosecutor IVD Reimbursements	Indiana Department of Child Services	93.563	FY 2013 FY 2013	61,031 <u>180,621</u>
Total - Child Support Enforcement				<u>241,652</u>
Total - Department of Health and Human Services				<u>261,488</u>
<u>Department of Homeland Security</u>				
Boating Safety Financial Assistance Lake Enforcement	Indiana Department of Natural Resources	97.012	EDS E11-1-0007	<u>10,901</u>
Emergency Management Performance Grants EMA Grants EMA	Indiana Department of Homeland Security	97.042	C44P-3-052B C44P-3-280B	3,785 <u>19,136</u>
Total - Emergency Management Performance Grants				<u>22,921</u>
Total - Department of Homeland Security				<u>33,822</u>
Total federal awards expended				<u>\$ 1,001,699</u>

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

MARSHALL 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
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	\$ 6,013
State and Community Highway Safety	20.600	2,400
New Freedom Program	20.521	14,604
Formula Grants for Rural Areas	20.509	153,419

MARSHALL 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
93.563	Highway Planning and Construction Cluster Child Support Enforcement

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

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

FINDING 2013-001 - INTERNAL CONTROLS AND COMPLIANCE OVER PREPARATION OF 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). The Auditor independently prepares the SEFA for inclusion in the financial report without oversight, review, or approval. 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.

MARSHALL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

During the audit of the SEFA, we noted that the County's schedule included the state portion for several grants. Additionally, amounts paid to subrecipients were not disclosed. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation to the financial statement.

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)

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 in part:

"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 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."

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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AUDITEE PREPARED DOCUMENT

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



**Marshall County Auditor
Penny Lukenbill
112 W. Jefferson St., Room 205
Plymouth, IN 46563**

Phone: 574-935-8555
email: pennyl@co.marshall.in.us

Fax: 574-936-4863

CORRECTIVE ACTION PLAN

FINDING 2013-001

Contact Person Responsible for Corrective Action: Penny Lukenbill
Contact Phone Number: 574-935-8509

Description of Corrective Action Plan: To more accurately reflect the state and federal portions of those grants which include funds from both entities, the Marshall County Auditor will maintain copies of the vouchers received by the sub-recipient, indicating the separate amounts contributed by each entity. These will then be used to verify amounts in preparing the SEFA for the county annual report.

Anticipated Completion Date: The procedure has been in place since March, 2014.

Penny Lukenbill
(Signature)

Marshall County Auditor
(Title)

July 28, 2014
(Date)

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/>.