

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

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



FILED
09/29/2014

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Sherri Smith	01-01-13 to 12-31-16
Treasurer	Mary Key	01-01-11 to 12-31-14
Clerk	Becky Woodburn	01-01-11 to 12-31-14
Sheriff	George Ballard	01-01-11 to 12-31-14
Recorder	Debbie Wethington	01-01-11 to 12-31-14
President of the Board of County Commissioners	Gerald Bledsoe Alan Douglas	01-01-13 to 12-31-13 01-01-14 to 12-31-14
President of the County Council	Jeremy Overton	01-01-13 to 12-31-14



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF GIBSON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Gibson 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 25, 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 25, 2014



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 GIBSON 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 Gibson 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 25, 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.

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

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

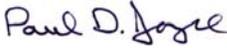
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

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

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 25, 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.

GIBSON 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	\$ 834,610	\$ 880,251	\$ 834,610	\$ 880,251
Sheriff's Inmate Trust	17,332	199,412	207,175	9,569
GC Pros Bad Check Restitution	780	638	-	1,418
Jail Commissary	5,585	218,243	213,681	10,147
Clerk's Trust	807,815	3,926,312	4,271,925	462,202
General	4,101,009	11,760,682	12,111,737	3,749,954
Accident Report	1,633	7,769	4,621	4,781
Bid Deposits and Bonds Holding	7,000	12,000	-	19,000
CEDIT County Share	938,369	2,515,166	2,318,811	1,134,724
City and Town Court Costs	3,542	11,224	12,245	2,521
Clerk's Records Perpetuation	122,444	23,972	-	146,416
Community Corrections	-	260,648	260,647	1
Community Transition Program	35,932	22,375	3,471	54,836
Congressional School Interest	11,263	-	1,246	10,017
Congressional School Principal	31,133	-	-	31,133
Prisoner Reimbursement For Incarceration	20,610	18,473	7,844	31,239
Sales Disclosure - County Share	13,973	3,823	5,751	12,045
Covered Bridge	16,551	3,700	12,248	8,003
Cumulative Bridge	1,146,929	1,382,201	1,064,789	1,464,341
Cumulative Building	296,129	300,950	119,834	477,245
Drug Free Community	830	225	-	1,055
Emergency Planning/Right To Know	5,353	23,513	22,875	5,991
Firearms Training	5,577	24,960	24,492	6,045
General Drain Improvement	101,093	25,000	40,000	86,093
Health	265,135	295,974	307,635	253,474
Identification Security Protection	72,228	3,376	11,313	64,291
Levy Excess	1,174	-	-	1,174
Local Health Maintenance	94,463	39,307	43,019	90,751
Local Road and Street	315,561	290,592	343,068	263,085
Medical Care for Inmates	1,651	5,942	4,763	2,830
Misdemeanant	10,208	24,550	31,480	3,278
Motor Vehicle Highway	1,344,775	3,304,189	3,158,389	1,490,575
Rainy Day	608,183	-	191,590	416,593
Reassessment - 2009	49,713	-	49,713	-
Reassessment - 2015	279,593	139,550	-	419,143
Recorder's Records Perpetuation	114,069	99,259	54,290	159,038
Riverboat	242,007	88,456	30,400	300,063
Sex and Violent Offender Administration	5,756	2,751	-	8,507
Supplemental Public Defender Services	61,186	18,350	920	78,616
Surplus Tax	45,248	41,866	34,322	52,792
Surveyor's Corner Perpetuation	27,684	8,510	-	36,194
Tax Sale Fees	15,855	10,519	10,554	15,820
Tax Sale Redemption	2,839	91,876	90,842	3,873
Tax Sale Surplus	179,434	360,717	246,336	293,815
Local Health Department Trust Account	19,787	10,344	23,405	6,726
GAL/CASA	41,900	37,701	33,200	46,401
Auditor's Ineligible Deduction	-	13,034	819	12,215
County Elected Officials Training	4,372	3,376	456	7,292
Statewide 911	59,013	368,590	316,932	110,671
Supplemental Adult Probation Services	5,288	1,481	451	6,318
K-9	1,967	200	-	2,167

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

GIBSON 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
Collection Agency Fees	1,820	988	988	1,820
Payroll Clearing	21,900	3,484,484	3,486,645	19,739
Sheriff Pension Holding	31,561	34,876	59,826	6,611
Settlement	-	37,829,978	37,829,978	-
Wheel Tax	180	38,277	38,457	-
Sur Tax	-	547,520	547,520	-
CVET Agency	-	388,253	388,253	-
Financial Institution Tax	-	137,734	137,734	-
HEA 1001 State Homestead Credit	(24)	-	-	(24)
State Fines and Forfeitures	255	6,951	7,048	158
Infraction Judgements	4,295	31,778	32,057	4,016
Special Death Benefit	340	2,370	2,395	315
Sales Disclosure - State Share	630	3,873	4,088	415
Coroners Training & Con't Education	305	2,176	2,405	76
Interstate Compact - State Share	125	1,950	1,950	125
Mortgage Recording Fees - State Share	335	3,408	3,528	215
Sex and Violent Offender Admin - State	10	359	364	5
Inheritance Tax	22,151	401,215	415,970	7,396
Education Plate Fees Agency	-	525	525	-
Riverboat Revenue Sharing	-	198,469	198,469	-
Innkeepers Tax Collections	-	207,165	207,165	-
CEDIT Distribution	-	3,568,782	3,568,782	-
93.563 Prosecutor PCA	6,453	3,251	2,218	7,486
93.563 ARRA Prosecutor IV-D Incentive	271	-	271	-
93.563 ARRA Clerk IV-D Incentive	4,958	-	4,958	-
93.563 Title IV-D Incentive	47,517	17,947	-	65,464
93.563 Prosecutor IV-D Incentive-Post Oct '99	78,584	27,702	45,401	60,885
93.563 Clerk IV-D Incentive-Post Oct '99	19,974	17,947	21,629	16,292
Scott Ditch	54,458	36,729	22,430	68,757
Hull Ditch	9,233	3,933	-	13,166
Maumee Ditch	8,134	71,302	54,800	24,636
Blair/Stormont	36,761	20,629	32,628	24,762
Wabash Levee	32,218	95,771	114,460	13,529
Black River	53,288	24,039	2,611	74,716
Patoka Conservancy	-	53,172	53,172	-
Upper Pigeon Creek Total Drain	200,553	61,793	97,771	164,575
Lillard Drainage	10,051	18,141	16,152	12,040
Metz Drainage	32,588	25,063	2,072	55,579
Brownlee Drainage	6,720	4,020	3,856	6,884
Reinhart Drainage	8,500	6,289	4,841	9,948
Robb	2,975	617	-	3,592
Trippett Drainage	9,356	5,021	860	13,517
McMullen Drainage	3,750	1,849	557	5,042
J C Moore Drainage	2,725	912	-	3,637
Greer Drainage	8,839	1,283	799	9,323
Sturgis Drainage	971	960	457	1,474
Miller Drainage	4,398	1,929	2,991	3,336
E S Farmer	3,844	984	27	4,801
Toelle Drainage	10,056	3,750	1,203	12,603
Comm Certificate Sale	9,687	12,768	9,601	12,854

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

GIBSON 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
Superior Court User Fees	431,444	212,754	308,690	335,508
Sup Crt Administration Fee	127,918	24,752	11,321	141,349
Circuit Crt Prob Admin	17,364	12,997	9,044	21,317
Circuit Court User Fee	124,732	64,706	30,833	158,605
Jury Fee	154,031	6,550	-	160,581
Prosecutor Deferral User Fee	105,990	87,653	139,156	54,487
Co Law Enforcement Cont Ed	76,391	8,268	6,387	78,272
Superior Court Cash Bond Adm Fund	132,332	16,555	5,299	143,588
Superior Ct Alcohol & Drug Fee	45,827	50,484	19,626	76,685
Circuit Social Service User Fee	665	8,850	5,387	4,128
Circuit Bond Adm Fee	10,218	6,875	9,193	7,900
EMA/Misc/WalMart/Toyota Donation	5,500	9,000	7,156	7,344
Donations EMS	1,705	900	-	2,605
Donations EMA Canine	458	-	-	458
Pocket of Need Donations	580	2,445	1,825	1,200
Gibson County Safe Kids Donation	2	700	700	2
Health Fair Donations	966	4,000	3,792	1,174
Child Safety Seat Donation	1,572	225	-	1,797
Prosecutor Meth Prevention	583	-	100	483
Self Insurance (Health)	648,833	3,023,147	2,649,447	1,022,533
Auditors Property Transfer Fee	10,985	10,220	4,685	16,520
Superior GAL/CASA	5,184	-	-	5,184
IV-D Enforcement Program	76	-	-	76
Distressed Road Repayment	198,385	66,128	-	264,513
Travel Vaccine	6,422	23,462	24,475	5,409
Sheriff Tax Warrants	4,881	7,681	10,417	2,145
Civil Process Server	5,001	677	5,678	-
M R U	6,267	2,000	6,117	2,150
CC Project Income	298,547	156,620	196,902	258,265
14.228 Comm Dev Grant Fund	24,126	22,500	22,500	24,126
11.555 Homelan SEC/EMPG PERF	22	10,504	8,042	2,484
16.710 Drug Enforcement	21	-	21	-
16.575 Victim Assisstnace IV	1,823	33,247	31,755	3,315
20.600 Operation Pull Over	18,862	7,625	8,305	18,182
93.069 Bio Terrorism	99	24,189	21,864	2,424
93.069 Health PH A/PAN Flu	1,422	-	1,422	-
16.543 Operation T.I.P.	15,077	21,154	29,976	6,255
HAVA	500	5,678	6,176	2
Tobacco Prevention & Cessation	7,886	25,045	32,931	-
Multi-Jurisdictional Meth Lab	3,089	-	-	3,089
D.A.R.E.	4,194	137	4,281	50
Comm Certificate Sale Surplus	-	2,081	2,081	-
Gibson County Drug Court	-	10,818	1,523	9,295
EMA Womens Foundation	-	500	500	-
EMA Planning/Foundation	-	2,500	2,500	-
Totals	\$ 15,645,306	\$ 78,264,606	\$ 77,581,918	\$ 16,327,994

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

GIBSON 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.

GIBSON 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.

GIBSON 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.

GIBSON 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.

GIBSON 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 a fund with a deficit in cash. The HEA 1001 State Homestead Credit fund has a cash balance deficit due to the nature of the fund.

Note 8. Holding Corporation

The County has entered into a capital lease with Gibson County Facilities 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 \$155,228.

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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.

GIBSON 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	GC Pros Bad Check Restitution	Jail Commissary	Clerk's Trust	General	Accident Report
Cash and investments - beginning	\$ 834,610	\$ 17,332	\$ 780	\$ 5,585	\$ 807,815	\$ 4,101,009	\$ 1,633
Receipts:							
Taxes	-	-	-	-	-	8,840,903	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	787,283	-
Charges for services	-	-	-	-	-	1,741,665	7,769
Fines and forfeits	-	-	-	-	3,926,312	143,630	-
Other receipts	<u>880,251</u>	<u>199,412</u>	<u>638</u>	<u>218,243</u>	<u>-</u>	<u>247,201</u>	<u>-</u>
Total receipts	<u>880,251</u>	<u>199,412</u>	<u>638</u>	<u>218,243</u>	<u>3,926,312</u>	<u>11,760,682</u>	<u>7,769</u>
Disbursements:							
Personal services	-	-	-	-	-	8,727,567	-
Supplies	-	-	-	-	-	576,123	-
Other services and charges	-	-	-	-	-	2,629,920	4,621
Capital outlay	-	-	-	-	-	178,127	-
Other disbursements	<u>834,610</u>	<u>207,175</u>	<u>-</u>	<u>213,681</u>	<u>4,271,925</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>834,610</u>	<u>207,175</u>	<u>-</u>	<u>213,681</u>	<u>4,271,925</u>	<u>12,111,737</u>	<u>4,621</u>
Excess (deficiency) of receipts over disbursements	<u>45,641</u>	<u>(7,763)</u>	<u>638</u>	<u>4,562</u>	<u>(345,613)</u>	<u>(351,055)</u>	<u>3,148</u>
Cash and investments - ending	<u>\$ 880,251</u>	<u>\$ 9,569</u>	<u>\$ 1,418</u>	<u>\$ 10,147</u>	<u>\$ 462,202</u>	<u>\$ 3,749,954</u>	<u>\$ 4,781</u>

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

	Bid Deposits and Bonds Holding	CEDIT County Share	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program	Congressional School Interest
Cash and investments - beginning	\$ 7,000	\$ 938,369	\$ 3,542	\$ 122,444	\$ -	\$ 35,932	\$ 11,263
Receipts:							
Taxes	-	2,515,166	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	12,000	-	11,224	23,972	208,058	22,375	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	52,590	-	-
Total receipts	12,000	2,515,166	11,224	23,972	260,648	22,375	-
Disbursements:							
Personal services	-	79,929	-	-	245,948	-	-
Supplies	-	42,634	-	-	2,874	-	-
Other services and charges	-	1,908,117	-	-	5,995	3,471	-
Capital outlay	-	130,000	-	-	5,830	-	-
Other disbursements	-	158,131	12,245	-	-	-	1,246
Total disbursements	-	2,318,811	12,245	-	260,647	3,471	1,246
Excess (deficiency) of receipts over disbursements	12,000	196,355	(1,021)	23,972	1	18,904	(1,246)
Cash and investments - ending	\$ 19,000	\$ 1,134,724	\$ 2,521	\$ 146,416	\$ 1	\$ 54,836	\$ 10,017

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

	Congressional School Principal	Prisoner Reimbursement For Incarceration	Sales Disclosure - County Share	Covered Bridge	Cumulative Bridge	Cumulative Building	Drug Free Community
Cash and investments - beginning	\$ 31,133	\$ 20,610	\$ 13,973	\$ 16,551	\$ 1,146,929	\$ 296,129	\$ 830
Receipts:							
Taxes	-	-	-	-	1,148,745	277,029	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	99,047	23,886	-
Charges for services	-	-	3,823	3,700	115,848	-	225
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	18,473	-	-	18,561	35	-
Total receipts	-	18,473	3,823	3,700	1,382,201	300,950	225
Disbursements:							
Personal services	-	-	-	-	108,210	-	-
Supplies	-	-	100	-	447,644	-	-
Other services and charges	-	7,844	4,500	12,248	508,935	-	-
Capital outlay	-	-	1,146	-	-	119,834	-
Other disbursements	-	-	5	-	-	-	-
Total disbursements	-	7,844	5,751	12,248	1,064,789	119,834	-
Excess (deficiency) of receipts over disbursements	-	10,629	(1,928)	(8,548)	317,412	181,116	225
Cash and investments - ending	\$ 31,133	\$ 31,239	\$ 12,045	\$ 8,003	\$ 1,464,341	\$ 477,245	\$ 1,055

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

	Emergency Planning/Right To Know	Firearms Training	General Drain Improvement	Health	Identification Security Protection	Levy Excess	Local Health Maintenance
Cash and investments - beginning	\$ 5,353	\$ 5,577	\$ 101,093	\$ 265,135	\$ 72,228	\$ 1,174	\$ 94,463
Receipts:							
Taxes	-	-	-	243,785	-	-	-
Licenses and permits	-	24,960	-	31,169	-	-	6,168
Intergovernmental	-	-	-	21,020	-	-	33,139
Charges for services	23,134	-	-	-	3,376	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	379	-	25,000	-	-	-	-
Total receipts	23,513	24,960	25,000	295,974	3,376	-	39,307
Disbursements:							
Personal services	15,922	-	-	290,642	-	-	29,952
Supplies	5,154	-	-	6,499	-	-	7,770
Other services and charges	1,799	24,492	-	10,494	11,313	-	2,928
Capital outlay	-	-	-	-	-	-	2,369
Other disbursements	-	-	40,000	-	-	-	-
Total disbursements	22,875	24,492	40,000	307,635	11,313	-	43,019
Excess (deficiency) of receipts over disbursements	638	468	(15,000)	(11,661)	(7,937)	-	(3,712)
Cash and investments - ending	<u>\$ 5,991</u>	<u>\$ 6,045</u>	<u>\$ 86,093</u>	<u>\$ 253,474</u>	<u>\$ 64,291</u>	<u>\$ 1,174</u>	<u>\$ 90,751</u>

GIBSON 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	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Rainy Day	Reassessment - 2009	Reassessment - 2015
Cash and investments - beginning	\$ 315,561	\$ 1,651	\$ 10,208	\$ 1,344,775	\$ 608,183	\$ 49,713	\$ 279,593
Receipts:							
Taxes	-	-	-	-	-	-	127,433
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	290,592	-	-	3,075,214	-	-	10,988
Charges for services	-	5,942	24,550	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	228,975	-	-	1,129
Total receipts	290,592	5,942	24,550	3,304,189	-	-	139,550
Disbursements:							
Personal services	-	-	-	1,844,134	-	44,249	-
Supplies	223,068	-	-	710,864	-	2,000	-
Other services and charges	-	4,763	-	337,171	16,298	2,335	-
Capital outlay	120,000	-	31,480	266,220	175,292	-	-
Other disbursements	-	-	-	-	-	1,129	-
Total disbursements	343,068	4,763	31,480	3,158,389	191,590	49,713	-
Excess (deficiency) of receipts over disbursements	(52,476)	1,179	(6,930)	145,800	(191,590)	(49,713)	139,550
Cash and investments - ending	<u>\$ 263,085</u>	<u>\$ 2,830</u>	<u>\$ 3,278</u>	<u>\$ 1,490,575</u>	<u>\$ 416,593</u>	<u>\$ -</u>	<u>\$ 419,143</u>

GIBSON 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	Riverboat	Sex and Violent Offender Administration	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Fees
Cash and investments - beginning	\$ 114,069	\$ 242,007	\$ 5,756	\$ 61,186	\$ 45,248	\$ 27,684	\$ 15,855
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	88,456	-	-	-	-	-
Charges for services	99,259	-	2,751	-	-	8,510	10,519
Fines and forfeits	-	-	-	18,350	-	-	-
Other receipts	-	-	-	-	41,866	-	-
Total receipts	99,259	88,456	2,751	18,350	41,866	8,510	10,519
Disbursements:							
Personal services	52,167	-	-	-	-	-	-
Supplies	2,123	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	30,400	-	-	-	-	-
Other disbursements	-	-	-	920	34,322	-	10,554
Total disbursements	54,290	30,400	-	920	34,322	-	10,554
Excess (deficiency) of receipts over disbursements	44,969	58,056	2,751	17,430	7,544	8,510	(35)
Cash and investments - ending	<u>\$ 159,038</u>	<u>\$ 300,063</u>	<u>\$ 8,507</u>	<u>\$ 78,616</u>	<u>\$ 52,792</u>	<u>\$ 36,194</u>	<u>\$ 15,820</u>

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

	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	GAL/CASA	Auditor's Ineligible Deduction	County Elected Officials Training	Statewide 911
Cash and investments - beginning	\$ 2,839	\$ 179,434	\$ 19,787	\$ 41,900	\$ -	\$ 4,372	\$ 59,013
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	10,344	-	-	-	-
Charges for services	-	-	-	37,701	-	3,376	368,590
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	91,876	360,717	-	-	13,034	-	-
Total receipts	91,876	360,717	10,344	37,701	13,034	3,376	368,590
Disbursements:							
Personal services	-	-	3,105	24,735	-	-	130,941
Supplies	-	-	300	8,465	-	-	-
Other services and charges	-	-	-	-	-	456	185,991
Capital outlay	-	-	-	-	-	-	-
Other disbursements	90,842	246,336	20,000	-	819	-	-
Total disbursements	90,842	246,336	23,405	33,200	819	456	316,932
Excess (deficiency) of receipts over disbursements	1,034	114,381	(13,061)	4,501	12,215	2,920	51,658
Cash and investments - ending	\$ 3,873	\$ 293,815	\$ 6,726	\$ 46,401	\$ 12,215	\$ 7,292	\$ 110,671

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

	Supplemental Adult Probation Services	K-9	Collection Agency Fees	Payroll Clearing	Sheriff Pension Holding	Settlement	Wheel Tax
Cash and investments - beginning	\$ 5,288	\$ 1,967	\$ 1,820	\$ 21,900	\$ 31,561	\$ -	\$ 180
Receipts:							
Taxes	-	-	-	-	-	34,702,551	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	3,127,427	38,277
Charges for services	-	-	988	-	-	-	-
Fines and forfeits	1,481	-	-	-	-	-	-
Other receipts	-	200	-	3,484,484	34,876	-	-
Total receipts	1,481	200	988	3,484,484	34,876	37,829,978	38,277
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	988	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	451	-	-	3,486,645	59,826	37,829,978	38,457
Total disbursements	451	-	988	3,486,645	59,826	37,829,978	38,457
Excess (deficiency) of receipts over disbursements	1,030	200	-	(2,161)	(24,950)	-	(180)
Cash and investments - ending	\$ 6,318	\$ 2,167	\$ 1,820	\$ 19,739	\$ 6,611	\$ -	\$ -

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

	Sur Tax	CVET Agency	Financial Institution Tax	HEA 1001 State Homestead Credit	State Fines and Forfeitures	Infraction Judgements	Special Death Benefit
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (24)	\$ 255	\$ 4,295	\$ 340
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	547,520	388,253	137,734	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	6,951	31,778	2,370
Other receipts	-	-	-	-	-	-	-
Total receipts	547,520	388,253	137,734	-	6,951	31,778	2,370
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	547,520	388,253	137,734	-	7,048	32,057	2,395
Total disbursements	547,520	388,253	137,734	-	7,048	32,057	2,395
Excess (deficiency) of receipts over disbursements	-	-	-	-	(97)	(279)	(25)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24)</u>	<u>\$ 158</u>	<u>\$ 4,016</u>	<u>\$ 315</u>

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

	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State	Inheritance Tax	Education Plate Fees Agency
Cash and investments - beginning	\$ 630	\$ 305	\$ 125	\$ 335	\$ 10	\$ 22,151	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	401,215	-
Charges for services	3,873	2,176	-	3,408	-	-	-
Fines and forfeits	-	-	1,950	-	359	-	-
Other receipts	-	-	-	-	-	-	525
Total receipts	3,873	2,176	1,950	3,408	359	401,215	525
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,088	2,405	1,950	3,528	364	415,970	525
Total disbursements	4,088	2,405	1,950	3,528	364	415,970	525
Excess (deficiency) of receipts over disbursements	(215)	(229)	-	(120)	(5)	(14,755)	-
Cash and investments - ending	\$ 415	\$ 76	\$ 125	\$ 215	\$ 5	\$ 7,396	\$ -

GIBSON 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	CEDIT Distribution	93.563 Prosecutor PCA	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk IV-D Incentive	93.563 Title IV-D Incentive
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 6,453	\$ 271	\$ 4,958	\$ 47,517
Receipts:							
Taxes	-	207,165	3,568,782	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	198,469	-	-	-	-	-	-
Charges for services	-	-	-	3,251	-	-	17,947
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	198,469	207,165	3,568,782	3,251	-	-	17,947
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	3,941	-
Other disbursements	198,469	207,165	3,568,782	2,218	271	1,017	-
Total disbursements	198,469	207,165	3,568,782	2,218	271	4,958	-
Excess (deficiency) of receipts over disbursements	-	-	-	1,033	(271)	(4,958)	17,947
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 7,486	\$ -	\$ -	\$ 65,464

GIBSON 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 Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Scott Ditch	Hull Ditch	Maumee Ditch	Blair/Stormont	Wabash Levee
Cash and investments - beginning	\$ 78,584	\$ 19,974	\$ 54,458	\$ 9,233	\$ 8,134	\$ 36,761	\$ 32,218
Receipts:							
Taxes	-	-	36,729	3,933	31,302	20,629	85,372
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	27,702	17,947	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	40,000	-	10,399
Total receipts	<u>27,702</u>	<u>17,947</u>	<u>36,729</u>	<u>3,933</u>	<u>71,302</u>	<u>20,629</u>	<u>95,771</u>
Disbursements:							
Personal services	6,000	17,972	-	-	-	-	-
Supplies	-	1,172	-	-	-	-	-
Other services and charges	38,767	2,485	22,430	-	54,800	32,628	114,460
Capital outlay	634	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>45,401</u>	<u>21,629</u>	<u>22,430</u>	<u>-</u>	<u>54,800</u>	<u>32,628</u>	<u>114,460</u>
Excess (deficiency) of receipts over disbursements	<u>(17,699)</u>	<u>(3,682)</u>	<u>14,299</u>	<u>3,933</u>	<u>16,502</u>	<u>(11,999)</u>	<u>(18,689)</u>
Cash and investments - ending	<u>\$ 60,885</u>	<u>\$ 16,292</u>	<u>\$ 68,757</u>	<u>\$ 13,166</u>	<u>\$ 24,636</u>	<u>\$ 24,762</u>	<u>\$ 13,529</u>

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

	Black River	Patoka Conservancy	Upper Pigeon Creek Total Drain	Lillard Drainage	Metz Drainage	Brownlee Drainage	Reinhart Drainage
Cash and investments - beginning	\$ 53,288	\$ -	\$ 200,553	\$ 10,051	\$ 32,588	\$ 6,720	\$ 8,500
Receipts:							
Taxes	24,039	53,172	61,793	18,141	25,063	4,020	6,289
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>24,039</u>	<u>53,172</u>	<u>61,793</u>	<u>18,141</u>	<u>25,063</u>	<u>4,020</u>	<u>6,289</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	2,611	-	97,771	16,152	2,072	3,856	4,841
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	53,172	-	-	-	-	-
Total disbursements	<u>2,611</u>	<u>53,172</u>	<u>97,771</u>	<u>16,152</u>	<u>2,072</u>	<u>3,856</u>	<u>4,841</u>
Excess (deficiency) of receipts over disbursements	<u>21,428</u>	<u>-</u>	<u>(35,978)</u>	<u>1,989</u>	<u>22,991</u>	<u>164</u>	<u>1,448</u>
Cash and investments - ending	<u>\$ 74,716</u>	<u>\$ -</u>	<u>\$ 164,575</u>	<u>\$ 12,040</u>	<u>\$ 55,579</u>	<u>\$ 6,884</u>	<u>\$ 9,948</u>

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

	Robb	Trippett Drainage	McMullen Drainage	J C Moore Drainage	Greer Drainage	Sturgis Drainage	Miller Drainage
Cash and investments - beginning	\$ 2,975	\$ 9,356	\$ 3,750	\$ 2,725	\$ 8,839	\$ 971	\$ 4,398
Receipts:							
Taxes	617	5,021	1,849	912	1,283	960	1,929
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>617</u>	<u>5,021</u>	<u>1,849</u>	<u>912</u>	<u>1,283</u>	<u>960</u>	<u>1,929</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	860	557	-	799	457	2,991
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>860</u>	<u>557</u>	<u>-</u>	<u>799</u>	<u>457</u>	<u>2,991</u>
Excess (deficiency) of receipts over disbursements	<u>617</u>	<u>4,161</u>	<u>1,292</u>	<u>912</u>	<u>484</u>	<u>503</u>	<u>(1,062)</u>
Cash and investments - ending	<u>\$ 3,592</u>	<u>\$ 13,517</u>	<u>\$ 5,042</u>	<u>\$ 3,637</u>	<u>\$ 9,323</u>	<u>\$ 1,474</u>	<u>\$ 3,336</u>

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

	E S Farmer	Toelle Drainage	Comm Certificate Sale	Superior Court User Fees	Sup Crt Administration Fee	Circuit Crt Prob Admin	Circuit Court User Fee
Cash and investments - beginning	\$ 3,844	\$ 10,056	\$ 9,687	\$ 431,444	\$ 127,918	\$ 17,364	\$ 124,732
Receipts:							
Taxes	984	3,750	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	212,754	24,752	12,997	64,706
Other receipts	-	-	12,768	-	-	-	-
Total receipts	<u>984</u>	<u>3,750</u>	<u>12,768</u>	<u>212,754</u>	<u>24,752</u>	<u>12,997</u>	<u>64,706</u>
Disbursements:							
Personal services	-	-	-	243,189	9,415	9,044	13,222
Supplies	-	-	-	59,545	-	-	4,293
Other services and charges	27	1,203	-	5,956	1,906	-	13,318
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	9,601	-	-	-	-
Total disbursements	<u>27</u>	<u>1,203</u>	<u>9,601</u>	<u>308,690</u>	<u>11,321</u>	<u>9,044</u>	<u>30,833</u>
Excess (deficiency) of receipts over disbursements	<u>957</u>	<u>2,547</u>	<u>3,167</u>	<u>(95,936)</u>	<u>13,431</u>	<u>3,953</u>	<u>33,873</u>
Cash and investments - ending	<u>\$ 4,801</u>	<u>\$ 12,603</u>	<u>\$ 12,854</u>	<u>\$ 335,508</u>	<u>\$ 141,349</u>	<u>\$ 21,317</u>	<u>\$ 158,605</u>

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

	Jury Fee	Prosecutor Deferral User Fee	Co Law Enforcement Cont Ed	Superior Court Cash Bond Adm Fund	Superior Ct Alcohol & Drug Fee	Circuit Social Service User Fee	Circuit Bond Adm Fee
Cash and investments - beginning	\$ 154,031	\$ 105,990	\$ 76,391	\$ 132,332	\$ 45,827	\$ 665	\$ 10,218
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	6,550	87,653	8,268	16,555	50,484	8,850	6,875
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>6,550</u>	<u>87,653</u>	<u>8,268</u>	<u>16,555</u>	<u>50,484</u>	<u>8,850</u>	<u>6,875</u>
Disbursements:							
Personal services	-	108,460	-	-	4,088	4,887	-
Supplies	-	5,705	-	-	171	-	-
Other services and charges	-	18,535	-	5,299	13,461	-	7,327
Capital outlay	-	6,456	-	-	1,906	-	-
Other disbursements	-	-	6,387	-	-	500	1,866
Total disbursements	<u>-</u>	<u>139,156</u>	<u>6,387</u>	<u>5,299</u>	<u>19,626</u>	<u>5,387</u>	<u>9,193</u>
Excess (deficiency) of receipts over disbursements	<u>6,550</u>	<u>(51,503)</u>	<u>1,881</u>	<u>11,256</u>	<u>30,858</u>	<u>3,463</u>	<u>(2,318)</u>
Cash and investments - ending	<u>\$ 160,581</u>	<u>\$ 54,487</u>	<u>\$ 78,272</u>	<u>\$ 143,588</u>	<u>\$ 76,685</u>	<u>\$ 4,128</u>	<u>\$ 7,900</u>

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

	EMA/Misc/ WalMart/Toyota Donation	Donations EMS	Donations EMA Canine	Pocket of Need Donations	Gibson County Safe Kids Donation	Health Fair Donations	Child Safety Seat Donation
Cash and investments - beginning	\$ 5,500	\$ 1,705	\$ 458	\$ 580	\$ 2	\$ 966	\$ 1,572
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	9,000	900	-	2,445	700	4,000	225
Total receipts	<u>9,000</u>	<u>900</u>	<u>-</u>	<u>2,445</u>	<u>700</u>	<u>4,000</u>	<u>225</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	7,156	-	-	-	-	-	-
Other disbursements	-	-	-	1,825	700	3,792	-
Total disbursements	<u>7,156</u>	<u>-</u>	<u>-</u>	<u>1,825</u>	<u>700</u>	<u>3,792</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,844</u>	<u>900</u>	<u>-</u>	<u>620</u>	<u>-</u>	<u>208</u>	<u>225</u>
Cash and investments - ending	<u>\$ 7,344</u>	<u>\$ 2,605</u>	<u>\$ 458</u>	<u>\$ 1,200</u>	<u>\$ 2</u>	<u>\$ 1,174</u>	<u>\$ 1,797</u>

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

	Prosecutor Meth Prevention	Self Insuarnce (Health)	Auditors Property Transfer Fee	Superior GAL/CASA	IV-D Enforcement Program	Distressed Road Repayment	Travel Vaccine
Cash and investments - beginning	\$ 583	\$ 648,833	\$ 10,985	\$ 5,184	\$ 76	\$ 198,385	\$ 6,422
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	10,220	-	-	-	23,462
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	3,023,147	-	-	-	66,128	-
Total receipts	-	3,023,147	10,220	-	-	66,128	23,462
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	24,475
Other services and charges	-	2,649,447	-	-	-	-	-
Capital outlay	-	-	4,680	-	-	-	-
Other disbursements	100	-	5	-	-	-	-
Total disbursements	100	2,649,447	4,685	-	-	-	24,475
Excess (deficiency) of receipts over disbursements	(100)	373,700	5,535	-	-	66,128	(1,013)
Cash and investments - ending	\$ 483	\$ 1,022,533	\$ 16,520	\$ 5,184	\$ 76	\$ 264,513	\$ 5,409

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

	Sheriff Tax Warrants	Civil Process Server	M R U	CC Project Income	14.228 Comm Dev Grant Fund	11.555 Homelan SEC/EMPG PERF	16.710 Drug Enforcement
Cash and investments - beginning	\$ 4,881	\$ 5,001	\$ 6,267	\$ 298,547	\$ 24,126	\$ 22	\$ 21
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	677	-	-	22,500	10,504	-
Fines and forfeits	-	-	-	156,620	-	-	-
Other receipts	7,681	-	2,000	-	-	-	-
Total receipts	<u>7,681</u>	<u>677</u>	<u>2,000</u>	<u>156,620</u>	<u>22,500</u>	<u>10,504</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	53,140	-	-	-
Supplies	-	-	6,117	91,172	-	8,042	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	10,417	5,678	-	52,590	22,500	-	21
Total disbursements	<u>10,417</u>	<u>5,678</u>	<u>6,117</u>	<u>196,902</u>	<u>22,500</u>	<u>8,042</u>	<u>21</u>
Excess (deficiency) of receipts over disbursements	<u>(2,736)</u>	<u>(5,001)</u>	<u>(4,117)</u>	<u>(40,282)</u>	<u>-</u>	<u>2,462</u>	<u>(21)</u>
Cash and investments - ending	<u>\$ 2,145</u>	<u>\$ -</u>	<u>\$ 2,150</u>	<u>\$ 258,265</u>	<u>\$ 24,126</u>	<u>\$ 2,484</u>	<u>\$ -</u>

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

	16.575 Victim Assistance IV	20.600 Operation Pull Over	93.069 Bio Terrorism	93.069 Health PH A/PAN Flu	16.543 Operation T.I.P.	HAVA	Tobacco Prevention & Cessation
Cash and investments - beginning	\$ 1,823	\$ 18,862	\$ 99	\$ 1,422	\$ 15,077	\$ 500	\$ 7,886
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	33,247	-	24,189	-	-	-	25,045
Charges for services	-	7,625	-	-	12,700	5,678	-
Fines and forfeits	-	-	-	-	8,454	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	33,247	7,625	24,189	-	21,154	5,678	25,045
Disbursements:							
Personal services	31,755	8,305	14,364	-	-	-	-
Supplies	-	-	286	1,237	-	-	9,202
Other services and charges	-	-	880	185	29,976	-	23,729
Capital outlay	-	-	6,334	-	-	6,176	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	31,755	8,305	21,864	1,422	29,976	6,176	32,931
Excess (deficiency) of receipts over disbursements	1,492	(680)	2,325	(1,422)	(8,822)	(498)	(7,886)
Cash and investments - ending	<u>\$ 3,315</u>	<u>\$ 18,182</u>	<u>\$ 2,424</u>	<u>\$ -</u>	<u>\$ 6,255</u>	<u>\$ 2</u>	<u>\$ -</u>

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

	Multi-Jurisdictional Meth Lab	D.A.R.E.	Comm Certificate Sale Surplus	Gibson County Drug Court	EMA Womens Foundation	EMA Planning/Foundation	Totals
Cash and investments - beginning	\$ 3,089	\$ 4,194	\$ -	\$ -	\$ -	\$ -	\$ 15,645,306
Receipts:							
Taxes	-	-	-	-	-	-	52,019,346
Licenses and permits	-	-	-	-	-	-	62,297
Intergovernmental	-	-	-	-	-	-	9,361,345
Charges for services	-	-	-	10,098	-	2,500	2,921,623
Fines and forfeits	-	-	-	720	-	-	4,799,419
Other receipts	-	137	2,081	-	500	-	9,100,576
Total receipts	-	137	2,081	10,818	500	2,500	78,264,606
Disbursements:							
Personal services	-	-	-	-	-	-	12,121,342
Supplies	-	4,281	-	-	-	-	2,251,316
Other services and charges	-	-	-	-	500	2,500	8,857,465
Capital outlay	-	-	-	-	-	-	1,097,981
Other disbursements	-	-	2,081	1,523	-	-	53,253,814
Total disbursements	-	4,281	2,081	1,523	500	2,500	77,581,918
Excess (deficiency) of receipts over disbursements	-	(4,144)	-	9,295	-	-	682,688
Cash and investments - ending	\$ 3,089	\$ 50	\$ -	\$ 9,295	\$ -	\$ -	\$ 16,327,994

GIBSON COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2013

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 1,148,174	\$ -

GIBSON COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2013

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	TOYOTA PERIMETER ROAD		\$ 1,935,000	\$ 593,443
Revenue bonds	Infrastructure improvements		24,860,000	6,074,250
Revenue bonds	Economic development		13,700,000	561,700
Capital lease	Gibson County Facilities Holding Corporation		1,425,000	155,228
Notes and loans payable	Distressed Road		<u>661,283</u>	<u>-</u>
	Total governmental activities		<u>42,581,283</u>	<u>7,384,621</u>
Totals			<u>\$ 42,581,283</u>	<u>\$ 7,384,621</u>

GIBSON 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	
Infrastructure	\$ 219,000
Buildings	20,307,563
Improvements other than buildings	25,868,462
Machinery, equipment, and vehicles	1,923,445
	7,886,990
Total governmental activities	56,205,460
Total capital assets	\$ 56,205,460

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF GIBSON COUNTY, INDIANA

Report on Compliance for the Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program 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 the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE 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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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 25, 2014

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTE

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

GIBSON 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 E911	Indiana Office of Technology	11.558	ARRA Broadband	\$ <u>2,000</u>
Total - Department of Commerce				<u>2,000</u>
<u>Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii White River Township Fire Station	Indiana Office of Community and Rural Affairs	14.228	PL-06-029	<u>22,500</u>
Total - CDBG - State-Administered CDBG Cluster				<u>22,500</u>
Total - Department of Housing and Urban Development				<u>22,500</u>
<u>Department of Justice</u>				
Missing Children's Assistance Operation TIP	Indiana Criminal Justice Institute Operation TIP	16.543	100INTCRIMESF11 100I	<u>7,500</u>
Crime Victim Assistance Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	10-VA-PR133	<u>31,755</u>
Total - Department of Justice				<u>39,255</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction Highway Planning and Construction	Indiana Department of Transportation	20.205	EDS# A249-11-320701	<u>116,628</u>
Total - Highway Planning and Construction Cluster				<u>116,628</u>
Highway Safety Cluster State and Community Highway Safety Operation Pull-Over	Indiana Criminal Justice Institute	20.600	EDS# D3-11-5474	<u>8,305</u>
Total - Highway Safety Cluster				<u>8,305</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Homeland Security	20.703	EDS# 44P-1-173A	<u>15,925</u>
Total - Department of Transportation				<u>140,858</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

GIBSON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013
(Continued)

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 Health and Human Services</u>				
Public Health Emergency Preparedness Bioterrorism	Indiana Department of Health	93.069	EDS# A70-1-0531600	<u>7,139</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Bioterrorism	Indiana Department of Health	93.074	BPRS 125-70	<u>15,114</u>
Centers for Disease Control and Prevention_ Investigations and Technical Assistance Bioterrorism	Indiana Department of Health	93.283	BPRS 125-75	<u>1,936</u>
Child Support Enforcement IV-D Child Support	Indiana Department of Child Services	93.563	Clerk Expense Collection Incentive Indirect Costs Prosecutor Expense	<u>41,763</u> <u>72,259</u> <u>31,984</u> <u>183,725</u>
Total - Child Support Enforcement				<u>329,731</u>
Voting Access for Individuals with Disabilities_Grants to States Help America Vote	Indiana Election Commission	93.617	0630903INVOTE09 0631	<u>5,678</u>
Total - Department of Health and Human Services				<u>359,598</u>
<u>Department of Homeland Security</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disaster) Emergency Planning Disaster # 1997	Indiana Department of Homeland Security	97.036	Disaster # 1997 Disaster # 1997	<u>2,195</u> <u>30,146</u>
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>32,341</u>
Emergency Management Performance Grants Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EDS# C44P-2-333A	<u>21,678</u>
Interoperable Emergency Communications EMA Planning	Indiana Department of Homeland Security	97.055	EDS#C44P-3-0018	<u>2,500</u>
State Homeland Security Program (SHSP) State Homeland Security Program	Indiana Department of Homeland Security	97.073	EDS# C44P-7-352	<u>4,049</u>
Total - Department of Homeland Security				<u>60,568</u>
Total federal awards expended				<u>\$ 624,779</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

GIBSON COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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.

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

Federal Awards:

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

CFDA Number	Name of Federal Program or Cluster
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
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Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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/>.