

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF  
ST. JOSEPH COUNTY, INDIANA  
January 1, 2014 to December 31, 2014



**FILED**  
01/29/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Peter H. Mullen Michael J. Hamann	01-01-12 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Michael J. Kruk	01-01-13 to 12-31-16
Clerk of the Circuit Court	Terri J. Rethlake	01-01-11 to 12-31-18
County Sheriff	Michael D. Grzegorek	01-01-11 to 12-31-18
County Recorder	Phillip G. Dotson	01-01-13 to 12-31-16
President of the Board of County Commissioners	Andrew Kostielney	01-01-14 to 12-31-15
President of the County Council	Rafael Morton	01-01-14 to 12-31-15



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF ST. JOSEPH COUNTY, INDIANA

### **Report on the Financial Statement**

We have audited the accompanying financial statement of St. Joseph County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement as listed in the Table of Contents.

### ***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, 2014.

***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, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*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.

*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated November 4, 2015, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

November 4, 2015



**STATE OF INDIANA**  
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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 ST. JOSEPH 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 St. Joseph County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated November 4, 2015, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002 to be material weaknesses.

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

**Compliance and Other Matters**

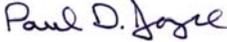
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002.

**St. Joseph 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

November 4, 2015

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

ST. JOSEPH COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Treasurer After Settlement Collections	\$ 7,873,958	\$ 9,615,626	\$ 7,873,958	\$ 9,615,626
Sheriff's Inmate Trust & Unclaimed	184,302	1,015,422	1,030,355	169,369
JJC Detention Trust	1,811	1,730	1,468	2,073
Jail Commissary	144,904	103,282	113,050	135,136
Clerk Trust/Investment	-	1,255	-	1,255
Portage Manor Resident Trust - County Home	17,939	1,013,444	1,024,501	6,882
Sheriff's Cashbook - Records & Civil Collections	1,357	4,163,050	4,163,050	1,357
County General	7,876,229	65,236,342	63,282,680	9,829,891
Accident Reports Sheriff	31,769	14,217	2,343	43,643
Public Housing Authority	28,180	31,531	31,531	28,180
Tax Sale Clearing	2,153	3,281,296	3,281,296	2,153
City/Town Court Costs	124,753	64,103	-	188,856
Clerks Record Perpetuation	220,070	70,974	200,818	90,226
County C.O.I.T. Dist. Fund	4,791,293	9,701,649	13,428,797	1,064,145
Community Based Corrections	224,803	5,915	20,497	210,221
Community Transition Program	22,475	-	-	22,475
Animal License Fee (Dog Tax)	28,341	7,025	-	35,366
County Sales Disclos. Fee - old	379,780	25,825	15	405,590
Cumulative Bridge	1,152,319	797,596	591,103	1,358,812
Cum Capital Devlpmt Fund	2,628,024	1,425,718	1,658,685	2,395,057
County Drug Free Fund	74,552	126,982	83,300	118,234
Local Emergency Planning Fund	17,740	17,660	31,086	4,314
St Joseph Co. Em. Tel. Sys. Fund	1,752,779	43,967	1,488,291	308,455
Enhanced Access Fee	432,485	359,205	319,785	471,905
Firearms Training & Police Ed.	151,308	49,815	35,877	165,246
General Drain Impr	63,630	123,159	253,209	(66,420)
County Health	267,213	1,808,831	2,575,691	(499,647)
SJC Ident. Security Protection	19,012	18,254	31,763	5,503
Excess Levy Fund	72,519	11,576	-	84,095
Local Roads & Streets	1,861,451	1,671,737	1,991,111	1,542,077
Major Cumulative Bridge	1,604,950	1,392,824	2,325,927	671,847
Local Major Moves Const. Fund	1,340,263	2,112,543	2,393,094	1,059,712
County Highway	1,220,348	7,025,779	6,042,538	2,203,589
Park & Recr Capital	65,465	22,223	-	87,688
Park & Recr Non Reverting	76,988	546,319	391,585	231,722
Plat Book Maint. Fund	196,970	57,174	25,983	228,161
County Rainy Day Fund	6,288,978	-	-	6,288,978
2017 Cum Reassessment	1,569,825	824,203	766,535	1,627,493
Recorder Perpetuation	1,027,174	354,127	346,015	1,035,286
Co Police Pension Trust	68,470	175,348	-	243,818
Surplus Tax	519,718	595,606	692,108	423,216
Surveyor Corner Fund	21,056	47,018	23,921	44,153
Tax Sale Redemption	60,189	1,808,778	1,804,668	64,299
Tax Sale Surplus	5,503,633	2,351,032	5,506,808	2,347,857
Special Vehicle Inspection	9,577	3,515	1,948	11,144
GAL/CASA Program	220,157	189,611	50,519	359,249
H.A.V.A. 102 Funds	790,242	-	-	790,242
Ineligible Deductions Fund	1,554,513	559,838	1,639,379	474,972
Co Elected Ofcls Training Fund	43,315	16,469	4,341	55,443
Park & Recreation Fund	192,330	1,646,178	1,633,928	204,580
Statewide 9-1-1 Fund	2,647,272	1,802,142	44,175	4,405,239
Adult Probation Fees	287,029	119,369	116,609	289,789
Juvenile Probation Fees	359,525	100,460	264,601	195,384
Problem Solving Court Fee	1,621,302	577,146	494,833	1,703,615
Drainage Maintenance	1,368,128	738,827	446,332	1,660,623
Portage Manor Fund	2,819,106	2,199,013	2,560,933	2,457,186

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

ST. JOSEPH COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Park & Recr Gift & Grant	158,569	24,284	38,535	144,318
Wyatt Economic Dev Area #1	6,092,660	1,075,319	727,901	6,440,078
Redv Bnd 2001 Refin Bond 2010	3,978,317	1,564,087	4,759,488	782,916
County Bonds & Interest	1,425,993	3,630,203	3,460,000	1,596,196
St Joe Co Group Ins	10,171,118	12,898,793	15,017,294	8,052,617
Payroll	-	42,939,707	42,936,214	3,493
Mich St Withholding	5,627	73,039	72,846	5,820
Federal Withholding	-	4,497,054	4,497,054	-
FICA	-	6,338,430	6,338,430	-
PERF	99	4,455,718	4,455,817	-
Ind Gross Withholding	155,407	2,021,594	2,021,023	155,978
Settlement	-	260,170,158	260,170,158	-
Public Safety L.O.I.T.	4,287,139	18,957,938	18,815,022	4,430,055
County Wheel Tax	378	402,846	402,846	378
C.V.E.T. Fund	-	2,223,149	2,223,149	-
Excise Surtax Fund	-	4,521,827	4,521,827	-
Sewage Liens Collections	8	215,393	215,361	40
HEA 1001-08ST Homestead Credit	22,344	148	22,492	-
Fines & Forfeitures	137,478	546,744	558,027	126,195
Special Death Benefit Fees	1,340	21,735	21,420	1,655
State Sales Disclosure Fees	2,750	25,825	25,775	2,800
Coroner Trng. & Cont. Ed. Fees	2,448	36,702	35,262	3,888
Adult/Juv. Interstate Compact	4,116	4,000	2,000	6,116
Mortgage Recording Fee-State	1,380	18,113	18,210	1,283
Inheritance Tax	527,385	434,512	887,657	74,240
Education Plate Fee Distr	-	5,146	5,146	-
Riverboat Revenue Sharing	-	1,581,278	1,581,278	-
Convention Exhibition Center	2,400,770	4,419,467	3,508,588	3,311,649
C.E.D.I.T. Fund	9,391,664	33,532,920	34,515,544	8,409,040
C.O.I.T. Fund (H.S.C.)	6,567,597	32,370,061	34,505,858	4,431,800
Prosecutor P.C.A. 93.563	22,715	37,320	23,690	36,345
County Clerk A.R.R.A. Fund	3,303	-	-	3,303
93.563 Title IV-D Incentive	385,750	132,479	20,275	497,954
Title IV-D Pros. Incentive	244,183	199,311	255,955	187,539
Title IV-D Clerk Incentive	909,994	132,479	48,014	994,459
Adult Probation Fee Cashbook	27,382	114,224	119,154	22,452
Clerk Main Office Cashbook	7,576,263	1,784,551	3,501,563	5,859,251
Clerk Support Cashbook	95,760	3,966,314	3,997,350	64,724
Clerk Small Claims Cashbook	242,186	733,239	900,494	74,931
Clerk Odyssey Cashbook	1,496,453	15,032,912	13,643,616	2,885,749
Clerk Mishawaka Cashbook	244,145	509,654	595,917	157,882
JJC Equipment Reimbursement	2,477	430	140	2,767
JJC Probation User Fees	35,444	295,329	291,409	39,364
JJC Restitution	23,327	23,507	10,546	36,288
Adult Probation Administrative Fees	7,605	34,164	34,053	7,716
Ineligible Deduction - 7/1/13	-	1,339,544	10,000	1,329,544
County Poor Relief Bond	198,165	-	-	198,165
St Joe Co Liability Reserve	420,150	767,846	798,227	389,769
D.R.C.B. Fee Fund	26,562	8,966	7,477	28,051
Alt. Dispute Resolution Fund	9,304	20,796	22,445	7,655
Co Sheriff CEF	129,832	46,667	19,102	157,397
Sex/Violent Offender Fee	19,734	11,660	5,982	25,412
Sex/Violent Off. Add. Fee	5	-	-	5
Ptg Manor Farm Operation	24,901	7,750	7,448	25,203
County Owned Tax Sale	1,568,759	443,566	801,519	1,210,806
Drug Testing Fees	119,680	33,237	27,673	125,244
Adult Drug Testing Fees	12,844	-	8,290	4,554

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

ST. JOSEPH COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Community Development	14,565	-	-	14,565
Sheriff D.E.A. Fund	3,519	2,126	1,744	3,901
Pros D.E.A. Fund	14,209	-	-	14,209
Federal D.E.A./Prosecutor	130,377	114,784	107,864	137,297
Healthwin	329,399	99,339	-	428,738
Recorder's Escrow Fund	78,153	1,038,609	1,034,740	82,022
Public Defenders Fees	310,512	35,339	18,646	327,205
Co. Emergency Command Ctr. Fund	317,926	-	-	317,926
Comm. Corrections Bldg. Fund	391,430	200,000	200,000	391,430
Local Hwy. User Tax Projects	899,530	2,410,550	2,999,490	310,590
Misc. State Monies Trust Fund	1,112	551,252	551,252	1,112
Adult Pro. Admin. Fee	216,064	33,903	31,530	218,437
CEDIT/PSAP Construction Fund	-	-	559,900	(559,900)
C.O.I.T. Fund (P.T.R.C.)	1,476,367	30,762,650	32,239,017	-
Federal Grant Fund	(393)	4,765	-	4,372
S.T.O.P. Violence Against Women	(40,985)	129,004	164,345	(76,326)
2011 E.M.P.G. Competitive Grt.	(3,631)	-	-	(3,631)
Medical Reserve Corps/Health	-	8,554	714	7,840
Health S.T.D.	(3,223)	3,223	-	-
Health Bioterrorism Grant	3,736	1,079	5,032	(217)
Protective Order Project/SJC	(1,632)	133,289	153,454	(21,797)
Victims of Crime Act - Assist.	-	81,799	81,799	-
RACES Communication Equip Grt	-	6,179	6,179	-
Emergency Mgmt Performance Grt	-	4,451	4,451	-
Health Local Hlth Services Grt	99,271	72,672	88,763	83,180
Drug Free Comm. Council Grant	12,355	4,800	10,795	6,360
Health H.U.D. Grant	(18,136)	78,491	75,431	(15,076)
2012 Problem Solving Grant	3,811	-	1,524	2,287
Family Court Grant	386	-	386	-
Data Share Initiative Grant	30	4,000	3,000	1,030
Adult Protective Services Grant	(43,108)	225,453	244,442	(62,097)
Influenza Immunization Grant	(36,066)	46,649	57,821	(47,238)
Health Trust Fund	264,803	95,631	82,832	277,602
Juvenile Detention Alternative	-	20,670	43,051	(22,381)
DV/PO Court Grant	48,947	-	17,767	31,180
Community Based Corrections	481,276	2,959,227	2,908,026	532,477
Community Transition Program	55,272	133,905	137,174	52,003
Totals	<u>\$ 126,111,058</u>	<u>\$ 630,017,256</u>	<u>\$ 644,432,770</u>	<u>\$ 111,695,544</u>

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

ST. JOSEPH 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 non-businesses 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.

ST. JOSEPH 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.

ST. JOSEPH 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.

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

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

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

*Funding Policy and Annual Pension Cost*

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

ST. JOSEPH 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 grant funds with deficits in cash. This is a result of reimbursements for expenditures made by the County that were not received by December 31, 2014. The financial statement also contains other funds with deficits in cash and these were a result of expenditures which exceeded the revenues collected.

**Note 8. Restatements**

For the year ended December 31, 2014, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances.

ST. JOSEPH COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Fund	Balance December 31, 2013	Prior Period Adjustment	Balance January 1, 2014
Clerk Main Office Cashbook	\$ 7,576,271	\$ (8)	\$ 7,576,263
Clerk Support Cashbook	190,672	(94,912)	95,760
Clerk Small Claims Cashbook	244,207	(2,021)	242,186

**Note 9. Holding Corporation**

The County has entered into a capital lease with St. Joseph County Jail Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2014 totaled \$3,460,000.

**Note 10. Other Postemployment Benefits**

The County provides medical insurance to eligible retirees and their spouses. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

**Note 11. Subsequent Events**

On June 11, 2015, St. Joseph County issued \$10,535,000 of new debt. Outstanding bonds were refunded and a new lease agreement was entered into at this time. The lease will be used for the Jail. The debt will be repaid by property taxes and will be paid off on December 31, 2018.

#### OTHER INFORMATION - UNAUDITED

The County's Annual Financial 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 Financial 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 other information presented was approved by management of the County. It is presented as intended by the County.

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014

	Treasurer After Settlement Collections	Sheriff's Inmate Trust & Unclaimed	JJC Detention Trust	Jail Commissary	Clerk Trust/Investment	Portage Manor Resident Trust - County Home	Sheriff's Cashbook Records & Civil Collections
Cash and investments - beginning	\$ 7,873,958	\$ 184,302	\$ 1,811	\$ 144,904	\$ -	\$ 17,939	\$ 1,357
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	9,615,626	1,015,422	1,730	103,282	1,255	1,013,444	4,163,050
Total receipts	<u>9,615,626</u>	<u>1,015,422</u>	<u>1,730</u>	<u>103,282</u>	<u>1,255</u>	<u>1,013,444</u>	<u>4,163,050</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	7,873,958	1,030,355	1,468	113,050	-	1,024,501	4,163,050
Total disbursements	<u>7,873,958</u>	<u>1,030,355</u>	<u>1,468</u>	<u>113,050</u>	<u>-</u>	<u>1,024,501</u>	<u>4,163,050</u>
Excess (deficiency) of receipts over disbursements	<u>1,741,668</u>	<u>(14,933)</u>	<u>262</u>	<u>(9,768)</u>	<u>1,255</u>	<u>(11,057)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 9,615,626</u>	<u>\$ 169,369</u>	<u>\$ 2,073</u>	<u>\$ 135,136</u>	<u>\$ 1,255</u>	<u>\$ 6,882</u>	<u>\$ 1,357</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	County General	Accident Reports Sheriff	Public Housing Authority	Tax Sale Clearing	City/Town Court Costs	Clerks Record Perpetuation
Cash and investments - beginning	\$ 7,876,229	\$ 31,769	\$ 28,180	\$ 2,153	\$ 124,753	\$ 220,070
Receipts:						
Taxes	36,067,448	-	-	-	-	-
Licenses and permits	79,108	-	-	-	-	-
Intergovernmental	3,954,264	-	31,531	-	-	-
Charges for services	7,073,976	12,920	-	-	-	1,151
Fines and forfeits	1,236,260	-	-	-	-	-
Other receipts	<u>16,825,286</u>	<u>1,297</u>	<u>-</u>	<u>3,281,296</u>	<u>64,103</u>	<u>69,823</u>
Total receipts	<u>65,236,342</u>	<u>14,217</u>	<u>31,531</u>	<u>3,281,296</u>	<u>64,103</u>	<u>70,974</u>
Disbursements:						
Personal services	38,929,456	1,009	-	-	-	22,282
Supplies	2,225,998	1,334	-	-	-	25,488
Other services and charges	22,088,938	-	31,531	3,281,296	-	151,574
Capital outlay	8,614	-	-	-	-	1,474
Other disbursements	<u>29,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>63,282,680</u>	<u>2,343</u>	<u>31,531</u>	<u>3,281,296</u>	<u>-</u>	<u>200,818</u>
Excess (deficiency) of receipts over disbursements	<u>1,953,662</u>	<u>11,874</u>	<u>-</u>	<u>-</u>	<u>64,103</u>	<u>(129,844)</u>
Cash and investments - ending	<u>\$ 9,829,891</u>	<u>\$ 43,643</u>	<u>\$ 28,180</u>	<u>\$ 2,153</u>	<u>\$ 188,856</u>	<u>\$ 90,226</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	County C.O.I.T. Dist. Fund	Community Based Corrections	Community Transition Program	Animal License Fee (Dog Tax)	County Sales Disclos. Fee - Old	Cumulative Bridge
Cash and investments - beginning	\$ 4,791,293	\$ 224,803	\$ 22,475	\$ 28,341	\$ 379,780	\$ 1,152,319
Receipts:						
Taxes	9,691,833	-	-	-	-	624,517
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	54,236
Charges for services	-	-	-	-	25,825	108,307
Fines and forfeits	-	-	-	7,025	-	-
Other receipts	9,816	5,915	-	-	-	10,536
Total receipts	<u>9,701,649</u>	<u>5,915</u>	<u>-</u>	<u>7,025</u>	<u>25,825</u>	<u>797,596</u>
Disbursements:						
Personal services	7,892,249	-	-	-	-	-
Supplies	-	-	-	-	-	15,000
Other services and charges	377,631	20,497	-	-	15	160,345
Capital outlay	-	-	-	-	-	415,758
Other disbursements	5,158,917	-	-	-	-	-
Total disbursements	<u>13,428,797</u>	<u>20,497</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>591,103</u>
Excess (deficiency) of receipts over disbursements	<u>(3,727,148)</u>	<u>(14,582)</u>	<u>-</u>	<u>7,025</u>	<u>25,810</u>	<u>206,493</u>
Cash and investments - ending	<u>\$ 1,064,145</u>	<u>\$ 210,221</u>	<u>\$ 22,475</u>	<u>\$ 35,366</u>	<u>\$ 405,590</u>	<u>\$ 1,358,812</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Cum Capital Devlpmt Fund	County Drug Free Fund	Local Emergency Planning Fund	St Joseph Co. Em. Tel. Sys. Fund	Enhanced Access Fee	Firearms Training & Police Ed.
Cash and investments - beginning	\$ 2,628,024	\$ 74,552	\$ 17,740	\$ 1,752,779	\$ 432,485	\$ 151,308
Receipts:						
Taxes	1,268,153	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	110,134	-	-	-	-	-
Charges for services	-	-	17,660	-	36,983	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	47,431	126,982	-	43,967	322,222	49,815
Total receipts	1,425,718	126,982	17,660	43,967	359,205	49,815
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	475,003	83,300	12,982	1,488,291	319,785	35,877
Capital outlay	1,183,682	-	18,104	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,658,685	83,300	31,086	1,488,291	319,785	35,877
Excess (deficiency) of receipts over disbursements	(232,967)	43,682	(13,426)	(1,444,324)	39,420	13,938
Cash and investments - ending	\$ 2,395,057	\$ 118,234	\$ 4,314	\$ 308,455	\$ 471,905	\$ 165,246

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	General Drain Impr	County Health	SJC Ident. Security Protection	Excess Levy Fund	Local Roads & Streets	Major Cumulative Bridge
Cash and investments - beginning	\$ 63,630	\$ 267,213	\$ 19,012	\$ 72,519	\$ 1,861,451	\$ 1,604,950
Receipts:						
Taxes	24,531	662,753	-	-	-	1,268,153
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	57,557	-	-	1,498,190	110,134
Charges for services	27,938	1,086,949	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	70,690	1,572	18,254	11,576	173,547	14,537
Total receipts	<u>123,159</u>	<u>1,808,831</u>	<u>18,254</u>	<u>11,576</u>	<u>1,671,737</u>	<u>1,392,824</u>
Disbursements:						
Personal services	-	2,373,168	-	-	-	-
Supplies	-	33,471	-	-	-	-
Other services and charges	253,209	164,094	31,763	-	29,207	2,163,901
Capital outlay	-	4,112	-	-	1,961,904	162,026
Other disbursements	-	846	-	-	-	-
Total disbursements	<u>253,209</u>	<u>2,575,691</u>	<u>31,763</u>	<u>-</u>	<u>1,991,111</u>	<u>2,325,927</u>
Excess (deficiency) of receipts over disbursements	<u>(130,050)</u>	<u>(766,860)</u>	<u>(13,509)</u>	<u>11,576</u>	<u>(319,374)</u>	<u>(933,103)</u>
Cash and investments - ending	<u>\$ (66,420)</u>	<u>\$ (499,647)</u>	<u>\$ 5,503</u>	<u>\$ 84,095</u>	<u>\$ 1,542,077</u>	<u>\$ 671,847</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Local Major Moves Const. Fund	County Highway	Park & Recr Capital	Park & Recr Non Reverting	Plat Book Maint. Fund	County Rainy Day Fund
Cash and investments - beginning	\$ 1,340,263	\$ 1,220,348	\$ 65,465	\$ 76,988	\$ 196,970	\$ 6,288,978
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	6,516,085	-	-	-	-
Charges for services	-	20,000	5,315	127,621	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,112,543	489,694	16,908	418,698	57,174	-
Total receipts	<u>2,112,543</u>	<u>7,025,779</u>	<u>22,223</u>	<u>546,319</u>	<u>57,174</u>	<u>-</u>
Disbursements:						
Personal services	-	3,536,365	-	63,099	4,862	-
Supplies	-	1,791,050	-	87,720	5,009	-
Other services and charges	-	666,847	-	36,359	512	-
Capital outlay	2,393,094	48,276	-	-	-	-
Other disbursements	-	-	-	204,407	15,600	-
Total disbursements	<u>2,393,094</u>	<u>6,042,538</u>	<u>-</u>	<u>391,585</u>	<u>25,983</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(280,551)</u>	<u>983,241</u>	<u>22,223</u>	<u>154,734</u>	<u>31,191</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,059,712</u>	<u>\$ 2,203,589</u>	<u>\$ 87,688</u>	<u>\$ 231,722</u>	<u>\$ 228,161</u>	<u>\$ 6,288,978</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	2017 Cum Reassessment	Recorder Perpetuation	Co Police Pension Trust	Surplus Tax	Surveyor Corner Fund	Tax Sale Redemption
Cash and investments - beginning	\$ 1,569,825	\$ 1,027,174	\$ 68,470	\$ 519,718	\$ 21,056	\$ 60,189
Receipts:						
Taxes	758,342	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	65,859	-	-	-	-	-
Charges for services	-	42,281	175,348	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2	311,846	-	595,606	47,018	1,808,778
Total receipts	<u>824,203</u>	<u>354,127</u>	<u>175,348</u>	<u>595,606</u>	<u>47,018</u>	<u>1,808,778</u>
Disbursements:						
Personal services	483,273	35,278	-	-	-	-
Supplies	18,939	4,576	-	-	-	-
Other services and charges	264,323	306,161	-	692,108	23,921	1,804,668
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>766,535</u>	<u>346,015</u>	<u>-</u>	<u>692,108</u>	<u>23,921</u>	<u>1,804,668</u>
Excess (deficiency) of receipts over disbursements	<u>57,668</u>	<u>8,112</u>	<u>175,348</u>	<u>(96,502)</u>	<u>23,097</u>	<u>4,110</u>
Cash and investments - ending	<u>\$ 1,627,493</u>	<u>\$ 1,035,286</u>	<u>\$ 243,818</u>	<u>\$ 423,216</u>	<u>\$ 44,153</u>	<u>\$ 64,299</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Tax Sale Surplus	Special Vehicle Inspection	GAL/CASA Program	H.A.V.A. 102 Funds	Ineligible Deductions Fund	Co Elected Ofcls Training Fund
Cash and investments - beginning	\$ 5,503,633	\$ 9,577	\$ 220,157	\$ 790,242	\$ 1,554,513	\$ 43,315
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	104,977	-	-	-
Charges for services	-	-	84,633	-	-	16,469
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,351,032	3,515	1	-	559,838	-
Total receipts	<u>2,351,032</u>	<u>3,515</u>	<u>189,611</u>	<u>-</u>	<u>559,838</u>	<u>16,469</u>
Disbursements:						
Personal services	-	-	-	-	52,447	-
Supplies	-	949	4,478	-	4,889	-
Other services and charges	5,506,808	999	40,842	-	198,668	4,341
Capital outlay	-	-	5,199	-	43,830	-
Other disbursements	-	-	-	-	1,339,545	-
Total disbursements	<u>5,506,808</u>	<u>1,948</u>	<u>50,519</u>	<u>-</u>	<u>1,639,379</u>	<u>4,341</u>
Excess (deficiency) of receipts over disbursements	<u>(3,155,776)</u>	<u>1,567</u>	<u>139,092</u>	<u>-</u>	<u>(1,079,541)</u>	<u>12,128</u>
Cash and investments - ending	<u>\$ 2,347,857</u>	<u>\$ 11,144</u>	<u>\$ 359,249</u>	<u>\$ 790,242</u>	<u>\$ 474,972</u>	<u>\$ 55,443</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Park & Recreation Fund	Statewide 9-1-1 Fund	Adult Probation Fees	Juvenile Probation Fees	Problem Solving Court Fee	Drainage Maintenance
Cash and investments - beginning	\$ 192,330	\$ 2,647,272	\$ 287,029	\$ 359,525	\$ 1,621,302	\$ 1,368,128
Receipts:						
Taxes	1,478,449	-	-	-	-	555,058
Licenses and permits	-	-	-	-	-	-
Intergovernmental	128,398	-	-	-	-	-
Charges for services	-	1,802,142	-	-	2,000	106,237
Fines and forfeits	-	-	-	-	511,837	-
Other receipts	39,331	-	119,369	100,460	63,309	77,532
Total receipts	<u>1,646,178</u>	<u>1,802,142</u>	<u>119,369</u>	<u>100,460</u>	<u>577,146</u>	<u>738,827</u>
Disbursements:						
Personal services	1,367,521	-	97,300	85,414	-	-
Supplies	75,132	70	-	1,334	2,930	-
Other services and charges	191,275	2,875	19,309	177,853	26,278	446,332
Capital outlay	-	41,230	-	-	-	-
Other disbursements	-	-	-	-	465,625	-
Total disbursements	<u>1,633,928</u>	<u>44,175</u>	<u>116,609</u>	<u>264,601</u>	<u>494,833</u>	<u>446,332</u>
Excess (deficiency) of receipts over disbursements	<u>12,250</u>	<u>1,757,967</u>	<u>2,760</u>	<u>(164,141)</u>	<u>82,313</u>	<u>292,495</u>
Cash and investments - ending	<u>\$ 204,580</u>	<u>\$ 4,405,239</u>	<u>\$ 289,789</u>	<u>\$ 195,384</u>	<u>\$ 1,703,615</u>	<u>\$ 1,660,623</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Portage Manor Fund	Park & Recr Gift & Grant	Wyatt Economic Dev Area #1	Redv Bnd 2001 Refin Bond 2010	County Bonds & Interest	St Joe Co Group Ins
Cash and investments - beginning	\$ 2,819,106	\$ 158,569	\$ 6,092,660	\$ 3,978,317	\$ 1,425,993	\$ 10,171,118
Receipts:						
Taxes	-	-	1,075,319	1,492,290	3,372,301	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	257,902	-
Charges for services	2,164,047	497	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	34,966	23,787	-	71,797	-	12,898,793
Total receipts	<u>2,199,013</u>	<u>24,284</u>	<u>1,075,319</u>	<u>1,564,087</u>	<u>3,630,203</u>	<u>12,898,793</u>
Disbursements:						
Personal services	1,813,222	-	-	-	-	-
Supplies	323,565	11,334	-	-	-	-
Other services and charges	321,448	23,479	627,901	4,759,488	3,460,000	15,014,194
Capital outlay	102,698	1,307	100,000	-	-	-
Other disbursements	-	2,415	-	-	-	3,100
Total disbursements	<u>2,560,933</u>	<u>38,535</u>	<u>727,901</u>	<u>4,759,488</u>	<u>3,460,000</u>	<u>15,017,294</u>
Excess (deficiency) of receipts over disbursements	<u>(361,920)</u>	<u>(14,251)</u>	<u>347,418</u>	<u>(3,195,401)</u>	<u>170,203</u>	<u>(2,118,501)</u>
Cash and investments - ending	<u>\$ 2,457,186</u>	<u>\$ 144,318</u>	<u>\$ 6,440,078</u>	<u>\$ 782,916</u>	<u>\$ 1,596,196</u>	<u>\$ 8,052,617</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Payroll	Mich St Withholding	Federal Withholding	FICA	PERF	Ind Gross Withholding
Cash and investments - beginning	\$ -	\$ 5,627	\$ -	\$ -	\$ 99	\$ 155,407
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	42,939,707	73,039	4,497,054	6,338,430	4,455,718	2,021,594
Total receipts	<u>42,939,707</u>	<u>73,039</u>	<u>4,497,054</u>	<u>6,338,430</u>	<u>4,455,718</u>	<u>2,021,594</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	42,936,214	72,846	4,497,054	6,338,430	4,455,817	2,021,023
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>42,936,214</u>	<u>72,846</u>	<u>4,497,054</u>	<u>6,338,430</u>	<u>4,455,817</u>	<u>2,021,023</u>
Excess (deficiency) of receipts over disbursements	<u>3,493</u>	<u>193</u>	<u>-</u>	<u>-</u>	<u>(99)</u>	<u>571</u>
Cash and investments - ending	<u>\$ 3,493</u>	<u>\$ 5,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,978</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Settlement	Public Safety L.O.I.T.	County Wheel Tax	C.V.E.T. Fund	Excise Surtax Fund	Sewage Liens Collections
Cash and investments - beginning	\$ -	\$ 4,287,139	\$ 378	\$ -	\$ -	\$ 8
Receipts:						
Taxes	259,819,264	13,476,753	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	350,894	-	402,846	2,223,149	4,521,827	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	69,335
Other receipts	-	5,481,185	-	-	-	146,058
Total receipts	<u>260,170,158</u>	<u>18,957,938</u>	<u>402,846</u>	<u>2,223,149</u>	<u>4,521,827</u>	<u>215,393</u>
Disbursements:						
Personal services	-	2,204,823	-	-	-	-
Supplies	-	318,690	-	-	-	-
Other services and charges	-	16,291,509	402,846	-	4,521,827	215,361
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>260,170,158</u>	<u>-</u>	<u>-</u>	<u>2,223,149</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>260,170,158</u>	<u>18,815,022</u>	<u>402,846</u>	<u>2,223,149</u>	<u>4,521,827</u>	<u>215,361</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>142,916</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,430,055</u>	<u>\$ 378</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	HEA 1001-08ST Homestead Credit	Fines & Forfeitures	Special Death Benefit Fees	State Sales Disclosure Fees	Coroner Trng. & Cont. Ed. Fees	Adult/Juv. Interstate Compact
Cash and investments - beginning	\$ 22,344	\$ 137,478	\$ 1,340	\$ 2,750	\$ 2,448	\$ 4,116
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	148	-	-	-	-	-
Charges for services	-	-	-	25,825	36,702	-
Fines and forfeits	-	497,583	-	-	-	-
Other receipts	-	49,161	21,735	-	-	4,000
<b>Total receipts</b>	<b>148</b>	<b>546,744</b>	<b>21,735</b>	<b>25,825</b>	<b>36,702</b>	<b>4,000</b>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	22,492	558,027	21,420	25,775	35,262	2,000
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
<b>Total disbursements</b>	<b>22,492</b>	<b>558,027</b>	<b>21,420</b>	<b>25,775</b>	<b>35,262</b>	<b>2,000</b>
Excess (deficiency) of receipts over disbursements	(22,344)	(11,283)	315	50	1,440	2,000
Cash and investments - ending	\$ -	\$ 126,195	\$ 1,655	\$ 2,800	\$ 3,888	\$ 6,116

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Mortgage Recording Fee-State	Inheritance Tax	Education Plate Fee Distr	Riverboat Revenue Sharing	Convention Exhibition Center	C.E.D.I.T. Fund
Cash and investments - beginning	\$ 1,380	\$ 527,385	\$ -	\$ -	\$ 2,400,770	\$ 9,391,664
Receipts:						
Taxes	-	-	-	-	4,179,467	22,063,091
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	4,425	1,581,278	-	-
Charges for services	-	-	-	-	-	10,434,750
Fines and forfeits	-	-	-	-	-	-
Other receipts	18,113	434,512	721	-	240,000	1,035,079
Total receipts	<u>18,113</u>	<u>434,512</u>	<u>5,146</u>	<u>1,581,278</u>	<u>4,419,467</u>	<u>33,532,920</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	749,974
Other services and charges	18,210	887,657	4,425	1,581,278	3,181,987	25,720,096
Capital outlay	-	-	721	-	326,601	7,795,474
Other disbursements	-	-	-	-	-	250,000
Total disbursements	<u>18,210</u>	<u>887,657</u>	<u>5,146</u>	<u>1,581,278</u>	<u>3,508,588</u>	<u>34,515,544</u>
Excess (deficiency) of receipts over disbursements	<u>(97)</u>	<u>(453,145)</u>	<u>-</u>	<u>-</u>	<u>910,879</u>	<u>(982,624)</u>
Cash and investments - ending	<u>\$ 1,283</u>	<u>\$ 74,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,311,649</u>	<u>\$ 8,409,040</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	C.O.I.T. Fund (H.S.C.)	Prosecutor P.C.A. 93.563	County Clerk A.R.R.A. Fund	93.563 Title IV-D Incentive	Title IV-D Pros. Incentive	Title IV-D Clerk Incentive
Cash and investments - beginning	\$ 6,567,597	\$ 22,715	\$ 3,303	\$ 385,750	\$ 244,183	\$ 909,994
Receipts:						
Taxes	32,370,061	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	37,277	-	-	-	-
Charges for services	-	-	-	132,479	199,311	132,479
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	43	-	-	-	-
Total receipts	<u>32,370,061</u>	<u>37,320</u>	<u>-</u>	<u>132,479</u>	<u>199,311</u>	<u>132,479</u>
Disbursements:						
Personal services	-	-	-	-	228,942	-
Supplies	-	43	-	-	-	-
Other services and charges	34,505,858	22,366	-	10,752	26,294	48,014
Capital outlay	-	1,281	-	9,523	719	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>34,505,858</u>	<u>23,690</u>	<u>-</u>	<u>20,275</u>	<u>255,955</u>	<u>48,014</u>
Excess (deficiency) of receipts over disbursements	<u>(2,135,797)</u>	<u>13,630</u>	<u>-</u>	<u>112,204</u>	<u>(56,644)</u>	<u>84,465</u>
Cash and investments - ending	<u>\$ 4,431,800</u>	<u>\$ 36,345</u>	<u>\$ 3,303</u>	<u>\$ 497,954</u>	<u>\$ 187,539</u>	<u>\$ 994,459</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Adult Probation Fee Cashbook	Clerk Main Office Cashbook	Clerk Support Cashbook	Clerk Small Claims Cashbook	Clerk Odyssey Cashbook	Clerk Mishawaka Cashbook
Cash and investments - beginning	\$ 27,382	\$ 7,576,263	\$ 95,760	\$ 242,186	\$ 1,496,453	\$ 244,145
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	114,224	1,784,551	3,966,314	733,239	15,032,912	509,654
Total receipts	<u>114,224</u>	<u>1,784,551</u>	<u>3,966,314</u>	<u>733,239</u>	<u>15,032,912</u>	<u>509,654</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	119,154	3,501,563	3,997,350	900,494	13,643,616	595,917
Total disbursements	<u>119,154</u>	<u>3,501,563</u>	<u>3,997,350</u>	<u>900,494</u>	<u>13,643,616</u>	<u>595,917</u>
Excess (deficiency) of receipts over disbursements	<u>(4,930)</u>	<u>(1,717,012)</u>	<u>(31,036)</u>	<u>(167,255)</u>	<u>1,389,296</u>	<u>(86,263)</u>
Cash and investments - ending	<u>\$ 22,452</u>	<u>\$ 5,859,251</u>	<u>\$ 64,724</u>	<u>\$ 74,931</u>	<u>\$ 2,885,749</u>	<u>\$ 157,882</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	JJC Equipment Reimbursement	JJC Probation User Fees	JJC Restitution	Adult Probation Administration Fees	Ineligible Deduction - 7/1/13	County Poor Relief Bond
Cash and investments - beginning	\$ 2,477	\$ 35,444	\$ 23,327	\$ 7,605	\$ -	\$ 198,165
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	430	295,329	23,507	34,164	1,339,544	-
Total receipts	430	295,329	23,507	34,164	1,339,544	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	140	291,409	10,546	34,053	10,000	-
Total disbursements	140	291,409	10,546	34,053	10,000	-
Excess (deficiency) of receipts over disbursements	290	3,920	12,961	111	1,329,544	-
Cash and investments - ending	\$ 2,767	\$ 39,364	\$ 36,288	\$ 7,716	\$ 1,329,544	\$ 198,165

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	St Joe Co Liability Reserve	D.R.C.B. Fee Fund	Alt. Resolution Resolution Fund	Co Sheriff CEF	Sex/Violent Offender Fee	Sex/Violent Off. Add. Fee
Cash and investments - beginning	\$ 420,150	\$ 26,562	\$ 9,304	\$ 129,832	\$ 19,734	\$ 5
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	20,796	-	-	-
Other receipts	767,846	8,966	-	46,667	11,660	-
Total receipts	<u>767,846</u>	<u>8,966</u>	<u>20,796</u>	<u>46,667</u>	<u>11,660</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	2,816	-
Supplies	-	135	-	-	-	-
Other services and charges	798,227	6,597	22,445	19,102	3,166	-
Capital outlay	-	745	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>798,227</u>	<u>7,477</u>	<u>22,445</u>	<u>19,102</u>	<u>5,982</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(30,381)</u>	<u>1,489</u>	<u>(1,649)</u>	<u>27,565</u>	<u>5,678</u>	<u>-</u>
Cash and investments - ending	<u>\$ 389,769</u>	<u>\$ 28,051</u>	<u>\$ 7,655</u>	<u>\$ 157,397</u>	<u>\$ 25,412</u>	<u>\$ 5</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Ptg Manor Farm Operation	County Owned Tax Sale	Drug Testing Fees	Adult Drug Testing Fees	Community Development	Sheriff D.E.A. Fund
Cash and investments - beginning	\$ 24,901	\$ 1,568,759	\$ 119,680	\$ 12,844	\$ 14,565	\$ 3,519
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	13,588	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,750	429,978	33,237	-	-	2,126
Total receipts	<u>7,750</u>	<u>443,566</u>	<u>33,237</u>	<u>-</u>	<u>-</u>	<u>2,126</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	27,673	-	-	700
Other services and charges	7,448	801,519	-	8,290	-	1,044
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>7,448</u>	<u>801,519</u>	<u>27,673</u>	<u>8,290</u>	<u>-</u>	<u>1,744</u>
Excess (deficiency) of receipts over disbursements	<u>302</u>	<u>(357,953)</u>	<u>5,564</u>	<u>(8,290)</u>	<u>-</u>	<u>382</u>
Cash and investments - ending	<u>\$ 25,203</u>	<u>\$ 1,210,806</u>	<u>\$ 125,244</u>	<u>\$ 4,554</u>	<u>\$ 14,565</u>	<u>\$ 3,901</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Pros. D.E.A. Fund	Federal D.E.A./Prosecutor	Healthwin	Recorder's Escrow Fund	Public Defenders Fees	Co. Emergency Command Ctr. Fund
Cash and investments - beginning	\$ 14,209	\$ 130,377	\$ 329,399	\$ 78,153	\$ 310,512	\$ 317,926
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	7,815	99,339	4,325	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	106,969	-	1,034,284	35,339	-
Total receipts	-	114,784	99,339	1,038,609	35,339	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	107,183	-	1,034,740	18,646	-
Capital outlay	-	681	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	107,864	-	1,034,740	18,646	-
Excess (deficiency) of receipts over disbursements	-	6,920	99,339	3,869	16,693	-
Cash and investments - ending	\$ 14,209	\$ 137,297	\$ 428,738	\$ 82,022	\$ 327,205	\$ 317,926

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Comm. Corrections Bldg. Fund	Local Hwy. User Tax Projects	Misc. State Monies Trust Fund	Adult Pro. Admin. Fee	CEDIT/PSAP Construction Fund	C.O.I.T. Fund (P.T.R.C.)
Cash and investments - beginning	\$ 391,430	\$ 899,530	\$ 1,112	\$ 216,064	\$ -	\$ 1,476,367
Receipts:						
Taxes	-	-	551,252	-	-	28,131,341
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	2,410,550	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	200,000	-	-	33,903	-	2,631,309
Total receipts	<u>200,000</u>	<u>2,410,550</u>	<u>551,252</u>	<u>33,903</u>	<u>-</u>	<u>30,762,650</u>
Disbursements:						
Personal services	-	-	-	31,530	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	551,252	-	559,900	32,239,017
Capital outlay	-	2,999,490	-	-	-	-
Other disbursements	200,000	-	-	-	-	-
Total disbursements	<u>200,000</u>	<u>2,999,490</u>	<u>551,252</u>	<u>31,530</u>	<u>559,900</u>	<u>32,239,017</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(588,940)</u>	<u>-</u>	<u>2,373</u>	<u>(559,900)</u>	<u>(1,476,367)</u>
Cash and investments - ending	<u>\$ 391,430</u>	<u>\$ 310,590</u>	<u>\$ 1,112</u>	<u>\$ 218,437</u>	<u>\$ (559,900)</u>	<u>\$ -</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Federal Grant Fund	S.T.O.P. Violence Against Women	2011 E.M.P.G. Competitive Grt.	Medical Reserve Corps/Health	Health S.T.D.	Health Bioterrorism Grant
Cash and investments - beginning	\$ (393)	\$ (40,985)	\$ (3,631)	\$ -	\$ (3,223)	\$ 3,736
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,079
Charges for services	-	117,805	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,765	11,199	-	8,554	3,223	-
Total receipts	4,765	129,004	-	8,554	3,223	1,079
Disbursements:						
Personal services	-	164,345	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	714	-	1,517
Capital outlay	-	-	-	-	-	3,515
Other disbursements	-	-	-	-	-	-
Total disbursements	-	164,345	-	714	-	5,032
Excess (deficiency) of receipts over disbursements	4,765	(35,341)	-	7,840	3,223	(3,953)
Cash and investments - ending	\$ 4,372	\$ (76,326)	\$ (3,631)	\$ 7,840	\$ -	\$ (217)

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Protective Order Project/SJC	Victims of Crime Act - Assist.	RACES Communications Equip Grt	Emergency Mgmt Performance Grt	Health Local Hlth Services Grt	Drug Free Comm. Council Grant
Cash and investments - beginning	\$ (1,632)	\$ -	\$ -	\$ -	\$ 99,271	\$ 12,355
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	72,672	-
Charges for services	133,289	81,799	6,179	4,451	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	4,800
<b>Total receipts</b>	<b>133,289</b>	<b>81,799</b>	<b>6,179</b>	<b>4,451</b>	<b>72,672</b>	<b>4,800</b>
Disbursements:						
Personal services	72,228	81,799	-	-	85,109	-
Supplies	2,028	-	-	4,451	749	-
Other services and charges	79,198	-	-	-	2,905	10,795
Capital outlay	-	-	6,179	-	-	-
Other disbursements	-	-	-	-	-	-
<b>Total disbursements</b>	<b>153,454</b>	<b>81,799</b>	<b>6,179</b>	<b>4,451</b>	<b>88,763</b>	<b>10,795</b>
Excess (deficiency) of receipts over disbursements	(20,165)	-	-	-	(16,091)	(5,995)
Cash and investments - ending	<u>\$ (21,797)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,180</u>	<u>\$ 6,360</u>

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Health H.U.D. Grant	2012 Problem Solving Grant	Family Court Grant	Data Share Initiative Grant	Adult Protective Services Grant	Influenza Immunization Grant
Cash and investments - beginning	\$ (18,136)	\$ 3,811	\$ 386	\$ 30	\$ (43,108)	\$ (36,066)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	4,000	-	43,251
Charges for services	-	-	-	-	225,453	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	78,491	-	-	-	-	3,398
Total receipts	78,491	-	-	4,000	225,453	46,649
Disbursements:						
Personal services	49,859	-	-	-	222,167	-
Supplies	4,291	-	-	-	-	-
Other services and charges	21,281	1,524	386	3,000	22,275	57,821
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	75,431	1,524	386	3,000	244,442	57,821
Excess (deficiency) of receipts over disbursements	3,060	(1,524)	(386)	1,000	(18,989)	(11,172)
Cash and investments - ending	\$ (15,076)	\$ 2,287	\$ -	\$ 1,030	\$ (62,097)	\$ (47,238)

ST. JOSEPH COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Health Trust Fund	Juvenile Detention Alternative	DV/PO Court Grant	Community Based Corrections	Community Transition Program	Totals
Cash and investments - beginning	\$ 264,803	\$ -	\$ 48,947	\$ 481,276	\$ 55,272	\$ 126,111,058
Receipts:						
Taxes	-	-	-	-	-	418,930,376
Licenses and permits	-	-	-	-	-	79,108
Intergovernmental	95,631	-	-	1,652,114	133,905	26,424,313
Charges for services	-	20,670	-	176,403	-	24,790,961
Fines and forfeits	-	-	-	-	-	2,342,836
Other receipts	-	-	-	1,130,710	-	157,449,662
Total receipts	<u>95,631</u>	<u>20,670</u>	<u>-</u>	<u>2,959,227</u>	<u>133,905</u>	<u>630,017,256</u>
Disbursements:						
Personal services	65,582	-	13,958	2,030,923	67,174	62,078,200
Supplies	800	75	595	233,829	-	5,977,299
Other services and charges	16,450	41,641	100	378,883	-	251,028,134
Capital outlay	-	1,335	3,114	1,991	-	17,642,677
Other disbursements	-	-	-	262,400	70,000	307,706,460
Total disbursements	<u>82,832</u>	<u>43,051</u>	<u>17,767</u>	<u>2,908,026</u>	<u>137,174</u>	<u>644,432,770</u>
Excess (deficiency) of receipts over disbursements	<u>12,799</u>	<u>(22,381)</u>	<u>(17,767)</u>	<u>51,201</u>	<u>(3,269)</u>	<u>(14,415,514)</u>
Cash and investments - ending	<u>\$ 277,602</u>	<u>\$ (22,381)</u>	<u>\$ 31,180</u>	<u>\$ 532,477</u>	<u>\$ 52,003</u>	<u>\$ 111,695,544</u>

ST. JOSEPH COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
MOTOROLA	COMMUNICATION EQUIPMENT	\$ 1,095,486	1/1/2010	1/15/2017
ST. JOSEPH COUNTY JAIL BUILDING CORPORATION	JAIL BUILDING CORPORATION	<u>3,465,000</u>	12/31/2005	12/31/2018
Total of annual lease payments		<u>\$ 4,560,486</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	LIMITED TAX BRIDGE REFUNDING BONDS OF 2014 (OLD LOGAN)		\$ 2,635,000	\$ 327,420
General obligation bonds	BITTERSWEET BRIDGE		1,515,000	796,320
Revenue bonds	AM GENERAL TIF		8,665,000	3,100,601
Revenue bonds	MENTAL HEALTH		3,235,000	550,150
Revenue bonds	IN-TEK TIF REDEVELOPMENT		740,000	255,000
Revenue bonds	CEDIT REVENUE BOND OF 2014 (PSAP)		9,155,000	686,631
Notes and loans payable	MAIN STREET BRIDGE SEPARATION		<u>4,000,000</u>	<u>500,000</u>
Totals			<u>\$ 29,945,000</u>	<u>\$ 6,216,122</u>

ST. JOSEPH COUNTY  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2014

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 9,159,885
Infrastructure	573,433,993
Buildings	103,014,617
Machinery, equipment, and vehicles	<u>27,928,176</u>
Total capital assets	<u>\$ 713,536,671</u>

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF ST. JOSEPH COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

We have audited St. Joseph 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, 2014. 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, 2014.

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

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-004. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance 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 compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

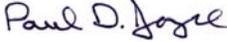
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types 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.

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

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2014-003, 2014-004, and 2014-005 to be material weaknesses.

The County's response to the internal control over compliance 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 compliance and, accordingly, we express no opinion on the response.

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

November 4, 2015

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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.

ST. JOSEPH COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 30, 2014

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>				
Child Nutrition Cluster				
School Breakfast Program	Indiana Department. of Education	10.553	2014	\$ 33,457
National School Lunch Program	Indiana Department. of Education	10.555	2014	68,073
Total - Department of Agriculture				101,530
<u>Department of Housing and Urban Development</u>				
Lead Based Paint Hazard Control in Privately-Owned Housing Health H.U.D.	South Bend Housing Authority	14.900	INLHB0540-12	76,960
<u>Department of Justice</u>				
Crime Victim Assistance Victim Assistance Program	Indiana Criminal Justice Institute	16.575	2013-VA-GX-0036	81,799
Violence Against Women Formula Grants Special Victims Unit	Indiana Criminal Justice Institute	16.588	2013-WF-AX-0047	117,805
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program Family Justice Center	Direct Grant	16.590	2012-WE-AX-0056	133,289
Equitable Sharing Program Federal DEA	Direct Grant	16.922	IN0710000	894
Total - Department of Justice				333,787
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205		
County-Wide Bridge Inventory & Inspection 2012-2014			DES# 1173271	108,307
Gumwood Road Reconstruction Phase I			DES. #0600452 & 0101182	117,486
Gumwood Road Reconstruction Phase II			DES. #0600453 & 0710357	45,839
Adams Trail Phase I			DES. #0902236 & 1006373	85,785
Traffic Calming			DES. #1382796	3,022
Adams Trail Phase II			DES. #1382797	32,365
Lasalle Trail Phase I			DES. #1382798	18,448
Intersection Improvement at Ironwood & Auten			DES.# 0710360	1,490,119
County-Wide Bridge Inventory & Inspection 2008-2010			DES.# 0800210	10,536
Intersection Improvement at Cleveland & Ash			DES.# 1005762	141,207
Total - Department of Transportation				2,053,114
<u>Department of Health and Human Services</u>				
Medical Reserve Corps Small Grant Program Special Gifts-Health	National Association of County and City Health Officials	93.008	MRCSG101005-04-00	724
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Health Bioterrorism	Indiana State Department of Health	93.074	A70-5-0532392	1,079
Immunization Cooperative Agreements Influenza Immunization	Indiana State Department of Health	93.268	1H23IP000723-01	43,251
Child Support Enforcement Prosecutor Reimbursements Clerk Reimbursements Court Reimbursements Indirect Costs Reimbursements Prosecutor Incentive Clerk Incentive General Fund Incentive	Indiana Department of Child Services	93.563	1504INCSES	1,372,256 118,046 82,480 347,497 255,955 48,014 20,275
Total - Child Support Enforcement		93.563	1504INCSES	2,244,523
Total - Department of Health and Human Services				2,289,577
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants Emergency Management	Indiana Department of Homeland Security	97.042	EMW-2012-EP-00017	50,000
Total Federal Awards Expended				\$ 4,904,968

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

ST. JOSEPH 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.

ST. JOSEPH 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?	yes
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?	yes

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

**Section II - Financial Statement Findings**

**FINDING 2014-001 - 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). Various County departments provided grant data to the County Auditor, but this information was not reviewed or verified prior to including it in the SEFA presented for audit.

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.

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The federal expenditures reported on the SEFA presented for audit were understated by \$1,062,756. During the audit of the SEFA, we noted that the Child Support Enforcement program expenditures included only the County Prosecutor's portion. The expenditures did not include the Clerk of the Circuit Court, Probate Court, indirect costs, and incentive fund disbursements. The County's SEFA reported \$1,223,843 in expenditures for the County Prosecutor's Child Support program. The actual total Child Support Enforcement program expenditures, including all components, was \$2,244,523.

We also noted other immaterial errors as follows:

1. The disbursements for CFDA #93.268 were overreported by \$3,398.
2. The disbursements for CFDA #97.042 were underreported by \$45,549.
3. The disbursements for the Child Nutrition Cluster were overreported by \$75.

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

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.

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (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."

***FINDING 2014-002 - FINANCIAL TRANSACTIONS AND REPORTING***

The Clerk of the Circuit Court did not have a proper system of internal control in place over financial transactions, reconciling, and reporting. The Clerk of the Circuit Court should have proper controls in place to ensure that the Cash Book balance is accurate at the end of each month, that the Cash Book balance reconciles with the detailed subaccount balances, that all open items held in the Trust Register and Cash Bond Register are properly identified and that the receipts, disbursements, and cash and investment balances reported on the County's financial statement are correct. Four of five monthly bank reconcilements tested lacked evidence of proper oversight, review, or approval. The lack of proper internal controls allowed the following to occur:

1. The December 31, 2014 record balance exceeded the available bank balance by \$25,614, which included many unidentified reconciling items, some dated as far back as 2005.
2. The trust balance did not reconcile with the Trust Register. The Clerk of the Circuit Court did not present a summary schedule of outstanding cash bonds and trust funds as of December 31, 2014. The Cash Book subaccount balances for the cash bonds and trust funds totaled \$5,859,251 at the Clerk of the Circuit Court's Main Office. The Clerk of the Circuit Court's Mishawaka Office and the Clerk of the Circuit Court's Small Claims Office also had trust balances of \$157,881 and \$74,931, respectively, which were not reconciled to a Trust Register.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

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 Clerks of the Circuit Courts of Indiana, Chapter 13)

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2014-003 - REPORTING**

Federal Agency: Department of Transportation  
Federal Program: Highway Planning and Construction  
CFDA Number: 20.205  
Federal Award Number and Year: All project listed for 2014 on SEFA  
Pass-Through Entity: Indiana Department of Transportation

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Reporting compliance requirements of the Highway Planning and Construction program. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

The County Engineer is responsible for preparing and submitting reimbursement request vouchers with the Indiana Department of Transportation for the Highway Planning and Construction program. These reports are not subjected to an oversight, review, or approval process prior to submission.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

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

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and the Reporting compliance requirements.

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2014-004 - ALLOWABLE COSTS/COSTS PRINCIPLES - TIME AND EFFORT REPORTING***

Federal Agency: Department of Health and Human Services  
Federal Program: Child Support Enforcement  
CFDA Number: 93.563  
Federal Award Number and Year: 1504INCSES  
Pass-Through Entity: Indiana Department of Child Services

*Internal Control*

Management of the County Prosecutor's Office has not established an effective internal control system over Allowable Costs, specifically Time and Effort Reporting of the Child Support Enforcement program. The failure to establish an effective internal control system places the County Prosecutor's Office at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system allowed material noncompliance with requirements and could allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

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

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

*Compliance*

Allowable cost principles require the County to maintain personnel activity reports or other documentation for employees working on both federal program and non-federal program activities. The County Prosecutor's part-time employees who worked on Child Support Enforcement program cases as part of their duties did not maintain records to document the time spent on allowable federal program activities. As a result, \$120,559.71 was reimbursed to the County in 2014 for 5,148.90 employee hours which were not properly documented. These costs are considered questioned costs.

OMB Circular A-87, Attachment B, Subsection 8.H. states in part:

"(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (a) More than one Federal award,
- (b) A Federal award and a non Federal award,
- (c) An indirect cost activity and a direct cost activity,
- (d) Two or more indirect activities which are allocated using different allocation bases, or
- (e) An unallowable activity and a direct or indirect cost activity."

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish controls to comply and comply with the compliance requirements listed above.

***FINDING 2014-005 - CASH MANAGEMENT AND REPORTING***

Federal Agency: Department of Health and Human Services  
Federal Program: Child Support Enforcement  
CFDA Number: 93.563  
Federal Award Number and Year: 1504INCSES  
Pass-Through Entity: Indiana Department of Child Services

Management of the County Prosecutor's Office has not established an effective internal control system over Cash Management and Reporting requirements for the Child Support Enforcement program. The failure to establish an effective internal system places the Prosecutor's Office at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

The County has not established effective internal controls over the preparation and submission of the claims for reimbursement for their Child Support Enforcement program expenditures. Employees of the County Prosecutor's Office prepare the claims for reimbursement without an oversight, review, or approval process.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

ST. JOSEPH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish adequate internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County Prosecutor's Office establish adequate internal controls, including segregation of duties, related to the Cash Management and Reporting requirements of the program.

AUDITEE PREPARED DOCUMENT

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

**ST. JOSEPH COUNTY AUDITOR**

227 W. Jefferson Blvd. Second Floor

County City Building

South Bend, IN 46601

Telephone 574-235-9668

Fax 574-235-5024

**Michael J. Hamann**

Auditor

**Teresa M. Shuter**

Chief Deputy Auditor

**CORRECTIVE ACTION PLAN**

***FINDING 2014-001***

Contact Person Responsible for Corrective Action: Kelly Sanford

Contact Phone Number: 574-235-1818

**Description of Corrective Action Plan:**

2014 was my first year with the SEFA. I used the 2013 report as my template to provide 2014 information. Early on in the audit process, it was called to my attention by the State Board of Accounts that, because I had used the previous year's template, which only included the Prosecutor's office, I missed payments received by the Clerk of the Circuit Court, Indirect Costs, and incentive fund disbursements.

I have contacted the State Board of Accounts and requested a meeting to go over the Dcs reports received from the state in order to gain a better understanding of these reports and the numbers that are to be included for future SEFA reports.

Anticipated Completion Date: 12/15/15

  
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Grants Coordinator  
(Title)

\_\_\_\_\_  
October 28, 2015  
(Date)

Terri J. Rethlake  
St. Joseph County Clerk  
EX-OFFICIO CLERK ST JOSEPH SUPERIOR & PROBATE COURTS  
101 S. Main St  
South Bend, IN 46601  
Telephone: 574-235-9635 Fax: 574-235-9838

CORRECTIVE ACTION PLAN

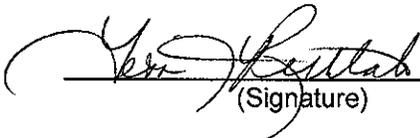
**FINDING 2014-002** – Financial Transactions and Reporting

Terri J. Rethlake, Clerk, St. Joseph Co Circuit Court  
574-235-9635

Description of Corrective Action Plan:

1. Items have been identified and some already corrected. \$4732.66 is fraud that has been reported to Indiana State Police. Cases are being investigated and will be submitted to Prosecutor for possible charges. Bank accounts are balance monthly to the \$25,614 amount.
2. The one monthly statement has been corrected. The electronic form was modified for my signature. The monthly reconcilements sent to the Auditor are reviewed by the Clerk.
3. We are one step closer to resolving this issue. We have information to work with now. Low & Associates (old legacy system) hired a DOS programmer to investigate and find outstanding trust amounts for Small Claims, Traffic & Misdemeanor, and Felony and Upper Court Civil cases. The programmer is through all but the Upper Court Civil cases and has found outstanding partial payment trust and trust amounts that have not been disbursed. The information we have received from him will be validated on a case by case. We will then either escheat the money to the Attorney General manually or enter the case information and trust amount into Odyssey.

Anticipated Completion Date: Depends on staffing for this very lengthy project.

  
\_\_\_\_\_  
(Signature)

Clerk, St Joseph Co Circuit Court  
\_\_\_\_\_  
(Title)

11/4/15  
\_\_\_\_\_  
(Date)



*St. Joseph County, Indiana*  
*Department of Public Works*

**Divisions**  
Highways  
Bridges  
Surveyors  
Drainage  
Environmental

County Engineer, Jessica J. Clark, P.E.  
County Surveyor, John R. McNamara, P.E., L.S.

November 4, 2015

BOARD OF COMMISSIONERS  
ANDREW T. KOSTIELNEY, DISTRICT 1  
DAVE THOMAS, DISTRICT 2  
DEBORAH A. FLEMING, D.M.D., DISTRICT 3

**CORRECTIVE ACTION PLAN**

State Board of Accounts Audit Review – 2014

Finding 2014-003 - REPORTING

Federal Agency: U.S. Department of Transportation

Federal Program: High Planning and Construction

CFDA Number: 20.205

Federal Award Number & Year: All projects listed in 2014

Pass-Through Entity: Indiana Department of Transportation

The St. Joseph County Auditor's Office will take the following action in correcting the above named findings in the recent audit from the State Board of Accounts:

- Review established internal controls

Name of Contact responsible for correction: Jessica J. Clark – County Engineer  
Contact Number 574-235-9626

The County Engineer, who is the supervisory official and is the Employee in Responsible Charge of this federal aid program, has been made aware of this reporting finding and will make the proper corrections within her Department so that this is not an ongoing issue. Public Works Fiscal Clerk shall prepare the voucher for ERC review and approval.

Respectfully,

Michael J. Hamann  
St. Joseph County Auditor

*Office of the Prosecuting Attorney*

County-City Building  
227 West Jefferson Blvd. 10<sup>th</sup> Floor  
South Bend, IN 46601  
(574) 235-9544 Fax (574) 235-9761



**Kenneth P. Cotter**  
**Prosecuting Attorney**  
60<sup>th</sup> Judicial Circuit  
St. Joseph County, IN

**Patrick J. Higgins, Jr.**  
Chief of Staff

*State Board of Accounts*  
*227 E. Jefferson Blvd.*  
*South Bend, IN 46601*

**CORRECTIVE ACTION PLAN**

***FINDING 2014-004 - ALLOWABLE COSTS/COSTS PRINCIPLES – TIME AND EFFORT REPORTING***

Contact Person Responsible for Corrective Action: Robert Risenhoover  
Contact Phone Number: 574-245-6637

Description of Corrective Action Plan: Office will institute internal controls to insure IV-D time reporting is entered by employee and reviewed and certified by employee's immediate supervisor. New Time Report forms have been adopted for both 100% IV-D employees and Partial IV-D employees. New Protocol has been drafted to explain and adopt new procedures. This protocol will be made part of the new employee orientation for all employees who will be engaged in IV-D work.

Anticipated Completion Date: November 4, 2015

***FINDING 2014-005 – CASH MANAGEMENT AND REPORTING – Applies to the Prosecutor's Office***

Contact Person Responsible for Corrective Action: Robert Risenhoover  
Contact Phone Number: 574-245-6637

Description of Corrective Action Plan: Office returned to prior practice of having one employee prepare reports for filing and a second employee to certify the completed report. This system had been used for many years when reports were submitted in a paper format. When the reports were able to be drafted in an online electronic format our office was advised that a second employee to certify the data was not needed. This was later changed to a 2 employee process and we have made this change since it will provide an important check in the process.

Anticipated Completion Date: November 4, 2015

A handwritten signature in black ink, appearing to read "Patrick J. Higgins, Jr.", written over a horizontal line.

Patrick J. Higgins, Jr.

Chief of Staff

11-4-15  
(Date)

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the County. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.