

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

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



**FILED**  
10/14/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Brenda Adams Dan Bastin	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Julie M. Minton	01-01-13 to 12-31-16
Clerk of the Circuit Court	Stephanie Elliott	11-29-12 to 12-31-18
County Sheriff	Robert Downey	01-01-11 to 12-31-18
County Recorder	Pamela Kivett	01-01-13 to 12-31-16
President of the Board of County Commissioners	Norman Voyles	01-01-14 to 12-31-16
President of the County Council	Kenneth L. Hale Ryan T. Goodwin	01-01-14 to 12-31-14 01-01-15 to 12-31-16



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MORGAN COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of Morgan 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 from 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.

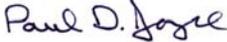
*Other Information*

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

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 August 30, 2016, 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

August 30, 2016



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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 MORGAN 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 Morgan 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 August 30, 2016, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

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

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

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

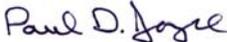
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*  
(Continued)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

August 30, 2016

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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.

MORGAN 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
After Settlement Collections	\$ 1,215,331	\$ 1,195,296	\$ 1,215,331	\$ 1,195,296
Sheriff's Inmate Trust	48,569	448,607	447,627	49,549
Jail Commissary	205,278	197,176	239,894	162,560
Clerk's Trust	81,647	866,133	947,780	-
Sheriff's Cashbook	40,003	4,211,192	4,194,151	57,044
General	3,015,533	9,322,473	8,895,731	3,442,275
Accident Report	15,627	6,915	5,931	16,611
CAGIT County Certified Shares	1,279,819	4,680,869	4,551,303	1,409,385
Campaign Finance Enforcement - County	700	160	-	860
CEDIT County Share	6,122,706	1,817,657	846,648	7,093,715
City and Town Court Costs	10,119	9,704	-	19,823
Clerk's Records Perpetuation	21,100	13,934	12,669	22,365
Convention Visitor and Tourism Promotion	161,798	108,590	210,000	60,388
Sales Disclosure - County Share	45,673	7,975	-	53,648
Cumulative Bridge	635,507	372,801	444,233	564,075
Cumulative Building	3,087,722	103,379	509,750	2,681,351
Cumulative Capital Development	3,990,413	1,103,358	1,880,170	3,213,601
Drug Free Community	77,619	39,160	1,938	114,841
Economic Development Fee	650	3,850	4,350	150
Emergency Planning/Right To Know	46,759	4,530	3,914	47,375
Extradition	250	3,563	2,359	1,454
Firearms Training	87,890	37,145	53,882	71,153
General Drain Improvement	912,823	1,058	51,091	862,790
Health	102,387	535,671	521,366	116,692
Identification Security Protection	69,363	6,269	26,000	49,632
Local Health Maintenance	68,847	50,351	40,960	78,238
Local Road and Street	719,575	1,992,770	1,658,833	1,053,512
LOIT Public Safety - County Share	4,060,349	2,124,265	3,202,561	2,982,053
Misdemeanant	50	42,311	42,261	100
Motor Vehicle Highway	741,982	3,581,625	3,615,773	707,834
Plat Book	75,120	17,430	-	92,550
Rainy Day	5,821,191	-	1,133,792	4,687,399
Reassessment - 2015	2,844,438	547,850	474,805	2,917,483
Recorder's Records Perpetuation	298,490	138,793	117,715	319,568
Riverboat	1,993,893	303,379	199,065	2,098,207
Sex and Violent Offender Administration	5,912	4,442	700	9,654
Supplemental Public Defender Services	259,695	84,164	75,968	267,891
Surplus Tax	58,866	65,263	47,576	76,553
Surveyor's Corner Perpetuation	93,147	13,775	18,560	88,362
Tax Sale Redemption	-	147,256	147,256	-
Tax Sale Surplus	935,913	748,882	882,398	802,397
GAL/CASA	17,882	10,148	8,918	19,112
Auditors Ineligible Deductions	15,550	2,111	-	17,661
County Elected Officials Training	16,828	6,269	75	23,022
Statewide 911	1,577,723	592,189	1,041,100	1,128,812
Supplemental Adult Probation Services	558,294	187,824	334,543	411,575
Supplemental Juvenile Probation Services	32,195	17,629	-	49,824
Lake Ditch Drain Maint	-	56,308	10,878	45,430
Dispatch Center	-	2,650,589	1,416,678	1,233,911

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

MORGAN 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
Self Insurance	804,901	2,438,893	2,144,741	1,099,053
Payroll Clearing	-	11,941,551	11,941,551	-
Payroll Withholding - PERF	-	1,225,010	1,225,010	-
Payroll Withholding - Sheriff Pension	-	39,612	39,612	-
Settlement	-	51,061,059	51,061,059	-
CVET Agency	-	259,122	259,122	-
Financial Institution Tax	-	272,795	272,795	-
CEDIT Homestead Credit	20,101	991,751	992,518	19,334
HEA 1001 State Homestead Credit	(3,560)	3,560	-	-
LOIT PTRC	531,642	14,085,218	14,290,585	326,275
State Fines and Forfeitures	1,614	8,431	8,926	1,119
Infraction Judgements	7,886	119,264	120,257	6,893
Special Death Benefit	395	5,715	5,630	480
Sales Disclosure - State Share	665	7,975	7,865	775
Coroners Training & Con't Education	546	4,734	5,280	-
Interstate Compact - State Share	100	688	788	-
Mortgage Recording Fees - State Share	573	6,488	6,500	561
DLGF Homestead Property Database	-	2	-	2
Sex and Violent Offender Admin - State	25	494	504	15
Child Restraint Violations Fines	-	700	675	25
Inheritance Tax	-	114,151	103,721	10,430
Education Plate Fees Agency	-	1,069	1,069	-
Riverboat Revenue Sharing	-	408,123	408,123	-
CAGIT Distribution	-	14,085,218	14,085,218	-
CEDIT Distribution	-	2,833,574	2,833,574	-
93.563 Prosecutor PCA	3,334	5,083	3,050	5,367
93.563 Title IV-D Incentive	90,261	30,490	49,721	71,030
93.563 Prosecutor IV-D Incentive-Post Oct '99	106,072	45,923	62,652	89,343
93.563 Clerk IV-D Incentive-Post Oct '99	45,390	30,490	19,407	56,473
Clerk's Child Support	26,788	1,349,065	1,359,550	16,303
Clerk's Interest Trust	182,040	1,684,357	1,456,375	410,022
Clerk's Bonds	520,041	401,939	921,980	-
Jury User Fee	23,650	11,960	20,089	15,521
ADAPT	155,076	35,900	120,198	70,778
Co Law Enforce Continuing Ed	5,787	2,304	-	8,091
Law Enforcement Co User Fee	13,433	2,120	352	15,201
Pretrial Div-Traffic	144,411	158,039	176,569	125,881
Pretrial Div-Check	16,952	3,060	1,615	18,397
Administration Fees	27,898	38,784	27,898	38,784
Comm Corr Proj Income 12-13	-	381,256	65,527	315,729
K-9 Donations	157	120	-	277
EMA Donations	-	600	-	600
CASA Donations	1,021	-	702	319
Special Probation Programs	2,439	-	-	2,439
Flood Homes Demolition	56,338	68,465	-	124,803
Mo Co Partner Water Quality	17,829	9,225	2,459	24,595
Work Release Intake Fee	11,350	5,090	-	16,440
Law Enforcement Fund	59,408	4,813	35,477	28,744
Federal Forfeited Property	20,529	11,555	11,383	20,701

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

MORGAN 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
Co Offender Transportation	788	688	-	1,476
Local Health Dept Tr	37,616	32,481	22,966	47,131
United Way	-	2,398	2,398	-
Insurance Group Trust	-	442,710	442,710	-
Life Insurance	2,173	52,945	56,058	(940)
Dental & Vision	-	74,724	74,724	-
AFLAC	8,024	65,466	71,113	2,377
Vol PERF Contributions	-	33,930	33,930	-
Sur Tax	-	1,616,825	1,616,825	-
Wheel Tax	-	334,872	334,122	750
LOIT Prop Tax Oper Levies Rep	-	2,817,044	2,817,044	-
LOIT Public Safety	-	3,521,305	3,521,305	-
LOIT Stabilization	1,856,136	-	1,124,582	731,554
16.607 Bullet Proof Vest	(760)	4,550	13,655	(9,865)
93.074 Bioterror Base 13-14	(12,359)	14,986	2,627	-
14.228 CDBG-Primary	(50,366)	67,556	16,798	392
14.228 CDBG-Henderson	-	17,102	17,102	-
14.228 CDBG-Old Town Waverly	(91,357)	173,121	80,427	1,337
20.600 Operation Pullvoer	(2,807)	29,706	28,834	(1,935)
20.205 Brooklyn Pedest Bridge	39,517	54,000	32,970	60,547
97.039 HAZ MIT-Primary	-	53,687	53,485	202
97.039 HAZ MIT-Henderson	3,923	9	9	3,923
97.039 HAZ MIT-Old Town Waverly	(638)	211,260	210,623	(1)
16.588 STOP Viol Ag Wo 13-14	(6,809)	14,186	7,377	-
16.575 VOCA 13-14	(6,587)	32,980	33,481	(7,088)
16.588 STOP Viol Ag Wo 12-13	-	-	6,242	(6,242)
93.074 Bioterror Base 12-13	-	-	16,812	(16,812)
97.039 HAZ MIT-2010 Waverly	-	161,369	165,534	(4,165)
14.228 CDBG-2010 Waverly	(656)	11,121	55,179	(44,714)
93.074 Bioterror CRI 12-13	-	-	1,132	(1,132)
Comm Corr Grant 13-14	2,354	94,894	97,248	-
Interpreter Grant	3,090	-	-	3,090
Comm Corr Grant 12-13	-	126,767	126,003	764
Comm Corr Proj Income 13-14	350,954	116,711	467,665	-
MC Pros Fed Forfieture	1,654	-	-	1,654
93.074 Bioterror MRC	-	6,499	6,500	(1)
97.039 Haz Mit-Johnson	-	2,532	2,532	-
14.228 CDBG-Johnson	(45,543)	46,387	844	-
20.205 Landersdale Const Eng	(1)	23,227	23,226	-
Naccho MRC	-	3,500	3,500	-
Clerk's Trust & Registry	-	5,479,524	4,788,898	690,626
Dispatch Center Reserve	-	295,438	-	295,438
Morgan Co Redevelopment Comm	-	1,250,000	164,577	1,085,423
97.042 EMP Competitive	-	5,155	5,155	-
93.074 Bioterror CRI 13-14	-	22,962	22,962	-
97.039 Haz Mit-2013 Morgan Co	-	48,343	49,093	(750)
Totals	<u>\$ 46,454,664</u>	<u>\$ 160,041,883</u>	<u>\$ 160,304,927</u>	<u>\$ 46,191,620</u>

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

MORGAN 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 tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

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

MORGAN 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 these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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 including, but 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, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest, which includes fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

State statutes authorize the County to invest in securities including, but not limited to, the following: 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

MORGAN COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

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

**B. County Police Retirement Plan**

*Plan Description*

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

*Funding Policy*

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

**C. County Police Benefit Plan**

*Plan Description*

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

*Funding Policy*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash as a result of funds being set up for reimbursable grants and the reimbursements for expenditures made by the County not being received by December 31, 2014. Additionally, the Life Insurance fund had a deficit in cash of \$940 due to a timing difference in mailing the life insurance payment and the posting of the transaction as of December 31, 2014.

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#### 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 County's Annual Financial Report 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.

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

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	Sheriff's Cashbook	General	Accident Report
Cash and investments - beginning	\$ 1,215,331	\$ 48,569	\$ 205,278	\$ 81,647	\$ 40,003	\$ 3,015,533	\$ 15,627
Receipts:							
Taxes	-	-	-	-	-	6,772,836	-
Licenses and permits	-	-	-	-	-	93,351	-
Intergovernmental receipts	-	-	-	-	-	1,247,323	-
Charges for services	-	-	-	-	-	552,970	6,695
Fines and forfeits	-	-	-	-	-	464,461	-
Other receipts	<u>1,195,296</u>	<u>448,607</u>	<u>197,176</u>	<u>866,133</u>	<u>4,211,192</u>	<u>191,532</u>	<u>220</u>
Total receipts	<u>1,195,296</u>	<u>448,607</u>	<u>197,176</u>	<u>866,133</u>	<u>4,211,192</u>	<u>9,322,473</u>	<u>6,915</u>
Disbursements:							
Personal services	-	-	-	-	-	6,518,579	-
Supplies	-	-	-	-	-	563,469	2,553
Other services and charges	-	-	-	-	-	1,527,414	598
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	243,959	2,780
Other disbursements	<u>1,215,331</u>	<u>447,627</u>	<u>239,894</u>	<u>947,780</u>	<u>4,194,151</u>	<u>42,310</u>	<u>-</u>
Total disbursements	<u>1,215,331</u>	<u>447,627</u>	<u>239,894</u>	<u>947,780</u>	<u>4,194,151</u>	<u>8,895,731</u>	<u>5,931</u>
Excess (deficiency) of receipts over disbursements	<u>(20,035)</u>	<u>980</u>	<u>(42,718)</u>	<u>(81,647)</u>	<u>17,041</u>	<u>426,742</u>	<u>984</u>
Cash and investments - ending	<u>\$ 1,195,296</u>	<u>\$ 49,549</u>	<u>\$ 162,560</u>	<u>\$ -</u>	<u>\$ 57,044</u>	<u>\$ 3,442,275</u>	<u>\$ 16,611</u>

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

	CAGIT County Certified Shares	Campaign Finance Enforcement - County	CEDIT County Share	City and Town Court Costs	Clerk's Records Perpetuation	Convention Visitor and Tourism Promotion	Sales Disclosure County Share
Cash and investments - beginning	\$ 1,279,819	\$ 700	\$ 6,122,706	\$ 10,119	\$ 21,100	\$ 161,798	\$ 45,673
Receipts:							
Taxes	4,671,938	-	1,783,086	-	-	108,590	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	6,463	-	34,571	-	273	-	-
Charges for services	-	-	-	-	-	-	7,975
Fines and forfeits	-	160	-	9,704	13,661	-	-
Other receipts	2,468	-	-	-	-	-	-
Total receipts	<u>4,680,869</u>	<u>160</u>	<u>1,817,657</u>	<u>9,704</u>	<u>13,934</u>	<u>108,590</u>	<u>7,975</u>
Disbursements:							
Personal services	2,885,022	-	-	-	12,669	-	-
Supplies	405,517	-	39,722	-	-	-	-
Other services and charges	1,251,733	-	207,503	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,031	-	599,423	-	-	-	-
Other disbursements	-	-	-	-	-	210,000	-
Total disbursements	<u>4,551,303</u>	<u>-</u>	<u>846,648</u>	<u>-</u>	<u>12,669</u>	<u>210,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>129,566</u>	<u>160</u>	<u>971,009</u>	<u>9,704</u>	<u>1,265</u>	<u>(101,410)</u>	<u>7,975</u>
Cash and investments - ending	<u>\$ 1,409,385</u>	<u>\$ 860</u>	<u>\$ 7,093,715</u>	<u>\$ 19,823</u>	<u>\$ 22,365</u>	<u>\$ 60,388</u>	<u>\$ 53,648</u>

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

	Cumulative Bridge	Cumulative Building	Cumulative Capital Development	Drug Free Community	Economic Development Fee	Emergency Planning/Right To Know	Extradition
Cash and investments - beginning	\$ 635,507	\$ 3,087,722	\$ 3,990,413	\$ 77,619	\$ 650	\$ 46,759	\$ 250
Receipts:							
Taxes	295,926	-	958,801	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	39,404	-	127,669	-	-	4,530	-
Charges for services	37,471	-	-	-	3,850	-	-
Fines and forfeits	-	-	-	39,160	-	-	2,750
Other receipts	-	103,379	16,888	-	-	-	813
Total receipts	<u>372,801</u>	<u>103,379</u>	<u>1,103,358</u>	<u>39,160</u>	<u>3,850</u>	<u>4,530</u>	<u>3,563</u>
Disbursements:							
Personal services	274,746	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	169,487	-	376,028	1,938	-	3,914	2,359
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	214,312	254,142	-	-	-	-
Other disbursements	-	295,438	1,250,000	-	4,350	-	-
Total disbursements	<u>444,233</u>	<u>509,750</u>	<u>1,880,170</u>	<u>1,938</u>	<u>4,350</u>	<u>3,914</u>	<u>2,359</u>
Excess (deficiency) of receipts over disbursements	<u>(71,432)</u>	<u>(406,371)</u>	<u>(776,812)</u>	<u>37,222</u>	<u>(500)</u>	<u>616</u>	<u>1,204</u>
Cash and investments - ending	<u>\$ 564,075</u>	<u>\$ 2,681,351</u>	<u>\$ 3,213,601</u>	<u>\$ 114,841</u>	<u>\$ 150</u>	<u>\$ 47,375</u>	<u>\$ 1,454</u>

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

	Firearms Training	General Drain Improvement	Health	Identification Security Protection	Local Health Maintenance	Local Road and Street	LOIT Public Safety - County Share
Cash and investments - beginning	\$ 87,890	\$ 912,823	\$ 102,387	\$ 69,363	\$ 68,847	\$ 719,575	\$ 4,060,349
Receipts:							
Taxes	-	-	405,419	-	-	-	-
Licenses and permits	37,145	-	-	-	-	-	-
Intergovernmental receipts	-	-	53,983	-	48,859	1,992,770	2,077,644
Charges for services	-	-	72,483	6,269	1,492	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	1,058	3,786	-	-	-	46,621
Total receipts	<u>37,145</u>	<u>1,058</u>	<u>535,671</u>	<u>6,269</u>	<u>50,351</u>	<u>1,992,770</u>	<u>2,124,265</u>
Disbursements:							
Personal services	-	-	462,339	-	36,155	-	1,191,848
Supplies	48,439	299	10,218	-	278	-	41,900
Other services and charges	-	49,734	21,059	23,125	3,295	1,658,833	651,336
Debt service - principal and interest	-	-	-	-	-	-	841,820
Capital outlay	5,443	-	27,750	2,875	1,232	-	255,657
Other disbursements	-	1,058	-	-	-	-	220,000
Total disbursements	<u>53,882</u>	<u>51,091</u>	<u>521,366</u>	<u>26,000</u>	<u>40,960</u>	<u>1,658,833</u>	<u>3,202,561</u>
Excess (deficiency) of receipts over disbursements	<u>(16,737)</u>	<u>(50,033)</u>	<u>14,305</u>	<u>(19,731)</u>	<u>9,391</u>	<u>333,937</u>	<u>(1,078,296)</u>
Cash and investments - ending	<u>\$ 71,153</u>	<u>\$ 862,790</u>	<u>\$ 116,692</u>	<u>\$ 49,632</u>	<u>\$ 78,238</u>	<u>\$ 1,053,512</u>	<u>\$ 2,982,053</u>

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

	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat
Cash and investments - beginning	\$ 50	\$ 741,982	\$ 75,120	\$ 5,821,191	\$ 2,844,438	\$ 298,490	\$ 1,993,893
Receipts:							
Taxes	-	-	-	-	479,400	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	42,249	3,569,175	-	-	63,834	-	302,747
Charges for services	-	-	17,430	-	-	138,793	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	62	12,450	-	-	4,616	-	632
Total receipts	<u>42,311</u>	<u>3,581,625</u>	<u>17,430</u>	<u>-</u>	<u>547,850</u>	<u>138,793</u>	<u>303,379</u>
Disbursements:							
Personal services	-	1,831,923	-	-	361,534	39,989	-
Supplies	10,549	924,158	-	-	2,550	3,983	67,700
Other services and charges	31,712	630,549	-	20,000	106,689	29,598	31,365
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	229,143	-	1,113,792	4,032	44,145	100,000
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>42,261</u>	<u>3,615,773</u>	<u>-</u>	<u>1,133,792</u>	<u>474,805</u>	<u>117,715</u>	<u>199,065</u>
Excess (deficiency) of receipts over disbursements	<u>50</u>	<u>(34,148)</u>	<u>17,430</u>	<u>(1,133,792)</u>	<u>73,045</u>	<u>21,078</u>	<u>104,314</u>
Cash and investments - ending	<u>\$ 100</u>	<u>\$ 707,834</u>	<u>\$ 92,550</u>	<u>\$ 4,687,399</u>	<u>\$ 2,917,483</u>	<u>\$ 319,568</u>	<u>\$ 2,098,207</u>

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

	Sex and Violent Offender Administration	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	GAL/CASA
Cash and investments - beginning	\$ 5,912	\$ 259,695	\$ 58,866	\$ 93,147	\$ -	\$ 935,913	\$ 17,882
Receipts:							
Taxes	-	-	65,263	-	147,256	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	10,148
Charges for services	4,442	-	-	13,775	-	-	-
Fines and forfeits	-	84,164	-	-	-	-	-
Other receipts	-	-	-	-	-	748,882	-
Total receipts	<u>4,442</u>	<u>84,164</u>	<u>65,263</u>	<u>13,775</u>	<u>147,256</u>	<u>748,882</u>	<u>10,148</u>
Disbursements:							
Personal services	-	-	-	-	-	-	3,252
Supplies	-	-	-	-	-	-	380
Other services and charges	700	75,968	-	-	-	-	4,786
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	18,560	-	-	500
Other disbursements	-	-	47,576	-	147,256	882,398	-
Total disbursements	<u>700</u>	<u>75,968</u>	<u>47,576</u>	<u>18,560</u>	<u>147,256</u>	<u>882,398</u>	<u>8,918</u>
Excess (deficiency) of receipts over disbursements	<u>3,742</u>	<u>8,196</u>	<u>17,687</u>	<u>(4,785)</u>	<u>-</u>	<u>(133,516)</u>	<u>1,230</u>
Cash and investments - ending	<u>\$ 9,654</u>	<u>\$ 267,891</u>	<u>\$ 76,553</u>	<u>\$ 88,362</u>	<u>\$ -</u>	<u>\$ 802,397</u>	<u>\$ 19,112</u>

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

	Auditors Ineligible Deductions	County Elected Officials Training	Statewide 911	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Lake Ditch Drain Maint	Dispatch Center
Cash and investments - beginning	\$ 15,550	\$ 16,828	\$ 1,577,723	\$ 558,294	\$ 32,195	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	56,308	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	2,111	6,269	592,165	26,985	-	-	-
Fines and forfeits	-	-	-	160,839	17,629	-	-
Other receipts	-	-	24	-	-	-	2,650,589
Total receipts	2,111	6,269	592,189	187,824	17,629	56,308	2,650,589
Disbursements:							
Personal services	-	-	532,209	297,002	-	-	-
Supplies	-	-	3,000	-	-	-	-
Other services and charges	-	75	261,645	36,986	-	10,878	283,518
Debt service - principal and interest	-	-	-	-	-	-	38,872
Capital outlay	-	-	244,246	-	-	-	1,094,288
Other disbursements	-	-	-	555	-	-	-
Total disbursements	-	75	1,041,100	334,543	-	10,878	1,416,678
Excess (deficiency) of receipts over disbursements	2,111	6,194	(448,911)	(146,719)	17,629	45,430	1,233,911
Cash and investments - ending	\$ 17,661	\$ 23,022	\$ 1,128,812	\$ 411,575	\$ 49,824	\$ 45,430	\$ 1,233,911

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

	Self Insurance	Payroll Clearing	Payroll Withholding - PERF	Payroll Withholding - Sheriff Pension	Settlement	CVET Agency	Financial Institution Tax
Cash and investments - beginning	\$ 804,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	51,061,059	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	259,122	272,795
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>2,438,893</u>	<u>11,941,551</u>	<u>1,225,010</u>	<u>39,612</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>2,438,893</u>	<u>11,941,551</u>	<u>1,225,010</u>	<u>39,612</u>	<u>51,061,059</u>	<u>259,122</u>	<u>272,795</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>2,144,741</u>	<u>11,941,551</u>	<u>1,225,010</u>	<u>39,612</u>	<u>51,061,059</u>	<u>259,122</u>	<u>272,795</u>
Total disbursements	<u>2,144,741</u>	<u>11,941,551</u>	<u>1,225,010</u>	<u>39,612</u>	<u>51,061,059</u>	<u>259,122</u>	<u>272,795</u>
Excess (deficiency) of receipts over disbursements	<u>294,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,099,053</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	CEDIT Homestead Credit	HEA 1001 State Homestead Credit	LOIT PTRC	State Fines and Forfeitures	Infraction Judgements	Special Death Benefit	Sales Disclosure - State Share
Cash and investments - beginning	\$ 20,101	\$ (3,560)	\$ 531,642	\$ 1,614	\$ 7,886	\$ 395	\$ 665
Receipts:							
Taxes	991,751	3,560	14,085,218	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	8,431	119,264	5,715	7,975
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>991,751</u>	<u>3,560</u>	<u>14,085,218</u>	<u>8,431</u>	<u>119,264</u>	<u>5,715</u>	<u>7,975</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>992,518</u>	<u>-</u>	<u>14,290,585</u>	<u>8,926</u>	<u>120,257</u>	<u>5,630</u>	<u>7,865</u>
Total disbursements	<u>992,518</u>	<u>-</u>	<u>14,290,585</u>	<u>8,926</u>	<u>120,257</u>	<u>5,630</u>	<u>7,865</u>
Excess (deficiency) of receipts over disbursements	<u>(767)</u>	<u>3,560</u>	<u>(205,367)</u>	<u>(495)</u>	<u>(993)</u>	<u>85</u>	<u>110</u>
Cash and investments - ending	<u>\$ 19,334</u>	<u>\$ -</u>	<u>\$ 326,275</u>	<u>\$ 1,119</u>	<u>\$ 6,893</u>	<u>\$ 480</u>	<u>\$ 775</u>

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

	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Inheritance Tax
Cash and investments - beginning	\$ 546	\$ 100	\$ 573	\$ -	\$ 25	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	114,151
Charges for services	-	-	-	2	-	-	-
Fines and forfeits	4,734	688	6,488	-	494	700	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>4,734</u>	<u>688</u>	<u>6,488</u>	<u>2</u>	<u>494</u>	<u>700</u>	<u>114,151</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,280	788	6,500	-	504	675	103,721
Total disbursements	<u>5,280</u>	<u>788</u>	<u>6,500</u>	<u>-</u>	<u>504</u>	<u>675</u>	<u>103,721</u>
Excess (deficiency) of receipts over disbursements	<u>(546)</u>	<u>(100)</u>	<u>(12)</u>	<u>2</u>	<u>(10)</u>	<u>25</u>	<u>10,430</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 561</u>	<u>\$ 2</u>	<u>\$ 15</u>	<u>\$ 25</u>	<u>\$ 10,430</u>

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

	Education Plate Fees Agency	Riverboat Revenue Sharing	CAGIT Distribution	CEDIT Distribution	93.563 Prosecutor PCA	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 3,334	\$ 90,261	\$ 106,072
Receipts:							
Taxes	-	-	14,085,218	2,833,574	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	1,069	408,123	-	-	-	30,490	45,871
Charges for services	-	-	-	-	5,083	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	52
Total receipts	1,069	408,123	14,085,218	2,833,574	5,083	30,490	45,923
Disbursements:							
Personal services	-	-	-	-	-	12,344	49,637
Supplies	-	-	-	-	-	91	2,802
Other services and charges	-	-	-	-	3,050	34,286	4,410
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	3,000	5,803
Other disbursements	1,069	408,123	14,085,218	2,833,574	-	-	-
Total disbursements	1,069	408,123	14,085,218	2,833,574	3,050	49,721	62,652
Excess (deficiency) of receipts over disbursements	-	-	-	-	2,033	(19,231)	(16,729)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 5,367	\$ 71,030	\$ 89,343

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

	93.563 Clerk IV-D Incentive-Post Oct '99	Clerk's Child Support	Clerk's Interest Trust	Clerk's Bonds	Jury User Fee	ADAPT	Co Law Enforce Continuing Ed
Cash and investments - beginning	\$ 45,390	\$ 26,788	\$ 182,040	\$ 520,041	\$ 23,650	\$ 155,076	\$ 5,787
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	30,490	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	9,388	35,900	2,304
Other receipts	-	1,349,065	1,684,357	401,939	2,572	-	-
Total receipts	<u>30,490</u>	<u>1,349,065</u>	<u>1,684,357</u>	<u>401,939</u>	<u>11,960</u>	<u>35,900</u>	<u>2,304</u>
Disbursements:							
Personal services	12,156	-	-	-	-	117,818	-
Supplies	246	-	-	-	-	358	-
Other services and charges	7,005	-	-	-	20,089	2,022	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	1,359,550	1,456,375	921,980	-	-	-
Total disbursements	<u>19,407</u>	<u>1,359,550</u>	<u>1,456,375</u>	<u>921,980</u>	<u>20,089</u>	<u>120,198</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>11,083</u>	<u>(10,485)</u>	<u>227,982</u>	<u>(520,041)</u>	<u>(8,129)</u>	<u>(84,298)</u>	<u>2,304</u>
Cash and investments - ending	<u>\$ 56,473</u>	<u>\$ 16,303</u>	<u>\$ 410,022</u>	<u>\$ -</u>	<u>\$ 15,521</u>	<u>\$ 70,778</u>	<u>\$ 8,091</u>

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

	Law Enforcement Co User Fee	Pretrial Div-Traffic	Pretrial Div-Check	Administration Fees	Comm Corr Proj Income 12-13	K-9 Donations	EMA Donations
Cash and investments - beginning	\$ 13,433	\$ 144,411	\$ 16,952	\$ 27,898	\$ -	\$ 157	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	8,350	-	-
Fines and forfeits	2,120	158,039	3,060	38,784	50,764	-	-
Other receipts	-	-	-	-	322,142	120	600
Total receipts	<u>2,120</u>	<u>158,039</u>	<u>3,060</u>	<u>38,784</u>	<u>381,256</u>	<u>120</u>	<u>600</u>
Disbursements:							
Personal services	-	120,000	-	-	31,033	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	3,326	-	-	29,936	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	3,725	-	-
Other disbursements	352	53,243	1,615	27,898	833	-	-
Total disbursements	<u>352</u>	<u>176,569</u>	<u>1,615</u>	<u>27,898</u>	<u>65,527</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,768</u>	<u>(18,530)</u>	<u>1,445</u>	<u>10,886</u>	<u>315,729</u>	<u>120</u>	<u>600</u>
Cash and investments - ending	<u>\$ 15,201</u>	<u>\$ 125,881</u>	<u>\$ 18,397</u>	<u>\$ 38,784</u>	<u>\$ 315,729</u>	<u>\$ 277</u>	<u>\$ 600</u>

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

	CASA Donations	Special Probation Programs	Flood Homes Demolition	Mo Co Partner Water Quality	Work Release Intake Fee	Law Enforcement Fund	Federal Forfeited Property
Cash and investments - beginning	\$ 1,021	\$ 2,439	\$ 56,338	\$ 17,829	\$ 11,350	\$ 59,408	\$ 20,529
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	66,755	-	-	-	-
Charges for services	-	-	-	-	5,090	-	-
Fines and forfeits	-	-	-	-	-	3,348	1,555
Other receipts	-	-	1,710	9,225	-	1,465	10,000
Total receipts	-	-	68,465	9,225	5,090	4,813	11,555
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	1,194	-	5,111	3,959
Other services and charges	-	-	-	1,265	-	4,539	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	702	-	-	-	-	24,974	7,424
Other disbursements	-	-	-	-	-	853	-
Total disbursements	702	-	-	2,459	-	35,477	11,383
Excess (deficiency) of receipts over disbursements	(702)	-	68,465	6,766	5,090	(30,664)	172
Cash and investments - ending	\$ 319	\$ 2,439	\$ 124,803	\$ 24,595	\$ 16,440	\$ 28,744	\$ 20,701

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

	Co Offender Transportation	Local Health Dept Tr	United Way	Insurance Group Trust	Life Insurance	Dental & Vision	AFLAC
Cash and investments - beginning	\$ 788	\$ 37,616	\$ -	\$ -	\$ 2,173	\$ -	\$ 8,024
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	32,101	-	-	-	-	-
Charges for services	688	380	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	2,398	442,710	52,945	74,724	65,466
Total receipts	<u>688</u>	<u>32,481</u>	<u>2,398</u>	<u>442,710</u>	<u>52,945</u>	<u>74,724</u>	<u>65,466</u>
Disbursements:							
Personal services	-	19,327	-	-	-	-	-
Supplies	-	1,393	-	-	-	-	-
Other services and charges	-	2,246	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	2,398	442,710	56,058	74,724	71,113
Total disbursements	<u>-</u>	<u>22,966</u>	<u>2,398</u>	<u>442,710</u>	<u>56,058</u>	<u>74,724</u>	<u>71,113</u>
Excess (deficiency) of receipts over disbursements	<u>688</u>	<u>9,515</u>	<u>-</u>	<u>-</u>	<u>(3,113)</u>	<u>-</u>	<u>(5,647)</u>
Cash and investments - ending	<u>\$ 1,476</u>	<u>\$ 47,131</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (940)</u>	<u>\$ -</u>	<u>\$ 2,377</u>

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

	Vol PERF Contributions	Sur Tax	Wheel Tax	LOIT Prop Tax Oper Levies Rep	LOIT Public Safety	LOIT Stabilization	16.607 Bullet Proof Vest
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,856,136	\$ (760)
Receipts:							
Taxes	-	-	-	2,817,044	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	1,616,825	334,872	-	3,521,305	-	4,550
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	33,930	-	-	-	-	-	-
Total receipts	<u>33,930</u>	<u>1,616,825</u>	<u>334,872</u>	<u>2,817,044</u>	<u>3,521,305</u>	<u>-</u>	<u>4,550</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	13,655
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	33,930	1,616,825	334,122	2,817,044	3,521,305	1,124,582	-
Total disbursements	<u>33,930</u>	<u>1,616,825</u>	<u>334,122</u>	<u>2,817,044</u>	<u>3,521,305</u>	<u>1,124,582</u>	<u>13,655</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>750</u>	<u>-</u>	<u>-</u>	<u>(1,124,582)</u>	<u>(9,105)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 731,554</u>	<u>\$ (9,865)</u>

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

	93.074 Bioterror Base 13-14	14.228 CDBG-Primary	14.228 CDBG-Henderson	14.228 CDBG-Old Town Waverly	20.600 Operation Pullvoer	20.205 Brooklyn Pedest Bridge	97.039 HAZ MIT-Primary
Cash and investments - beginning	\$ (12,359)	\$ (50,366)	\$ -	\$ (91,357)	\$ (2,807)	\$ 39,517	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	14,986	67,556	17,102	173,121	29,706	-	53,687
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	54,000	-
Total receipts	<u>14,986</u>	<u>67,556</u>	<u>17,102</u>	<u>173,121</u>	<u>29,706</u>	<u>54,000</u>	<u>53,687</u>
Disbursements:							
Personal services	2,037	1,345	-	1,792	12,086	-	4,035
Supplies	80	-	-	-	-	-	-
Other services and charges	510	15,453	17,102	78,635	-	-	49,450
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	32,970	-
Other disbursements	-	-	-	-	16,748	-	-
Total disbursements	<u>2,627</u>	<u>16,798</u>	<u>17,102</u>	<u>80,427</u>	<u>28,834</u>	<u>32,970</u>	<u>53,485</u>
Excess (deficiency) of receipts over disbursements	<u>12,359</u>	<u>50,758</u>	<u>-</u>	<u>92,694</u>	<u>872</u>	<u>21,030</u>	<u>202</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ -</u>	<u>\$ 1,337</u>	<u>\$ (1,935)</u>	<u>\$ 60,547</u>	<u>\$ 202</u>

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

	97.039 HAZ MIT-Henderson	97.039 HAZ MIT-Old Town Waverly	16.588 STOP Viol Ag Wo 13-14	16.575 VOCA 13-14	16.588 STOP Viol Ag Wo 12-13	93.074 Bioterror Base 12-13	97.039 HAZ MIT-2010 Waverly
Cash and investments - beginning	\$ 3,923	\$ (638)	\$ (6,809)	\$ (6,587)	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	9	211,260	14,186	32,980	-	-	161,369
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>9</b>	<b>211,260</b>	<b>14,186</b>	<b>32,980</b>	<b>-</b>	<b>-</b>	<b>161,369</b>
Disbursements:							
Personal services	-	4,541	7,377	33,481	6,242	16,352	656
Supplies	-	-	-	-	-	-	-
Other services and charges	9	206,082	-	-	-	460	41,690
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	123,188
Other disbursements	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>9</b>	<b>210,623</b>	<b>7,377</b>	<b>33,481</b>	<b>6,242</b>	<b>16,812</b>	<b>165,534</b>
Excess (deficiency) of receipts over disbursements	-	637	6,809	(501)	(6,242)	(16,812)	(4,165)
Cash and investments - ending	<u>\$ 3,923</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (7,088)</u>	<u>\$ (6,242)</u>	<u>\$ (16,812)</u>	<u>\$ (4,165)</u>

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

	14.228 CDBG-2010 Waverly	93.074 Bioterror CRI 12-13	Comm Corr Grant 13-14	Interpreter Grant	Comm Corr Grant 12-13	Comm Corr Proj Income 13-14	MC Pros Fed Forfeiture
Cash and investments - beginning	\$ (656)	\$ -	\$ 2,354	\$ 3,090	\$ -	\$ 350,954	\$ 1,654
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	11,121	-	94,894	-	126,767	-	-
Charges for services	-	-	-	-	-	7,555	-
Fines and forfeits	-	-	-	-	-	109,156	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>11,121</u>	<u>-</u>	<u>94,894</u>	<u>-</u>	<u>126,767</u>	<u>116,711</u>	<u>-</u>
Disbursements:							
Personal services	219	1,132	76,037	-	113,874	92,649	-
Supplies	-	-	6,157	-	1,758	-	-
Other services and charges	13,897	-	12,657	-	10,371	51,257	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	41,063	-	-	-	-	22	-
Other disbursements	-	-	2,397	-	-	323,737	-
Total disbursements	<u>55,179</u>	<u>1,132</u>	<u>97,248</u>	<u>-</u>	<u>126,003</u>	<u>467,665</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(44,058)</u>	<u>(1,132)</u>	<u>(2,354)</u>	<u>-</u>	<u>764</u>	<u>(350,954)</u>	<u>-</u>
Cash and investments - ending	<u>\$ (44,714)</u>	<u>\$ (1,132)</u>	<u>\$ -</u>	<u>\$ 3,090</u>	<u>\$ 764</u>	<u>\$ -</u>	<u>\$ 1,654</u>

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

	93.074 Bioterror MRC	97.039 Haz Mit-Johnson	14.228 CDBG-Johnson	20.205 Landersdale Const Eng	Naccho MRC	Clerk's Trust & Registry
Cash and investments - beginning	\$ -	\$ -	\$ (45,543)	\$ (1)	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	6,499	2,532	46,387	23,227	3,500	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	5,479,524
Total receipts	<u>6,499</u>	<u>2,532</u>	<u>46,387</u>	<u>23,227</u>	<u>3,500</u>	<u>5,479,524</u>
Disbursements:						
Personal services	-	185	62	-	-	-
Supplies	4,229	-	-	-	2,054	-
Other services and charges	-	2,347	782	23,226	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	2,271	-	-	-	1,446	-
Other disbursements	-	-	-	-	-	4,788,898
Total disbursements	<u>6,500</u>	<u>2,532</u>	<u>844</u>	<u>23,226</u>	<u>3,500</u>	<u>4,788,898</u>
Excess (deficiency) of receipts over disbursements	<u>(1)</u>	<u>-</u>	<u>45,543</u>	<u>1</u>	<u>-</u>	<u>690,626</u>
Cash and investments - ending	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,626</u>

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

	Dispatch Center Reserve	Morgan Co Redevelopment Comm	97.042 EMP Competitive	93.074 Bioterror CRI 13-14	97.039 Haz Mit-2013 Morgan Co	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,454,664
Receipts:						
Taxes	-	-	-	-	-	101,622,247
Licenses and permits	-	-	-	-	-	130,496
Intergovernmental receipts	-	-	5,155	22,962	48,343	17,527,510
Charges for services	-	-	-	-	-	1,518,323
Fines and forfeits	-	-	-	-	-	1,361,435
Other receipts	<u>295,438</u>	<u>1,250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,881,872</u>
Total receipts	<u>295,438</u>	<u>1,250,000</u>	<u>5,155</u>	<u>22,962</u>	<u>48,343</u>	<u>160,041,883</u>
Disbursements:						
Personal services	-	-	-	22,472	-	15,206,156
Supplies	-	-	-	490	-	2,168,292
Other services and charges	-	164,577	-	-	5,093	8,278,597
Debt service - principal and interest	-	-	-	-	-	880,692
Capital outlay	-	-	5,155	-	44,000	4,761,053
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,010,137</u>
Total disbursements	<u>-</u>	<u>164,577</u>	<u>5,155</u>	<u>22,962</u>	<u>49,093</u>	<u>160,304,927</u>
Excess (deficiency) of receipts over disbursements	<u>295,438</u>	<u>1,085,423</u>	<u>-</u>	<u>-</u>	<u>(750)</u>	<u>(263,044)</u>
Cash and investments - ending	<u>\$ 295,438</u>	<u>\$ 1,085,423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (750)</u>	<u>\$ 46,191,620</u>

MORGAN COUNTY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2014

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,501,268</u>	<u>\$ 93,642</u>

MORGAN COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Caterpillar Financial Services Corp	2012 Caterpillar Wheel Loader	\$ 46,954	5/4/2012	5/4/2016
PACCAR Financial	2 2014 Peterbilt 348 PalFleet dump body	42,501	7/8/2013	7/28/2018
PACCAR Financial	2 2014 Peterbilt 348 PalFleet dump body	42,501	7/8/2013	7/28/2018
Santander Bank/Motorola Solutions Inc	911 Central Dispatch Console System	158,020	12/1/2013	12/1/2018
Sun Trust Equip Finance	Gradall XL3100IV	<u>56,914</u>	6/17/2013	7/1/2018
Total governmental activities		<u>346,890</u>		
Total of annual lease payments		<u>\$ 346,890</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Revenue bonds	Jail Expansion & Work Release	\$ 4,145,000	\$ 840,989
Revenue bonds	Central Dispatch	<u>2,470,000</u>	<u>291,038</u>
Total governmental activities		<u>6,615,000</u>	<u>1,132,027</u>
Totals		<u>\$ 6,615,000</u>	<u>\$ 1,132,027</u>

MORGAN 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.

	Ending Balance
Governmental activities:	
Land	\$ 5,456,300
Infrastructure	46,294,514
Buildings	26,328,764
Machinery, equipment, and vehicles	9,272,197
Construction in progress	1,488,536
Books and other	2,778,531
Total governmental activities	91,618,842
Total capital assets	\$ 91,618,842

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

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

TO: THE OFFICIALS OF MORGAN COUNTY, INDIANA

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

We have audited Morgan 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)

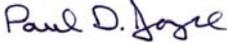
**Report on Internal Control over Compliance**

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

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

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

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

  
Paul D. Joyce, CPA  
State Examiner

August 30, 2016

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

MORGAN COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 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
<b>Department of Housing and Urban Development</b>				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Indiana Housing and Community Development			
CDBG Disaster Relief				
CDBG Primary		14.228	DR1HB-009-009	\$ 67,556
CDBG Old Town Waverly		14.228	DR1HB-009-010	173,121
CDBG Henderson		14.228	DR1HB-009-012	17,102
CDBG 2010 Waverly		14.228	DR1HB-011-024	11,121
CDBG Johnson		14.228	DR1HB-011-026	46,387
Total - CDBG - State-Administered CDBG Cluster				<u>315,287</u>
Total - Department of Housing and Urban Development				<u>315,287</u>
<b>Department of Justice</b>				
Crime Victim Assistance	Indiana Criminal Justice Institute			
Victim Assistance 10/13-12/14		16.575	2010-VA-GX-0036	<u>32,980</u>
Violence Against Women Formula Grants	Indiana Criminal Justice Institute			
Stop Violence Against Women 7/13-6/14		16.588	2013-WF-AX-0047	<u>14,186</u>
Bulletproof Vest Partnership Program	Direct			
Bullet Proof Vest FY2012		16.607	Calendar 2014	<u>4,550</u>
Total - Department of Justice				<u>51,716</u>
<b>Department of Transportation</b>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation			
Sign/Inventory		20.205	A249-11-320872	45,927
Bridge #44		20.205	A249-12-320133A	34,571
Landersdale Trail-Const Engineering		20.205	A249-13-320036	23,227
Total - Highway Planning and Construction Cluster				<u>103,725</u>
Highway Safety Cluster				
State and Community Highway Safety	Indiana Criminal Justice Institute			
Operation Pull Over 10/13-9/14		20.600	D3-14-8208	<u>29,706</u>
Total - Department of Transportation				<u>133,431</u>
<b>Department of Health and Human Services</b>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)				
Aligned Cooperative Agreements	Indiana State Department of Health			
Bioterrorism Base 7/13-6/14		93.074	A70-4-0532275	14,986
Bioterrorism CRI 7/13-6/14		93.074	A70-4-0532301	22,962
Bioterrorism MRC 7/13-6/14		93.074	A70-4-0532326	6,499
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Child Services			<u>44,447</u>
Child Support Enforcement				
Title IV-D Reimb Prosecutor Expenditures		93.563	Calendar 2014	209,706
Title IV-D Reimb Prosecutor Expenditures		93.563	Calendar 2014	5,500
Title IV-D Reimb Clerk Expenditures		93.563	Calendar 2014	49,443
Title IV-D Reimb Clerk Expenditures		93.563	Calendar 2014	273
Title IV-D Reimb Clerk Expenditures		93.563	Calendar 2014	807
Title IV-D Reimb Courts Expenditures		93.563	Calendar 2014	13,865
Title IV-D Reimb Courts Expenditures		93.563	Calendar 2014	155
Indirect Cost		93.563	Calendar 2014	73,777
Title IV-D Clerk Incentive		93.563	Calendar 2014	19,408
Title IV-D Prosecutor Incentive		93.563	Calendar 2014	62,652
Title IV-D County Incentive		93.563	Calendar 2014	49,720
Total - Child Support Enforcement				<u>485,306</u>
Total - Department of Health and Human Services				<u>529,753</u>
<b>Department of Homeland Security</b>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
Emergency Jan 2014 Snow DR4173	Indiana Department of Homeland Security			
		97.036	PA-05-IN-4173-PW-00067	<u>92,435</u>
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>92,435</u>
Hazard Mitigation Grant				
Hazard Mitigation Henderson	Indiana Department of Homeland Security			
		97.039	C44P-1-041A	9
Hazard Mitigation 2010 Waverly		97.039	C44P-2-274A	161,369
Hazard Mitigation Johnson		97.039	C44P-2-408A	2,532
Hazard Mitigation Primary		97.039	C44P-3-172B	53,687
Hazard Mitigation 2013 Morgan Co		97.039	C44P-4-560B	48,343
Hazard Mitigation Old Town Waverly		97.039	C44P-4-563B	211,260
Total - Hazard Mitigation Grant				<u>477,200</u>
Emergency Management Performance Grants				
EMP Competitive	Indiana Department of Homeland Security			
EMPG Salaries 2013		97.042	C44P-4-380B	5,155
		97.042	C44P-5-054B	21,056
Total - Emergency Management Performance Grants				<u>26,211</u>
Total - Department of Homeland Security				<u>595,846</u>
Total federal awards expended				<u>\$ 1,626,033</u>

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

MORGAN COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

**Note 2. Subrecipients**

Of the federal expenditures presented in the SEFA, the County provided federal awards to subrecipients as follows for the year ended December 31, 2014:

Program Title	Federal CFDA Number	2014
State and Community Highway Safety	20.600	\$ <u>16,748</u>

MORGAN COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
97.036	CDBG - State-Administered CDBG Cluster Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039	Hazard Mitigation Grant

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**

No matters are reportable.

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

No matters are reportable.

#### 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/>.