

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

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



**FILED**  
02/24/2016



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Penny A. Lukenbill Julie A. Fox	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Deborah P. VandeMark Penny A. Lukenbill	01-11-13 to 12-31-14 01-01-15 to 12-31-18
Clerk of the Circuit Court	Julie A. Fox Deborah P. VanDeMark	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Sheriff	Thomas G. Chamberlin William Cleavenger Matthew K. Hassel	01-01-11 to 08-28-15 08-29-15 to 09-30-15 09-30-15 to 12-31-18
County Recorder	Marlene K. Mahler	01-01-11 to 12-31-18
President of the Board of County Commissioners	Kevin G. Overmyer	01-01-13 to 12-31-16
President of the County Council	Matthew K. Hassel Don Morrison Judith Stone	01-01-13 to 09-30-15 10-01-15 to 12-31-15 01-01-16 to 12-31-16



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

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

We have audited the accompanying financial statement of Marshall County (County), which comprises the financial position and results of operations for the year ended December 31, 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 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 January 5, 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

January 5, 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 MARSHALL COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Marshall County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated January 5, 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.

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

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

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

**Compliance and Other Matters**


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

**Marshall County's Response to Findings**

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

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

January 5, 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.

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

Fund	Cash and Investments		Cash and Investments	
	01-01-14	Receipts	Disbursements	12-31-14
After Settlement Collections	\$ 1,051,495	\$ 1,274,160	\$ 1,051,495	\$ 1,274,160
Sheriff's Inmate Trust	7,997	1,399,962	1,390,179	17,780
Jail Commissary	120,905	93,198	80,727	133,376
Clerk's Trust	2,298,834	6,638,181	6,637,738	2,299,277
General	6,413,731	8,622,982	8,496,752	6,539,961
Accident Report	10,827	4,031	8,839	6,019
CAGIT Special Legislation	5,177,277	2,460,021	1,869,638	5,767,660
CAGIT County Certified Shares	456,365	3,479,730	2,701,878	1,234,217
Campaign Finance Enforcement County	842	-	-	842
Child Advocacy	2,210	-	-	2,210
City and Town Court Costs	2,852	16,745	14,859	4,738
Clerk's Records Perpetuation	73,667	27,262	12,506	88,423
Community Corrections	200	-	-	200
Congressional School Interest	16,928	160	-	17,088
Congressional School Principal	21,223	-	-	21,223
Sales Disclosure County Share	26,686	5,240	2,026	29,900
Cumulative Bridge	898,365	1,670,993	1,916,142	653,216
Cumulative Capital Development	943,666	483,181	502,259	924,588
Drug Free Community	74,799	62,298	75,000	62,097
Emergency Medical Services	-	607,476	607,476	-
Emergency Planning/Right to Know	31,795	15,620	20,963	26,452
Enhanced Access	84	315	-	399
Extradition and Sheriff's Assistance	146,896	10,315	6,102	151,109
Firearms Training	54,526	22,263	6,575	70,214
General Drain Improvement	437,640	254,399	360,223	331,816
Health	643,281	393,081	345,322	691,040
Identification Security Protection	27,137	3,011	-	30,148
Levy Excess	46,754	-	-	46,754
Local Health Maintenance	43,495	33,139	33,062	43,572
Local Road and Street	246,898	434,114	479,872	201,140
Misdemeanant	79,791	47,982	76,391	51,382
Motor Vehicle Highway	1,259,979	5,097,805	4,633,176	1,724,608
Plat Book	69,923	11,514	6,362	75,075
Rainy Day	4,215,327	385,631	872,437	3,728,521
Reassessment 2009	58,455	1,424	59,839	40
Reassessment 2015	676,233	366,022	285,391	756,864
Recorder's Records Perpetuation	33,249	62,865	37,114	59,000
Sex and Violent Offender Administration	14,042	3,177	1,686	15,533
Sheriff's Pension Trust	1,647	21,536	15,973	7,210
Supplemental Public Defender Services	61,238	20,611	-	81,849
Surplus Tax	31,962	64,071	50,757	45,276
Surveyor's Corner Perpetuation	9,828	8,535	11,372	6,991
Tax Sale Redemption	(168)	89,842	89,562	112
Tax Sale Surplus	554,644	301,067	536,983	318,728
Local Health Department Trust Account	52,861	25,093	6,894	71,060
Victim Impact Program	2,346	-	-	2,346
GAL/CASA	143,360	41,334	36,372	148,322
Auditors Ineligible Deductions	44,277	-	7,999	36,278
County Elected Officials Training	9,277	3,011	331	11,957
Park and Recreation	-	1,119,821	1,119,821	-
Statewide 911	547,647	521,512	604,888	464,271
Adult Probation Administrative	869	86,701	43,000	44,570
Juvenile Probation Administrative	3,309	-	-	3,309
Supplemental Adult Probation Services	526,441	72,683	70,911	528,213
Supplemental Juvenile Probation Services	20,523	4,896	-	25,419
Cemetery Operating	-	378,938	378,938	-
County User Fee	39,982	17,333	16,173	41,142
Drainage Maintenance	1,769,252	299,766	460,380	1,608,638
Drug Task Force #1	43,041	-	13,829	29,212
DUI Task Force	6,065	10,781	16,065	781
K-9	3,128	-	-	3,128
Debt Service	-	118,097	118,097	-
Payroll Clearing	103,851	4,082,193	4,073,036	113,008
Welfare Excise Tax 0209	-	1,725,260	1,725,260	-
CVET Agency	8	305,938	305,938	8
Sewage Collections	(120)	24,213	22,916	1,177
Financial Institution Tax	-	173,256	173,256	-
HEA 1001 State Homestead Credit	3,376	-	3,376	-
Homestead Credit Rebate	22,298	168	-	22,466
LOIT PTRC	-	2,420,877	2,420,877	-
State Fines and Forfeitures	39,054	55,698	78,121	16,631
Infraction Judgements	17,522	115,940	125,099	8,363
Special Death Benefit	735	3,960	4,485	210
Sales Disclosure State Share	890	5,240	5,545	585
Coroners Training & Con't Education	776	5,884	5,950	710

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

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Interstate Compact State Share	63	180	243	-
Mortgage Recording Fees State Share	822	3,465	4,042	245
DLGF Homestead Property Database	(34)	-	-	(34)
Sex and Violent Offender Admin State	65	353	396	22
Child Restraint Violations Fines	275	1,650	1,775	150
Military Fines	4	-	-	4
Inheritance Tax	29,942	21	912	29,051
Education Plate Fees Agency	75	750	731	94
Riverboat Revenue Sharing	1	278,725	278,726	-
Innkeepers Tax Collections	17,204	270,196	268,200	19,200
Judgments Due Law Enforcement	2,649	-	-	2,649
93.563 ARRA Prosecutor IV-D Incentive	8,426	3,822	11,606	642
93.563 ARRA Clerk IV-D Incentive	8,104	-	8,104	-
93.563 Prosecutor IV-D Incentive-Post Oct '99	117,037	38,606	61,408	94,235
93.563 Clerk IV-D Incentive-Prior To Oct '99	5,550	-	-	5,550
93.563 Clerk IV-D Incentive-Post Oct '99	118,849	25,659	4,702	139,806
School Exempt Pension Debt 1219	-	34,745	34,745	-
School Exempt Debt Service 1220	-	520,215	520,215	-
MVH Distribution Fund	-	2,539,556	2,539,556	-
Petty Cash Funds	590	-	-	590
Treasurer's Cash Fund	500	-	-	500
Prosecutor Pre-Trial Diversion	172,820	101,000	106,398	167,422
Sheriff Pre-Trial Diversion	4,055	-	-	4,055
Court Services	321,577	303,805	214,715	410,667
MC DTF#2	488	-	-	488
Victim Assistance Donations	1,195	-	-	1,195
Road Cut Bonds	19,700	7,000	7,000	19,700
Intrastate Compact Fees	2,778	352	-	3,130
EPICS Fund	50,690	14,400	-	65,090
Governors Drug Free Indiana	253	-	-	253
DARE	20,908	4,698	8,366	17,240
Crossroads Museum Project	980	-	-	980
Historical Society	39,133	-	30,979	8,154
Personal Property Tax Judgement	3,065	-	-	3,065
Sheriff Continuing Education	27,850	4,565	9,385	23,030
Prosecutor Continuing Education	476	-	-	476
Supplemental Technology	3,270	-	-	3,270
DEA Forfeiture Fund	38,693	32,744	19,533	51,904
Old Surplus Dog Tax	26	-	-	26
Police Pension 0342	-	30,999	30,999	-
Township Assistance	-	206,848	206,848	-
Storm Sewer 0907	-	17,183	17,183	-
Corporation Tax 1006	-	6,014,379	6,014,379	-
Firefighting 1111	-	838,228	838,228	-
CUM Fire 1190	-	283,002	283,002	-
School Cap Projects 1214	-	6,730,599	6,730,599	-
School Debt Service 1216	-	8,046,936	8,046,936	-
School Pension Debt 1217	-	918,983	918,983	-
Recreation Townships 1312	-	39,719	39,719	-
Library 2010	-	2,126,536	2,126,536	-
Library Debt Service 2013	-	245,071	245,071	-
Corp CCD 2379	-	236,774	236,774	-
School Transportation 6301	-	3,446,814	3,446,814	-
School Bus Replacement 6302	-	768,073	768,073	-
Township Taxes	-	283,785	283,785	-
SW Lake Max Conservancy	-	52,623	52,623	-
Solid Waste District	-	305,995	305,995	-
TIF	(13,046)	2,433,271	2,420,225	-
Local Option Certified Shares	-	7,262,630	7,262,630	-
10.557 WIC	(20,021)	168,321	168,258	(19,958)
16.575 Victim Assistance	5,163	-	-	5,163
20.509 Older Adult Service Grant	7,889	143,534	143,534	7,889
20.609 Operation Pull Over	163	5,605	-	5,768
97.042 EMA Grants	3,276	8,238	8,238	3,276
97.012 Lake Enforce DNR Grant	1,177	55,000	46,296	9,881
93.617 HAVA 2012	1,800	-	1,800	-
93.563 County IVD Incentive	250,516	25,659	-	276,175
<b>Totals</b>	<b>\$ 30,999,289</b>	<b>\$ 90,993,864</b>	<b>\$ 89,909,498</b>	<b>\$ 32,083,655</b>

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

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County.

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

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

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

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

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

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

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

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

*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.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

MARSHALL 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. Holding Corporations**

The County has entered into a capital lease with the Marshall County Holding Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2014 totaled \$1,214,000.

#### 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.

MARSHALL 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	General	Accident Report	CAGIT Special Legislation
Cash and investments - beginning	\$ 1,051,495	\$ 7,997	\$ 120,905	\$ 2,298,834	\$ 6,413,731	\$ 10,827	\$ 5,177,277
Receipts:							
Taxes	-	-	-	-	6,262,781	-	-
Licenses and permits	-	-	-	-	78,298	-	-
Intergovernmental	-	-	-	-	1,132,408	-	2,420,877
Charges for services	-	-	-	-	384,311	-	-
Fines and forfeits	-	-	-	-	216,713	-	-
Other receipts	1,274,160	1,399,962	93,198	6,638,181	548,471	4,031	39,144
Total receipts	<u>1,274,160</u>	<u>1,399,962</u>	<u>93,198</u>	<u>6,638,181</u>	<u>8,622,982</u>	<u>4,031</u>	<u>2,460,021</u>
Disbursements:							
Personal services	-	-	-	-	5,529,067	-	478,463
Supplies	-	-	-	-	176,105	-	-
Other services and charges	-	-	-	-	2,611,607	899	7,175
Debt Service	-	-	-	-	-	-	1,214,000
Capital outlay	-	-	-	-	98,686	-	170,000
Other disbursements	1,051,495	1,390,179	80,727	6,637,738	81,287	7,940	-
Total disbursements	<u>1,051,495</u>	<u>1,390,179</u>	<u>80,727</u>	<u>6,637,738</u>	<u>8,496,752</u>	<u>8,839</u>	<u>1,869,638</u>
Excess (deficiency) of receipts over disbursements	<u>222,665</u>	<u>9,783</u>	<u>12,471</u>	<u>443</u>	<u>126,230</u>	<u>(4,808)</u>	<u>590,383</u>
Cash and investments - ending	<u>\$ 1,274,160</u>	<u>\$ 17,780</u>	<u>\$ 133,376</u>	<u>\$ 2,299,277</u>	<u>\$ 6,539,961</u>	<u>\$ 6,019</u>	<u>\$ 5,767,660</u>

MARSHALL 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	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Congressional School Interest
Cash and investments - beginning	\$ 456,365	\$ 842	\$ 2,210	\$ 2,852	\$ 73,667	\$ 200	\$ 16,928
Receipts:							
Taxes	3,394,104	-	-	-	-	-	160
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	82,705	-	-	-	549	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	16,745	26,713	-	-
Other receipts	2,921	-	-	-	-	-	-
Total receipts	<u>3,479,730</u>	<u>-</u>	<u>-</u>	<u>16,745</u>	<u>27,262</u>	<u>-</u>	<u>160</u>
Disbursements:							
Personal services	2,028,921	-	-	-	3,245	-	-
Supplies	359,482	-	-	-	1,026	-	-
Other services and charges	183,463	-	-	-	8,235	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	130,012	-	-	-	-	-	-
Other disbursements	-	-	-	14,859	-	-	-
Total disbursements	<u>2,701,878</u>	<u>-</u>	<u>-</u>	<u>14,859</u>	<u>12,506</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>777,852</u>	<u>-</u>	<u>-</u>	<u>1,886</u>	<u>14,756</u>	<u>-</u>	<u>160</u>
Cash and investments - ending	<u>\$ 1,234,217</u>	<u>\$ 842</u>	<u>\$ 2,210</u>	<u>\$ 4,738</u>	<u>\$ 88,423</u>	<u>\$ 200</u>	<u>\$ 17,088</u>

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

	Congressional School Principal	Sales Disclosure County Share	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Medical Services	Emergency Planning/Right to Know
Cash and investments - beginning	\$ 21,223	\$ 26,686	\$ 898,365	\$ 943,666	\$ 74,799	\$ -	\$ 31,795
Receipts:							
Taxes	-	-	697,862	431,717	-	607,476	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	968,434	37,076	59,138	-	15,620
Charges for services	-	5,240	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	4,697	14,388	3,160	-	-
Total receipts	-	5,240	1,670,993	483,181	62,298	607,476	15,620
Disbursements:							
Personal services	-	-	90,954	-	-	-	-
Supplies	-	-	326,175	-	-	-	-
Other services and charges	-	2,026	33,665	324,538	75,000	-	20,963
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	1,465,348	177,721	-	-	-
Other disbursements	-	-	-	-	-	607,476	-
Total disbursements	-	2,026	1,916,142	502,259	75,000	607,476	20,963
Excess (deficiency) of receipts over disbursements	-	3,214	(245,149)	(19,078)	(12,702)	-	(5,343)
Cash and investments - ending	\$ 21,223	\$ 29,900	\$ 653,216	\$ 924,588	\$ 62,097	\$ -	\$ 26,452

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

	Enhanced Access	Extradition and Sheriff's Assistance	Firearms Training	General Drain Improvement	Health	Identification Security Protection	Levy Excess
Cash and investments - beginning	\$ 84	\$ 146,896	\$ 54,526	\$ 437,640	\$ 643,281	\$ 27,137	\$ 46,754
Receipts:							
Taxes	-	-	-	159,448	291,900	-	-
Licenses and permits	-	-	-	-	32,730	-	-
Intergovernmental	-	-	-	-	25,068	-	-
Charges for services	315	10,315	-	-	18,708	3,011	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	22,263	94,951	24,675	-	-
Total receipts	<u>315</u>	<u>10,315</u>	<u>22,263</u>	<u>254,399</u>	<u>393,081</u>	<u>3,011</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	309,290	-	-
Supplies	-	-	-	-	7,400	-	-
Other services and charges	-	6,102	-	-	27,825	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	797	-	-
Other disbursements	-	-	6,575	360,223	10	-	-
Total disbursements	<u>-</u>	<u>6,102</u>	<u>6,575</u>	<u>360,223</u>	<u>345,322</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>315</u>	<u>4,213</u>	<u>15,688</u>	<u>(105,824)</u>	<u>47,759</u>	<u>3,011</u>	<u>-</u>
Cash and investments - ending	<u>\$ 399</u>	<u>\$ 151,109</u>	<u>\$ 70,214</u>	<u>\$ 331,816</u>	<u>\$ 691,040</u>	<u>\$ 30,148</u>	<u>\$ 46,754</u>

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

	Local Health Maintenance	Local Road and Street	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment 2009
Cash and investments - beginning	\$ 43,495	\$ 246,898	\$ 79,791	\$ 1,259,979	\$ 69,923	\$ 4,215,327	\$ 58,455
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	33,139	434,114	46,215	3,401,365	-	-	-
Charges for services	-	-	-	-	11,514	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	1,767	1,696,440	-	385,631	1,424
Total receipts	<u>33,139</u>	<u>434,114</u>	<u>47,982</u>	<u>5,097,805</u>	<u>11,514</u>	<u>385,631</u>	<u>1,424</u>
Disbursements:							
Personal services	32,105	-	-	1,691,882	6,362	-	-
Supplies	-	379,872	1,572	2,026,197	-	-	-
Other services and charges	957	100,000	55,640	517,041	-	267,188	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	19,179	398,056	-	605,249	-
Other disbursements	-	-	-	-	-	-	59,839
Total disbursements	<u>33,062</u>	<u>479,872</u>	<u>76,391</u>	<u>4,633,176</u>	<u>6,362</u>	<u>872,437</u>	<u>59,839</u>
Excess (deficiency) of receipts over disbursements	<u>77</u>	<u>(45,758)</u>	<u>(28,409)</u>	<u>464,629</u>	<u>5,152</u>	<u>(486,806)</u>	<u>(58,415)</u>
Cash and investments - ending	<u>\$ 43,572</u>	<u>\$ 201,140</u>	<u>\$ 51,382</u>	<u>\$ 1,724,608</u>	<u>\$ 75,075</u>	<u>\$ 3,728,521</u>	<u>\$ 40</u>

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

	Reassessment 2015	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Sheriff's Pension Trust	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation
Cash and investments - beginning	\$ 676,233	\$ 33,249	\$ 14,042	\$ 1,647	\$ 61,238	\$ 31,962	\$ 9,828
Receipts:							
Taxes	277,182	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	23,770	-	-	-	-	-	-
Charges for services	-	62,865	-	21,536	-	-	8,535
Fines and forfeits	-	-	3,177	-	-	-	-
Other receipts	65,070	-	-	-	20,611	64,071	-
Total receipts	<u>366,022</u>	<u>62,865</u>	<u>3,177</u>	<u>21,536</u>	<u>20,611</u>	<u>64,071</u>	<u>8,535</u>
Disbursements:							
Personal services	173,984	-	-	-	-	-	-
Supplies	514	-	-	-	-	-	-
Other services and charges	18,695	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	92,198	-	573	-	-	-	-
Other disbursements	-	37,114	1,113	15,973	-	50,757	11,372
Total disbursements	<u>285,391</u>	<u>37,114</u>	<u>1,686</u>	<u>15,973</u>	<u>-</u>	<u>50,757</u>	<u>11,372</u>
Excess (deficiency) of receipts over disbursements	<u>80,631</u>	<u>25,751</u>	<u>1,491</u>	<u>5,563</u>	<u>20,611</u>	<u>13,314</u>	<u>(2,837)</u>
Cash and investments - ending	<u>\$ 756,864</u>	<u>\$ 59,000</u>	<u>\$ 15,533</u>	<u>\$ 7,210</u>	<u>\$ 81,849</u>	<u>\$ 45,276</u>	<u>\$ 6,991</u>

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

	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Victim Impact Program	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training
Cash and investments - beginning	\$ (168)	\$ 554,644	\$ 52,861	\$ 2,346	\$ 143,360	\$ 44,277	\$ 9,277
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	25,093	-	23,501	-	-
Charges for services	-	-	-	-	-	-	3,011
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	89,842	301,067	-	-	17,833	-	-
Total receipts	<u>89,842</u>	<u>301,067</u>	<u>25,093</u>	<u>-</u>	<u>41,334</u>	<u>-</u>	<u>3,011</u>
Disbursements:							
Personal services	-	-	6,894	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	331
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	7,999	-
Other disbursements	89,562	536,983	-	-	36,372	-	-
Total disbursements	<u>89,562</u>	<u>536,983</u>	<u>6,894</u>	<u>-</u>	<u>36,372</u>	<u>7,999</u>	<u>331</u>
Excess (deficiency) of receipts over disbursements	<u>280</u>	<u>(235,916)</u>	<u>18,199</u>	<u>-</u>	<u>4,962</u>	<u>(7,999)</u>	<u>2,680</u>
Cash and investments - ending	<u>\$ 112</u>	<u>\$ 318,728</u>	<u>\$ 71,060</u>	<u>\$ 2,346</u>	<u>\$ 148,322</u>	<u>\$ 36,278</u>	<u>\$ 11,957</u>

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

	Park and Recreation	Statewide 911	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Cemetary Operating
Cash and investments - beginning	\$ -	\$ 547,647	\$ 869	\$ 3,309	\$ 526,441	\$ 20,523	\$ -
Receipts:							
Taxes	1,119,821	-	-	-	-	-	378,938
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	521,167	-	-	-	-	-
Fines and forfeits	-	-	43,701	-	72,683	4,896	-
Other receipts	-	345	43,000	-	-	-	-
Total receipts	<u>1,119,821</u>	<u>521,512</u>	<u>86,701</u>	<u>-</u>	<u>72,683</u>	<u>4,896</u>	<u>378,938</u>
Disbursements:							
Personal services	-	512,392	-	-	4,785	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	91,976	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	520	-	-	-	-	-
Other disbursements	1,119,821	-	43,000	-	66,126	-	378,938
Total disbursements	<u>1,119,821</u>	<u>604,888</u>	<u>43,000</u>	<u>-</u>	<u>70,911</u>	<u>-</u>	<u>378,938</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(83,376)</u>	<u>43,701</u>	<u>-</u>	<u>1,772</u>	<u>4,896</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 464,271</u>	<u>\$ 44,570</u>	<u>\$ 3,309</u>	<u>\$ 528,213</u>	<u>\$ 25,419</u>	<u>\$ -</u>

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

	County User Fee	Drainage Maintenance	Drug Task Force #1	DUI Task Force	K-9	Debt Service	Payroll Clearing
Cash and investments - beginning	\$ 39,982	\$ 1,769,252	\$ 43,041	\$ 6,065	\$ 3,128	\$ -	\$ 103,851
Receipts:							
Taxes	-	299,766	-	-	-	118,097	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	10,000	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	17,333	-	-	-	-	-	-
Other receipts	-	-	-	781	-	-	4,082,193
Total receipts	<u>17,333</u>	<u>299,766</u>	<u>-</u>	<u>10,781</u>	<u>-</u>	<u>118,097</u>	<u>4,082,193</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	172	-	-	-	-
Other services and charges	-	-	5,567	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	8,090	-	-	-	-
Other disbursements	16,173	460,380	-	16,065	-	118,097	4,073,036
Total disbursements	<u>16,173</u>	<u>460,380</u>	<u>13,829</u>	<u>16,065</u>	<u>-</u>	<u>118,097</u>	<u>4,073,036</u>
Excess (deficiency) of receipts over disbursements	<u>1,160</u>	<u>(160,614)</u>	<u>(13,829)</u>	<u>(5,284)</u>	<u>-</u>	<u>-</u>	<u>9,157</u>
Cash and investments - ending	<u>\$ 41,142</u>	<u>\$ 1,608,638</u>	<u>\$ 29,212</u>	<u>\$ 781</u>	<u>\$ 3,128</u>	<u>\$ -</u>	<u>\$ 113,008</u>

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

	Welfare Excise Tax 0209	CVET Agency	Sewage Collections	Financial Institution Tax	HEA 1001 State Homestead Credit	Homestead Credit Rebate	LOIT PTRC
Cash and investments - beginning	\$ -	\$ 8	\$ (120)	\$ -	\$ 3,376	\$ 22,298	\$ -
Receipts:							
Taxes	1,725,260	-	24,213	-	-	168	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	305,938	-	173,256	-	-	2,420,877
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,725,260</u>	<u>305,938</u>	<u>24,213</u>	<u>173,256</u>	<u>-</u>	<u>168</u>	<u>2,420,877</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1,725,260</u>	<u>305,938</u>	<u>22,916</u>	<u>173,256</u>	<u>3,376</u>	<u>-</u>	<u>2,420,877</u>
Total disbursements	<u>1,725,260</u>	<u>305,938</u>	<u>22,916</u>	<u>173,256</u>	<u>3,376</u>	<u>-</u>	<u>2,420,877</u>
Excess (deficiency) of receipts over disbursements	-	-	1,297	-	(3,376)	168	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 1,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,466</u>	<u>\$ -</u>

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

	State Fines and Forfeitures	Infraction Judgements	Special Death Benefit	Sales Disclosure State Share	Coroners Training & Con't Education	Interstate Compact State Share	Mortgage Recording Fees State Share
Cash and investments - beginning	\$ 39,054	\$ 17,522	\$ 735	\$ 890	\$ 776	\$ 63	\$ 822
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	5,240	-	-	3,465
Fines and forfeits	55,698	-	-	-	-	180	-
Other receipts	-	115,940	3,960	-	5,884	-	-
Total receipts	<u>55,698</u>	<u>115,940</u>	<u>3,960</u>	<u>5,240</u>	<u>5,884</u>	<u>180</u>	<u>3,465</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	78,121	125,099	4,485	5,545	5,950	243	4,042
Total disbursements	<u>78,121</u>	<u>125,099</u>	<u>4,485</u>	<u>5,545</u>	<u>5,950</u>	<u>243</u>	<u>4,042</u>
Excess (deficiency) of receipts over disbursements	<u>(22,423)</u>	<u>(9,159)</u>	<u>(525)</u>	<u>(305)</u>	<u>(66)</u>	<u>(63)</u>	<u>(577)</u>
Cash and investments - ending	<u>\$ 16,631</u>	<u>\$ 8,363</u>	<u>\$ 210</u>	<u>\$ 585</u>	<u>\$ 710</u>	<u>\$ -</u>	<u>\$ 245</u>

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

	DLGF Homestead Property Database	Sex and Violent Offender Admin State	Child Restraint Violations Fines	Military Fines	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing
Cash and investments - beginning	\$ (34)	\$ 65	\$ 275	\$ 4	\$ 29,942	\$ 75	\$ 1
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	21	750	278,725
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	353	1,650	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>353</u>	<u>1,650</u>	<u>-</u>	<u>21</u>	<u>750</u>	<u>278,725</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	396	1,775	-	912	731	278,726
Total disbursements	<u>-</u>	<u>396</u>	<u>1,775</u>	<u>-</u>	<u>912</u>	<u>731</u>	<u>278,726</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(43)</u>	<u>(125)</u>	<u>-</u>	<u>(891)</u>	<u>19</u>	<u>(1)</u>
Cash and investments - ending	<u>\$ (34)</u>	<u>\$ 22</u>	<u>\$ 150</u>	<u>\$ 4</u>	<u>\$ 29,051</u>	<u>\$ 94</u>	<u>\$ -</u>

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

	Innkeepers Tax Collections	Judgments Due Law Enforcement	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Prior To Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ 17,204	\$ 2,649	\$ 8,426	\$ 8,104	\$ 117,037	\$ 5,550	\$ 118,849
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	38,606	-	25,659
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	270,196	-	3,822	-	-	-	-
Total receipts	270,196	-	3,822	-	38,606	-	25,659
Disbursements:							
Personal services	-	-	-	-	61,408	-	206
Supplies	-	-	1,521	-	-	-	1,520
Other services and charges	-	-	1,262	480	-	-	2,700
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	8,823	-	-	-	-
Other disbursements	268,200	-	-	7,624	-	-	276
Total disbursements	268,200	-	11,606	8,104	61,408	-	4,702
Excess (deficiency) of receipts over disbursements	1,996	-	(7,784)	(8,104)	(22,802)	-	20,957
Cash and investments - ending	\$ 19,200	\$ 2,649	\$ 642	\$ -	\$ 94,235	\$ 5,550	\$ 139,806

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

	School Exempt Pension Debt 1219	School Exempt Debt Service 1220	MVH Distribution Fund	Petty Cash Funds	Treasurer's Cash Fund	Prosecutor Pre-Trial Diversion	Sheriff Pre-Trial Diversion
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 590	\$ 500	\$ 172,820	\$ 4,055
Receipts:							
Taxes	34,745	520,215	2,539,556	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	101,000	-
Total receipts	<u>34,745</u>	<u>520,215</u>	<u>2,539,556</u>	<u>-</u>	<u>-</u>	<u>101,000</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	46,969	-
Supplies	-	-	-	-	-	2,913	-
Other services and charges	-	-	-	-	-	43,522	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	12,994	-
Other disbursements	34,745	520,215	2,539,556	-	-	-	-
Total disbursements	<u>34,745</u>	<u>520,215</u>	<u>2,539,556</u>	<u>-</u>	<u>-</u>	<u>106,398</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,398)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590</u>	<u>\$ 500</u>	<u>\$ 167,422</u>	<u>\$ 4,055</u>

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

	Court Services	MC DTF#2	Victim Assistance Donations	Road Cut Bonds	Intrastate Compact Fees	EPICS Fund	Governors Drug Free Indiana
Cash and investments - beginning	\$ 321,577	\$ 488	\$ 1,195	\$ 19,700	\$ 2,778	\$ 50,690	\$ 253
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	303,793	-	-	7,000	-	-	-
Fines and forfeits	-	-	-	-	352	-	-
Other receipts	12	-	-	-	-	14,400	-
Total receipts	<u>303,805</u>	<u>-</u>	<u>-</u>	<u>7,000</u>	<u>352</u>	<u>14,400</u>	<u>-</u>
Disbursements:							
Personal services	133,952	-	-	-	-	-	-
Supplies	1,605	-	-	-	-	-	-
Other services and charges	67,390	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	8,118	-	-	-	-	-	-
Other disbursements	3,650	-	-	7,000	-	-	-
Total disbursements	<u>214,715</u>	<u>-</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>89,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>352</u>	<u>14,400</u>	<u>-</u>
Cash and investments - ending	<u>\$ 410,667</u>	<u>\$ 488</u>	<u>\$ 1,195</u>	<u>\$ 19,700</u>	<u>\$ 3,130</u>	<u>\$ 65,090</u>	<u>\$ 253</u>

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

	DARE	Crossroads Museum Project	Historical Society	Personal Property Tax Judgement	Sheriff Continuing Education	Prosecutor Continuing Education	Supplemental Technology
Cash and investments - beginning	\$ 20,908	\$ 980	\$ 39,133	\$ 3,065	\$ 27,850	\$ 476	\$ 3,270
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	4,220	-	-
Other receipts	4,698	-	-	-	345	-	-
Total receipts	<u>4,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,565</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	30,979	-	-	-	-
Supplies	6,181	-	-	-	-	-	-
Other services and charges	2,185	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	9,385	-	-
Total disbursements	<u>8,366</u>	<u>-</u>	<u>30,979</u>	<u>-</u>	<u>9,385</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,668)</u>	<u>-</u>	<u>(30,979)</u>	<u>-</u>	<u>(4,820)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 17,240</u>	<u>\$ 980</u>	<u>\$ 8,154</u>	<u>\$ 3,065</u>	<u>\$ 23,030</u>	<u>\$ 476</u>	<u>\$ 3,270</u>

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

	DEA Forfeiture Fund	Old Surplus Dog Tax	Police Pension 0342	Township Assistance	Storm Sewer 0907	Corporation Tax 1006	Firefighting 1111
Cash and investments - beginning	\$ 38,693	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	206,848	17,183	6,014,379	838,228
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	32,744	-	30,999	-	-	-	-
Total receipts	<u>32,744</u>	<u>-</u>	<u>30,999</u>	<u>206,848</u>	<u>17,183</u>	<u>6,014,379</u>	<u>838,228</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	19,533	-	30,999	206,848	17,183	6,014,379	838,228
Total disbursements	<u>19,533</u>	<u>-</u>	<u>30,999</u>	<u>206,848</u>	<u>17,183</u>	<u>6,014,379</u>	<u>838,228</u>
Excess (deficiency) of receipts over disbursements	<u>13,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 51,904</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	CUM Fire 1190	School Cap Projects 1214	School Debt Service 1216	School Pension Debt 1217	Recreation Townships 1312	Library 2010
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	283,002	6,730,599	8,046,936	918,983	39,719	2,126,536
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>283,002</u>	<u>6,730,599</u>	<u>8,046,936</u>	<u>918,983</u>	<u>39,719</u>	<u>2,126,536</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	283,002	6,730,599	8,046,936	918,983	39,719	2,126,536
Total disbursements	<u>283,002</u>	<u>6,730,599</u>	<u>8,046,936</u>	<u>918,983</u>	<u>39,719</u>	<u>2,126,536</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Library Debt Service 2013	Corp CCD 2379	School Transportation 6301	School Bus Replacement 6302	Township Taxes	SW Lake Max Conservancy
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	245,071	236,774	3,446,814	768,073	283,785	52,623
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>245,071</u>	<u>236,774</u>	<u>3,446,814</u>	<u>768,073</u>	<u>283,785</u>	<u>52,623</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>245,071</u>	<u>236,774</u>	<u>3,446,814</u>	<u>768,073</u>	<u>283,785</u>	<u>52,623</u>
Total disbursements	<u>245,071</u>	<u>236,774</u>	<u>3,446,814</u>	<u>768,073</u>	<u>283,785</u>	<u>52,623</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Solid Waste District	TIF	Local Option Certified Shares	10.557 WIC	16.575 Victim Assistance	20.509 Older Adult Service Grant
Cash and investments - beginning	\$ -	\$ (13,046)	\$ -	\$ (20,021)	\$ 5,163	\$ 7,889
Receipts:						
Taxes	-	2,433,271	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	7,262,630	168,321	-	143,534
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	305,995	-	-	-	-	-
Total receipts	<u>305,995</u>	<u>2,433,271</u>	<u>7,262,630</u>	<u>168,321</u>	<u>-</u>	<u>143,534</u>
Disbursements:						
Personal services	-	-	-	121,622	-	-
Supplies	-	-	-	5,887	-	-
Other services and charges	-	-	-	39,654	-	-
Debt Service	-	-	-	-	-	-
Capital outlay	-	-	-	1,095	-	-
Other disbursements	305,995	2,420,225	7,262,630	-	-	143,534
Total disbursements	<u>305,995</u>	<u>2,420,225</u>	<u>7,262,630</u>	<u>168,258</u>	<u>-</u>	<u>143,534</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>13,046</u>	<u>-</u>	<u>63</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,958)</u>	<u>\$ 5,163</u>	<u>\$ 7,889</u>

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

	20.609 Operation Pull Over	97.042 EMA Grants	97.012 Lake Enforce DNR Grant	93.617 HAVA 2012	93.563 County IVD Incentive	Totals
Cash and investments - beginning	\$ 163	\$ 3,276	\$ 1,177	\$ 1,800	\$ 250,516	\$ 30,999,289
Receipts:						
Taxes	-	-	-	-	-	51,572,233
Licenses and permits	-	-	-	-	-	111,028
Intergovernmental	5,605	8,238	20,000	-	25,659	19,616,891
Charges for services	-	-	-	-	-	1,370,026
Fines and forfeits	-	-	-	-	-	464,414
Other receipts	-	-	35,000	-	-	17,859,272
Total receipts	<u>5,605</u>	<u>8,238</u>	<u>55,000</u>	<u>-</u>	<u>25,659</u>	<u>90,993,864</u>
Disbursements:						
Personal services	-	-	32,856	-	-	11,296,336
Supplies	-	-	7,811	-	-	3,305,953
Other services and charges	-	-	5,629	1,800	-	4,523,515
Debt Service	-	-	-	-	-	1,214,000
Capital outlay	-	8,238	-	-	-	3,213,696
Other disbursements	-	-	-	-	-	66,355,998
Total disbursements	<u>-</u>	<u>8,238</u>	<u>46,296</u>	<u>1,800</u>	<u>-</u>	<u>89,909,498</u>
Excess (deficiency) of receipts over disbursements	<u>5,605</u>	<u>-</u>	<u>8,704</u>	<u>(1,800)</u>	<u>25,659</u>	<u>1,084,366</u>
Cash and investments - ending	<u>\$ 5,768</u>	<u>\$ 3,276</u>	<u>\$ 9,881</u>	<u>\$ -</u>	<u>\$ 276,175</u>	<u>\$ 32,083,655</u>

MARSHALL 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>\$ 1,090,977</u>	<u>\$ -</u>

MARSHALL COUNTY  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Marshall County Holding Corporation	Pay bond issue for jail construction	<u>\$ 1,214,000</u>	1/9/2006	3/18/2028

MARSHALL 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	\$ 1,696,484
Infrastructure	69,696,782
Buildings	22,764,176
Improvements other than buildings	70,380
Machinery, equipment, and vehicles	9,287,354
Books and other	50,000
Total capital assets	\$ 103,565,176

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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

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

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

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

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

We have audited Marshall County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2014. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on the Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2014.

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


**Report on Internal Control Over Compliance**

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

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

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

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

  
Paul D. Joyce, CPA  
State Examiner

January 5, 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.

MARSHALL 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
<u>Department of Agriculture</u>				
Special Supplemental Nutrition Program for Women, Infants and Children Peer Counselor Grant WIC	Indiana Department of Health	10.557	EDS A70-4-070591 A70-4-070530 A70-5-070652	\$ 5,770 137,795 <u>24,756</u>
Total - Special Supplemental Nutrition Program for Women, Infants and Children				<u>168,321</u>
Total - Department of Agriculture				<u>168,321</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning & Construction 7th Road Construction 13th Road Bridge 7th Road over Elmer Seltenright Ditch	Indiana Department of Transportation	20.205	DES #0810140 DES #0500911 DES #1173280	951,348 10,270 <u>6,816</u>
Total - Highway Planning and Construction Cluster				<u>968,434</u>
Highway Safety Cluster State and Community Highway Safety		20.600	#032NHTSA4022014	<u>5,605</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I		20.601	#032NHTSA4102014	<u>10,000</u>
Total - Highway Safety Cluster				<u>15,605</u>
Transit Services Programs Cluster New Freedom Program Older Adult Services	Indiana Department of Transportation	20.521	12NWFR700	<u>5,437</u>
Total - Transit Services Programs Cluster				<u>5,437</u>
Formula Grants for Rural Areas Older Adult Services	Indiana Department of Transportation	20.509	#80018900320	<u>94,212</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants 2013 HMEP	Indiana Department of Homeland Security	20.703	C44P-4-431B	<u>9,000</u>
Total - Department of Transportation				<u>1,092,688</u>
<u>Department of Health and Human Services</u>				
Child Support Enforcement IVD Incentive Prosecutor IVD Incentive General IVD Incentive Clerk IVD Reimbursements	Indiana Department of Child Services	93.563	FY 2014 FY 2014 FY 2014 FY 2014	38,606 25,659 25,659 <u>181,705</u>
Total - IVD Incentive Funds				<u>271,629</u>
Total - Department of Health and Human Services				<u>271,629</u>
<u>Department of Homeland Security</u>				
Boating Safety Financial Assistance Lake Enforcement	Indiana Department of Natural Resources	97.012	#300LE1BOATGRT14	<u>10,507</u>
Emergency Management Performance Grants EMA Grants	Indiana Department of Homeland Security	97.042	C44P-5-050B C44P-4-377B	19,688 <u>5,148</u>
Total - Emergency Management Performance Grants				<u>24,836</u>
Homeland Security Grant Program 2013 HSGP	Indiana Department of Homeland Security	97.067	C44P-4-069B	<u>3,090</u>
Total - Department of Homeland Security				<u>38,433</u>
Total federal awards expended				<u>\$ 1,571,071</u>

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

MARSHALL COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

**Note 2. Subrecipients**

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

Program Title	Federal CFDA Number	2014
Formula Grants for Rural Areas	20.509	\$ 94,212
New Freedom Program	20.521	5,437
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	6,680

MARSHALL COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

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

Federal Awards:

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

Identification of Major Program:

\_\_\_\_\_ Name of Federal Program or Cluster \_\_\_\_\_

Highway Planning and Construction Cluster

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 - FINANCIAL TRANSACTIONS AND REPORTING**

The County did not have a proper system of internal controls in place to prevent, or detect and correct, errors in the preparation of the financial statement or the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place over the preparation of the financial statement and SEFA to ensure accurate and reliable reporting of the County's financial activity. In addition, proper internal control requires sufficient oversight, review, and approval to ensure complete and accurate financial reporting. Due to the lack of internal controls, material misstatements within the financial statement and SEFA were undetected.

The County has not separated incompatible activities related to cash and investments and receipts. Daily receipts in the County Treasurer's Office are collected and deposited by the same employee who also performs the bank reconciliation. There is no segregation of duties, such as an oversight, review, or approval process.

MARSHALL COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The County Sheriff's Department has not separated incompatible activities related to cash and investments, receipts, and disbursements of the Sheriff's Inmate Trust Fund. Deposits are processed by the same employee who issues checks and performs the bank reconciliation. There is no segregation of duties, such as an oversight, review, or approval process.

The Clerk of the Circuit Court's Office has not separated incompatible activities related to cash and investments. Daily deposits of receipts in the Clerk of the Circuit Court's Office are prepared by the same employee who performs the monthly bank reconciliation. There is no segregation of duties, such as an oversight, review, or approval process.

The County Auditor is required to report all financial information in the Gateway Annual Financial Report (AFR). This information is used to compile the financial statement and SEFA. The County Auditor independently prepared and submitted the financial activity through the Gateway system without any oversight, review, or approval process.

The financial statement presented for audit contained material errors and did not properly reflect the financial activity of the County. Both receipts and disbursements of the Motor Vehicle Highway fund were overstated by \$2,539,556. Audit adjustments were proposed, accepted by the County, and included in the financial statement included in this report.

The SEFA included in this report contained the following errors:

1. Expenditures reported for several grants included the state portion.
2. Two grants were included which were applicable to the prior audit period.
3. Amounts paid to subrecipients were not disclosed in the Notes to the SEFA.

The net effect of the errors in the SEFA was that the expenditures of federal awards were overstated by \$1,420,215. Audit adjustments were proposed, accepted by the County, and included in the SEFA included in this report.

The failure to monitor the internal control system places the County at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls will prevent, or detect and correct, misstatements in a timely manner. Effective internal controls over financial reporting require the County to monitor and assess the quality of the system of internal control.

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 Counties of Indiana, Chapter 1) (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10) (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

MARSHALL COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available."

Indiana Code 5-11-1-4(a) states:

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

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

No matters are reportable.

AUDITEE PREPARED DOCUMENT

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



**Julie A. Fox**  
**Marshall County Auditor**  
**112 W. Jefferson St., Room 205**  
**Plymouth, IN 46563**

Phone: 574-935-8555

Email: [julief@co.marshall.in.us](mailto:julief@co.marshall.in.us)

Fax: 574-935-4863

### **CORRECTIVE ACTION PLAN**

#### ***FINDING 2014-001***

Contact Person Responsible for Corrective Action: Julie A. Fox  
Contact Phone Number: (574) 935-8555

**Description of Corrective Action Plan:** Utilizing a Grant Summary worksheet to accurately reflect the state and federal portions of those grants which include funds from both entities. The Marshall County Auditor will maintain copies of the vouchers received by the sub-recipients, indicating the separate amounts contributed by each entity. The grant summaries, vouchers and quietus will then be used to verify each grant in preparing the SEFA for the county annual report and verified by someone other than the person preparing the report.

The Annual Financial Report will also be verified by someone other than the person preparing the report.

**Anticipated Completion Date:** January 5, 2016.

  
(Signature)

Marshall County Auditor

(Title)

January 5, 2016

(Date)



# *Marshall Circuit and Superior Courts*

*Deborah VanDeMark, Clerk*

211 West Madison Street, Plymouth, IN 46563

Telephone: 574-936-8922

Fax: 574-936-8893

## CORRECTIVE ACTION PLAN

### **FINDING 2014-001**

Contact Person Responsible for Corrective Action: - Deborah VanDeMark

Contact Phone Number: 574-935-8701

Description of Corrective Action Plan:

The Clerk's office will segregate the duties between the person preparing the daily deposits and the person performing the monthly bank reconciliation.

Anticipated Completion Date:

January 2016

*Deborah VanDeMark*  
(Signature)

Marshall County Clerk

(Title)

January 5, 2016

(Date)



**Sheriff Matthew Hassel**  
**Marshall County Sheriff's Department**

1400 Pioneer Dr.  
Plymouth, IN 46563  
Telephone (574) 936-3187 Facsimile (574) 936-3264

**CORRECTIVE ACTION PLAN**

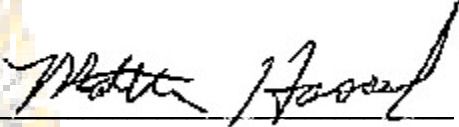
***FINDING 2014-001***

Contact Person Responsible for Corrective Action: Sheriff Matthew Hassel  
Contact Phone Number: (574) 936-3187, Ext. 222

Description of Corrective Action Plan:

1. To create a separation of duties and additional oversight, the monthly Inmate Trust Account reconciliation will now be completed by an employee other than the one performing deposits. Once reconciliation is completed, the employee who performs deposits, will review the documentation and, if correct, sign off on the bank statement.

Anticipated Completion Date: Friday January 15<sup>th</sup>, 2016



Matthew Hassel

(Signature)

Sheriff

(Title)

January 5<sup>th</sup>, 2016

(Date)



## TREASURER OF MARSHALL COUNTY

Penny Lukenbill  
112 W. Jefferson Street  
Room 206  
Plymouth, IN 46563

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Phone 574/935-8520

Fax: 574/935-4247

### CORRECTIVE ACTION PLAN

Re: Finding 2014-001

Contact Person Responsible for Corrective Action:

Penny Lukenbill  
Marshall County Treasurer  
Contact Phone Number: 574-935-8518

The Marshall County Treasurer will develop a written policy detailing the oversight, review and approval processes already in place, to further clarify and document the segregation of duties in the Treasurer's Office.

Anticipated completion date: January 31, 2016

Penny Lukenbill  
Marshall County Treasurer  
January 5, 2016

#### 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/>.