

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
KOSCIUSKO COUNTY, INDIANA
January 1, 2015 to December 31, 2015



FILED
03/30/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Michelle L. Puckett	01-01-15 to 12-31-18
County Treasurer	Sue Ann Mitchell Rhonda Helser	01-01-13 to 12-31-16 01-01-17 to 12-31-20
Clerk of the Circuit Court	Ann M. Torpy	03-19-13 to 12-31-20
County Sheriff	Aaron Rovenstine	01-01-15 to 12-31-18
County Recorder	Joetta Mitchell	01-01-15 to 12-31-18
President of the Board of County Commissioners	Bob Conley Ronald D. Truex Bradford Jackson	01-01-15 to 12-31-15 01-01-16 to 12-31-16 01-01-17 to 12-31-17
President of the County Council	Robert G. Sanders	01-01-15 to 12-31-17



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF KOSCIUSKO COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Kosciusko County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, 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 (Indiana Code 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 to 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, 2015.

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, 2015, 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 Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 30, 2017, 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 30, 2017



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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 KOSCIUSKO 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 Kosciusko County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated January 30, 2017, 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 County'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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 that we consider 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 2015-001.

Kosciusko 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 30, 2017

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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.

KOSCIUSKO COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS

For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
County General	\$ 7,619,430	\$ 14,977,435	\$ 14,038,259	\$ 8,558,606
Sheriff Accident Report	21,672	9,786	9,287	22,171
County EDIT Fund	2,397,723	3,039,236	2,806,684	2,630,275
Child Abuse Prevention	6,625	50	-	6,675
City & Town Court Costs	11,447	22,563	34,010	-
Clerk Document Storage Fee	94,461	45,101	6,700	132,862
Certified Share Local Option Tax	312,623	3,974,780	3,741,512	545,891
Interest Congressional	9,468	185	1,125	8,528
Principal Congressional	28,129	-	-	28,129
Assessor Ed/Sales Disclosure	112,494	11,050	-	123,544
Cumulative Bridge	1,286,384	589,199	1,295,675	579,908
County Cumulative Capital Development	1,913,889	1,872,455	1,461,666	2,324,678
Cumulative Jail	120,748	-	120,748	-
Drug Free Communities KCODE	16,606	89,090	59,408	46,288
Electronic Data	31,609	475	-	32,084
Local Emergency Planning	50,089	5,706	6,587	49,208
County Extradition	4,995	6,359	8,246	3,108
Gun Permits	12,639	28,312	31,952	8,999
General Drain Improvement	138,166	205,891	266,153	77,904
County Health	752,268	824,212	742,083	834,397
County ID Security Protection	14,276	7,522	-	21,798
Levy Excess Fund	281	-	-	281
Health Maintenance Grant	59,709	48,859	32,700	75,868
Local Road & Street	25,806	678,564	634,895	69,475
County Correction	-	48,121	48,121	-
Highway MVH	1,124,215	6,326,830	6,114,114	1,336,931
Plat Book Fund	118,803	19,610	29,432	108,981
Rainy Day Fund	3,343,316	-	-	3,343,316
Records Record Perpetuation	27,539	132,486	104,571	55,454
Riverboat Revenue Sharing	-	458,263	458,263	-
Sex & Violent Offender Adm Co	-	3,433	-	3,433
Clerk Sheriff Pension	-	68,196	68,196	-
Surplus Tax	56,964	85,419	64,013	78,370
Surveyor Corner Perpetuation	85,287	19,190	4,668	99,809
Tax Sale Redemption	-	207,806	207,806	-
Tax Sale Surplus	1,171,621	912,140	1,274,561	809,200
Local Health Department Trust Account	175,929	34,817	52,908	157,838
CASA	-	13,832	13,832	-
Statewide 9-1-1	277,246	623,018	685,606	214,658
Adult Probation User Fees	265,310	279,565	295,278	249,597
Juvenile Probation User Fees	18,227	5,864	-	24,091
Alternative Dispute Resolution	8,071	9,650	350	17,371
Drug & Alcohol User Fees	430,837	400,897	379,112	452,622
Drainage Maintenance	1,249,749	734,420	619,800	1,364,369
Sheriff Sale Fund	130,262	28,184	31,828	126,618
Health Clinic Administrative	89,718	46,459	20,900	115,277
SHOT Team Donation	10,501	10,200	7,800	12,901
Redevelopment Comm Dreyfus TIF	130,718	110,352	1,085	239,985
Employee Health Insurance Fund	2,749,031	3,865,170	4,121,620	2,492,581

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

KOSCIUSKO COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Direct Deposit	-	7,563,681	7,563,681	-
Colonial Insurance	7,938	3,131,026	3,138,964	-
Deferred Compensation	12,907	230,530	229,003	14,434
Withholding Federal	-	1,223,727	1,223,727	-
Withholding County Option Tax	-	118,251	118,251	-
Withholding P.E.R.F.	-	304,723	304,723	-
Withholding Sheriff Pension	-	60,251	60,251	-
Withholding State	-	377,498	377,498	-
Garnishment	-	68,585	68,585	-
Sheriff Pension Holding	-	14,075	-	14,075
Tax Distribution	-	73,359,804	73,359,804	-
Wheel Tax /Sur Tax	-	2,408,621	2,310,999	97,622
Commercial Vehicle Excise Tax	-	386,203	386,203	-
Sewage Charge Assessment Delq.	87,479	216,854	166,679	137,654
Financial Institution Fran Tax	-	444,780	444,780	-
Fines & Forfeitures	20,408	116,495	120,159	16,744
Clerk Of Court Infraction	5,587	108,597	107,326	6,858
Special Death Benefit Fee	660	7,940	7,955	645
State Disclosure Of Sales	960	10,870	11,000	830
St Coroner Tr & C Education	636	8,456	8,262	830
Mortgage Fee Fund	697	7,815	7,820	692
Homestd Property Database DLGF	1	29	14	16
Sex & Violent Offender Adm St	-	381	355	26
Child Restraint Fines	25	625	625	25
Inheritance Tax	13,880	31,274	42,215	2,939
Education Plate Fee Dist.	38	993	956	75
County Edit Tax	-	4,830,101	4,830,101	-
Certified Share Local Option	-	11,130,469	11,130,469	-
93.563 Prosecutor PCA	505	3,498	2,155	1,848
Clerk ARRA	24,584	-	-	24,584
93.563 Title IV-D Incentive	219,806	40,937	23,396	237,347
Prosecutor IV-D Incentive New	140,285	61,591	80,168	121,708
Clerk IV-D Incentive (NEW)	134,140	40,937	16,987	158,090
Clerk's Trust SAR	1,070,683	7,023,975	7,113,879	980,779
Clerk's ISETS Support SAR	5,785	1,019,366	1,009,662	15,489
Sheriff's Inmate Meals SAR	296	348,333	343,077	5,552
Sheriff's Inmate Trust SAR	57,811	1,301,880	1,302,104	57,587
Work Release Inmate Trust SAR	11,958	69,134	60,644	20,448
Sheriff's Commissary SAR	227,037	573,158	536,558	263,637
Sheriff's Crime Stoppers SAR	23,814	2	925	22,891
Treasurer Cash Change SAR	500	-	-	500
Treasurer's Unsettled Tax SAR	2,444,748	2,386,133	2,444,748	2,386,133
Property Reassessment 2017	1,451,962	405,020	587,783	1,269,199
Law Enforcement Data Access	102,900	39,000	-	141,900
Ineligible Deduction Fund Coun	112,349	32,931	18,433	126,847
Promotional Fund	6,313	1,937	3,230	5,020
Innkeepers Tax	36,058	579,862	580,308	35,612
Dreyfus TIF Bond Repayment	360,028	254,332	305,000	309,360

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

KOSCIUSKO COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Trupointe TIF Bond Repayment	956	25,713	4,459	22,210
County Sheriff Continuing Education	907	2,781	3,039	649
KCCRVC Commission	444,538	580,365	378,295	646,608
Law Enforcement Forfeit Sheriff	65,301	8,398	7,622	66,077
Recorder Refund	305	-	-	305
Etna Green Sheriff Patrol Reimbursement	-	8,530	8,530	-
Security Detail	-	4,935	4,935	-
Withholding Medicare	-	164,807	164,807	-
Withholding OASI	-	703,917	703,917	-
Weed Cutting Assessments	5,610	4,135	7,242	2,503
Public Mass Trans Fed 2015	-	247,566	247,566	-
Public Mass Trans Capital Gran	-	68,099	68,099	-
Public Mass Trans 1802504O FED	-	80,538	80,538	-
Pub Mass Trans STATE 2015	-	84,619	84,619	-
Public Mass Trans 1802504O STA	-	49,842	49,842	-
DUI Reimbursement	-	9,130	8,158	972
Fire District 2 6/15-6/17	-	5,217	7,702	(2,485)
Fire District 2 Training 10/11	100	-	-	100
VOCA 13VA2388	(26,225)	28,440	2,215	-
VOCA 14VAGX0062	-	18,085	33,548	(15,463)
VOCA	-	-	8,798	(8,798)
Prenatal	73,711	1,594	1,769	73,536
ADR Plan	7,312	-	5,222	2,090
Signage Pavement Markings	-	-	8,088	(8,088)
Closure	10,000	-	24,874	(14,874)
Fire District 2 2013/2014	-	37,361	37,161	200
Fire District 2 11/12/13	200	-	-	200
2014 EMPG Competitive B	-	13,000	13,000	-
2014 Dist 2 SHSP	-	5,078	5,078	-
2014 EMPG Competitive C	-	8,485	8,485	-
Bioterrorism Preparedness 2014	-	14,653	12,220	2,433
2013 SHSP Training	(26,673)	47,674	21,001	-
2013 SHSP Admin	(4,000)	30,000	26,000	-
2014 EMPG Salary Reimbursement	-	39,257	39,257	-
2015 HMEP	-	15,500	15,500	-
Operation Pull Over PT-08-04-0	2,453	23,459	25,912	-
Community Corrections Grant	-	107,542	-	107,542
USDOJ Reimbursement Fund	1,732	-	1,732	-
TB Medical Expenses	30,000	-	-	30,000
Pandemic Fund	1,908	-	-	1,908
2014 EMPG Structural Collapse	-	60,000	60,000	-
Court Interpreter Grant	7,038	7,862	4,665	10,235
Well Child Fund	24,974	11,776	12,066	24,684
DNR Grant 2014	9	15,000	14,997	12
Community Transition Program	-	18,925	-	18,925
Adult Drug Court Grant	-	64,228	64,228	-
Totals	<u>\$ 33,707,815</u>	<u>\$ 163,841,943</u>	<u>\$ 162,626,202</u>	<u>\$ 34,923,556</u>

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

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

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants,

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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. Amounts received for services including, but 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. Amounts received 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. 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. Amounts disbursed 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. Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements. Amounts disbursed for various other purposes including, but 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.

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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.

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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. This is a result of the funds being set up for reimbursement grants. The reimbursements for expenditures made by the County were not received by December 31, 2015.

Note 8. Holding Corporation

The County has entered into a capital lease with Kosciusko County Justice Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2015 totaled \$75,000.

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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.

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	County General	Sheriff Accident Report	County EDIT Fund	Child Abuse Prevention	City & Town Court Costs	Clerk Document Storage Fee
Cash and investments - beginning	\$ 7,619,430	\$ 21,672	\$ 2,397,723	\$ 6,625	\$ 11,447	\$ 94,461
Receipts:						
Taxes	8,763,971	-	3,003,656	-	-	-
Licenses and permits	51,454	-	-	-	-	-
Intergovernmental receipts	1,031,285	-	-	-	-	-
Charges for services	3,088,366	9,786	9,678	50	-	-
Fines and forfeits	344,156	-	-	-	22,563	44,879
Other receipts	1,698,203	-	25,902	-	-	222
Total receipts	<u>14,977,435</u>	<u>9,786</u>	<u>3,039,236</u>	<u>50</u>	<u>22,563</u>	<u>45,101</u>
Disbursements:						
Personal services	8,984,821	-	-	-	-	-
Supplies	535,706	-	-	-	-	-
Other services and charges	4,033,169	-	150,388	-	-	6,700
Capital outlay	364,331	-	656,221	-	-	-
Other disbursements	120,232	9,287	2,000,075	-	34,010	-
Total disbursements	<u>14,038,259</u>	<u>9,287</u>	<u>2,806,684</u>	<u>-</u>	<u>34,010</u>	<u>6,700</u>
Excess (deficiency) of receipts over disbursements	<u>939,176</u>	<u>499</u>	<u>232,552</u>	<u>50</u>	<u>(11,447)</u>	<u>38,401</u>
Cash and investments - ending	<u>\$ 8,558,606</u>	<u>\$ 22,171</u>	<u>\$ 2,630,275</u>	<u>\$ 6,675</u>	<u>\$ -</u>	<u>\$ 132,862</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Certified Share Local Option Tax	Interest Congressional	Principal Congressional	Assessor Ed/Sales Disclosure	Cumulative Bridge	County Cumulative Capital Development
Cash and investments - beginning	\$ 312,623	\$ 9,468	\$ 28,129	\$ 112,494	\$ 1,286,384	\$ 1,913,889
Receipts:						
Taxes	3,969,388	-	-	-	530,359	1,680,346
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	44,930	142,352
Charges for services	-	-	-	-	-	48,334
Fines and forfeits	-	-	-	11,050	-	-
Other receipts	5,392	185	-	-	13,910	1,423
Total receipts	<u>3,974,780</u>	<u>185</u>	<u>-</u>	<u>11,050</u>	<u>589,199</u>	<u>1,872,455</u>
Disbursements:						
Personal services	3,741,512	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,295,675	916,944
Capital outlay	-	-	-	-	-	544,722
Other disbursements	-	1,125	-	-	-	-
Total disbursements	<u>3,741,512</u>	<u>1,125</u>	<u>-</u>	<u>-</u>	<u>1,295,675</u>	<u>1,461,666</u>
Excess (deficiency) of receipts over disbursements	<u>233,268</u>	<u>(940)</u>	<u>-</u>	<u>11,050</u>	<u>(706,476)</u>	<u>410,789</u>
Cash and investments - ending	<u>\$ 545,891</u>	<u>\$ 8,528</u>	<u>\$ 28,129</u>	<u>\$ 123,544</u>	<u>\$ 579,908</u>	<u>\$ 2,324,678</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Cumulative Jail	Drug Free Communities KCODE	Electronic Data	Local Emergency Planning	County Extradition	Gun Permits
Cash and investments - beginning	\$ 120,748	\$ 16,606	\$ 31,609	\$ 50,089	\$ 4,995	\$ 12,639
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	28,280
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	475	-	6,355	-
Fines and forfeits	-	89,090	-	-	-	-
Other receipts	-	-	-	5,706	4	32
Total receipts	-	89,090	475	5,706	6,359	28,312
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	2,855	-	29,902
Other services and charges	-	59,408	-	3,087	8,246	2,050
Capital outlay	-	-	-	645	-	-
Other disbursements	120,748	-	-	-	-	-
Total disbursements	120,748	59,408	-	6,587	8,246	31,952
Excess (deficiency) of receipts over disbursements	(120,748)	29,682	475	(881)	(1,887)	(3,640)
Cash and investments - ending	\$ -	\$ 46,288	\$ 32,084	\$ 49,208	\$ 3,108	\$ 8,999

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	General Drain Improvement	County Health	County ID Security Protection	Levy Excess Fund	Health Maintenance Grant	Local Road & Street
Cash and investments - beginning	\$ 138,166	\$ 752,268	\$ 14,276	\$ 281	\$ 59,709	\$ 25,806
Receipts:						
Taxes	205,891	682,640	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	57,831	-	-	-	678,564
Charges for services	-	83,613	-	-	-	-
Fines and forfeits	-	-	7,522	-	-	-
Other receipts	-	128	-	-	48,859	-
Total receipts	<u>205,891</u>	<u>824,212</u>	<u>7,522</u>	<u>-</u>	<u>48,859</u>	<u>678,564</u>
Disbursements:						
Personal services	-	652,721	-	-	15,702	-
Supplies	-	49,255	-	-	-	634,895
Other services and charges	-	40,083	-	-	-	-
Capital outlay	-	-	-	-	16,998	-
Other disbursements	266,153	24	-	-	-	-
Total disbursements	<u>266,153</u>	<u>742,083</u>	<u>-</u>	<u>-</u>	<u>32,700</u>	<u>634,895</u>
Excess (deficiency) of receipts over disbursements	<u>(60,262)</u>	<u>82,129</u>	<u>7,522</u>	<u>-</u>	<u>16,159</u>	<u>43,669</u>
Cash and investments - ending	<u>\$ 77,904</u>	<u>\$ 834,397</u>	<u>\$ 21,798</u>	<u>\$ 281</u>	<u>\$ 75,868</u>	<u>\$ 69,475</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	County Correction	Highway MVH	Plat Book Fund	Rainy Day Fund	Records Record Perpetuation	Riverboat Revenue Sharing
Cash and investments - beginning	\$ -	\$ 1,124,215	\$ 118,803	\$ 3,343,316	\$ 27,539	\$ -
Receipts:						
Taxes	-	1,661,402	-	-	-	-
Licenses and permits	-	33,318	-	-	-	-
Intergovernmental receipts	-	4,605,968	-	-	-	458,263
Charges for services	-	10,000	-	-	132,486	-
Fines and forfeits	-	-	19,610	-	-	-
Other receipts	48,121	16,142	-	-	-	-
Total receipts	48,121	6,326,830	19,610	-	132,486	458,263
Disbursements:						
Personal services	48,121	2,502,847	29,432	-	54,552	-
Supplies	-	1,584,235	-	-	-	-
Other services and charges	-	294,107	-	-	-	-
Capital outlay	-	1,732,885	-	-	-	-
Other disbursements	-	40	-	-	50,019	458,263
Total disbursements	48,121	6,114,114	29,432	-	104,571	458,263
Excess (deficiency) of receipts over disbursements	-	212,716	(9,822)	-	27,915	-
Cash and investments - ending	\$ -	\$ 1,336,931	\$ 108,981	\$ 3,343,316	\$ 55,454	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Sex & Violent Offender Adm Co	Clerk Sheriff Pension	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ -	\$ -	\$ 56,964	\$ 85,287	\$ -	\$ 1,171,621
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	19,190	206,897	-
Fines and forfeits	-	68,196	-	-	-	-
Other receipts	3,433	-	85,419	-	909	912,140
Total receipts	<u>3,433</u>	<u>68,196</u>	<u>85,419</u>	<u>19,190</u>	<u>207,806</u>	<u>912,140</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	4,668	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	68,196	64,013	-	207,806	1,274,561
Total disbursements	<u>-</u>	<u>68,196</u>	<u>64,013</u>	<u>4,668</u>	<u>207,806</u>	<u>1,274,561</u>
Excess (deficiency) of receipts over disbursements	<u>3,433</u>	<u>-</u>	<u>21,406</u>	<u>14,522</u>	<u>-</u>	<u>(362,421)</u>
Cash and investments - ending	<u>\$ 3,433</u>	<u>\$ -</u>	<u>\$ 78,370</u>	<u>\$ 99,809</u>	<u>\$ -</u>	<u>\$ 809,200</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Local Health Department Trust Account	CASA	Statewide 9-1-1	Adult Probation User Fees	Juvenile Probation User Fees	Alternative Dispute Resolution
Cash and investments - beginning	\$ 175,929	\$ -	\$ 277,246	\$ 265,310	\$ 18,227	\$ 8,071
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	74	1,400	-	-
Fines and forfeits	-	-	-	260,846	5,864	-
Other receipts	34,817	13,832	622,944	17,319	-	9,650
Total receipts	<u>34,817</u>	<u>13,832</u>	<u>623,018</u>	<u>279,565</u>	<u>5,864</u>	<u>9,650</u>
Disbursements:						
Personal services	52,908	-	627,698	239,126	-	-
Supplies	-	-	-	26,498	-	-
Other services and charges	-	-	57,908	29,654	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	13,832	-	-	-	350
Total disbursements	<u>52,908</u>	<u>13,832</u>	<u>685,606</u>	<u>295,278</u>	<u>-</u>	<u>350</u>
Excess (deficiency) of receipts over disbursements	<u>(18,091)</u>	<u>-</u>	<u>(62,588)</u>	<u>(15,713)</u>	<u>5,864</u>	<u>9,300</u>
Cash and investments - ending	<u>\$ 157,838</u>	<u>\$ -</u>	<u>\$ 214,658</u>	<u>\$ 249,597</u>	<u>\$ 24,091</u>	<u>\$ 17,371</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Drug & Alcohol User Fees	Drainage Maintenance	Sheriff Sale Fund	Health Clinic Administrative	SHOT Team Donation	Redevelopment Comm Dreyfus TIF
Cash and investments - beginning	\$ 430,837	\$ 1,249,749	\$ 130,262	\$ 89,718	\$ 10,501	\$ 130,718
Receipts:						
Taxes	-	732,767	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	45,460	-	28,184	-	-	36,666
Fines and forfeits	174,033	-	-	-	-	-
Other receipts	181,404	1,653	-	46,459	10,200	73,686
Total receipts	<u>400,897</u>	<u>734,420</u>	<u>28,184</u>	<u>46,459</u>	<u>10,200</u>	<u>110,352</u>
Disbursements:						
Personal services	158,974	-	17,170	-	-	-
Supplies	14,098	-	-	-	-	-
Other services and charges	163,036	-	-	20,900	-	1,085
Capital outlay	-	-	-	-	-	-
Other disbursements	43,004	619,800	14,658	-	7,800	-
Total disbursements	<u>379,112</u>	<u>619,800</u>	<u>31,828</u>	<u>20,900</u>	<u>7,800</u>	<u>1,085</u>
Excess (deficiency) of receipts over disbursements	<u>21,785</u>	<u>114,620</u>	<u>(3,644)</u>	<u>25,559</u>	<u>2,400</u>	<u>109,267</u>
Cash and investments - ending	<u>\$ 452,622</u>	<u>\$ 1,364,369</u>	<u>\$ 126,618</u>	<u>\$ 115,277</u>	<u>\$ 12,901</u>	<u>\$ 239,985</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Employee Health Insurance Fund	Direct Deposit	Colonial Insurance	Deferred Compensation	Withholding Federal	Withholding County Option Tax
Cash and investments - beginning	\$ 2,749,031	\$ -	\$ 7,938	\$ 12,907	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	3,466,904	-	-	37	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	398,266	7,563,681	3,131,026	230,493	1,223,727	118,251
Total receipts	3,865,170	7,563,681	3,131,026	230,530	1,223,727	118,251
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	44,559	-	-	-	-	-
Other services and charges	118,289	-	-	-	-	-
Capital outlay	1,137	-	-	-	-	-
Other disbursements	3,957,635	7,563,681	3,138,964	229,003	1,223,727	118,251
Total disbursements	4,121,620	7,563,681	3,138,964	229,003	1,223,727	118,251
Excess (deficiency) of receipts over disbursements	(256,450)	-	(7,938)	1,527	-	-
Cash and investments - ending	\$ 2,492,581	\$ -	\$ -	\$ 14,434	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Withholding P.E.R.F.	Withholding Sheriff Pension	Withholding State	Garnishment	Sheriff Pension Holding	Tax Distribution
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	65,827,957
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	7,531,847
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	14,075	-
Other receipts	304,723	60,251	377,498	68,585	-	-
Total receipts	<u>304,723</u>	<u>60,251</u>	<u>377,498</u>	<u>68,585</u>	<u>14,075</u>	<u>73,359,804</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	304,723	60,251	377,498	68,585	-	73,359,804
Total disbursements	<u>304,723</u>	<u>60,251</u>	<u>377,498</u>	<u>68,585</u>	<u>-</u>	<u>73,359,804</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,075</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,075</u>	<u>\$ -</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Wheel Tax /Sur Tax	Commercial Vehicle Excise Tax	Sewage Charge Assessment Delq.	Financial Institution Fran Tax	Fines & Forfeitures	Clerk Of Court Infraction
Cash and investments - beginning	\$ -	\$ -	\$ 87,479	\$ -	\$ 20,408	\$ 5,587
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	386,203	-	-	-	-
Charges for services	-	-	216,854	444,780	-	-
Fines and forfeits	-	-	-	-	116,495	108,597
Other receipts	2,408,621	-	-	-	-	-
Total receipts	<u>2,408,621</u>	<u>386,203</u>	<u>216,854</u>	<u>444,780</u>	<u>116,495</u>	<u>108,597</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,310,999	386,203	166,679	444,780	120,159	107,326
Total disbursements	<u>2,310,999</u>	<u>386,203</u>	<u>166,679</u>	<u>444,780</u>	<u>120,159</u>	<u>107,326</u>
Excess (deficiency) of receipts over disbursements	<u>97,622</u>	<u>-</u>	<u>50,175</u>	<u>-</u>	<u>(3,664)</u>	<u>1,271</u>
Cash and investments - ending	<u>\$ 97,622</u>	<u>\$ -</u>	<u>\$ 137,654</u>	<u>\$ -</u>	<u>\$ 16,744</u>	<u>\$ 6,858</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Special Death Benefit Fee	State Disclosure Of Sales	St Coroner Tr & C Education	Mortgage Fee Fund	Homestd Property Database DLGF	Sex & Violent Offender Adm St
Cash and investments - beginning	\$ 660	\$ 960	\$ 636	\$ 697	\$ 1	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	10,870	8,456	7,815	-	-
Fines and forfeits	7,940	-	-	-	-	-
Other receipts	-	-	-	-	29	381
Total receipts	<u>7,940</u>	<u>10,870</u>	<u>8,456</u>	<u>7,815</u>	<u>29</u>	<u>381</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	7,955	11,000	8,262	7,820	14	355
Total disbursements	<u>7,955</u>	<u>11,000</u>	<u>8,262</u>	<u>7,820</u>	<u>14</u>	<u>355</u>
Excess (deficiency) of receipts over disbursements	<u>(15)</u>	<u>(130)</u>	<u>194</u>	<u>(5)</u>	<u>15</u>	<u>26</u>
Cash and investments - ending	<u>\$ 645</u>	<u>\$ 830</u>	<u>\$ 830</u>	<u>\$ 692</u>	<u>\$ 16</u>	<u>\$ 26</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Child Restraint Fines	Inheritance Tax	Education Plate Fee Dist.	County Edit Tax	Certified Share Local Option	93.563 Prosecutor PCA
Cash and investments - beginning	\$ 25	\$ 13,880	\$ 38	\$ -	\$ -	\$ 505
Receipts:						
Taxes	-	-	-	4,830,101	11,130,469	-
Licenses and permits	-	-	993	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	31,274	-	-	-	-
Fines and forfeits	625	-	-	-	-	-
Other receipts	-	-	-	-	-	3,498
Total receipts	<u>625</u>	<u>31,274</u>	<u>993</u>	<u>4,830,101</u>	<u>11,130,469</u>	<u>3,498</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	625	42,215	956	4,830,101	11,130,469	2,155
Total disbursements	<u>625</u>	<u>42,215</u>	<u>956</u>	<u>4,830,101</u>	<u>11,130,469</u>	<u>2,155</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(10,941)</u>	<u>37</u>	<u>-</u>	<u>-</u>	<u>1,343</u>
Cash and investments - ending	<u>\$ 25</u>	<u>\$ 2,939</u>	<u>\$ 75</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,848</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Clerk ARRA	93,563 Title IV-D Incentive	Prosecutor IV-D Incentive New	Clerk IV-D Incentive (NEW)	Clerk's Trust SAR	Clerk's ISETS Support SAR
Cash and investments - beginning	\$ 24,584	\$ 219,806	\$ 140,285	\$ 134,140	\$ 1,070,683	\$ 5,785
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	40,937	61,591	40,937	7,023,975	1,019,366
Total receipts	-	40,937	61,591	40,937	7,023,975	1,019,366
Disbursements:						
Personal services	-	23,396	42,199	-	-	-
Supplies	-	-	5,577	-	-	-
Other services and charges	-	-	8,871	-	-	-
Capital outlay	-	-	18,457	-	-	-
Other disbursements	-	-	5,064	16,987	7,113,879	1,009,662
Total disbursements	-	23,396	80,168	16,987	7,113,879	1,009,662
Excess (deficiency) of receipts over disbursements	-	17,541	(18,577)	23,950	(89,904)	9,704
Cash and investments - ending	\$ 24,584	\$ 237,347	\$ 121,708	\$ 158,090	\$ 980,779	\$ 15,489

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Sheriff's Inmate Meals SAR	Sheriff's Inmate Trust SAR	Work Release Inmate Trust SAR	Sheriff's Commissary SAR	Sheriff's Crime Stoppers SAR	Treasurer Cash Change SAR
Cash and investments - beginning	\$ 296	\$ 57,811	\$ 11,958	\$ 227,037	\$ 23,814	\$ 500
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	348,333	1,301,880	69,134	573,158	2	-
Total receipts	<u>348,333</u>	<u>1,301,880</u>	<u>69,134</u>	<u>573,158</u>	<u>2</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	343,077	1,302,104	60,644	536,558	925	-
Total disbursements	<u>343,077</u>	<u>1,302,104</u>	<u>60,644</u>	<u>536,558</u>	<u>925</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>5,256</u>	<u>(224)</u>	<u>8,490</u>	<u>36,600</u>	<u>(923)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,552</u>	<u>\$ 57,587</u>	<u>\$ 20,448</u>	<u>\$ 263,637</u>	<u>\$ 22,891</u>	<u>\$ 500</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Treasurer's Unsettled Tax SAR	Property Reassessment 2017	Law Enforcement Data Access	Ineligible Deduction Fund Coun	Promotional Fund	Innkeepers Tax
Cash and investments - beginning	\$ 2,444,748	\$ 1,451,962	\$ 102,900	\$ 112,349	\$ 6,313	\$ 36,058
Receipts:						
Taxes	-	362,325	-	-	-	579,862
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	30,695	-	-	-	-
Charges for services	-	-	-	-	201	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,386,133	12,000	39,000	32,931	1,736	-
Total receipts	2,386,133	405,020	39,000	32,931	1,937	579,862
Disbursements:						
Personal services	-	361,529	-	12,680	-	-
Supplies	-	59	-	475	2,022	-
Other services and charges	-	40,325	-	5,278	-	-
Capital outlay	-	185,870	-	-	-	-
Other disbursements	2,444,748	-	-	-	1,208	580,308
Total disbursements	2,444,748	587,783	-	18,433	3,230	580,308
Excess (deficiency) of receipts over disbursements	(58,615)	(182,763)	39,000	14,498	(1,293)	(446)
Cash and investments - ending	\$ 2,386,133	\$ 1,269,199	\$ 141,900	\$ 126,847	\$ 5,020	\$ 35,612

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Dreyfus TIF Bond Repayment	Trupointe TIF Bond Repayment	County Sheriff Continuing Education	KCCRVC Commission	Law Enforcement Forfeit Sheriff	Recorder Refund
Cash and investments - beginning	\$ 360,028	\$ 956	\$ 907	\$ 444,538	\$ 65,301	\$ 305
Receipts:						
Taxes	-	-	-	580,309	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	254,332	25,713	-	-	8,398	-
Fines and forfeits	-	-	2,781	-	-	-
Other receipts	-	-	-	56	-	-
Total receipts	<u>254,332</u>	<u>25,713</u>	<u>2,781</u>	<u>580,365</u>	<u>8,398</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	1,079	-
Other services and charges	-	-	-	378,295	5,000	-
Capital outlay	-	-	-	-	1,543	-
Other disbursements	305,000	4,459	3,039	-	-	-
Total disbursements	<u>305,000</u>	<u>4,459</u>	<u>3,039</u>	<u>378,295</u>	<u>7,622</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(50,668)</u>	<u>21,254</u>	<u>(258)</u>	<u>202,070</u>	<u>776</u>	<u>-</u>
Cash and investments - ending	<u>\$ 309,360</u>	<u>\$ 22,210</u>	<u>\$ 649</u>	<u>\$ 646,608</u>	<u>\$ 66,077</u>	<u>\$ 305</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Etna Green Sheriff Patrol Reimbursement	Security Detail	Withholding Medicare	Withholding OASI	Weed Cutting Assessments	Public Mass Trans Fed 2015
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 5,610	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,530	4,935	164,807	703,917	4,135	247,566
Total receipts	<u>8,530</u>	<u>4,935</u>	<u>164,807</u>	<u>703,917</u>	<u>4,135</u>	<u>247,566</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	169,581
Capital outlay	-	-	-	-	-	-
Other disbursements	8,530	4,935	164,807	703,917	7,242	77,985
Total disbursements	<u>8,530</u>	<u>4,935</u>	<u>164,807</u>	<u>703,917</u>	<u>7,242</u>	<u>247,566</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,107)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,503</u>	<u>\$ -</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Public Mass Trans Capital Gran	Public Mass Trans 18025040 FED	Pub Mass Trans STATE 2015	Public Mass Trans 18025040 STA	DUI Reimbursement	Fire District 2 6/15-6/17
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	68,099	80,538	84,619	49,842	9,130	5,217
Total receipts	68,099	80,538	84,619	49,842	9,130	5,217
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	68,099	-	59,611	-	-	7,702
Capital outlay	-	-	-	-	-	-
Other disbursements	-	80,538	25,008	49,842	8,158	-
Total disbursements	68,099	80,538	84,619	49,842	8,158	7,702
Excess (deficiency) of receipts over disbursements	-	-	-	-	972	(2,485)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 972	\$ (2,485)

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Fire District 2 Training 10/11	VOCA 13VA2388	VOCA 14VAGX0062	VOCA	Prenatal	ADR Plan
Cash and investments - beginning	\$ 100	\$ (26,225)	\$ -	\$ -	\$ 73,711	\$ 7,312
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	28,440	18,085	-	1,594	-
Total receipts	-	28,440	18,085	-	1,594	-
Disbursements:						
Personal services	-	2,215	33,548	8,798	1,756	-
Supplies	-	-	-	-	13	-
Other services and charges	-	-	-	-	-	5,222
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	2,215	33,548	8,798	1,769	5,222
Excess (deficiency) of receipts over disbursements	-	26,225	(15,463)	(8,798)	(175)	(5,222)
Cash and investments - ending	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ (15,463)</u>	<u>\$ (8,798)</u>	<u>\$ 73,536</u>	<u>\$ 2,090</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Signage Pavement Markings	Closure	Fire District 2 2013/2014	Fire District 2 11/12/13	2014 EMPG Competitive B	2014 Dist 2 SHSP
Cash and investments - beginning	\$ -	\$ 10,000	\$ -	\$ 200	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	37,361	-	13,000	5,078
Total receipts	-	-	37,361	-	13,000	5,078
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	8,088	-	-	-	-	-
Other services and charges	-	14,874	36,123	-	-	5,078
Capital outlay	-	-	-	-	13,000	-
Other disbursements	-	10,000	1,038	-	-	-
Total disbursements	8,088	24,874	37,161	-	13,000	5,078
Excess (deficiency) of receipts over disbursements	(8,088)	(24,874)	200	-	-	-
Cash and investments - ending	\$ (8,088)	\$ (14,874)	\$ 200	\$ 200	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	2014 EMPG Competitive C	Bioterrorism Preparedness 2014	2013 SHSP Training	2013 SHSP Admin	2014 EMPG Salary Reimbursement	2015 HMEP
Cash and investments - beginning	\$ -	\$ -	\$ (26,673)	\$ (4,000)	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,485	14,653	47,674	30,000	39,257	15,500
Total receipts	<u>8,485</u>	<u>14,653</u>	<u>47,674</u>	<u>30,000</u>	<u>39,257</u>	<u>15,500</u>
Disbursements:						
Personal services	-	-	-	-	39,257	-
Supplies	-	1,721	-	-	-	-
Other services and charges	-	8,002	21,001	26,000	-	15,500
Capital outlay	8,485	2,497	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>8,485</u>	<u>12,220</u>	<u>21,001</u>	<u>26,000</u>	<u>39,257</u>	<u>15,500</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>2,433</u>	<u>26,673</u>	<u>4,000</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,433</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Operation Pull Over PT-08-04-0	Community Corrections Grant	USDOJ Reimbursement Fund	TB Medical Expenses	Pandemic Fund	2014 EMPG Structural Collapse
Cash and investments - beginning	\$ 2,453	\$ -	\$ 1,732	\$ 30,000	\$ 1,908	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	23,459	107,542	-	-	-	60,000
Total receipts	<u>23,459</u>	<u>107,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
Disbursements:						
Personal services	25,912	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	1,732	-	-	60,000
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>25,912</u>	<u>-</u>	<u>1,732</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
Excess (deficiency) of receipts over disbursements	<u>(2,453)</u>	<u>107,542</u>	<u>(1,732)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 107,542</u>	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 1,908</u>	<u>\$ -</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Court Interpreter Grant	Well Child Fund	DNR Grant 2014	Community Transition Program	Adult Drug Court Grant	Totals
Cash and investments - beginning	\$ 7,038	\$ 24,974	\$ 9	\$ -	\$ -	\$ 33,707,815
Receipts:						
Taxes	-	-	-	-	-	104,541,443
Licenses and permits	-	-	-	-	-	114,045
Intergovernmental receipts	-	-	-	-	-	14,967,938
Charges for services	-	-	-	-	-	8,202,648
Fines and forfeits	-	-	-	-	-	1,298,322
Other receipts	7,862	11,776	15,000	18,925	64,228	34,717,547
Total receipts	7,862	11,776	15,000	18,925	64,228	163,841,943
Disbursements:						
Personal services	-	12,066	10,166	-	32,876	17,731,982
Supplies	-	-	-	-	6,288	2,947,325
Other services and charges	2,538	-	4,831	-	25,064	8,174,124
Capital outlay	-	-	-	-	-	3,546,791
Other disbursements	2,127	-	-	-	-	130,225,980
Total disbursements	4,665	12,066	14,997	-	64,228	162,626,202
Excess (deficiency) of receipts over disbursements	3,197	(290)	3	18,925	-	1,215,741
Cash and investments - ending	\$ 10,235	\$ 24,684	\$ 12	\$ 18,925	\$ -	\$ 34,923,556

KOSCIUSKO COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,163,580</u>	<u>\$ 5,041,129</u>

KOSCIUSKO COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Kosciusko County Justice Building Corporation	Justice Building	\$ 75,000	2002	2015
Total of annual lease payments		<u>\$ 75,000</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Louis Dreyfus TIF	\$ 4,780,000	\$ 365,000
General obligation bonds	TruPointe TIF	1,570,000	98,500
Notes and loans payable	Munson Buildings	<u>282,379</u>	<u>103,692</u>
Totals		<u>\$ 6,632,379</u>	<u>\$ 567,192</u>

KOSCIUSKO COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2015

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

	<u>Ending Balance</u>
Governmental activities:	
Infrastructure	\$ 51,378,065
Buildings	40,224,868
Machinery, equipment, and vehicles	<u>5,883,928</u>
Total capital assets	<u>\$ 97,486,861</u>

* At Depreciated Value

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF KOSCIUSKO COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Kosciusko County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2015.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 a 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 a 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2015-002 and 2015-003, that we consider to be material weaknesses.

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

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

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

January 30, 2017

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTE

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

KOSCIUSKO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

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	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Crime Victim Assistance VOCA	Indiana Criminal Justice Institute	16.575	D3-15-9700	\$ -	\$ 19,880
Drug Court Discretionary Grant Program Adult Drug Court	Direct grant	16.585	2014-DC-BX-0061	-	64,228
Total - Department of Justice				-	84,108
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspection	Indiana Department of Transportation	20.205	DES 1382104	-	13,910
Total - Highway Planning and Construction Cluster				-	13,910
Formula Grants for Rural Areas KABS Federal KABS Federal	Indiana Department of Transportation	20.509	A249-15-320418 A249-15-320480	80,538 247,566	80,538 247,566
Total - Formula Grants for Rural Areas				328,104	328,104
Bus and Bus Facilities Formula Program	Indiana Department of Transportation	20.526	A249-15-320524	68,099	68,099
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I Operation Pullover DUI Task Force Indiana Enforcement	Town of Winona Lake	20.601	D3-15-8983 D3-15-9019	- -	23,459 9,130
Total - Highway Safety Cluster				-	32,589
Interagency Hazardous Materials Public Sector Training and Planning Grants 2015 HMEP	Indiana Department of Homeland Security	20.703	C44P-5-441B	-	15,500
Total - Department of Transportation				396,203	458,202
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Bioterrorism Preparedness Response Supplements	Indiana Department of Health	93.074	A70-4-0532222 A70-5-0532389	- -	4,218 10,435
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	14,653
Child Support Enforcement Prosecutor's Expenditures Clerk's Expenditures Indirect Costs Title IV-D Incentive Prosecutor Incentive Clerk Incentive Document Storage COIT Commissioners	Indiana Department of Child Services	93.563	Year 2015 Year 2015 Year 2015 Year 2015 Year 2015 Year 2015 Year 2015 Year 2015	- - - - - - - -	401,330 14,848 90,267 23,397 80,168 16,987 222 5,392
Total - Child Support Enforcement				-	632,611
Maternal and Child Health Services Block Grant to the States Prenatal	Indiana Department of Health	93.994	A70-4-069690	-	1,594
Total - Department of Health and Human Services				-	648,858
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance DNR Grant 2015	Indiana Department of Natural Resources	97.012	E11-15-0010	-	7,500
Emergency Management Performance Grants 2014 EMPG Competitive 2014 EMPG Salary Reimbursement 2014 EMPG Structural Collapse	Indiana Department of Homeland Security	97.042	C44P-5-499B C44P-5-730B C44P-6-0328	- - -	8,485 39,257 60,000
Total - Emergency Management Performance Grants				-	107,742
Homeland Security Grant Program 2013 SHSP Training 2013 SHSP Administrative 2014 EMPG Competitive 2014 SHSP Training	Indiana Department of Homeland Security	97.067	C44P-4-055B C44P-4-476B C44P-5-600B C44P-5-681B	- - - -	47,674 30,000 13,000 5,078
Total - Homeland Security Grant Program				-	95,752
Total - Department of Homeland Security				-	210,994
Total federal awards expended				\$ 396,203	\$ 1,402,162

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

KOSCIUSKO 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 under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The County has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Formula Grants for Rural Areas	Unmodified
93.563	Child Support Enforcement	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

During the audit of the SEFA, there were the following errors:

1. Not all CFDA Numbers were listed.
2. Not all Program Names were correct.
3. Not all Federal Award Agencies were listed correctly.
4. Not all Pass-Through Entities were listed correctly.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

5. Not all Pass-Through identifying numbers were listed correctly.
6. Crime Victim Assistance in the amount of \$1,795 was omitted.
7. Highway Planning and Construction Grants in the amount of \$13,910.46 were omitted.
8. Formula Grants for Rural Areas in the amount of \$80,538 were omitted.
9. Alcohol Impaired Driving Countermeasures Incentive Grants I in the amount of \$32,589 were omitted.
10. Child Support Enforcement expenditures in the amount of \$34,959 were overstated.
11. State Grants were included, resulting in an overstatement of \$182,390.

Audit adjustments were proposed, accepted by the County, and made to the SEFA.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. 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 Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal 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 must 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. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition*.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-002 - SUBRECIPIENT MONITORING

Federal Agency: Department of Transportation

Federal Program: Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Number and Year (or Other Identifying Number): A249-15-320480

Pass-Through Entity: Indiana Department of Transportation

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

An effective internal control system was not in place at the County in order to ensure compliance with the requirements related to the grant agreement and the compliance requirement: Subrecipient Monitoring.

Monitoring procedures were not in place at the County in order to achieve compliance with requirements related to the grant agreement and the Subrecipient Monitoring compliance requirement. The subrecipient did not present required reimbursement documentation to the County for review.

Therefore, the County did not review the subrecipient's reimbursement claim and supporting expenditures documentation for only the third quarter of 2015, which is required to be presented to the pass-through entity (Indiana Department of Transportation) to receive grant funds, as noted in the operating grant agreement.

The subrecipient simply provided the required documentation to the pass-through entity before review, bypassing the County established monitoring process. The County does have policies and procedures in place to monitor the Subrecipient, but no actual monitoring occurred during the third quarter claim period of 2015 only.

Context

The County did not have adequate controls in place to comply with the Subrecipient Monitoring requirement of the Formula Grants for Rural Areas program for the third quarter claim period of 2015 only.

Criteria

2 CFR 200.328 states in part:

"(a) *Monitoring by the non-Federal entity.* The non-Federal entity is responsible for oversight of the operation of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. . . ."

2 CFR 200.331 states in part:

"All pass-through entities must: . . .

(d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

1. Reviewing financial and performance reports required by the pass-through entity. . . ."

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

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

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

The County did not have adequate controls to ensure the subrecipient followed the County established monitoring procedures.

Effect

The failure to establish internal controls enabled material noncompliance to go undetected which could have resulted in the loss of federal funds to the County.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County follow the established internal controls related to the grant agreement and Subrecipient Monitoring compliance requirement.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

FINDING 2015-003 - INTERNAL CONTROLS OVER FORMULA GRANTS FOR RURAL AREAS

Federal Agency: Department of Transportation

Federal Program: Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Number and Year (or Other Identifying Number): A249-15-320480

Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system was not in place at the County in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Cash Management; Period of Performance; and Reporting.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Due to the lack of the County's review of the subrecipient's reimbursement claim and supporting expenditures documentation for only the third quarter 2015 there was also a lack of control of the above listed compliance requirements.

The subrecipient simply provided the required documentation to the pass-through entity before review, bypassing the County established internal control procedure over the Formula Grants for Rural Areas program. The County does have internal control policies and procedures in place, but a breakdown of the internal control procedures occurred during the third quarter claim period of 2015 only.

Context

The County did not have adequate controls in place to ensure compliance with the compliance requirements listed above for the Formula Grants for Rural Areas program for the third quarter claim period of 2015 only.

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

Management did not follow the established system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the County at risk of non-compliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

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

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the County. The documents are presented as intended by the County.



Michelle L. Puckett
Kosciusko County Auditor

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-001

Fiscal year in which the finding initially occurred: **2014**

Contact Person Responsible for Corrective Action: **Michelle Puckett, Kosciusko County Auditor**

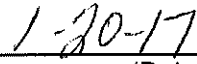
Contact Phone Number: **574-372-2328**

Status of Audit Finding:

We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure that any misstatements in the SEFA are detected. This is estimated to be completed by October 2017.


Michelle Puckett


(Title)


(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

**Office of the
Prosecuting Attorney**

54th Indiana Judicial Circuit
Kosciusko County Indiana

Daniel H. Hampton
Prosecuting Attorney



Child Support Enforcement

121 North Lake Street
Warsaw, Indiana 46580
t: (574) 372-2425
f: (574) 372-2428
e: childsupport@kcgov.com

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-002

Fiscal year in which the finding initially occurred: **2014**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Department of Child Services

Contact Person Responsible for Corrective Action:
Daniel H. Hampton, Kosciusko County Prosecuting Attorney

Contact Phone Number: **574-372-2460**

Status of Audit Finding:

In 2016, the Child Support Enforcement Division (IV-D) was geographically separated from the Criminal Division of the Kosciusko County Prosecuting Attorneys Office. This physical separation helps clarify the distinct separation for those employees who are receiving benefits from the federal funding. Also, internal controls have been established for time sheets, payroll, and itemized budgeting.

Further explanation of additional controls and procedures can be found as an attachment to the Finding entitled Response of the Kosciusko County Prosecuting Attorneys Office to the Findings dated January 30, 2016 (which should be 2017) consisting of twenty three (23) pages.

Daniel H. Hampton
Kosciusko County Prosecuting Attorney
January 31, 2017



Michelle L. Puckett
Kosciusko County Auditor

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-003

Fiscal year in which the finding initially occurred: **2014**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:

Indiana Department of Transportation

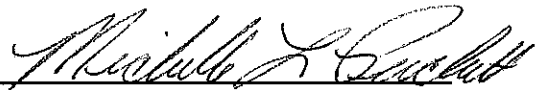
Contact Person Responsible for Corrective Action: **Michelle Puckett, Kosciusko County Auditor**

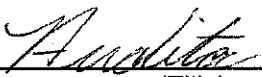
Contact Phone Number: **574-372-2328**

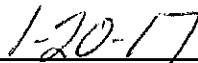
Status of Audit Finding:

In the future, ARRA-Formula Grant for Rural Areas will not be combined into the same fund as other Formula Grants for Rural Areas. The ARRA funds will be maintained in a separate fund. This correction will be implemented on January 20, 2017.

The Auditor will continue to review and address any areas of concern in the internal control process including but not limited to the segregation of duties.


Michelle Puckett


(Title)


(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)



Michelle L. Puckett
Kosciusko County Auditor

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: **Michelle Puckett, Kosciusko County Auditor**
Contact Phone Number: **574-372-2328**

We concur with the findings.

Description of Corrective Action Plan:

In reviewing our current SEFA Process and SEFA Internal Controls, it has been made clear that due to turnover in the Grant Deputy position that misstatements of the SEFA went undetected. We have had yet additional turnover in the Grant Deputy position, but I am confident that all issues with the SEFA have been addressed. We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure that any misstatements in the SEFA are detected.

Anticipated Completion Date: October 2017

Michelle L. Puckett

Michelle Puckett

A. White

(Title)

1-26-17

(Date)



Michelle L. Puckett
Kosciusko County Auditor

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: **Michelle Puckett, Kosciusko County Auditor**
Contact Phone Number: **574-372-2328**

We concur with the findings.

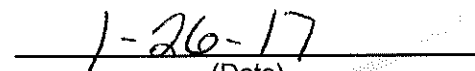
Description of Corrective Action Plan:

In reviewing our current internal controls process related to the grant agreement and Sub recipient Monitoring compliance process, it has been made clear that due to turnover in the Grant Deputy position that the current internal control process was not completely followed. We have had yet additional turnover in the Grant Deputy position, but I am confident that all issues with the grant agreement and sub recipient monitoring process have been addressed. We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure the appropriate controls are being followed going forward.

Anticipated Completion Date: October 2017


Michelle Puckett


(Title)


(Date)



Kosciusko County Commissioners

100 W. Center St.
Warsaw, Indiana 46580

Fax 1-574-372-2476
Phone 1-574-372-2475

CORRECTIVE ACTION PLAN

FINDING 2015-002

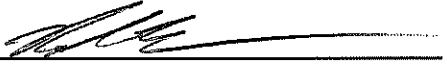
Contact Person Responsible for Corrective Action: **Brad Jackson, Kosciusko County Commissioner**
Contact Phone Number: **574-372-2328**

We concur with the findings.

Description of Corrective Action Plan:

In reviewing our current internal controls process related to the grant agreement and Sub recipient Monitoring compliance process, it has been made clear that due to turnover in the Grant Deputy position that the current internal control process was not completely followed. We have had yet additional turnover in the Grant Deputy position, but I am confident that all issues with the grant agreement and sub recipient monitoring process have been addressed. We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure the appropriate controls are being followed going forward.

Anticipated Completion Date: October 2017



Brad Jackson

Kos. Co. Commissioner President

(Title)

2-21-17

(Date)



Michelle L. Puckett
Kosciusko County Auditor

CORRECTIVE ACTION PLAN

FINDING 2015-003

Contact Person Responsible for Corrective Action: **Michelle Puckett, Kosciusko County Auditor**
Contact Phone Number: **574-372-2328**

We concur with the findings.

Description of Corrective Action Plan:

In reviewing our current internal controls process related to the grant agreement and Sub recipient Monitoring compliance process, it has been made clear that due to turnover in the Grant Deputy position that the current internal control process was not completely followed. We have had yet additional turnover in the Grant Deputy position, but I am confident that all issues with the grant agreement and sub recipient monitoring process have been addressed. We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure the appropriate controls are being followed going forward.

Anticipated Completion Date: October 2017

Michelle L. Puckett

Michelle Puckett

Auditor

(Title)

1-26-17

(Date)



Kosciusko County Commissioners

100 W. Center St.
Warsaw, Indiana 46580

Fax 1-574-372-2476
Phone 1-574-372-2475

CORRECTIVE ACTION PLAN

FINDING 2015-003


Contact Person Responsible for Corrective Action: **Brad Jackson, Kosciusko County Commissioner**
Contact Phone Number: **574-372-2328**

We concur with the findings.

Description of Corrective Action Plan:

In reviewing our current internal controls process related to the grant agreement and Sub recipient Monitoring compliance process, it has been made clear that due to turnover in the Grant Deputy position that the current internal control process was not completely followed. We have had yet additional turnover in the Grant Deputy position, but I am confident that all issues with the grant agreement and sub recipient monitoring process have been addressed. We are reviewing our current internal controls process and will revise it inserting additional segregation of duties to ensure the appropriate controls are being followed going forward.

Anticipated Completion Date: October 2017


Brad Jackson

Kos. Co. Commissioner President
(Title)

2-21-17
(Date)

OTHER REPORTS

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