

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

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



FILED
05/10/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Amy L. Glackman Mary Jo Phares	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Tawnya J. Williams Kathy Plunkett	01-01-11 to 12-31-14 01-01-15 to 12-31-18
Clerk of the Circuit Court	Vicki R. Franklin	01-01-11 to 12-31-18
County Sheriff	Michael D. Bowlby Dennis Parks	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Recorder	Mary Jo Phares Tawnya J. Williams	01-01-11 to 12-31-14 01-01-15 to 12-31-18
President of the Board of County Commissioners	Kevin Nigh	01-01-14 to 12-31-17
President of the County Council	Scott M. Asher Tony Titus	01-01-14 to 12-31-14 01-01-15 to 12-31-17



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF SHELBY COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis and Schedule of Payables and Receivables, 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 March 29 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

March 29, 2017



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 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 SHELBY 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 Shelby County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated March 29, 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.

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

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

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

Compliance and Other Matters


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

Shelby 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

March 29, 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.

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Jail Commissary	\$ 5,719	\$ 20,000	\$ 21,520	\$ 4,199
General	1,044,122	9,462,867	9,190,103	1,316,886
Accident Report	16,610	6,140	-	22,750
CAGIT County Certified Shares	334,884	2,645,062	3,042,298	(62,352)
Campaign Finance Enforcement - County	200	-	-	200
CEDIT County Share	2,006,117	979,738	659,574	2,326,281
City and Town Court Costs	23,018	13,031	23,018	13,031
Clerk's Records Perpetuation	132,470	16,436	5,582	143,324
Community Corrections	28,922	193,025	184,768	37,179
Community Transition Program	45,455	50,450	33,078	62,827
Sales Disclosure - County Share	5,668	4,646	3,169	7,145
Cumulative Bridge	3,014,141	720,370	869,440	2,865,071
Cumulative Capital Development	132,168	365,854	222,701	275,321
Cumulative Courthouse	42,481	-	785	41,696
Drug Free Community	234,442	75,354	234,442	75,354
Emergency Planning/Right To Know	29,326	21,843	13,276	37,893
Extradition and Sheriff's Assistance	(903)	902	-	(1)
Firearms Training	73,584	19,590	8,241	84,933
Food and Beverage Tax	486,988	370,795	300,000	557,783
Health	23,689	418,134	417,841	23,982
Identification Security Protection	34,763	3,491	6,339	31,915
Levy Excess	180,449	-	-	180,449
Local Health Maintenance	76,877	46,914	42,558	81,233
Local Road and Street	2,393,755	834,330	570,098	2,657,987
Medical Care for Inmates	26,333	2,518	-	28,851
Misdemeanant	11,875	88,700	18,787	81,788
Motor Vehicle Highway	1,235,810	4,283,664	4,487,709	1,031,765
Plat Book	49,286	12,415	11,170	50,531
Rainy Day	231,975	-	-	231,975
Reassessment - 2015	226,950	12,120	217,117	21,953
Recorder's Records Perpetuation	68,760	70,783	57,361	82,182
Sex and Violent Offender Administration	12,509	4,672	373	16,808
Supplemental Public Defender Services	3,614	4,766	5,251	3,129
Surplus Tax	59,366	30,801	58,263	31,904
Surveyor's Corner Perpetuation	7,139	8,005	2,707	12,437
Tax Sale Redemption	7,290	149,207	142,106	14,391
Tax Sale Surplus	437,299	299,199	461,238	275,260
Local Health Department Trust Account	58,701	12,044	-	70,745
Unsafe Building	1,300	-	-	1,300
E-911 Wireless	-	63	-	63
Guardian Ad Litem	2,015	19,495	21,995	(485)
GAL/CASA	2,500	-	-	2,500
Auditors Ineligible Deductions	8,495	-	-	8,495
County Elected Officials Training	11,187	3,491	250	14,428
Statewide 911	1,102,124	583,982	1,181,813	504,293
Supplemental Adult Probation Services	232,192	171,503	164,960	238,735
Drain Construction/Reconstruction	198,607	90,338	22,417	266,528
Drainage Maintenance	560,350	93,804	36,317	617,837
FBI Justice Funds	38	-	-	38
Donations	15,426	-	-	15,426
800 MHz Rebanding	-	35,420	-	35,420
Payroll Clearing	7,117	3,732,487	3,726,233	13,371
Insurance	1,598,966	480,652	1,445,357	634,261
Payroll Withholding - Sheriff Pension	4,000	3,000	-	7,000
Settlement	(101)	41,267,375	41,267,375	(101)

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

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
County Wheel Tax	-	250,816	250,816	-
CVET	-	170,508	170,508	-
FIT	-	422,666	422,666	-
EDIT	-	1,263,780	1,263,780	-
HEA 1001 State Homestead Credit	50	-	-	50
Homestead Credit Rebate	51,252	-	-	51,252
State Fines and Forfeitures	5,427	24,070	27,751	1,746
Infraction Judgements	3,698	60,149	58,753	5,094
State Highway Fund	-	35	35	-
Special Death Benefit	345	4,775	4,820	300
Sales Disclosure - State Share	350	4,145	4,165	330
Coroners Training & Con't Education	234	3,317	3,355	196
Interstate Compact - State Share	63	1,085	1,022	126
Mortgage Recording Fees - State Share	-	3,368	3,110	258
Sex and Violent Offender Admin - State	315	519	766	68
Inheritance Tax	6,615	25,247	17,057	14,805
Education Plate Fees Agency	-	431	431	-
Riverboat Revenue Sharing	-	125,800	125,800	-
Innkeepers Tax Collections	303,881	243,671	205,182	342,370
County CAGIT	-	5,484,739	5,484,739	-
93.563 Prosecutor PCA	744	1,135	624	1,255
93.563 ARRA Prosecutor IV-D Incentive	11,553	-	-	11,553
93.563 Title IV-D Incentive	85,261	20,839	-	106,100
Pros IV-D Incentive	41	624	624	41
93.563 Prosecutor IV-D Incentive-Post Oct '99	170,055	31,489	23,301	178,243
93.563 Clerk IV-D Incentive-Post Oct '99	135,282	20,839	20,739	135,382
Sheriff Defibulator Donation	70	-	-	70
Juvenile Probation Services	7,911	-	-	7,911
Automotive Safety	2	-	-	2
MADD Impact Fees	2,640	-	-	2,640
CTP Funding	10,651	-	-	10,651
Community Corrections Juvenile	(2,250)	-	-	(2,250)
Misc. Distributions	234,621	-	-	234,621
93.041 Adult Protective Services 2013	(128,730)	-	-	(128,730)
H1N1 Vaccination	492	-	-	492
Edward Byrne Memorial - Sheriff	229	-	-	229
4-H Drug Free Grant	145	-	-	145
Pass Thru Grant - Marion County	676	-	-	676
97.730201 Act Juvenile Justice Grant	6,715	-	-	6,715
Build Indiana	193,498	-	-	193,498
16.803 JAG Edward Byrne Grant	208,334	-	-	208,334
Welfare HCI	11,891	-	-	11,891
Medical Assist Wards	101,814	-	-	101,814
Settlement fund	(4,252)	-	-	(4,252)
Welfare Child/Special Needs	12,980	-	-	12,980
Inmate Trust Fund	7,225	267,560	267,428	7,357
Clerk's Trust	632,561	5,209,866	5,138,031	704,396
Sheriff's Inmate Trust	106	-	106	-
Sheriff's Food Account	12,484	365,031	341,664	35,851
Sheriff's Cashbook	111,251	260,751	218,429	153,573
County Treasurer	1,335,175	1,349,718	1,335,175	1,349,718
Community Corrections II	-	252,952	218,373	34,579
Comprehensive Plan Emergency	16,477	-	16,477	-
Health Services Fund	8,989	8,587	3,713	13,863
Assessment & Referral	118,400	97,583	117,378	98,605
Informal Adjustment	28,614	17,398	8,304	37,708

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

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

For the Year Ended December 31, 2014
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Pre-Trial Diversion	269,106	29,502	26,654	271,954
Law Enforcement Fund	21,306	10,170	9,652	21,824
Jury Pay Fund	31,760	5,999	18,686	19,073
Prosecutor Donation	1,792	45	-	1,837
Sheriffs Restitution	10,565	310	-	10,875
Sheriff Work Release	34,287	12,496	20,294	26,489
Seized Property	974	-	770	204
Pros Law Enforcement	32,922	53,710	53,671	32,961
Public Defender Service	14,048	50,169	27,381	36,836
Sheriff Surety Bonds	1,715	135	-	1,850
Project Inc. House Arrest	211,436	348,317	386,446	173,307
Civil Process Fees	5,842	25,740	27,049	4,533
Juvenile Intensive SP	(241)	241	-	-
JISP	8,720	-	241	8,479
2008 Citizen Corps Program	(614)	614	-	-
Willow Park HMGP	78,787	67,853	145,657	983
Court Reform Grant (Odyssey)	(622)	18,526	4,440	13,464
Health Dept. BHP Grant 172-2	5,203	-	3,079	2,124
Sheriff Drug Free	12,355	12,000	9,729	14,626
Assessor Data Entry Fee	9,570	2,270	-	11,840
Sheriff Range Fund	(124)	414	89	201
Sheriff Training Fund	(40)	40	-	-
Tindall Farm	277,126	98,700	32,285	343,541
Hendricks Street Rentals	27,081	10,796	1,309	36,568
Vending Machine	1,231	147	644	734
Racino - County	4,662,697	3,905,598	2,109,888	6,458,407
Racino Tax	39,009	3,377,589	3,416,599	(1)
Interstate Fees	2,375	1,085	-	3,460
Prosecutor - Notary Fund	862	320	-	1,182
Clerk - Passport Envelopes	80	659	660	79
County Fair Grandstands	801,844	1,733,556	2,439,337	96,063
Bail Alternative Building	30,399	-	28,329	2,070
Sheriff Continuing Ed	6,199	3,728	4,255	5,672
Youth Substance Abuse Prevention	(4,093)	4,924	831	-
93.008 NACCHO MRC	4,699	-	198	4,501
Drug Free - STOP Grant	-	71,099	72,168	(1,069)
93.069 Public Health Emergency	11,076	15,000	20,935	5,141
93.041 Adult Protective Service 2014	108,917	77,502	72,571	113,848
HD-013-008 IHCD	-	8,675	8,675	-
Race & Gender Fairness	19,427	12,000	12,546	18,881
JABG Flow Through Grant CC	59,942	-	59,133	809
SHRAB - Archival Assessment	(2,549)	10,000	365	7,086
Drug Free Coalition	(133,083)	254,262	122,260	(1,081)
TSF Drug Free Coalition	(8,477)	115,093	26,807	79,809
Victim Assistance 16.575	40,670	59,242	56,300	43,612
Competitive EMA	657	5,180	11,845	(6,008)
Operation Pull Over	9,629	5,970	15,599	-
DUI Task Force	5,380	7,316	7,455	5,241
BCC Traffic Enforcement 20.600	(9,889)	24,813	18,075	(3,151)
Victim Assistance 2 16.575	(105,527)	105,526	-	(1)
Homeland Security Program-Com	145	379	379	145
CRI Grant (Health Dept.) 97.05	3,896	16,627	13,464	7,059
97.073 State Homeland Security	(1,723)	37,280	35,557	-
Totals	<u>\$ 26,846,700</u>	<u>\$ 94,324,586</u>	<u>\$ 94,255,059</u>	<u>\$ 26,916,227</u>

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

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

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.

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SHELBY COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants and posting errors made by the County. The reimbursements for expenditures from grants made by the County were not received by December 31, 2014. Additionally, some funds had posting errors that were not detected and corrected by December 31, 2014.

Note 8. Subsequent Events

On November 21, 2016, the Board of Commissioners awarded a contract for the Basset Road Improvements to Milestone Contractors, L.P. in the amount of \$1,476,800.

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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.

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

	Jail Commissary	General	Accident Report	CAGIT County Certified Shares	Campaign Finance Enforcement - County	CEDIT County Share
Cash and investments - beginning	\$ 5,719	\$ 1,044,122	\$ 16,610	\$ 334,884	\$ 200	\$ 2,006,117
Receipts:						
Taxes	-	6,029,980	-	2,313,657	-	38,400
Licenses and permits	-	84,080	-	-	-	-
Intergovernmental receipts	-	1,315,625	-	252,560	-	-
Charges for services	-	781,763	-	-	-	-
Fines and forfeits	-	292,655	4,858	-	-	-
Other receipts	20,000	958,764	1,282	78,845	-	941,338
Total receipts	20,000	9,462,867	6,140	2,645,062	-	979,738
Disbursements:						
Personal services	21,520	6,395,625	-	1,993,818	-	106,035
Supplies	-	200,541	-	596,627	-	3,442
Other services and charges	-	2,224,870	-	451,853	-	199,056
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	135,418	-	-	-	351,041
Other disbursements	-	233,649	-	-	-	-
Total disbursements	21,520	9,190,103	-	3,042,298	-	659,574
Excess (deficiency) of receipts over disbursements	(1,520)	272,764	6,140	(397,236)	-	320,164
Cash and investments - ending	\$ 4,199	\$ 1,316,886	\$ 22,750	\$ (62,352)	\$ 200	\$ 2,326,281

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

	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program	Sales Disclosure - County Share	Cumulative Bridge
Cash and investments - beginning	\$ 23,018	\$ 132,470	\$ 28,922	\$ 45,455	\$ 5,668	\$ 3,014,141
Receipts:						
Taxes	-	-	-	-	-	484,830
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	55,063
Charges for services	13,031	-	-	-	-	-
Fines and forfeits	-	-	193,025	-	-	-
Other receipts	-	16,436	-	50,450	4,646	180,477
Total receipts	<u>13,031</u>	<u>16,436</u>	<u>193,025</u>	<u>50,450</u>	<u>4,646</u>	<u>720,370</u>
Disbursements:						
Personal services	-	-	144,938	-	-	-
Supplies	-	1,819	-	3,425	-	203,432
Other services and charges	23,018	2,382	39,830	27,238	3,169	184,670
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	1,381	-	2,415	-	481,338
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>23,018</u>	<u>5,582</u>	<u>184,768</u>	<u>33,078</u>	<u>3,169</u>	<u>869,440</u>
Excess (deficiency) of receipts over disbursements	<u>(9,987)</u>	<u>10,854</u>	<u>8,257</u>	<u>17,372</u>	<u>1,477</u>	<u>(149,070)</u>
Cash and investments - ending	<u>\$ 13,031</u>	<u>\$ 143,324</u>	<u>\$ 37,179</u>	<u>\$ 62,827</u>	<u>\$ 7,145</u>	<u>\$ 2,865,071</u>

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

	Cumulative Capital Development	Cumulative Courthouse	Drug Free Community	Emergency Planning/Right To Know	Extradition and Sheriff's Assistance	Firearms Training
Cash and investments - beginning	\$ 132,168	\$ 42,481	\$ 234,442	\$ 29,326	\$ (903)	\$ 73,584
Receipts:						
Taxes	323,220	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	36,724	-	-	5,366	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	5,910	-	75,354	16,477	902	19,590
Total receipts	<u>365,854</u>	<u>-</u>	<u>75,354</u>	<u>21,843</u>	<u>902</u>	<u>19,590</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	65,864	-	-	5,597	-	5,944
Other services and charges	134,031	785	234,442	7,679	-	1,430
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	22,806	-	-	-	-	867
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>222,701</u>	<u>785</u>	<u>234,442</u>	<u>13,276</u>	<u>-</u>	<u>8,241</u>
Excess (deficiency) of receipts over disbursements	<u>143,153</u>	<u>(785)</u>	<u>(159,088)</u>	<u>8,567</u>	<u>902</u>	<u>11,349</u>
Cash and investments - ending	<u>\$ 275,321</u>	<u>\$ 41,696</u>	<u>\$ 75,354</u>	<u>\$ 37,893</u>	<u>\$ (1)</u>	<u>\$ 84,933</u>

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

	Food and Beverage Tax	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street
Cash and investments - beginning	\$ 486,988	\$ 23,689	\$ 34,763	\$ 180,449	\$ 76,877	\$ 2,393,755
Receipts:						
Taxes	-	331,508	-	-	-	-
Licenses and permits	-	18,770	-	-	-	-
Intergovernmental receipts	-	37,393	-	-	45,264	416,798
Charges for services	-	30,426	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	370,795	37	3,491	-	1,650	417,532
Total receipts	<u>370,795</u>	<u>418,134</u>	<u>3,491</u>	<u>-</u>	<u>46,914</u>	<u>834,330</u>
Disbursements:						
Personal services	-	309,218	-	-	19,809	-
Supplies	-	17,283	-	-	-	-
Other services and charges	-	91,340	-	-	10,388	2,293
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	6,339	-	12,361	567,805
Other disbursements	300,000	-	-	-	-	-
Total disbursements	<u>300,000</u>	<u>417,841</u>	<u>6,339</u>	<u>-</u>	<u>42,558</u>	<u>570,098</u>
Excess (deficiency) of receipts over disbursements	<u>70,795</u>	<u>293</u>	<u>(2,848)</u>	<u>-</u>	<u>4,356</u>	<u>264,232</u>
Cash and investments - ending	<u>\$ 557,783</u>	<u>\$ 23,982</u>	<u>\$ 31,915</u>	<u>\$ 180,449</u>	<u>\$ 81,233</u>	<u>\$ 2,657,987</u>

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

	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2015
Cash and investments - beginning	\$ 26,333	\$ 11,875	\$ 1,235,810	\$ 49,286	\$ 231,975	\$ 226,950
Receipts:						
Taxes	-	-	1,110,965	-	-	8,288
Licenses and permits	-	-	10,810	-	-	-
Intergovernmental receipts	-	-	3,146,440	-	-	1,786
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,518	88,700	15,449	12,415	-	2,046
Total receipts	2,518	88,700	4,283,664	12,415	-	12,120
Disbursements:						
Personal services	-	-	1,041,956	6,170	-	-
Supplies	-	-	335,302	-	-	100
Other services and charges	-	18,787	328,655	5,000	-	216,952
Debt service - principal and interest	-	-	29,535	-	-	-
Capital outlay	-	-	2,752,021	-	-	65
Other disbursements	-	-	240	-	-	-
Total disbursements	-	18,787	4,487,709	11,170	-	217,117
Excess (deficiency) of receipts over disbursements	2,518	69,913	(204,045)	1,245	-	(204,997)
Cash and investments - ending	\$ 28,851	\$ 81,788	\$ 1,031,765	\$ 50,531	\$ 231,975	\$ 21,953

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

	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption
Cash and investments - beginning	\$ 68,760	\$ 12,509	\$ 3,614	\$ 59,366	\$ 7,139	\$ 7,290
Receipts:						
Taxes	-	-	-	20,125	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	70,783	4,672	4,766	10,676	8,005	149,207
Total receipts	<u>70,783</u>	<u>4,672</u>	<u>4,766</u>	<u>30,801</u>	<u>8,005</u>	<u>149,207</u>
Disbursements:						
Personal services	34,696	-	3,073	-	1,712	-
Supplies	7,771	110	282	-	-	-
Other services and charges	-	-	1,762	-	995	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	14,894	263	134	-	-	-
Other disbursements	-	-	-	58,263	-	142,106
Total disbursements	<u>57,361</u>	<u>373</u>	<u>5,251</u>	<u>58,263</u>	<u>2,707</u>	<u>142,106</u>
Excess (deficiency) of receipts over disbursements	<u>13,422</u>	<u>4,299</u>	<u>(485)</u>	<u>(27,462)</u>	<u>5,298</u>	<u>7,101</u>
Cash and investments - ending	<u>\$ 82,182</u>	<u>\$ 16,808</u>	<u>\$ 3,129</u>	<u>\$ 31,904</u>	<u>\$ 12,437</u>	<u>\$ 14,391</u>

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

	Tax Sale Surplus	Local Health Department Trust Account	Unsafe Building	E-911 Wireless	Guardian Ad Litem	GAL/CASA
Cash and investments - beginning	\$ 437,299	\$ 58,701	\$ 1,300	\$ -	\$ 2,015	\$ 2,500
Receipts:						
Taxes	-	12,044	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	19,495	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	299,199	-	-	63	-	-
Total receipts	<u>299,199</u>	<u>12,044</u>	<u>-</u>	<u>63</u>	<u>19,495</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	21,995	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	461,238	-	-	-	-	-
Total disbursements	<u>461,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,995</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(162,039)</u>	<u>12,044</u>	<u>-</u>	<u>63</u>	<u>(2,500)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 275,260</u>	<u>\$ 70,745</u>	<u>\$ 1,300</u>	<u>\$ 63</u>	<u>\$ (485)</u>	<u>\$ 2,500</u>

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

	Auditors Ineligible Deductions	County Elected Officials Training	Statewide 911	Supplemental Adult Probation Services	Drain Construction/Reconstruction	Drainage Maintenance
Cash and investments - beginning	\$ 8,495	\$ 11,187	\$ 1,102,124	\$ 232,192	\$ 198,607	\$ 560,350
Receipts:						
Taxes	-	-	-	-	47,544	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	20,019	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	3,491	583,982	151,484	42,794	93,804
Total receipts	-	3,491	583,982	171,503	90,338	93,804
Disbursements:						
Personal services	-	-	332,289	116,455	-	-
Supplies	-	-	-	3,986	6,870	1,951
Other services and charges	-	250	848,528	27,760	-	34,313
Debt service - principal and interest	-	-	-	-	13,185	-
Capital outlay	-	-	996	10,102	-	-
Other disbursements	-	-	-	6,657	2,362	53
Total disbursements	-	250	1,181,813	164,960	22,417	36,317
Excess (deficiency) of receipts over disbursements	-	3,241	(597,831)	6,543	67,921	57,487
Cash and investments - ending	<u>\$ 8,495</u>	<u>\$ 14,428</u>	<u>\$ 504,293</u>	<u>\$ 238,735</u>	<u>\$ 266,528</u>	<u>\$ 617,837</u>

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

	FBI Justice Funds	Donations	800 MHz Rebanding	Payroll Clearing	Insurance	Payroll Withholding - Sheriff Pension
Cash and investments - beginning	\$ 38	\$ 15,426	\$ -	\$ 7,117	\$ 1,598,966	\$ 4,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	35,420	3,732,487	480,652	3,000
Total receipts	-	-	35,420	3,732,487	480,652	3,000
Disbursements:						
Personal services	-	-	-	31,568	1,426,180	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	175	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	3,694,490	19,177	-
Total disbursements	-	-	-	3,726,233	1,445,357	-
Excess (deficiency) of receipts over disbursements	-	-	35,420	6,254	(964,705)	3,000
Cash and investments - ending	<u>\$ 38</u>	<u>\$ 15,426</u>	<u>\$ 35,420</u>	<u>\$ 13,371</u>	<u>\$ 634,261</u>	<u>\$ 7,000</u>

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

	Settlement	County Wheel Tax	CVET	FIT	EDIT	HEA 1001 State Homestead Credit
Cash and investments - beginning	\$ (101)	\$ -	\$ -	\$ -	\$ -	\$ 50
Receipts:						
Taxes	40,770,741	250,816	170,508	422,666	1,263,780	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	228,884	-	-	-	-	-
Charges for services	267,750	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>41,267,375</u>	<u>250,816</u>	<u>170,508</u>	<u>422,666</u>	<u>1,263,780</u>	<u>-</u>
Disbursements:						
Personal services	86,861	-	989	3,993	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>41,180,514</u>	<u>250,816</u>	<u>169,519</u>	<u>418,673</u>	<u>1,263,780</u>	<u>-</u>
Total disbursements	<u>41,267,375</u>	<u>250,816</u>	<u>170,508</u>	<u>422,666</u>	<u>1,263,780</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ (101)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>

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

	Homestead Credit Rebate	State Fines and Forfeitures	Infraction Judgements	State Highway Fund	Special Death Benefit	Sales Disclosure - State Share
Cash and investments - beginning	\$ 51,252	\$ 5,427	\$ 3,698	\$ -	\$ 345	\$ 350
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	12,760	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	11,310	60,149	35	4,775	4,145
Total receipts	-	24,070	60,149	35	4,775	4,145
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	27,751	58,753	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	35	4,820	4,165
Total disbursements	-	27,751	58,753	35	4,820	4,165
Excess (deficiency) of receipts over disbursements	-	(3,681)	1,396	-	(45)	(20)
Cash and investments - ending	<u>\$ 51,252</u>	<u>\$ 1,746</u>	<u>\$ 5,094</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 330</u>

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

	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State	Inheritance Tax	Education Plate Fees Agency
Cash and investments - beginning	\$ 234	\$ 63	\$ -	\$ 315	\$ 6,615	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	3,163	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	154	1,085	3,368	519	25,247	431
Total receipts	<u>3,317</u>	<u>1,085</u>	<u>3,368</u>	<u>519</u>	<u>25,247</u>	<u>431</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,022	-	-	-	431
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	3,355	-	3,110	766	17,057	-
Total disbursements	<u>3,355</u>	<u>1,022</u>	<u>3,110</u>	<u>766</u>	<u>17,057</u>	<u>431</u>
Excess (deficiency) of receipts over disbursements	<u>(38)</u>	<u>63</u>	<u>258</u>	<u>(247)</u>	<u>8,190</u>	<u>-</u>
Cash and investments - ending	<u>\$ 196</u>	<u>\$ 126</u>	<u>\$ 258</u>	<u>\$ 68</u>	<u>\$ 14,805</u>	<u>\$ -</u>

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

	Riverboat Revenue Sharing	Innkeepers Tax Collections	County CAGIT	93.563 Prosecutor PCA	93.563 ARRA Prosecutor IV-D Incentive	93.563 Title IV-D Incentive
Cash and investments - beginning	\$ -	\$ 303,881	\$ -	\$ 744	\$ 11,553	\$ 85,261
Receipts:						
Taxes	-	243,321	5,484,739	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	125,800	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	350	-	1,135	-	20,839
Total receipts	<u>125,800</u>	<u>243,671</u>	<u>5,484,739</u>	<u>1,135</u>	<u>-</u>	<u>20,839</u>
Disbursements:						
Personal services	-	37,772	35,124	-	-	-
Supplies	-	8,845	-	-	-	-
Other services and charges	-	101,137	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	57,428	-	-	-	-
Other disbursements	125,800	-	5,449,615	624	-	-
Total disbursements	<u>125,800</u>	<u>205,182</u>	<u>5,484,739</u>	<u>624</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>38,489</u>	<u>-</u>	<u>511</u>	<u>-</u>	<u>20,839</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 342,370</u>	<u>\$ -</u>	<u>\$ 1,255</u>	<u>\$ 11,553</u>	<u>\$ 106,100</u>

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

	Pros IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Sheriff Defibulator Donation	Juvenile Probation Services	Automotive Safety
Cash and investments - beginning	\$ 41	\$ 170,055	\$ 135,282	\$ 70	\$ 7,911	\$ 2
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	624	31,489	20,839	-	-	-
Total receipts	<u>624</u>	<u>31,489</u>	<u>20,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	1,171	13,743	-	-	-
Supplies	-	9,152	73	-	-	-
Other services and charges	-	12,978	5,876	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	1,047	-	-	-
Other disbursements	624	-	-	-	-	-
Total disbursements	<u>624</u>	<u>23,301</u>	<u>20,739</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>8,188</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 41</u>	<u>\$ 178,243</u>	<u>\$ 135,382</u>	<u>\$ 70</u>	<u>\$ 7,911</u>	<u>\$ 2</u>

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

	MADD Impact Fees	CTP Funding	Community Corrections Juvenile	Misc. Distributions	93.041 Adult Protective Services 2013	H1N1 Vaccination
Cash and investments - beginning	\$ 2,640	\$ 10,651	\$ (2,250)	\$ 234,621	\$ (128,730)	\$ 492
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 2,640</u>	<u>\$ 10,651</u>	<u>\$ (2,250)</u>	<u>\$ 234,621</u>	<u>\$ (128,730)</u>	<u>\$ 492</u>

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

	Edward Byrne Memorial - Sheriff	4-H Drug Free Grant	Pass Thru Grant - Marion County	97.730201 Act Juvenile Justice Grant	Build Indiana	16.803 JAG Edward Byrne Grant
Cash and investments - beginning	\$ 229	\$ 145	\$ 676	\$ 6,715	\$ 193,498	\$ 208,334
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 229</u>	<u>\$ 145</u>	<u>\$ 676</u>	<u>\$ 6,715</u>	<u>\$ 193,498</u>	<u>\$ 208,334</u>

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

	Welfare HCI	Medical Assist Wards	Settlement fund	Welfare Child/Special Needs	Inmate Trust Fund Acct 6674456	Clerk's Trust
Cash and investments - beginning	\$ 11,891	\$ 101,814	\$ (4,252)	\$ 12,980	\$ 7,225	\$ 632,561
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	267,560	5,209,866
Total receipts	-	-	-	-	267,560	5,209,866
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	267,428	5,138,031
Total disbursements	-	-	-	-	267,428	5,138,031
Excess (deficiency) of receipts over disbursements	-	-	-	-	132	71,835
Cash and investments - ending	<u>\$ 11,891</u>	<u>\$ 101,814</u>	<u>\$ (4,252)</u>	<u>\$ 12,980</u>	<u>\$ 7,357</u>	<u>\$ 704,396</u>

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

	Sheriff's Inmate Trust 5642159	Sheriff's Food Account	Sheriff's Cashbook	County Treasurer	Community Corrections II	Comprehensive Plan Emergency
Cash and investments - beginning	\$ 106	\$ 12,484	\$ 111,251	\$ 1,335,175	\$ -	\$ 16,477
Receipts:						
Taxes	-	-	-	586,170	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	365,031	-	763,548	-	-
Fines and forfeits	-	-	-	-	16	-
Other receipts	-	-	260,751	-	252,936	-
Total receipts	<u>-</u>	<u>365,031</u>	<u>260,751</u>	<u>1,349,718</u>	<u>252,952</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	169,769	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	47,416	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	106	341,664	218,429	1,335,175	1,188	16,477
Total disbursements	<u>106</u>	<u>341,664</u>	<u>218,429</u>	<u>1,335,175</u>	<u>218,373</u>	<u>16,477</u>
Excess (deficiency) of receipts over disbursements	<u>(106)</u>	<u>23,367</u>	<u>42,322</u>	<u>14,543</u>	<u>34,579</u>	<u>(16,477)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 35,851</u>	<u>\$ 153,573</u>	<u>\$ 1,349,718</u>	<u>\$ 34,579</u>	<u>\$ -</u>

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

	Health Services Fund	Assessment & Referral	Informal Adjustment	Pre-Trial Diversion	Law Enforcement Fund	Jury Pay Fund
Cash and investments - beginning	\$ 8,989	\$ 118,400	\$ 28,614	\$ 269,106	\$ 21,306	\$ 31,760
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	4,408	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,179	97,583	17,398	29,502	10,170	5,999
Total receipts	<u>8,587</u>	<u>97,583</u>	<u>17,398</u>	<u>29,502</u>	<u>10,170</u>	<u>5,999</u>
Disbursements:						
Personal services	-	105,696	-	-	-	18,686
Supplies	3,713	1,152	5,436	2,317	-	-
Other services and charges	-	9,530	2,868	20,643	9,652	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	1,000	-	3,694	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>3,713</u>	<u>117,378</u>	<u>8,304</u>	<u>26,654</u>	<u>9,652</u>	<u>18,686</u>
Excess (deficiency) of receipts over disbursements	<u>4,874</u>	<u>(19,795)</u>	<u>9,094</u>	<u>2,848</u>	<u>518</u>	<u>(12,687)</u>
Cash and investments - ending	<u>\$ 13,863</u>	<u>\$ 98,605</u>	<u>\$ 37,708</u>	<u>\$ 271,954</u>	<u>\$ 21,824</u>	<u>\$ 19,073</u>

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

	Prosecutor Donation	Sheriffs Restitution	Sheriff Work Release	Seized Property	Pros Law Enforcement	Public Defender Service
Cash and investments - beginning	\$ 1,792	\$ 10,565	\$ 34,287	\$ 974	\$ 32,922	\$ 14,048
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	45	310	12,496	-	53,710	50,169
Total receipts	<u>45</u>	<u>310</u>	<u>12,496</u>	<u>-</u>	<u>53,710</u>	<u>50,169</u>
Disbursements:						
Personal services	-	-	-	-	-	9,852
Supplies	-	-	5,574	-	-	-
Other services and charges	-	-	3,250	-	50	17,349
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	11,470	-	434	-
Other disbursements	-	-	-	770	53,187	180
Total disbursements	<u>-</u>	<u>-</u>	<u>20,294</u>	<u>770</u>	<u>53,671</u>	<u>27,381</u>
Excess (deficiency) of receipts over disbursements	<u>45</u>	<u>310</u>	<u>(7,798)</u>	<u>(770)</u>	<u>39</u>	<u>22,788</u>
Cash and investments - ending	<u>\$ 1,837</u>	<u>\$ 10,875</u>	<u>\$ 26,489</u>	<u>\$ 204</u>	<u>\$ 32,961</u>	<u>\$ 36,836</u>

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

	Sheriff Surety Bonds	Project Inc. House Arrest	Civil Process Fees	Juvenile Intensive SP	JISP	2008 Citizen Corps Program
Cash and investments - beginning	\$ 1,715	\$ 211,436	\$ 5,842	\$ (241)	\$ 8,720	\$ (614)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	241	-	614
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	74,644	-	-	-	-
Other receipts	135	273,673	25,740	-	-	-
Total receipts	135	348,317	25,740	241	-	614
Disbursements:						
Personal services	-	281,439	27,049	-	-	-
Supplies	-	6,860	-	-	-	-
Other services and charges	-	96,434	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	117	-	-	-	-
Other disbursements	-	1,596	-	-	241	-
Total disbursements	-	386,446	27,049	-	241	-
Excess (deficiency) of receipts over disbursements	135	(38,129)	(1,309)	241	(241)	614
Cash and investments - ending	\$ 1,850	\$ 173,307	\$ 4,533	\$ -	\$ 8,479	\$ -

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

	Willow Park HMGP	Court Reform Grant (Odyssey)	Health Dept. BHP Grant 172-2	Sheriff Drug Free	Assessor Data Entry Fee	Sheriff Range Fund
Cash and investments - beginning	\$ 78,787	\$ (622)	\$ 5,203	\$ 12,355	\$ 9,570	\$ (124)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	67,853	18,526	-	-	-	-
Charges for services	-	-	-	-	-	200
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	12,000	2,270	214
Total receipts	<u>67,853</u>	<u>18,526</u>	<u>-</u>	<u>12,000</u>	<u>2,270</u>	<u>414</u>
Disbursements:						
Personal services	-	-	-	9,689	-	-
Supplies	-	-	849	-	-	47
Other services and charges	56,121	4,440	2,230	40	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	89,536	-	-	-	-	42
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>145,657</u>	<u>4,440</u>	<u>3,079</u>	<u>9,729</u>	<u>-</u>	<u>89</u>
Excess (deficiency) of receipts over disbursements	<u>(77,804)</u>	<u>14,086</u>	<u>(3,079)</u>	<u>2,271</u>	<u>2,270</u>	<u>325</u>
Cash and investments - ending	<u>\$ 983</u>	<u>\$ 13,464</u>	<u>\$ 2,124</u>	<u>\$ 14,626</u>	<u>\$ 11,840</u>	<u>\$ 201</u>

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

	Sheriff Training Fund	Tindall Farm	Hendricks Street Rentals	Vending Machine	Racino - County	Racino Tax
Cash and investments - beginning	\$ (40)	\$ 277,126	\$ 27,081	\$ 1,231	\$ 4,662,697	\$ 39,009
Receipts:						
Taxes	-	-	-	-	-	3,377,589
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	3,689,964	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	40	98,700	10,796	147	215,634	-
Total receipts	<u>40</u>	<u>98,700</u>	<u>10,796</u>	<u>147</u>	<u>3,905,598</u>	<u>3,377,589</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	369	-	-
Other services and charges	-	32,285	1,309	275	1,193,265	33,585
Debt service - principal and interest	-	-	-	-	48,135	-
Capital outlay	-	-	-	-	683,281	-
Other disbursements	-	-	-	-	185,207	3,383,014
Total disbursements	<u>-</u>	<u>32,285</u>	<u>1,309</u>	<u>644</u>	<u>2,109,888</u>	<u>3,416,599</u>
Excess (deficiency) of receipts over disbursements	<u>40</u>	<u>66,415</u>	<u>9,487</u>	<u>(497)</u>	<u>1,795,710</u>	<u>(39,010)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 343,541</u>	<u>\$ 36,568</u>	<u>\$ 734</u>	<u>\$ 6,458,407</u>	<u>\$ (1)</u>

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

	Interstate Fees	Prosecutor - Notary Fund	Clerk - Passport Envelopes	County Fair Grandstands	Bail Alternative Building	Sheriff Continuing Ed
Cash and investments - beginning	\$ 2,375	\$ 862	\$ 80	\$ 801,844	\$ 30,399	\$ 6,199
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,085	320	659	1,733,556	-	3,728
Total receipts	<u>1,085</u>	<u>320</u>	<u>659</u>	<u>1,733,556</u>	<u>-</u>	<u>3,728</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	660	-	-	-
Other services and charges	-	-	-	20,954	28,329	4,255
Debt service - principal and interest	-	-	-	2,418,383	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>660</u>	<u>2,439,337</u>	<u>28,329</u>	<u>4,255</u>
Excess (deficiency) of receipts over disbursements	<u>1,085</u>	<u>320</u>	<u>(1)</u>	<u>(705,781)</u>	<u>(28,329)</u>	<u>(527)</u>
Cash and investments - ending	<u>\$ 3,460</u>	<u>\$ 1,182</u>	<u>\$ 79</u>	<u>\$ 96,063</u>	<u>\$ 2,070</u>	<u>\$ 5,672</u>

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

	Youth Substance Abuse Prevention	93.008 NACCHO MRC	Drug Free - STOP Grant	93.069 Public Health Emergency	93.041 Adult Protective Service 2014	HD-013-008 IHCDA
Cash and investments - beginning	\$ (4,093)	\$ 4,699	\$ -	\$ 11,076	\$ 108,917	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	39,920	15,000	77,502	8,675
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,924	-	31,179	-	-	-
Total receipts	4,924	-	71,099	15,000	77,502	8,675
Disbursements:						
Personal services	-	-	2,879	-	69,272	-
Supplies	-	198	1,197	4,380	292	-
Other services and charges	831	-	66,488	-	3,007	8,675
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	1,224	14,459	-	-
Other disbursements	-	-	380	2,096	-	-
Total disbursements	831	198	72,168	20,935	72,571	8,675
Excess (deficiency) of receipts over disbursements	4,093	(198)	(1,069)	(5,935)	4,931	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,501</u>	<u>\$ (1,069)</u>	<u>\$ 5,141</u>	<u>\$ 113,848</u>	<u>\$ -</u>

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

	Race & Gender Fairness	JABG Flow Through Grant CC	SHRAB - Archival Assessment	Drug Free Coalition	TSF Drug Free Coalition
Cash and investments - beginning	\$ 19,427	\$ 59,942	\$ (2,549)	\$ (133,083)	\$ (8,477)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	12,000	-	10,000	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	254,262	115,093
Total receipts	<u>12,000</u>	<u>-</u>	<u>10,000</u>	<u>254,262</u>	<u>115,093</u>
Disbursements:					
Personal services	-	-	-	49,222	13,043
Supplies	-	-	-	228	125
Other services and charges	12,546	-	365	72,547	2,171
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	59,133	-	263	11,468
Total disbursements	<u>12,546</u>	<u>59,133</u>	<u>365</u>	<u>122,260</u>	<u>26,807</u>
Excess (deficiency) of receipts over disbursements	<u>(546)</u>	<u>(59,133)</u>	<u>9,635</u>	<u>132,002</u>	<u>88,286</u>
Cash and investments - ending	<u>\$ 18,881</u>	<u>\$ 809</u>	<u>\$ 7,086</u>	<u>\$ (1,081)</u>	<u>\$ 79,809</u>

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

	Victim Assistance 16,575	Competitive EMA	Operation Pull Over	DUI Task Force	BCC Traffic Enforcement 20,600
Cash and investments - beginning	\$ 40,670	\$ 657	\$ 9,629	\$ 5,380	\$ (9,889)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	24,442	5,180	5,970	7,316	9,214
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	34,800	-	-	-	15,599
Total receipts	<u>59,242</u>	<u>5,180</u>	<u>5,970</u>	<u>7,316</u>	<u>24,813</u>
Disbursements:					
Personal services	54,899	-	-	7,455	18,075
Supplies	634	-	-	-	-
Other services and charges	464	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	303	11,231	-	-	-
Other disbursements	-	614	15,599	-	-
Total disbursements	<u>56,300</u>	<u>11,845</u>	<u>15,599</u>	<u>7,455</u>	<u>18,075</u>
Excess (deficiency) of receipts over disbursements	<u>2,942</u>	<u>(6,665)</u>	<u>(9,629)</u>	<u>(139)</u>	<u>6,738</u>
Cash and investments - ending	<u>\$ 43,612</u>	<u>\$ (6,008)</u>	<u>\$ -</u>	<u>\$ 5,241</u>	<u>\$ (3,151)</u>

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

	Victim Assistance 2 16.575	Homeland Security Program-Com	CRI Grant (Health Dept.) 97.05	97.073 State Homeland Security	Totals
Cash and investments - beginning	\$ (105,527)	\$ 145	\$ 3,896	\$ (1,723)	\$ 26,846,700
Receipts:					
Taxes	-	-	-	-	63,290,891
Licenses and permits	-	-	-	-	113,660
Intergovernmental receipts	-	379	16,627	37,280	9,733,901
Charges for services	-	-	-	-	2,262,099
Fines and forfeits	-	-	-	-	565,198
Other receipts	105,526	-	-	-	18,358,837
Total receipts	<u>105,526</u>	<u>379</u>	<u>16,627</u>	<u>37,280</u>	<u>94,324,586</u>
Disbursements:					
Personal services	-	-	-	-	13,001,740
Supplies	-	-	-	-	1,512,447
Other services and charges	-	-	337	-	7,103,305
Debt service - principal and interest	-	-	-	-	2,509,238
Capital outlay	-	-	13,127	137	5,248,776
Other disbursements	-	379	-	35,420	64,879,553
Total disbursements	<u>-</u>	<u>379</u>	<u>13,464</u>	<u>35,557</u>	<u>94,255,059</u>
Excess (deficiency) of receipts over disbursements	<u>105,526</u>	<u>-</u>	<u>3,163</u>	<u>1,723</u>	<u>69,527</u>
Cash and investments - ending	<u>\$ (1)</u>	<u>\$ 145</u>	<u>\$ 7,059</u>	<u>\$ -</u>	<u>\$ 26,916,227</u>

SHELBY COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2014

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 86,612</u>	<u>\$ -</u>

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 SHELBY COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

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

Report on Internal Control over Compliance


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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2014-003 and 2014-004 to be material weaknesses.

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

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


Paul D. Joyce, CPA
State Examiner

March 29, 2017

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

SHELBY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>					
CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Indiana Housing and Community Development Authority	14.228	HD-013-008 DR1HB-009-014	\$ -	\$ 8,675
				-	67,853
Total - Department of Housing and Urban Development				-	76,528
<u>Department of Justice</u>					
Crime Victim Assistance Victims Asst.	Indiana Criminal Justice Institute	16.575	2011-VA-GX-0039	-	24,442
Total - Department of Justice				-	24,442
<u>Department of Transportation</u>					
Highway Safety Cluster State and Community Highway Safety BCC Traffic Enforcement	Indiana Criminal Justice Institute	20.600	K8-2010-03-03-27	10,550	15,185
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI Task Force Enforcement	Indiana Criminal Justice Institute	20.601	PT-10-04-04-38	5,743	7,316
Total - Highway Safety Cluster				16,293	22,501
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	DES # 0600118 DES # 0600117 DES # 9380756 DES # 0100361 DES # 1382080 DES # 9682190	-	69,208 339,557 15,219 60,309 102,849 9,096
Total - Highway Planning and Construction Cluster				-	596,238
Total - Department of Transportation				-	618,739
<u>Department of Health and Human Services</u>					
Public Health Emergency Preparedness Public Preparedness	Indiana State Department of Health	93.069	BPRS 172-70	-	31,627
Child Support Enforcement Prosecutor's Collection Incentives Indirect Cost Prosecutor's Expenditures Clerk's Expenditures	Indiana Department of Child Services	93.563	2014 2014 2014 2014	-	44,040 45,260 157,227 78,397
Total - Child Support Enforcement				-	324,924
Substance Abuse and Mental Health Services_Projects of Regional and National Significance STOP Grant	Indiana Family and Social Services Administration	93.243	1H79SP0119633-01 5H79SP019633-02	-	47,250 21,198
Total - Substance Abuse and Mental Health Services_Projects of Regional and National Significance				-	68,448
Total - Department of Health and Human Services				-	424,999
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants IPADS/Monitors Salary for Coordinator	Indiana Department of Homeland Security	97.042	EDS # C44P-5-070B EDS # C44P-4-391B	-	20,972 5,180
Total - Emergency Management Performance Grants				-	26,152
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	EDS # C44P-4-013B	-	1,481
Total - Department of Homeland Security				-	27,633
Total federal awards expended				\$ 16,293	\$ 1,172,341

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

SHELBY 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, 2014. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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.

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.563	Highway Planning and Construction Cluster Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

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

Section II - Financial Statement Findings

FINDING 2014-001 - 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). The County Auditor was primarily responsible for compiling and inputting the SEFA information into the Indiana Gateway for Government Units financial system. There was no control in place to ensure the SEFA information submitted was accurate.

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The following errors occurred:

1. Highway Planning and Construction program expenditures were understated by \$596,238.
2. Child Support Enforcement program expenditures were understated by \$251,133.
3. Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii program expenditures were understated by \$76,528.
4. Substance Abuse and Mental Health Services_Projects of Regional and National Significance program expenditures were understated by \$68,448.
5. Grant program expenditures of \$145,355 were included on the SEFA in error.

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. . . ."

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

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

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

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

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.

FINDING 2014-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Condition

The following deficiencies in the internal control system of the County related to financial transactions and reporting occurred.

Lack of Segregation of Duties: The County had not separated incompatible activities related to financial close and reporting. The County Auditor was primarily responsible for inputting and submitting the County's financial information into the Indiana Gateway for Government Units financial system, which is the source for the Annual Financial Report and financial statement. There was no control in place to ensure the financial information reported was accurate.

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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. . . ."

Cause

Management of the County had not established a proper system of internal control.

Effect

The failure to establish controls could have enabled material misstatements or irregularities to remain undetected.

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 2014-003 - PERIOD OF AVAILABILITY OF FEDERAL FUNDS

Federal Agency: Department of Transportation

Federal Program: Highway Planning and Construction

CFDA Number: 20.205

Federal Award Numbers and Years (or Other Identifying Numbers): DES# 0600117; DES# 0600118;
DES# 9380756; DES# 0100361;
DES# 1382080; DES# 968219

Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system was not in place at the County to ensure compliance with the requirements related to the grant agreement and the following compliance requirement: Period of Availability of Federal Funds.

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Period of Availability of Federal Funds

The County had one employee responsible for compliance with Period of Availability of Federal Funds requirements.

Context

The lack of internal controls was a systemic problem affecting all grant awards listed above.

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. . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the County at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement 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.

Recommendation

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

Views of Responsible Officials

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

FINDING 2014-004 - INTERNAL CONTROL OVER CHILD SUPPORT ENFORCEMENT

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): 2014
Pass-Through Entity: Indiana Department of Child Services

SHELBY 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 requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Period of Availability of Federal Funds, and Reporting.

Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Cash Management

The County Prosecutor's office had one employee primarily responsible for compliance with Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Cash Management.

Period of Availability of Federal Funds

The County Prosecutor's office had one employee primarily responsible for monitoring that expenditures claimed for reimbursement met Period of Availability of Federal Funds requirements.

Reporting

The County Prosecutor's office and the County Auditor's office each had one employee primarily responsible for compliance with Reporting requirements. The same individual was responsible for both preparing and submitting required reports.

Context

The lack of internal controls was a systemic problem affecting the grant award listed above.

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. . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could 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.

SHELBY COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

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

Views of Responsible Officials

For the views of the 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.



MARY JO PHARES
SHELBY COUNTY
AUDITOR

25 W Polk Street Room 104, Shelbyville, IN 46176
Phone: (317) 392-6310 Fax: (317) 392-6382

October 20, 2016

Summary Schedule of Prior Audit Findings

Section III – Federal Award Findings and Questioned Cost

**FINDING 2013-004 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT
HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT**

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity: Indiana Department of Child Services
Contact person responsible for corrective action: Amy Glackman
Contact phone number: 317-392-6310

This finding has had no change in the way it is done. The County Auditor will continue to just sign off on the reports that are prepared by Maximus. The Auditor's Office sends the reports monthly to Maximus for preparation. At this time no changes will be made on how this procedure is handled.

FINDING 2013-006 – SPECIAL TESTS AND PROVISIONS

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity: Indiana Criminal Justice Institute
Contact person responsible for corrective action: Amy Glackman
Contact phone number: 317-392-6310

We have not been able to implement our corrective action plan, due to not having received ARRA Funds.

If you need any further information or assistance please feel free to contact me.

Respectfully,

A handwritten signature in cursive script that reads "Amy L. Glackman".

Amy L. Glackman
Shelby County Deputy Auditor



OFFICE OF THE
SHELBY COUNTY PROSECUTING ATTORNEY
JAMES B. LANDWERLEN

16TH JUDICIAL CIRCUIT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2013-004 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE DIRECT AND MATERIAL EFFECT TO
CHILD SUPPORT ENFORCEMENT**

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Child Services
Contact Person Responsible for Corrective Action: Victoria Atkins
Contact Phone Number: 317-392-6442

Status of Audit Finding:

In May 2015 the QIEs and MECs began being prepared by the Deputy Prosecutor
and certified by a caseworker. This is the current practice of the office.

Victoria Atkins
Deputy Prosecutor
10/20/2016

JENNIFER KINSLEY
CHIEF
DEPUTY PROSECUTING ATTORNEY

EDWARD C. ZYCH
DEPUTY PROSECUTING ATTORNEY

R. SCOTT SPEARS
DEPUTY PROSECUTING ATTORNEY

JILL A. GAGNON
DEPUTY PROSECUTING ATTORNEY

VICTORIA M. ATKINS
DEPUTY PROSECUTING ATTORNEY

CASSANDRA THOMAS
INVESTIGATOR

JERRY KIEFER
MARY ANN TURNER
ADULT PROTECTIVE SERVICES
INVESTIGATORS

REBECCA MILLER
VICTIM ASSISTANCE COORDINATOR

**SHELBY COUNTY
COURTHOUSE**
407 SOUTH HARRISON STREET
ROOM # 30
SHELBYVILLE, INDIANA 46176

(317) 392-6440
CRIMINAL DIVISION
(317) 392-6442
CHILD SUPPORT DIVISION
(317) 398-8847
FAX NUMBER

www.shelbyprosecutor.com



Shelby County Sheriff Department
107 West Taylor Street
Shelbyville, IN 46176-2028

Dennis L. Parks
Sheriff

Summary Schedule of Prior Audit Findings

Finding 2013-005 Equipment and Real Property Management
Fiscal year in which the finding initially occurred 2013
Pass-through Entity: Indiana Criminal Justice Institute
Contact Person : Dennis L. Parks

Contact Number: 317-512-4601

Status of Audit Finding

This is what we have done.

1. The Sheriff's grant writer will upon receiving the Federal Grant create an inventory sheet for that grant and maintain internal control system of the Grant.
2. These inventory Sheets will be on file with all grant paperwork including Description of the property ,serial or I.D. number, source of property acquisition date , location, use and condition of property and disposition data including date disposal and sale price of property.
3. The Grant documents will be kept with the Sheriff's Grant Writer / Manager.
4. The County Auditor will have the inventory for the Federal Grant and any update or disposal of the inventory.

"A Tradition of Excellence Since 1822"

Administrative: 317.392.6345
Jail Information: 317.392.6405

Non-Emergency: 317.398.6661
FAX: 317.398.5533



Shelby County Sheriff Department
107 West Taylor Street
Shelbyville, IN 46176-2028

Dennis L. Parks
Sheriff

5. The Sheriff Department will do a physical inventory at least once every two years with this documented on the Grant File.
6. The Sheriff Dept. will ensure safeguards for loss, damage or theft of property. Any loss or theft will be investigated.
7. The County Auditor will have all the bills and purchases for the Grant.

Finding 2013-006 Special Tests and Provisions

Fiscal Year in which the finding initially occurred 2013

Pass-Through Entity: Indiana Criminal Justice Institute

Contact Person: Dennis L. Parks

Contact Number: 317-512-4601

Status of Audit Findings

We have not been able to implement our corrective action plan due to having not received ARRA funds.

Signed: *Dennis L. Parks*

Title : Shelby County Sheriff

Date : 1/11/2017

“A Tradition of Excellence Since 1822”



MARY JO PHARES SHELBY COUNTY AUDITOR

25 W Polk Street Room 104, Shelbyville, IN 46176
Phone: (317) 392-6310 Fax: (317) 392-6382

CORRECTIVE ACTION PLAN

FINDING 2014-001

Contact Person Responsible for Corrective Action: Mary Jo Phares
Contact Phone Number: 317-392-6310

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

The County is in the process of implementing better controls over the receipting, disbursing and recording of accounting for the financial records.

Anticipated Completion Date: 2017

FINDING 2014-002

Contact Person Responsible for Corrective Action: Mary Jo Phares
Contact Phone Number: 317-392-6310

Views of Responsible Official: We Concur with the finding

Description of Corrective Action Plan:

The County is in the process of implementing a Grant Policy and Procedure Guideline that will be required for all Departments to fill out for every Grant request. The Department will have to specify if this is a State or Federal Grant and supply our Office with the necessary information that is needed to comply with the regulations required.

In the future this should alleviate the omission of any Federal Grants in our reports.

Anticipated Completion Date: September 2016



MARY JO PHARES
SHELBY COUNTY
AUDITOR

25 W Polk Street Room 104, Shelbyville, IN 46176
Phone: (317) 392-6310 Fax: (317) 392-6382

FINDING 2014-004

Contact Person Responsible for Corrective Action: Mary Jo Phares
Contact Phone Number: 317-392-6310

Views of Responsible Official: We Concur with the finding

Description of Corrective Action Plan:

The County Auditor will continue to just sign off on the reports that are prepared by Maximus. The Auditor's Office sends the reports monthly to Maximus for preparation. At this time no changes will be made on how this procedure is handled. The Auditor's office now files reports with the Department of Child Services Accounting Operations. I believe they take the Auditor's reports and Prosecutor & Clerk reports and compare.

Anticipated Completion Date: This started in September of 2016

Anticipated Completion Date:

Mary Jo Phares
(Signature)

Auditor
(Title)

1/12/2017
(Date)



OFFICE OF THE
SHELBY COUNTY PROSECUTING ATTORNEY
JAMES B. LANDWERLEN

16TH JUDICIAL CIRCUIT

CORRECTIVE ACTION PLAN

FINDING 2014-004: INTERNAL CONTROL OVER CHILD SUPPORT ENFORCEMENT

Contact Person Responsible for Corrective Action: Victoria Atkins
Contact Phone Number: 317-392-6442

We concur with the findings.

Description of Corrective Action Plan:

Beginning in May 2015, the QIEs and MECs have been prepared by the Deputy Prosecutor and certified by a caseworker. This is the current practice of the office.

Anticipated Completion Date: already completed

Victoria Atkins
Deputy Prosecutor
1/12/2017

JENNIFER KINSLEY

CHIEF
DEPUTY PROSECUTING ATTORNEY

EDWARD C. ZYCH

DEPUTY PROSECUTING ATTORNEY

R. SCOTT SPEARS

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FAX NUMBER

www.shelbyprosecutor.com

Board of Commissioners

Kevin Nigh
Donald Parker
Chris Ross
John C. DePrez, IV, Attorney



Shelby County, Indiana

25 West Polk Street, Room 206
Shelbyville, Indiana 46176
Office (317) 392-6330
Fax (317) 392-6393

CORRECTIVE ACTION PLAN

FINDING 2014-003

Contact Person Responsible for Corrective Action: Kevin Nigh
Contact Phone Number: 317-392-6330

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

The attached sheet will be reviewed and signed by one of the Shelby County Commissioners for each claim sent to INDOT.

Anticipated Completion Date:

After the Corrective Action Plan has been approved and the County has been officially notified of the approval.

Kevin Nigh
(Signature)

Commissioner
(Title)

1/24/2017
(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/>.