

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

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



**FILED**  
07/13/2017



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Cathy J. Hamilton	01-01-11 to 12-31-18
County Treasurer	Ronald J. Niemesh Carol J. Bartley	01-01-13 to 10-18-14 10-19-14 to 12-31-20
Clerk of the Circuit Court	Sherri Crews	01-01-13 to 12-31-20
County Sheriff	Jeff Ward	01-01-11 to 12-31-18
County Recorder	Linda Brammel	01-01-14 to 12-31-17
President of the Board of County Commissioners	Bert Weaver Cory Boyles Scott Shoemaker	01-01-14 to 12-31-14 01-01-15 to 12-31-15 01-01-16 to 12-31-17
President of the County Council	Alan Dunn	01-01-14 to 12-31-17



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF CLINTON COUNTY, INDIANA

**Report on the Financial Statement**

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

***Management's Responsibility for the Financial Statement***

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

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

***Opinion on Regulatory Basis of Accounting***

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

***Other Matters***

*Supplementary Information*

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


*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 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

May 18, 2017



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

TO: THE OFFICIALS OF CLINTON 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 Clinton 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 May 18, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statement will not be prevented, or detected and corrected, on a timely basis. 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002.

**Clinton 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

May 18, 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.

CLINTON 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
General	\$ 908,142	\$ 12,212,306	\$ 12,587,641	\$ 532,807
Accident Report	8,067	3,626	9,072	2,621
Bid Deposits and Bonds Holding	18,400	6,131	-	24,531
CAGIT County Certified Shares	125,241	1,834,289	1,918,914	40,616
CEDIT County Share	1,540,646	896,425	793,941	1,643,130
CEDIT - Special Legislation	-	1,441,179	1,441,179	-
Child Advocacy	100	-	-	100
City and Town Court Costs	9,366	8,093	9,366	8,093
Clerk's Records Perpetuation	40,867	18,921	7,361	52,427
Community Corrections	90,492	365,724	335,693	120,523
Community Transition Program	11,970	26,500	34,500	3,970
County Option Dog Tax	813	-	-	813
Sales Disclosure - County Share	2,365	3,630	-	5,995
Cummulative Bridge	1,612,050	637,993	650,662	1,599,381
Cummulative Capital Development	1,152,028	1,143,459	1,523,101	772,386
Cummulative Courthouse	665,185	308,470	640,937	332,718
Drug Free Community	41,459	31,464	31,754	41,169
Electronic Map Generation	1,586	446	1,504	528
Emergency Planning/Right to Know	9,999	4,829	1,774	13,054
Firearms Training	34,398	8,775	21,025	22,148
General Drain Improvement	465,195	-	109,647	355,548
Health	5,524	385,751	370,257	21,018
Identification Security Protection	59,344	2,327	-	61,671
Levy Excess	180	692	-	872
Local Health Maintenance	4,500	33,139	30,413	7,226
Local Road and Street	125,750	285,554	209,177	202,127
LOIT Public Safety - County Share	136,466	861,660	861,400	136,726
Medical Care for Inmates	1,135	1,550	860	1,825
Misdemeanant	29,358	22,716	5,000	47,074
Motor Vehicle Highway	505,755	2,828,732	2,343,739	990,748
Plat Book	61,540	11,140	7,230	65,450
Rainy Day	552,442	-	55,000	497,442
Reassessment - 2009	173	-	-	173
Reassessment - 2015	33,357	166,195	165,436	34,116
Recorder's Records Perpetuation	210,627	40,406	56,517	194,516
Sex and Violent Offender Administration	7,730	3,262	2,649	8,343
Sheriff's Pension Trust	14,435	16,030	12,277	18,188
Storm Water Management Capial Projects	410,385	604	124,273	286,716
Supplemental Public Defender Services	83,772	51,906	58,423	77,255
Surplus Tax	35,019	220,463	154,759	100,723
Surveyor's Corner Perpetuation	83,144	6,190	20,978	68,356
Tax Sale Redemption	5,350	78,562	77,975	5,937
Tax Sale Surplus	109,631	65,881	59,423	116,089
Local Health Department Trust Account	58,440	20,203	43,268	35,375
Unsafe Building	591	-	-	591
Victim Assistance	3,626	12,609	16,812	(577)
Guardian Ad Litem	7,365	-	-	7,365
Auditors Ineligible Deductions	4,052	2,965	408	6,609
County Elected Officials Training	6,649	2,327	180	8,796
Statewide 911	445,570	456,973	369,047	533,496
Adult Probation Administrative	112,343	27,535	57,380	82,498
Juvenile Probation Administrative	16,673	16,172	1,071	31,774
Step Ahead Grant	(21)	-	-	(21)
County User Fee	335,921	77,603	56,592	356,932
Drain Construction/Reconstruction	3,916	-	-	3,916
Drain Maintenance	1,313,051	623,410	895,728	1,040,733
Sheriff Sale Administration	27,550	25,140	13,200	39,490
DUI Task Force	577	1,033	1,033	577
K-9	646	100	-	746
Health Clinic	5,500,890	6,044,818	2,780,961	8,764,747
Court Interpreters	4,590	5,500	8,188	1,902
Donations	32,852	8,265	3,524	37,593
Project Lifesaver	-	2,302	-	2,302
Payroll Clearing	34,242	5,144,269	5,146,333	32,178
Settlement	1,569,452	39,115,572	40,685,024	-
Wheel Tax / Surtax Combined	558,501	785,769	323,045	1,021,225

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

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

Fund	Cash and Investments			Cash and Investments 12-31-14
	01-01-14	Receipts	Disbursements	
Wheel Tax	-	353,926	353,926	-
Sur Tax	-	636,743	636,743	-
CVET Agency	-	320,898	320,898	-
Weed Lien Collections	-	81,106	81,106	-
Sewage Collections	-	8,885	8,885	-
Financial Institution Tax	-	141,991	141,991	-
CEDIT Homestead Credit	35,629	1,446,481	1,445,877	36,233
HEA 1001 State Homestead Credit	4,144	-	4,144	-
LOIT Residential PTRC	37,183	1,441,747	1,443,026	35,904
State Fines and Forfeitures	8,215	48,499	51,171	5,543
Infraction Judgements	41,264	62,334	89,737	13,861
Overweight Vehicle Fines	1,776	360	2,136	-
Special Death Benefit	1,790	3,080	4,565	305
Sales Disclosure - State Share	2,095	3,630	5,360	365
Coroners Training & Con't Education	1,927	3,302	4,793	436
Mortgage Recording Fees - State Share	1,653	2,451	3,861	243
Sex and Violent Offender Admin - State	243	362	594	11
Child Restraint Violation Fines	1	-	1	-
Inheritance Tax	119,460	37,966	152,445	4,981
Education Plate Fees Agency	-	975	956	19
Riverboat Revenue Sharing	-	196,816	196,816	-
Innkeepers Tax Collections	10,174	41,005	44,304	6,875
CAGIT Distribution	-	5,754,282	5,753,870	412
93.563 ARRA Clerk IV-D Incentive	543	-	-	543
93.563 Title IV-D Incentive	38,652	11,217	-	49,869
93.563 Prosecutor IV-D Incentive-Prior To Oct '99	4,687	-	-	4,687
93.563 Prosecutor IV-D Incentive-Post Oct '99	100,248	16,877	90	117,035
93.563 Clerk IV-D Incentive-Prior To Oct '99	17,821	-	2,319	15,502
93.563 Clerk IV-D Incentive-Post Oct '99	63,115	11,217	10,977	63,355
Clinton County Treasurer	5,301,984	1,094,174	5,301,984	1,094,174
Clinton County Clerk Trust Account	956,537	2,639,333	2,659,471	936,399
Clinton County Clerk Child Support Account	18,886	747,948	744,032	22,802
Recorder's Petty Cash	50	-	-	50
Clinton County Sheriff Jailers Commissary	12,598	190,085	190,062	12,621
Clinton County Sheriff Work Release	46,456	71,626	62,906	55,176
Clinton County Sheriff Law Enforcement	2,257	-	1,000	1,257
Clinton County Sheriff Inmate Trust	2,858	190,103	187,827	5,134
Clinton County Parkview Home Trust account	51,385	144,536	137,640	58,281
County Road 375	-	2,915,462	1,916,486	998,976
TMA	-	648,199	186,000	462,199
Travel Immunizations	-	401	-	401
16.575 VOCA	(2,691)	14,920	13,141	(912)
Recovery Grant	(1,986)	-	-	(1,986)
EMA Sale of Equipment	6,810	27,265	24,999	9,076
Medical Reserve Corp Grant	1,784	-	-	1,784
MCR Reimbursable Grant	1	1,430	-	1,431
Dare Fund Grant	1,009	11,859	742	12,126
Central Dispatch	430,138	907,265	1,032,354	305,049
JAG Grant	60	-	-	60
93.042 Emergency Management Performance	-	5,049	5,049	-
Landfill Tipping Fee	577,944	699,333	270,772	1,006,505
Law Enforcement Education	16,667	6,292	3,769	19,190
Law Enforcement Seizure	1,748	-	-	1,748
Seized Assets	71	-	-	71
Solid Waste Payroll Clearing	185	49,209	49,128	266
traffic Enforcement RDP	(10)	2,380	3,096	(726)
Resource Center Transportation	-	261,319	261,319	-
Public Health Emergency Preparedness	1,485	14,793	18,835	(2,557)
Brownfield Grant	-	20,816	20,816	-
Thinking for a Change Grant	260	-	-	260
Traffic Safety Equipment Grant	167	-	-	167
County Training Fund	5,153	1,012	2,370	3,795
Sheriff Safety Equipment	860	-	-	860
<b>Totals</b>	<b>\$ 27,174,748</b>	<b>\$ 97,698,544</b>	<b>\$ 98,990,040</b>	<b>\$ 25,883,252</b>

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

CLINTON COUNTY  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

CLINTON COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

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

*E. Disbursements*

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

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

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

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

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

*Other disbursements.* Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

CLINTON COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*F. Interfund Transfers*

The County may, from time to time, make transfers 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 amounts 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 amounts 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.

CLINTON 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.

CLINTON 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 funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2014.

**Note 8. Restatements**

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

CLINTON COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Fund	Balance as of December 31, 2013	Prior Period Adjustment	Balance as of January 1, 2014
Clinton County Sheriff Inmate Trust	\$ -	\$ 2,858	\$ 2,858

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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.

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

	General	Accident Report	Bid Deposits and Bonds Holding	CAGIT County Certified Shares	CEDIT County Share	CEDIT - Special Legislation	Child Advocacy
Cash and investments - beginning	\$ 908,142	\$ 8,067	\$ 18,400	\$ 125,241	\$ 1,540,646	\$ -	\$ 100
Receipts:							
Taxes	6,270,050	-	-	-	-	-	-
Licenses and permits	51,123	-	-	-	-	-	-
Intergovernmental receipts	1,263,609	-	-	-	-	-	-
Charges for services	1,478,849	-	-	1,825	-	-	-
Fines and forfeits	151,282	-	-	-	-	-	-
Other receipts	2,997,393	3,626	6,131	1,832,464	896,425	1,441,179	-
Total receipts	<u>12,212,306</u>	<u>3,626</u>	<u>6,131</u>	<u>1,834,289</u>	<u>896,425</u>	<u>1,441,179</u>	<u>-</u>
Disbursements:							
Personal services	5,149,333	-	-	1,789,226	-	-	-
Supplies	744,786	-	-	-	-	-	-
Other services and charges	2,264,890	5,700	-	129,688	793,941	-	-
Capital outlay	68,792	3,372	-	-	-	-	-
Other disbursements	4,359,840	-	-	-	-	1,441,179	-
Total disbursements	<u>12,587,641</u>	<u>9,072</u>	<u>-</u>	<u>1,918,914</u>	<u>793,941</u>	<u>1,441,179</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(375,335)</u>	<u>(5,446)</u>	<u>6,131</u>	<u>(84,625)</u>	<u>102,484</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 532,807</u>	<u>\$ 2,621</u>	<u>\$ 24,531</u>	<u>\$ 40,616</u>	<u>\$ 1,643,130</u>	<u>\$ -</u>	<u>\$ 100</u>

CLINTON 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	County Option Dog Tax	Sales Disclosure - County Share	Cummulative Bridge
Cash and investments - beginning	\$ 9,366	\$ 40,867	\$ 90,492	\$ 11,970	\$ 813	\$ 2,365	\$ 1,612,050
Receipts:							
Taxes	-	-	-	-	-	-	395,341
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	90,311	-	-	-	49,528
Charges for services	-	-	-	26,500	-	-	191,661
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	8,093	18,921	275,413	-	-	3,630	1,463
Total receipts	8,093	18,921	365,724	26,500	-	3,630	637,993
Disbursements:							
Personal services	-	7,361	235,770	-	-	-	-
Supplies	-	-	2,155	-	-	-	28,527
Other services and charges	-	-	89,236	26,500	-	-	622,135
Capital outlay	-	-	1,432	-	-	-	-
Other disbursements	9,366	-	7,100	8,000	-	-	-
Total disbursements	9,366	7,361	335,693	34,500	-	-	650,662
Excess (deficiency) of receipts over disbursements	(1,273)	11,560	30,031	(8,000)	-	3,630	(12,669)
Cash and investments - ending	\$ 8,093	\$ 52,427	\$ 120,523	\$ 3,970	\$ 813	\$ 5,995	\$ 1,599,381

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

	Cummulative Capital Development	Cummulative Courthouse	Drug Free Community	Electronic Map Generation	Emergency Planning/Right to Know	Firearms Training	General Drain Improvement
Cash and investments - beginning	\$ 1,152,028	\$ 665,185	\$ 41,459	\$ 1,586	\$ 9,999	\$ 34,398	\$ 465,195
Receipts:							
Taxes	232,652	261,992	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	30,568	32,822	-	-	-	-	-
Charges for services	871,102	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	9,137	13,656	31,464	446	4,829	8,775	-
Total receipts	1,143,459	308,470	31,464	446	4,829	8,775	-
Disbursements:							
Personal services	-	-	31,754	-	-	-	-
Supplies	-	-	-	-	-	3,830	-
Other services and charges	1,266,005	380,993	-	1,504	1,774	-	109,647
Capital outlay	257,096	259,944	-	-	-	17,195	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	1,523,101	640,937	31,754	1,504	1,774	21,025	109,647
Excess (deficiency) of receipts over disbursements	(379,642)	(332,467)	(290)	(1,058)	3,055	(12,250)	(109,647)
Cash and investments - ending	\$ 772,386	\$ 332,718	\$ 41,169	\$ 528	\$ 13,054	\$ 22,148	\$ 355,548

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

	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	LOIT Public Safety - County Share	Medical Care for Inmates
Cash and investments - beginning	\$ 5,524	\$ 59,344	\$ 180	\$ 4,500	\$ 125,750	\$ 136,466	\$ 1,135
Receipts:							
Taxes	197,611	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	23,621	-	-	-	285,554	-	-
Charges for services	64,192	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	100,327	2,327	692	33,139	-	861,660	1,550
Total receipts	385,751	2,327	692	33,139	285,554	861,660	1,550
Disbursements:							
Personal services	235,361	-	-	30,413	-	284,592	-
Supplies	8,295	-	-	-	209,177	-	-
Other services and charges	22,451	-	-	-	-	-	-
Capital outlay	4,150	-	-	-	-	-	-
Other disbursements	100,000	-	-	-	-	576,808	860
Total disbursements	370,257	-	-	30,413	209,177	861,400	860
Excess (deficiency) of receipts over disbursements	15,494	2,327	692	2,726	76,377	260	690
Cash and investments - ending	\$ 21,018	\$ 61,671	\$ 872	\$ 7,226	\$ 202,127	\$ 136,726	\$ 1,825

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

	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation
Cash and investments - beginning	\$ 29,358	\$ 505,755	\$ 61,540	\$ 552,442	\$ 173	\$ 33,357	\$ 210,627
Receipts:							
Taxes	-	-	-	-	-	102,005	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	2,774,356	-	-	-	14,190	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	22,716	54,376	11,140	-	-	50,000	40,406
Total receipts	22,716	2,828,732	11,140	-	-	166,195	40,406
Disbursements:							
Personal services	-	1,391,131	5,980	-	-	33,442	38,668
Supplies	-	708,171	-	-	-	-	1,351
Other services and charges	5,000	160,656	1,250	55,000	-	131,994	16,498
Capital outlay	-	83,781	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	5,000	2,343,739	7,230	55,000	-	165,436	56,517
Excess (deficiency) of receipts over disbursements	17,716	484,993	3,910	(55,000)	-	759	(16,111)
Cash and investments - ending	\$ 47,074	\$ 990,748	\$ 65,450	\$ 497,442	\$ 173	\$ 34,116	\$ 194,516

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

	Sex and Violent Offender Administration	Sheriff's Pension Trust	Storm Water Management Capital Projects	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption
Cash and investments - beginning	\$ 7,730	\$ 14,435	\$ 410,385	\$ 83,772	\$ 35,019	\$ 83,144	\$ 5,350
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	3,262	16,030	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	604	51,906	220,463	6,190	78,562
Total receipts	<u>3,262</u>	<u>16,030</u>	<u>604</u>	<u>51,906</u>	<u>220,463</u>	<u>6,190</u>	<u>78,562</u>
Disbursements:							
Personal services	-	12,277	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	58,423	-	20,978	-
Capital outlay	2,649	-	-	-	-	-	-
Other disbursements	-	-	124,273	-	154,759	-	77,975
Total disbursements	<u>2,649</u>	<u>12,277</u>	<u>124,273</u>	<u>58,423</u>	<u>154,759</u>	<u>20,978</u>	<u>77,975</u>
Excess (deficiency) of receipts over disbursements	<u>613</u>	<u>3,753</u>	<u>(123,669)</u>	<u>(6,517)</u>	<u>65,704</u>	<u>(14,788)</u>	<u>587</u>
Cash and investments - ending	<u>\$ 8,343</u>	<u>\$ 18,188</u>	<u>\$ 286,716</u>	<u>\$ 77,255</u>	<u>\$ 100,723</u>	<u>\$ 68,356</u>	<u>\$ 5,937</u>

CLINTON 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	Victim Assistance	Guardian Ad Litem	Auditors Ineligible Deductions	County Elected Officials Training
Cash and investments - beginning	\$ 109,631	\$ 58,440	\$ 591	\$ 3,626	\$ 7,365	\$ 4,052	\$ 6,649
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	65,881	20,203	-	12,609	-	2,965	2,327
Total receipts	65,881	20,203	-	12,609	-	2,965	2,327
Disbursements:							
Personal services	-	-	-	16,812	-	-	-
Supplies	-	365	-	-	-	-	-
Other services and charges	-	8,507	-	-	-	408	180
Capital outlay	-	34,396	-	-	-	-	-
Other disbursements	59,423	-	-	-	-	-	-
Total disbursements	59,423	43,268	-	16,812	-	408	180
Excess (deficiency) of receipts over disbursements	6,458	(23,065)	-	(4,203)	-	2,557	2,147
Cash and investments - ending	\$ 116,089	\$ 35,375	\$ 591	\$ (577)	\$ 7,365	\$ 6,609	\$ 8,796

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

	Statewide 911	Adult Probation Administrative	Juvenile Probation Administrative	Step Ahead Grant	County User Fee	Drain Construction/Reconstruction	Drain Maintenance
Cash and investments - beginning	\$ 445,570	\$ 112,343	\$ 16,673	\$ (21)	\$ 335,921	\$ 3,916	\$ 1,313,051
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	456,839	27,535	15,551	-	65,214	-	502,897
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	134	-	621	-	12,389	-	120,513
Total receipts	456,973	27,535	16,172	-	77,603	-	623,410
Disbursements:							
Personal services	216,650	57,380	-	-	35,732	-	-
Supplies	-	-	-	-	1,598	-	-
Other services and charges	152,397	-	900	-	19,134	-	895,728
Capital outlay	-	-	171	-	128	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	369,047	57,380	1,071	-	56,592	-	895,728
Excess (deficiency) of receipts over disbursements	87,926	(29,845)	15,101	-	21,011	-	(272,318)
Cash and investments - ending	\$ 533,496	\$ 82,498	\$ 31,774	\$ (21)	\$ 356,932	\$ 3,916	\$ 1,040,733

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

	Sheriff Sale Administration	DUI Task Force	K-9	Health Clinic	Court Interpreters	Donations	Project Lifesaver
Cash and investments - beginning	\$ 27,550	\$ 577	\$ 646	\$ 5,500,890	\$ 4,590	\$ 32,852	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	1,033	-	-	5,500	-	-
Charges for services	104	-	-	1,937,500	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	25,036	-	100	4,107,318	-	8,265	2,302
Total receipts	<u>25,140</u>	<u>1,033</u>	<u>100</u>	<u>6,044,818</u>	<u>5,500</u>	<u>8,265</u>	<u>2,302</u>
Disbursements:							
Personal services	-	1,033	-	615,711	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	13,200	-	-	15,250	8,188	743	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,150,000	-	2,781	-
Total disbursements	<u>13,200</u>	<u>1,033</u>	<u>-</u>	<u>2,780,961</u>	<u>8,188</u>	<u>3,524</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>11,940</u>	<u>-</u>	<u>100</u>	<u>3,263,857</u>	<u>(2,688)</u>	<u>4,741</u>	<u>2,302</u>
Cash and investments - ending	<u>\$ 39,490</u>	<u>\$ 577</u>	<u>\$ 746</u>	<u>\$ 8,764,747</u>	<u>\$ 1,902</u>	<u>\$ 37,593</u>	<u>\$ 2,302</u>

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

	Payroll Clearing	Settlement	Wheel Tax / Surtax Combined	Wheel Tax	Sur Tax	CVET Agency	Weed Lien Collections
Cash and investments - beginning	\$ 34,242	\$ 1,569,452	\$ 558,501	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	35,878,110	-	353,926	636,743	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	3,237,462	-	-	-	320,898	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,144,269	-	785,769	-	-	-	81,106
Total receipts	5,144,269	39,115,572	785,769	353,926	636,743	320,898	81,106
Disbursements:							
Personal services	5,146,333	-	-	-	-	-	-
Supplies	-	-	323,045	-	-	-	-
Other services and charges	-	4,390	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	40,680,634	-	353,926	636,743	320,898	81,106
Total disbursements	5,146,333	40,685,024	323,045	353,926	636,743	320,898	81,106
Excess (deficiency) of receipts over disbursements	(2,064)	(1,569,452)	462,724	-	-	-	-
Cash and investments - ending	\$ 32,178	\$ -	\$ 1,021,225	\$ -	\$ -	\$ -	\$ -

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

	Sewage Collections	Financial Institution Tax	CEDIT Homestead Credit	HEA 1001 State Homestead Credit	LOIT Residential PTRC	State Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ -	\$ -	\$ 35,629	\$ 4,144	\$ 37,183	\$ 8,215	\$ 41,264
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	141,991	-	-	-	-	-
Charges for services	-	-	-	-	-	-	11,390
Fines and forfeits	-	-	-	-	-	48,499	50,944
Other receipts	8,885	-	1,446,481	-	1,441,747	-	-
Total receipts	8,885	141,991	1,446,481	-	1,441,747	48,499	62,334
Disbursements:							
Personal services	-	-	-	-	-	-	2,000
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	3,024
Other disbursements	8,885	141,991	1,445,877	4,144	1,443,026	51,171	84,713
Total disbursements	8,885	141,991	1,445,877	4,144	1,443,026	51,171	89,737
Excess (deficiency) of receipts over disbursements	-	-	604	(4,144)	(1,279)	(2,672)	(27,403)
Cash and investments - ending	\$ -	\$ -	\$ 36,233	\$ -	\$ 35,904	\$ 5,543	\$ 13,861

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

	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State	Child Restraint Violation Fines
Cash and investments - beginning	\$ 1,776	\$ 1,790	\$ 2,095	\$ 1,927	\$ 1,653	\$ 243	\$ 1
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	362	-
Fines and forfeits	360	3,080	3,630	-	-	-	-
Other receipts	-	-	-	3,302	2,451	-	-
Total receipts	360	3,080	3,630	3,302	2,451	362	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,136	4,565	5,360	4,793	3,861	594	1
Total disbursements	2,136	4,565	5,360	4,793	3,861	594	1
Excess (deficiency) of receipts over disbursements	(1,776)	(1,485)	(1,730)	(1,491)	(1,410)	(232)	(1)
Cash and investments - ending	\$ -	\$ 305	\$ 365	\$ 436	\$ 243	\$ 11	\$ -

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

	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections	CAGIT Distribution	93,563 ARRA Clerk IV-D Incentive	93,563 Title IV-D Incentive
Cash and investments - beginning	\$ 119,460	\$ -	\$ -	\$ 10,174	\$ -	\$ 543	\$ 38,652
Receipts:							
Taxes	-	-	-	41,005	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	37,966	-	196,816	-	-	-	11,217
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	975	-	-	5,754,282	-	-
<b>Total receipts</b>	<b>37,966</b>	<b>975</b>	<b>196,816</b>	<b>41,005</b>	<b>5,754,282</b>	<b>-</b>	<b>11,217</b>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,438,468	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	152,445	956	196,816	44,304	4,315,402	-	-
<b>Total disbursements</b>	<b>152,445</b>	<b>956</b>	<b>196,816</b>	<b>44,304</b>	<b>5,753,870</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(114,479)	19	-	(3,299)	412	-	11,217
Cash and investments - ending	<u>\$ 4,981</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ 6,875</u>	<u>\$ 412</u>	<u>\$ 543</u>	<u>\$ 49,869</u>

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

	93.563 Prosecutor IV-D Incentive-Prior To Oct '99	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Prior To Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Clinton County Treasurer	Clinton County Clerk Trust Account	Clinton County Clerk Child Support Account
Cash and investments - beginning	\$ 4,687	\$ 100,248	\$ 17,821	\$ 63,115	\$ 5,301,984	\$ 956,537	\$ 18,886
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	16,877	-	11,217	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	1,094,174	2,639,333	747,948
Total receipts	-	16,877	-	11,217	1,094,174	2,639,333	747,948
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	90	2,319	5,603	-	-	-
Other services and charges	-	-	-	5,374	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	5,301,984	2,659,471	744,032
Total disbursements	-	90	2,319	10,977	5,301,984	2,659,471	744,032
Excess (deficiency) of receipts over disbursements	-	16,787	(2,319)	240	(4,207,810)	(20,138)	3,916
Cash and investments - ending	<u>\$ 4,687</u>	<u>\$ 117,035</u>	<u>\$ 15,502</u>	<u>\$ 63,355</u>	<u>\$ 1,094,174</u>	<u>\$ 936,399</u>	<u>\$ 22,802</u>

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

	Recorder's Petty Cash	Clinton County Sheriff Jailers Commissary	Clinton County Sheriff Work Release	Clinton County Sheriff Law Enforcement	Clinton County Sheriff Inmate Trust	Clinton County Parkview Home Trust account	County Road 375
Cash and investments - beginning	\$ 50	\$ 12,598	\$ 46,456	\$ 2,257	\$ 2,858	\$ 51,385	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	190,085	71,626	-	190,103	144,536	2,915,462
Total receipts	-	190,085	71,626	-	190,103	144,536	2,915,462
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	1,916,486
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	190,062	62,906	1,000	187,827	137,640	-
Total disbursements	-	190,062	62,906	1,000	187,827	137,640	1,916,486
Excess (deficiency) of receipts over disbursements	-	23	8,720	(1,000)	2,276	6,896	998,976
Cash and investments - ending	\$ 50	\$ 12,621	\$ 55,176	\$ 1,257	\$ 5,134	\$ 58,281	\$ 998,976

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

	TMA	Travel Immunizations	16.575 VOCA	Recovery Grant	EMA Sale of Equipment	Medical Reserve Corp Grant	MCR Reimbursable Grant
Cash and investments - beginning	\$ -	\$ -	\$ (2,691)	\$ (1,986)	\$ 6,810	\$ 1,784	\$ 1
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	1,430
Charges for services	-	401	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	648,199	-	14,920	-	27,265	-	-
Total receipts	648,199	401	14,920	-	27,265	-	1,430
Disbursements:							
Personal services	-	-	13,141	-	-	-	-
Supplies	-	-	-	-	24,999	-	-
Other services and charges	186,000	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	186,000	-	13,141	-	24,999	-	-
Excess (deficiency) of receipts over disbursements	462,199	401	1,779	-	2,266	-	1,430
Cash and investments - ending	\$ 462,199	\$ 401	\$ (912)	\$ (1,986)	\$ 9,076	\$ 1,784	\$ 1,431

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

	Dare Fund Grant	Central Dispatch	JAG Grant	93.042 Emergency Management Performance	Landfill Tipping Fee	Law Enforcement Education
Cash and investments - beginning	\$ 1,009	\$ 430,138	\$ 60	\$ -	\$ 577,944	\$ 16,667
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	5,049	-	-
Charges for services	-	-	-	-	627,731	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	11,859	907,265	-	-	71,602	6,292
Total receipts	11,859	907,265	-	5,049	699,333	6,292
Disbursements:						
Personal services	-	609,379	-	-	-	-
Supplies	-	8,473	-	-	-	-
Other services and charges	742	414,502	-	-	236,775	3,769
Capital outlay	-	-	-	-	33,997	-
Other disbursements	-	-	-	5,049	-	-
Total disbursements	742	1,032,354	-	5,049	270,772	3,769
Excess (deficiency) of receipts over disbursements	11,117	(125,089)	-	-	428,561	2,523
Cash and investments - ending	\$ 12,126	\$ 305,049	\$ 60	\$ -	\$ 1,006,505	\$ 19,190

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

	Law Enforcement Seizure	Seized Assets	Solid Waste Payroll Clearing	traffic Enforcement RDP	Resource Center Transportation	Public Health Emergency Preparedness
Cash and investments - beginning	\$ 1,748	\$ 71	\$ 185	\$ (10)	\$ -	\$ 1,485
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	2,380	261,319	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	49,209	-	-	14,793
Total receipts	-	-	49,209	2,380	261,319	14,793
Disbursements:						
Personal services	-	-	49,128	-	-	18,835
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	3,096	261,319	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	49,128	3,096	261,319	18,835
Excess (deficiency) of receipts over disbursements	-	-	81	(716)	-	(4,042)
Cash and investments - ending	<u>\$ 1,748</u>	<u>\$ 71</u>	<u>\$ 266</u>	<u>\$ (726)</u>	<u>\$ -</u>	<u>\$ (2,557)</u>

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

	Brownfield Grant	Thinking for a Change Grant	Traffic Safety Equipment Grant	County Training Fund	Sheriff Safety Equipment	Totals
Cash and investments - beginning	\$ -	\$ 260	\$ 167	\$ 5,153	\$ 860	\$ 27,174,748
Receipts:						
Taxes	-	-	-	-	-	44,369,435
Licenses and permits	-	-	-	-	-	51,123
Intergovernmental receipts	-	-	-	-	-	8,815,714
Charges for services	-	-	-	-	-	6,298,945
Fines and forfeits	-	-	-	-	-	257,795
Other receipts	20,816	-	-	1,012	-	37,905,532
Total receipts	20,816	-	-	1,012	-	97,698,544
Disbursements:						
Personal services	-	-	-	-	-	16,027,442
Supplies	-	-	-	-	-	2,072,784
Other services and charges	-	-	-	-	-	11,749,819
Capital outlay	-	-	-	2,370	-	772,497
Other disbursements	20,816	-	-	-	-	68,367,498
Total disbursements	20,816	-	-	2,370	-	98,990,040
Excess (deficiency) of receipts over disbursements	-	-	-	(1,358)	-	(1,291,496)
Cash and investments - ending	\$ -	\$ 260	\$ 167	\$ 3,795	\$ 860	\$ 25,883,252

CLINTON 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>\$ 278,899</u>	<u>\$ -</u>

CLINTON COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	28 WEST INFRASTRUCTURE	\$ 5,145,000	\$ 284,100
General obligation bonds	CR 375 PROJECT	<u>2,950,000</u>	<u>85,905</u>
Total governmental activities		<u>8,095,000</u>	<u>370,005</u>
Totals		<u>\$ 8,095,000</u>	<u>\$ 370,005</u>

CLINTON COUNTY  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2014

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 397,355
Infrastructure	321,020,000
Buildings	20,702,475
Improvements other than buildings	4,831,585
Machinery, equipment, and vehicles	<u>7,946,853</u>
Total governmental activities	<u>354,898,268</u>
Total capital assets	<u><u>\$ 354,898,268</u></u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF CLINTON COUNTY, INDIANA

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

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

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

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


**Report on Internal Control over Compliance**

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

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

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

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

  
Paul D. Joyce, CPA  
State Examiner

May 18, 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 prepared by management of the County. The schedule and notes are presented as intended by the County.

CLINTON 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	Final SEFA Amounts
<b>Department of Justice</b>					
Crime Victim Assistance VOCA Grant	Indiana Criminal Justice Institute	16.575	2013-VA-GX-0036	\$ -	14,919
Violence Against Women Formula Grants Victim Advocate Grant	Indiana Criminal Justice Institute	16.588	2013-WF-AX-0047	-	12,609
Total - Department of Justice				-	27,528
<b>Department of Transportation</b>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
CR 450W			DES1297552	-	88,000
CR 200W to SR 38			DES9506570	-	212,373
CR 200W Lift Station			DES9506570	-	570,730
Bridge 32			DES0900836	-	21,674
Bridge Inspection			DES1382085	-	108,237
Bridge Inspection			DES0902171	-	23,774
Bridge 504			DES0900837	-	7,373
Bridge 139			DES1173143	-	30,603
Total - Highway Planning and Construction Cluster				-	1,062,764
Highway Safety Cluster					
State and Community Highway Safety 20.600 Operation Pull Over Grant	Indiana Criminal Justice Institute	20.600	2356	-	2,380
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI Taskforce	Indiana Criminal Justice Institute	20.601	2428	-	1,033
Total - Highway Safety Cluster				-	3,413
Formula Grants for Rural Areas Paul Phillippee Transportation Grant	Indiana Department of Transportation	20.509	CF-09-105	177,463	177,463
Total - Department of Transportation				177,463	1,243,640
<b>Environmental Protection Agency</b>					
Brownfield Assessment and Cleanup Cooperative Agreements Brownfield Grant	Direct Grant	66.818	00E01090	-	20,816
Total - Environmental Protection Agency				-	20,816
<b>Department of Education</b>					
Rehabilitation Services_Vocational Rehabilitation Grants to States EMT Class Reimbursement	Indiana Family and Social Services Administration	84.126	VR153497161	-	600
Total - Department of Education				-	600
<b>Department of Health and Human Services</b>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements 93.074 Public Health Emergency Preparedness	Indiana State Department of Health	93.074	A70-4-0532206	-	14,793
Emergency System for Advance Registration of Volunteer Health Professionals 93.089 MRC	Indiana State Department of Health	93.089	A70-4-0532309	-	1,430
Child Support Enforcement	Indiana Department of Child Services	93.563			
Title IV-D Incentive			1404IN4005	-	39,311
Clerk, Prosecutor, Court Expenditures			1404IN4005	-	59,488
Indirect Costs			1404IN4005	-	43,231
Program Income			1404IN4005	-	63,923
Total - Child Support Enforcement				-	205,953
Total - Department of Health and Human Services				-	222,176
<b>Department of Homeland Security</b>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Public Assistance Reimbursement	Indiana Department of Homeland Security	97.036	DR-4173	-	21,553
Emergency Management Performance Grants Salaries Reimbursement Competitive Grant	Indiana Department of Homeland Security	97.042	EMW-2013-EP-00016 EMW-2013-EP-00016	-	32,140 5,049
Total - Emergency Management Performance Grants				-	37,189
Total - Department of Homeland Security				-	58,742
Total federal awards expended				\$ 177,463	\$ 1,573,502

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

CLINTON 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.



CLINTON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2. Financial Close and Reporting: The County Auditor processed the financial close and reporting of the County's financial information by submitting the financial information into the Indiana Gateway for Government Units, which is a financial reporting system and the source of the financial statement and the Annual Financial Report (AFR). There was no control in place, such as an oversight, review, or approval process, to ensure the accuracy of the financial information prior to the submission.
3. Monitoring of Controls: The County had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting required the County to monitor and assess the quality of their system of internal control.

*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. . . ."

"Evaluations are used to determine whether each of the five components of internal control is present and functioning. These evaluations may be conducted on an ongoing or periodic basis. The criteria used are developed by the oversight body, elected officials, management, governing boards, or recognized standard-setting bodies or regulators. . . .

A baseline of the current state of the internal control system is compared against the original design of the internal control system. The baseline consists of issues and deficiencies identified in the internal control system. The results of the monitoring process are evaluated and documented. . . .

Management remediates identified issues. . . ."

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

CLINTON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

Management of the County had not established a proper system of internal control. An evaluation of the County's system of internal control had not been conducted.

*Effect*

The failure to establish controls enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the County at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

*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 - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Condition*

The County had not established effective internal controls over the financial information entered into the Indiana Gateway for Government Units, which is a financial reporting system and the source of the Schedule of Expenditures of Federal Awards (SEFA). Due to the lack of controls, the following material errors occurred on the SEFA:

1. Child Support Enforcement expenditures were understated by \$166,642.
2. Formula Grants for Rural Areas expenditures were overstated by \$83,856.
3. Part of the Highway Planning and Construction Cluster was reported with an incorrect CFDA.
4. Numerous grants were reported with incorrect project titles.
5. One direct grant was reported as a pass-through grant.

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:

CLINTON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

"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:

- (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."

CLINTON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

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

*Effect*

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

*Views of Responsible Officials*

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

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

No matters are reportable.

#### AUDITEE-PREPARED DOCUMENTS

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



# *Clinton County*

## *Auditor*

*Cathy J. Hamilton*  
*225 Courthouse Square*  
*Frankfort, Indiana 46041-1995*  
*765-659-6330*  
*765-659-6391 fax*  
*[auditor@clintonco.com](mailto:auditor@clintonco.com)*

### **FINDING 2013-03**

**Indiana Department of Child Services**

**Contact Person Responsible for Corrective Action: Cathy J. Hamilton**

**Contact Phone Number: 765-659-6330**

### **Status of Audit Finding:**

The Auditor has instructed the Deputy Auditor to complete the Quarterly Incentive Balance Form for Title IV-D. The Auditor then reviews for accuracy and signs. This was completed for the 2014 second quarter report submitted on July 29, 2014.

The Prosecutor reviews and signs the Monthly Expense Claim for Title IV-D prepared by his deputy for reimbursement. This was completed for the July 2014 Monthly Expense Claim.

A handwritten signature in cursive script that reads "Cathy J. Hamilton".

**Cathy J. Hamilton**  
**Clinton County Auditor**  
**February 15, 2017**



# Clinton County Auditor

Cathy J. Hamilton  
225 Courthouse Square  
Frankfort, Indiana 46041-1995  
765-659-6330  
765-659-6391 fax  
[auditor@clintonco.com](mailto:auditor@clintonco.com)

## CORRECTIVE ACTION PLAN

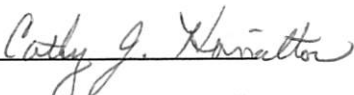
### **FINDING 2014-0001**

Contact Person Responsible for Corrective Action: Treasurer Carol Bartley and Auditor Cathy Hamilton

Contact Phone Number: T 765-659-6325 A 765-659-6330

1. Carol Bartley was appointed Treasurer as of 10/19/14. Any discrepancies before that time were related to previous Treasurers. After Carol was appointed, the first course of action was to reconcile all past months to current status. This was completed by early 2015. In addition the IC code 5-11-1-27 referring to internal controls was not in place until 2016. The Treasurer's office is in compliance with that code from 2016 going forward.
2. All funds are balanced prior to the end of the year by all accounting personnel in the Auditor's office and funds are balanced with the Treasurer's office. End of the year balance report is also provided to the County Council at their January meeting. We will have accounting personnel and the Auditor sign and date each balance sheet and keep on file for audit as of April 25, 2017.
3. The State internal control policy and required certifications were a requirement in effect after June 30, 2016. An internal control plan over financial reporting is in effect in 2016 as required. This audit is for 2014 financial data.

  
\_\_\_\_\_  
Carol Bartley, Treasurer

  
\_\_\_\_\_  
Cathy J. Hamilton, Auditor



# Clinton County Auditor

*Cathy J. Hamilton*  
225 Courthouse Square  
Frankfort, Indiana 46041-1995  
765-659-6330  
765-659-6391 fax  
[auditor@clintonco.com](mailto:auditor@clintonco.com)

## CORRECTIVE ACTION PLAN

***FINDING 2014-0002***

Contact Person Responsible for Corrective Action: Auditor Cathy Hamilton  
Contact Phone Number: 765-659-6330

The Schedule of Federal Expenditures will be reviewed by the Deputy Auditor and the Auditor for correctness.

Anticipated Completion Date – January 2018 for the 2017 annual report.

A handwritten signature in cursive script that reads "Cathy J. Hamilton". The signature is written in black ink and is positioned above a horizontal line.

Cathy J. Hamilton, Auditor

#### 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/>.