

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

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



FILED
09/20/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Robert K. Coddington Kimberly A. Walton	01-01-15 to 06-04-17 06-05-17 to 12-31-18
County Treasurer	Cathy Williams	01-01-13 to 12-31-20
Clerk of the Circuit Court	Debra Berry	01-01-14 to 12-31-20
County Sheriff	Jeff Cappa	01-01-15 to 12-31-18
County Recorder	Debra S. Tiemann	01-01-15 to 12-31-18
President of the Board of County Commissioners	Kenneth E. Paust	01-01-15 to 12-31-17
President of the County Council	Peter Zaleski	01-01-15 to 12-31-17



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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

TO: THE OFFICIALS OF WAYNE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Wayne County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2015.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated August 22, 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

August 22, 2017



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302 WEST WASHINGTON STREET
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Telephone: (317) 232-2513
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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 WAYNE 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 Wayne County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated August 22, 2017, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001, that we consider to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

Wayne 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

August 22, 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.

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

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Treasurer After Settlement Collection	\$ 1,499,662	\$ 1,696,825	\$ 1,499,662	\$ 1,696,825
Inmate Trust	26,071	1,307,384	1,323,906	9,549
Sheriff Commissary	226,496	459,751	489,548	196,699
Clerk Trust	939,162	7,077,046	6,981,739	1,034,469
County General	6,572,472	18,099,109	18,198,281	6,473,300
Accident Report-Sheriff	17,465	7,416	2,824	22,057
Aviation -Sheriff Department	704	-	-	704
Contractor's Bid	22,370	-	-	22,370
CAGIT- County Certified Shares	66,799	3,542,964	3,289,000	320,763
Campaign Finance Enforcement	4,305	210	-	4,515
Wayne Co EDIT Unincorporated	1,317,029	438,935	59,202	1,696,762
City and Town Court Costs	10,141	72,906	3,422	79,625
Clerk Record Perpetuation	109,541	47,687	50,126	107,102
Community Correction	(4,132)	331,168	231,956	95,080
DOC Community Transition	35,489	12,075	2,428	45,136
County Sales Disclosure	22,700	8,146	5,850	24,996
Bridge 1135	5,564,425	1,369,476	1,050,292	5,883,609
Cumulative Capital Development-Co	1,255,767	381,282	479,090	1,157,959
Cumulative Building Courthouse	1,263,196	275,527	210,747	1,327,976
County Drug Free Community	68,431	64,035	64,369	68,097
GIS-Interlocal Agreement	211,779	201,497	142,061	271,215
Wayne County 911	461,152	661,701	646,086	476,767
Recorder Enhanced Access	23,669	920	-	24,589
Extradition and Sheriff Assistance	22,633	328	213	22,748
Firearms-Sheriff	4,038	24,533	18,116	10,455
General Drain Improvement	32,574	2,020	-	34,594
Health Department	764,250	3,389,300	2,784,268	1,369,282
ID Security Protection	36,082	5,428	15,957	25,553
Levy Excess	1,893	-	-	1,893
Local Road and Street 1169	83,473	364,248	360,984	86,737
Co Med Care Inmates	58,549	13,074	20,789	50,834
Misdemeanant -Sheriff	63,981	60,096	35,731	88,346
Highway1176	364,871	3,129,549	2,708,717	785,703
Plat Book Maintenance	56,378	16,040	14,136	58,282
Rainy Day	2,890,514	-	-	2,890,514
Reassessment 2015	420,866	93	34,090	386,869
Recorder's Perpetuation	334,493	103,191	159,670	278,014
Supp Public Defender	241,229	77,794	123,230	195,793
Surplus Tax	13,763	8,878	10,720	11,921
Surveyor Corner Perpetuation	70,356	13,425	12,465	71,316
Tax Sale Redemption	24,502	97,765	90,837	31,430
Tax Sale Surplus	412,460	317,401	453,566	276,295
Unsafe Building-County	1,264	-	-	1,264
Victim Assist Coord Grant	(10,259)	39,892	56,077	(26,444)
Gal/Casa Program	125,158	23,748	21,021	127,885
Elected Officials Training	16,546	5,428	934	21,040
Adult Probation Users	15,204	200,854	207,938	8,120
Juvenile Probation Users	32,490	4,371	35,000	1,861
User Fee	543,429	35,177	7,484	571,122
General Drain Maintenance	75,352	3,540	2,510	76,382
Convention -Bond and Int Acct	6	54,104	54,104	6
Drug Task Force	62,510	12,000	44,610	29,900
DUI Task Force Indiana-City/Co	5	14,394	14,394	5
Foreign Language Interpreter Grant	5,700	5,172	7,647	3,225
Wayne Employee Health Trust	1,584,940	3,719,201	4,088,590	1,215,551
AFLAC Section 125 Insurance	2,280	27,768	30,048	-
Sheriff Pension Trust	17,263	63,832	28,914	52,181
Late Payment Special Assessment	-	48,173,000	48,173,000	-
Weed Collections	-	12,094	12,094	-
Sewer Collections	-	146,380	146,380	-
Financial Institution Tax	-	815,571	815,571	-
State Fines and Forfeitures	4,696	81,458	-	86,154
State General Fees	4,950	80,017	81,471	3,496
Overweight Vehicles	11,551	151,149	149,070	13,630
Spec Death Benefit Fees	470	5,600	5,760	310
State Sales Disclosure	865	8,145	8,075	935
Coroners Cont Educ	944	12,755	12,523	1,176
Interstate Compact Fees-Prob	-	1,001	813	188
Mortgage Fee	303	5,070	5,058	315
Child Restraint Syst Violation	-	1,350	1,300	50
Inheritance Tax	41,618	42,151	67,497	16,272
Education Plate Fee	75	694	619	150
Riverboat Revenue Sharing	-	408,259	408,259	-
Convention Bureau	72,824	613,721	624,785	61,760
Certified Shares - Local	-	8,185,760	8,185,760	-
Edit	73,679	2,735,335	2,809,014	-
Local Option Property Tax Replace	-	5,457,174	5,457,174	-
Clerk ARRA 8894	4,132	-	-	4,132
Title Iv-D Incentive-8895	165,860	34,271	5,289	194,842

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

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

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Prosecutor Law Enforcement	19,887	25,148	30,819	14,216
New-Prosecutor 4D Incent-8897	179,453	51,560	50,992	180,021
Clerk 4D Incentive	105,794	-	-	105,794
New-Clerk 4D Incentive-8899	149,916	34,271	23,761	160,426
Adult Protection	(1,348)	76,176	83,415	(8,587)
Federal Equitable Sharing Acct	10,856	-	-	10,856
Health Donations	6,373	850	-	7,223
Highway Safety Big City/County	892	14,229	13,894	1,227
HIV Grant	27,136	38,319	41,902	23,553
Translator Fees	12,063	79	847	11,295
Fairgrounds Donations	-	181	-	181
Equipment Grant-WCSD and RPD	8,268	-	8,268	-
Bioterrorism Grant-Health	5,741	1,269	1,269	5,741
Maternal and Child Health (Mch)	38,543	-	-	38,543
4-D Court	94,137	159,524	155,175	98,486
Pdffc Spf-Sig Grant-Comm Corr	23,961	-	-	23,961
Jail Bond Debt Service	7,897,054	2,728,587	2,046,676	8,578,965
Dare Donations-Sheriff-Misc	2,386	60	871	1,575
K-9 Donations-Sheriff-Misc	11,255	8,478	5,731	14,002
H1N1 Grant	3,251	-	-	3,251
Health Maintenance	45,927	48,859	74,036	20,750
Emergency Planning/Right	65,036	5,261	5,913	64,384
County Offender Transportation	4,250	1,000	-	5,250
Revolving Loan	425,500	57,080	24,750	457,830
Comm Correction Project Income	232,671	71,099	101,350	202,420
Mobile Home Tax Sale Cost	4,302	1,327	1,330	4,299
Sheriff Donations	2,088	-	-	2,088
Consolidated EDIT	3,163,255	1,455,900	949,808	3,669,347
Community Health Center	63,218	280,359	260,206	83,371
Commissioners Tax Sale	25,492	179,802	163,837	41,457
Donations For County Use	1,125	-	600	525
Federal Withholding	-	1,439,216	1,439,216	-
State Withholding	-	436,736	436,736	-
CAGIT Withholding	-	193,846	193,846	-
FICA Withholding	-	1,011,424	1,011,424	-
Health Insurance Withholding	15,000	683,559	696,327	2,232
Health Insurance-Retirees	-	20,873	18,151	2,722
Sec 125 Dental Withholding	2,381	124,104	124,106	2,379
AFLAC Group	-	17,510	17,510	-
Garnishee Withholding	-	30,987	30,987	-
Garnishee-Child Support	-	23,784	23,784	-
Boston Mutual Life	4,234	66,989	71,205	18
Future Funds -Hoosier Start	-	115,860	115,860	-
AIG Insurance	-	4,045	4,045	-
Voluntary Life Insurance	860	41,870	41,900	830
United Way Withholding	-	3,290	3,290	-
FOP Dues-Sheriff	-	5,048	5,048	-
Republican Party Withholding	-	4,676	4,676	-
County Retirement	-	319,435	319,253	182
Highway Retirement Withholding	-	38,669	38,669	-
Sheriff Retirement Withholding	-	83,376	83,376	-
Sec 125 Reimbursement	-	61,396	61,396	-
PERF-Voluntary Post	-	5,246	5,218	28
Sec 125 Child Care Reimb	-	1,146	1,146	-
Fringe Benefit Clearing	-	13,465	13,465	-
Wayne County Property Taxes	-	16,388	16,388	-
Meaningful Use Funds-Health	11,432	21,249	26,267	6,414
Wayne Co Redevelopment Commiss	187,475	344,316	400,087	131,704
Health-Immunization Program	6,411	16,343	22,754	-
County Law Enforce Continuing Ed	4,322	3,269	474	7,117
Pre-Trail Diversion	9,338	1,150	-	10,488
Health Master Tobacco Settlement	11,175	32,109	17,691	25,593
Infraction Deferral Program	39,020	42,872	73,888	8,004
Clerk Child Support	13,862	914,450	913,533	14,779
JDAI Coordination Grant	50,514	-	50,888	(374)
JDAI Alternative Program	11,422	105,323	44,714	72,031
2013 EMA Performance Grant	-	63,163	3,700	59,463
Vasia Grant	19,125	44,125	63,250	-
Sheriff's Federal Seizure	6,168	-	-	6,168
Mobile Home Permit	-	140	140	-
Duplicate Bill Fee	-	212	212	-
Justice Reinvestment Grant	-	51,000	-	51,000
HRSA FQHC Grant	-	174,770	180,102	(5,332)
IPHCA Navigator Grant	-	1,845	3,253	(1,408)
Health/Navigator Outreach	-	-	4,500	(4,500)
Health/Immunization Grant	-	78,992	87,666	(8,674)
Totals	\$ 41,486,674	\$ 126,757,343	\$ 123,858,452	\$ 44,385,565

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

WAYNE 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.

WAYNE 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.

WAYNE 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.

WAYNE 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.

WAYNE 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 reimbursement grants.

Note 8. Holding Corporation

The County has entered into a capital lease with Wayne County Jail Holding Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2015 totaled \$1,986,674.

WAYNE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Other Postemployment Benefits

The County provides to eligible retirees and their spouses the following benefits: stipends toward COBRA insurance costs based on years of service. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

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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.

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

	Treasurer After Settlement Collection	Inmate Trust	Sheriff Commissary	Clerk Trust	County General	Accident Report-Sheriff	Aviation -Sheriff Department	Contractor's Bid
Cash and investments - beginning	\$ 1,499,662	\$ 26,071	\$ 226,496	\$ 939,162	\$ 6,572,472	\$ 17,465	\$ 704	\$ 22,370
Receipts:								
Taxes	1,696,825	-	-	-	13,926,951	-	-	-
Licenses and permits	-	-	-	-	88,080	-	-	-
Intergovernmental receipts	-	-	-	-	1,374,441	-	-	-
Charges for services	-	1,307,384	459,751	-	679,311	7,416	-	-
Fines and forfeits	-	-	-	7,077,046	-	-	-	-
Other receipts	-	-	-	-	2,030,326	-	-	-
Total receipts	1,696,825	1,307,384	459,751	7,077,046	18,099,109	7,416	-	-
Disbursements:								
Personal services	-	-	-	-	12,202,758	-	-	-
Supplies	-	-	-	-	572,944	-	-	-
Other services and charges	-	1,323,906	-	-	5,422,579	2,824	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	1,499,662	-	489,548	6,981,739	-	-	-	-
Total disbursements	1,499,662	1,323,906	489,548	6,981,739	18,198,281	2,824	-	-
Excess (deficiency) of receipts over (under) disbursements	197,163	(16,522)	(29,797)	95,307	(99,172)	4,592	-	-
Cash and investments - ending	\$ 1,696,825	\$ 9,549	\$ 196,699	\$ 1,034,469	\$ 6,473,300	\$ 22,057	\$ 704	\$ 22,370

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

	CAGIT- County Certified Shares	Campaign Finance Enforcement	Wayne Co EDIT Unincorporated	City and Town Court Costs	Clerk Record Perpetuation	Community Correction	DOC Community Transition	County Sales Disclosure
Cash and investments - beginning	\$ 66,799	\$ 4,305	\$ 1,317,029	\$ 10,141	\$ 109,541	\$ (4,132)	\$ 35,489	\$ 22,700
Receipts:								
Taxes	3,542,964	-	438,935	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	331,168	12,075	-
Charges for services	-	-	-	-	47,687	-	-	8,146
Fines and forfeits	-	210	-	72,906	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	3,542,964	210	438,935	72,906	47,687	331,168	12,075	8,146
Disbursements:								
Personal services	2,904,272	-	-	-	42,256	214,691	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	384,728	-	59,202	3,422	7,870	17,265	2,428	5,850
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	3,289,000	-	59,202	3,422	50,126	231,956	2,428	5,850
Excess (deficiency) of receipts over (under) disbursements	253,964	210	379,733	69,484	(2,439)	99,212	9,647	2,296
Cash and investments - ending	\$ 320,763	\$ 4,515	\$ 1,696,762	\$ 79,625	\$ 107,102	\$ 95,080	\$ 45,136	\$ 24,996

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

	Bridge 1135	Cumulative Capital Development-Co	Cumulative Building Courthouse	County Drug Free Community	GIS-Interlocal Agreement	Wayne County 911	Recorder Enhanced Access
Cash and investments - beginning	\$ 5,564,425	\$ 1,255,767	\$ 1,263,196	\$ 68,431	\$ 211,779	\$ 461,152	\$ 23,669
Receipts:							
Taxes	922,854	348,168	251,688	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	87,418	33,114	23,839	64,035	-	661,701	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	359,204	-	-	-	201,497	-	920
Total receipts	<u>1,369,476</u>	<u>381,282</u>	<u>275,527</u>	<u>64,035</u>	<u>201,497</u>	<u>661,701</u>	<u>920</u>
Disbursements:							
Personal services	158,722	469,190	-	11,151	79,265	425,712	-
Supplies	164,242	-	-	-	-	-	-
Other services and charges	-	9,900	210,747	53,218	62,796	220,374	-
Capital outlay	719,414	-	-	-	-	-	-
Other disbursements	7,914	-	-	-	-	-	-
Total disbursements	<u>1,050,292</u>	<u>479,090</u>	<u>210,747</u>	<u>64,369</u>	<u>142,061</u>	<u>646,086</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>319,184</u>	<u>(97,808)</u>	<u>64,780</u>	<u>(334)</u>	<u>59,436</u>	<u>15,615</u>	<u>920</u>
Cash and investments - ending	<u>\$ 5,883,609</u>	<u>\$ 1,157,959</u>	<u>\$ 1,327,976</u>	<u>\$ 68,097</u>	<u>\$ 271,215</u>	<u>\$ 476,767</u>	<u>\$ 24,589</u>

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

	Extradition and Sheriff Assistance	Firearms-Sheriff	General Drain Improvement	Health Department	ID Security Protection	Levy Excess	Local Road and Street 1169
Cash and investments - beginning	\$ 22,633	\$ 4,038	\$ 32,574	\$ 764,250	\$ 36,082	\$ 1,893	\$ 83,473
Receipts:							
Taxes	-	-	-	1,408,234	-	-	-
Licenses and permits	-	-	-	1,674,399	-	-	-
Intergovernmental receipts	-	-	2,020	148,518	-	-	-
Charges for services	-	24,533	-	158,149	5,428	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	328	-	-	-	-	-	364,248
Total receipts	328	24,533	2,020	3,389,300	5,428	-	364,248
Disbursements:							
Personal services	-	-	-	2,024,657	-	-	-
Supplies	-	-	-	251,903	-	-	360,984
Other services and charges	213	18,116	-	340,682	15,957	-	-
Capital outlay	-	-	-	697	-	-	-
Other disbursements	-	-	-	166,329	-	-	-
Total disbursements	213	18,116	-	2,784,268	15,957	-	360,984
Excess (deficiency) of receipts over (under) disbursements	115	6,417	2,020	605,032	(10,529)	-	3,264
Cash and investments - ending	\$ 22,748	\$ 10,455	\$ 34,594	\$ 1,369,282	\$ 25,553	\$ 1,893	\$ 86,737

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

	Co Med Care Inmates	Misdemeanant -Sheriff	Highway1176	Plat Book Maintenance	Rainy Day	Reassessment 2015	Recorder's Perpetuation
Cash and investments - beginning	\$ 58,549	\$ 63,981	\$ 364,871	\$ 56,378	\$ 2,890,514	\$ 420,866	\$ 334,493
Receipts:							
Taxes	-	-	8,880	-	-	93	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	2,505,881	-	-	-	-
Charges for services	13,074	60,096	-	16,040	-	-	103,191
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	614,788	-	-	-	-
Total receipts	13,074	60,096	3,129,549	16,040	-	93	103,191
Disbursements:							
Personal services	-	-	731,347	12,428	-	-	47,280
Supplies	-	-	1,586,089	895	-	-	-
Other services and charges	20,789	35,731	375,925	813	-	34,090	112,390
Capital outlay	-	-	15,356	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	20,789	35,731	2,708,717	14,136	-	34,090	159,670
Excess (deficiency) of receipts over (under) disbursements	(7,715)	24,365	420,832	1,904	-	(33,997)	(56,479)
Cash and investments - ending	\$ 50,834	\$ 88,346	\$ 785,703	\$ 58,282	\$ 2,890,514	\$ 386,869	\$ 278,014

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

	Supp Public Defender	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Unsafe Building-County	Victim Assist Coord Grant
Cash and investments - beginning	\$ 241,229	\$ 13,763	\$ 70,356	\$ 24,502	\$ 412,460	\$ 1,264	\$ (10,259)
Receipts:							
Taxes	-	8,878	-	97,765	317,401	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	39,892
Charges for services	-	-	13,425	-	-	-	-
Fines and forfeits	77,794	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>77,794</u>	<u>8,878</u>	<u>13,425</u>	<u>97,765</u>	<u>317,401</u>	<u>-</u>	<u>39,892</u>
Disbursements:							
Personal services	120,592	-	2,332	-	-	-	56,077
Supplies	-	-	4,383	-	-	-	-
Other services and charges	2,638	10,720	5,750	90,837	453,566	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>123,230</u>	<u>10,720</u>	<u>12,465</u>	<u>90,837</u>	<u>453,566</u>	<u>-</u>	<u>56,077</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(45,436)</u>	<u>(1,842)</u>	<u>960</u>	<u>6,928</u>	<u>(136,165)</u>	<u>-</u>	<u>(16,185)</u>
Cash and investments - ending	<u>\$ 195,793</u>	<u>\$ 11,921</u>	<u>\$ 71,316</u>	<u>\$ 31,430</u>	<u>\$ 276,295</u>	<u>\$ 1,264</u>	<u>\$ (26,444)</u>

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

	Gal/Casa Program	Elected Officials Training	Adult Probation Users	Juvenile Probation Users	User Fee	General Drain Maintenance	Convention -Bond and Int Acct
Cash and investments - beginning	\$ 125,158	\$ 16,546	\$ 15,204	\$ 32,490	\$ 543,429	\$ 75,352	\$ 6
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	23,748	-	-	-	-	3,540	54,104
Charges for services	-	5,428	200,854	4,371	-	-	-
Fines and forfeits	-	-	-	-	35,177	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	23,748	5,428	200,854	4,371	35,177	3,540	54,104
Disbursements:							
Personal services	16,554	-	203,738	35,000	-	-	-
Supplies	1,752	-	-	-	-	-	-
Other services and charges	2,715	934	4,200	-	7,484	2,510	54,104
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	21,021	934	207,938	35,000	7,484	2,510	54,104
Excess (deficiency) of receipts over (under) disbursements	2,727	4,494	(7,084)	(30,629)	27,693	1,030	-
Cash and investments - ending	\$ 127,885	\$ 21,040	\$ 8,120	\$ 1,861	\$ 571,122	\$ 76,382	\$ 6

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

	Drug Task Force	DUI Task Force Indiana-City/Co	Foreign Language Interpreter Grant	Wayne Employee Health Trust	AFLAC Section 125 Insurance	Sheriff Pension Trust	Late Payment Special Assessment
Cash and investments - beginning	\$ 62,510	\$ 5	\$ 5,700	\$ 1,584,940	\$ 2,280	\$ 17,263	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	12,000	14,394	5,172	-	-	-	-
Charges for services	-	-	-	-	-	63,832	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	3,719,201	27,768	-	48,173,000
Total receipts	12,000	14,394	5,172	3,719,201	27,768	63,832	48,173,000
Disbursements:							
Personal services	-	14,394	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	44,610	-	7,647	-	-	28,914	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	4,088,590	30,048	-	48,173,000
Total disbursements	44,610	14,394	7,647	4,088,590	30,048	28,914	48,173,000
Excess (deficiency) of receipts over (under) disbursements	(32,610)	-	(2,475)	(369,389)	(2,280)	34,918	-
Cash and investments - ending	\$ 29,900	\$ 5	\$ 3,225	\$ 1,215,551	\$ -	\$ 52,181	\$ -

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

	Weed Collections	Sewer Collections	Financial Institution Tax	State Fines and Forfeitures	State General Fees	Overweight Vehicles	Spec Death Benefit Fees
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 4,696	\$ 4,950	\$ 11,551	\$ 470
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	815,571	-	-	-	-
Charges for services	-	-	-	-	80,017	-	5,600
Fines and forfeits	12,094	146,380	-	81,458	-	151,149	-
Other receipts	-	-	-	-	-	-	-
Total receipts	12,094	146,380	815,571	81,458	80,017	151,149	5,600
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	12,094	146,380	815,571	-	81,471	149,070	5,760
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	12,094	146,380	815,571	-	81,471	149,070	5,760
Excess (deficiency) of receipts over (under) disbursements	-	-	-	81,458	(1,454)	2,079	(160)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,154</u>	<u>\$ 3,496</u>	<u>\$ 13,630</u>	<u>\$ 310</u>

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

	State Sales Disclosure	Coroners Cont Educ	Interstate Compact Fees-Prob	Mortgage Fee	Child Restraint Syst Violation	Inheritance Tax	Education Plate Fee
Cash and investments - beginning	\$ 865	\$ 944	\$ -	\$ 303	\$ -	\$ 41,618	\$ 75
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	42,151	694
Charges for services	8,145	12,755	1,001	5,070	-	-	-
Fines and forfeits	-	-	-	-	1,350	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,145</u>	<u>12,755</u>	<u>1,001</u>	<u>5,070</u>	<u>1,350</u>	<u>42,151</u>	<u>694</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	8,075	12,523	813	5,058	1,300	67,497	619
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>8,075</u>	<u>12,523</u>	<u>813</u>	<u>5,058</u>	<u>1,300</u>	<u>67,497</u>	<u>619</u>
Excess (deficiency) of receipts over (under) disbursements	<u>70</u>	<u>232</u>	<u>188</u>	<u>12</u>	<u>50</u>	<u>(25,346)</u>	<u>75</u>
Cash and investments - ending	<u>\$ 935</u>	<u>\$ 1,176</u>	<u>\$ 188</u>	<u>\$ 315</u>	<u>\$ 50</u>	<u>\$ 16,272</u>	<u>\$ 150</u>

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

	Riverboat Revenue Sharing	Convention Bureau	Certified Shares - Local	Edit	Local Option Property Tax Replace	Clerk ARRA 8894	Title Iv-D Incentive-8895
Cash and investments - beginning	\$ -	\$ 72,824	\$ -	\$ 73,679	\$ -	\$ 4,132	\$ 165,860
Receipts:							
Taxes	-	613,721	8,185,760	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	408,259	-	-	2,735,335	5,457,174	-	34,271
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	408,259	613,721	8,185,760	2,735,335	5,457,174	-	34,271
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	408,259	624,785	8,185,760	2,809,014	5,457,174	-	5,289
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	408,259	624,785	8,185,760	2,809,014	5,457,174	-	5,289
Excess (deficiency) of receipts over (under) disbursements	-	(11,064)	-	(73,679)	-	-	28,982
Cash and investments - ending	\$ -	\$ 61,760	\$ -	\$ -	\$ -	\$ 4,132	\$ 194,842

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

	Prosecutor Law Enforcement	New-Prosecutor 4D Incent-8897	Clerk 4D Incentive	New-Clerk 4D Incentive-8899	Adult Protection	Federal Equitable Sharing Acct	Health Donations
Cash and investments - beginning	\$ 19,887	\$ 179,453	\$ 105,794	\$ 149,916	\$ (1,348)	\$ 10,856	\$ 6,373
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	51,560	-	34,271	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	25,148	-	-	-	-	-	-
Other receipts	-	-	-	-	76,176	-	850
Total receipts	<u>25,148</u>	<u>51,560</u>	<u>-</u>	<u>34,271</u>	<u>76,176</u>	<u>-</u>	<u>850</u>
Disbursements:							
Personal services	-	50,992	-	11,753	77,728	-	-
Supplies	-	-	-	-	3,574	-	-
Other services and charges	30,819	-	-	12,008	2,113	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>30,819</u>	<u>50,992</u>	<u>-</u>	<u>23,761</u>	<u>83,415</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(5,671)</u>	<u>568</u>	<u>-</u>	<u>10,510</u>	<u>(7,239)</u>	<u>-</u>	<u>850</u>
Cash and investments - ending	<u>\$ 14,216</u>	<u>\$ 180,021</u>	<u>\$ 105,794</u>	<u>\$ 160,426</u>	<u>\$ (8,587)</u>	<u>\$ 10,856</u>	<u>\$ 7,223</u>

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

	Highway Safety Big City/County	HIV Grant	Translator Fees	Fairgrounds Donations	Equipment Grant-WCSD and RPD	Bioterrorism Grant-Health	Maternal and Child Health (Mch)
Cash and investments - beginning	\$ 892	\$ 27,136	\$ 12,063	\$ -	\$ 8,268	\$ 5,741	\$ 38,543
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	14,229	38,319	-	-	-	1,269	-
Charges for services	-	-	79	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	181	-	-	-
Total receipts	14,229	38,319	79	181	-	1,269	-
Disbursements:							
Personal services	13,894	1,774	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	40,128	847	-	8,268	1,269	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	13,894	41,902	847	-	8,268	1,269	-
Excess (deficiency) of receipts over (under) disbursements	335	(3,583)	(768)	181	(8,268)	-	-
Cash and investments - ending	\$ 1,227	\$ 23,553	\$ 11,295	\$ 181	\$ -	\$ 5,741	\$ 38,543

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

	4-D Court	Pdfwc Spf-Sig Grant-Comm Corr	Jail Bond Debt Service	Dare Donations-Sheriff-Misc	K-9 Donations-Sheriff-Misc	H1N1 Grant	Health Maintenance
Cash and investments - beginning	\$ 94,137	\$ 23,961	\$ 7,897,054	\$ 2,386	\$ 11,255	\$ 3,251	\$ 45,927
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	159,524	-	2,728,587	-	-	-	48,859
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	60	8,478	-	-
Total receipts	159,524	-	2,728,587	60	8,478	-	48,859
Disbursements:							
Personal services	154,721	-	-	-	-	-	2,693
Supplies	-	-	-	-	-	-	-
Other services and charges	454	-	2,046,676	871	5,731	-	71,343
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	155,175	-	2,046,676	871	5,731	-	74,036
Excess (deficiency) of receipts over (under) disbursements	4,349	-	681,911	(811)	2,747	-	(25,177)
Cash and investments - ending	<u>\$ 98,486</u>	<u>\$ 23,961</u>	<u>\$ 8,578,965</u>	<u>\$ 1,575</u>	<u>\$ 14,002</u>	<u>\$ 3,251</u>	<u>\$ 20,750</u>

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

	Emergency Planning/Right	County Offender Transportation	Revolving Loan	Comm Correction Project Income	Mobile Home Tax Sale Cost	Sheriff Donations	Consolidated EDIT
Cash and investments - beginning	\$ 65,036	\$ 4,250	\$ 425,500	\$ 232,671	\$ 4,302	\$ 2,088	\$ 3,163,255
Receipts:							
Taxes	-	-	-	-	1,327	-	1,455,217
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	5,261	-	-	71,099	-	-	-
Charges for services	-	1,000	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	57,080	-	-	-	683
Total receipts	5,261	1,000	57,080	71,099	1,327	-	1,455,900
Disbursements:							
Personal services	-	-	-	54,757	-	-	-
Supplies	-	-	-	3,326	-	-	-
Other services and charges	5,913	-	24,750	43,267	1,330	-	949,808
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	5,913	-	24,750	101,350	1,330	-	949,808
Excess (deficiency) of receipts over (under) disbursements	(652)	1,000	32,330	(30,251)	(3)	-	506,092
Cash and investments - ending	\$ 64,384	\$ 5,250	\$ 457,830	\$ 202,420	\$ 4,299	\$ 2,088	\$ 3,669,347

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

	Community Health Center	Commissioners Tax Sale	Donations For County Use	Federal Withholding	State Withholding	CAGIT Withholding	FICA Withholding
Cash and investments - beginning	\$ 63,218	\$ 25,492	\$ 1,125	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	280,359	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	179,802	-	1,439,216	436,736	193,846	1,011,424
Total receipts	280,359	179,802	-	1,439,216	436,736	193,846	1,011,424
Disbursements:							
Personal services	167,838	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	92,368	163,837	600	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	1,439,216	436,736	193,846	1,011,424
Total disbursements	260,206	163,837	600	1,439,216	436,736	193,846	1,011,424
Excess (deficiency) of receipts over (under) disbursements	20,153	15,965	(600)	-	-	-	-
Cash and investments - ending	\$ 83,371	\$ 41,457	\$ 525	\$ -	\$ -	\$ -	\$ -

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

	Health Insurance Withholding	Health Insurance-Retirees	Sec 125 Dental Withholding	AFLAC Group	Garnishee Withholding	Garnishee-Child Support	Boston Mutual Life
Cash and investments - beginning	\$ 15,000	\$ -	\$ 2,381	\$ -	\$ -	\$ -	\$ 4,234
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	683,559	20,873	124,104	17,510	30,987	23,784	66,989
Total receipts	683,559	20,873	124,104	17,510	30,987	23,784	66,989
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	696,327	18,151	124,106	17,510	30,987	23,784	71,205
Total disbursements	696,327	18,151	124,106	17,510	30,987	23,784	71,205
Excess (deficiency) of receipts over (under) disbursements	(12,768)	2,722	(2)	-	-	-	(4,216)
Cash and investments - ending	\$ 2,232	\$ 2,722	\$ 2,379	\$ -	\$ -	\$ -	\$ 18

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

	Future Funds -Hoosier Start	AIG Insurance	Voluntary Life Insurance	United Way Withholding	FOP Dues-Sheriff	Republican Party Withholding	County Retirement
Cash and investments - beginning	\$ -	\$ -	\$ 860	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	115,860	4,045	41,870	3,290	5,048	4,676	319,435
Total receipts	115,860	4,045	41,870	3,290	5,048	4,676	319,435
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	115,860	4,045	41,900	3,290	5,048	4,676	319,253
Total disbursements	115,860	4,045	41,900	3,290	5,048	4,676	319,253
Excess (deficiency) of receipts over (under) disbursements	-	-	(30)	-	-	-	182
Cash and investments - ending	\$ -	\$ -	\$ 830	\$ -	\$ -	\$ -	\$ 182

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

	Highway Retirement Withholding	Sheriff Retirement Withholding	Sec 125 Reimbursement	PERF-Voluntary Post	Sec 125 Child Care Reimb	Fringe Benefit Clearing	Wayne County Property Taxes
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	38,669	83,376	61,396	5,246	1,146	13,465	16,388
Total receipts	38,669	83,376	61,396	5,246	1,146	13,465	16,388
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	38,669	83,376	61,396	5,218	1,146	13,465	16,388
Total disbursements	38,669	83,376	61,396	5,218	1,146	13,465	16,388
Excess (deficiency) of receipts over (under) disbursements	-	-	-	28	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 28	\$ -	\$ -	\$ -

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

	Meaningful Use Funds-Health	Wayne Co Redevelopment Commiss	Health-Immunization Program	County Law Enforce Continuing Ed	Pre-Trail Diversion	Health Master Tobacco Settlement	Infraction Deferral Program
Cash and investments - beginning	\$ 11,432	\$ 187,475	\$ 6,411	\$ 4,322	\$ 9,338	\$ 11,175	\$ 39,020
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	16,343	-	-	32,109	-
Charges for services	-	-	-	3,269	-	-	-
Fines and forfeits	-	-	-	-	1,150	-	42,872
Other receipts	21,249	344,316	-	-	-	-	-
Total receipts	21,249	344,316	16,343	3,269	1,150	32,109	42,872
Disbursements:							
Personal services	-	-	-	-	-	12,498	6,286
Supplies	-	-	-	-	-	-	13,401
Other services and charges	26,267	400,087	22,754	474	-	5,193	54,201
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	26,267	400,087	22,754	474	-	17,691	73,888
Excess (deficiency) of receipts over (under) disbursements	(5,018)	(55,771)	(6,411)	2,795	1,150	14,418	(31,016)
Cash and investments - ending	\$ 6,414	\$ 131,704	\$ -	\$ 7,117	\$ 10,488	\$ 25,593	\$ 8,004

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

	Clerk Child Support	JDAI Coordination Grant	JDAI Alternative Program	2013 EMA Performance Grant	Vasia Grant	Sheriff's Federal Seizure	Mobile Home Permit
Cash and investments - beginning	\$ 13,862	\$ 50,514	\$ 11,422	\$ -	\$ 19,125	\$ 6,168	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	914,450	-	-	-	-	-	-
Other receipts	-	-	105,323	63,163	44,125	-	140
Total receipts	914,450	-	105,323	63,163	44,125	-	140
Disbursements:							
Personal services	-	34,968	1,181	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	15,920	43,533	3,700	63,250	-	140
Capital outlay	-	-	-	-	-	-	-
Other disbursements	913,533	-	-	-	-	-	-
Total disbursements	913,533	50,888	44,714	3,700	63,250	-	140
Excess (deficiency) of receipts over (under) disbursements	917	(50,888)	60,609	59,463	(19,125)	-	-
Cash and investments - ending	\$ 14,779	\$ (374)	\$ 72,031	\$ 59,463	\$ -	\$ 6,168	\$ -

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

	Duplicate Bill Fee	Justice Reinvestment Grant	HRSA FQHC Grant	IPHCA Navigator Grant	Health/Navigator Outreach	Health/Immunization Grant	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,486,674
Receipts:							
Taxes	-	-	-	-	-	-	33,225,661
Licenses and permits	-	-	-	-	-	-	1,762,479
Intergovernmental receipts	-	51,000	174,770	1,845	-	78,992	18,678,911
Charges for services	-	-	-	-	-	-	3,295,052
Fines and forfeits	-	-	-	-	-	-	8,639,184
Other receipts	212	-	-	-	-	-	61,156,056
Total receipts	212	51,000	174,770	1,845	-	78,992	126,757,343
Disbursements:							
Personal services	-	-	162,661	2,951	-	9,325	20,538,436
Supplies	-	-	-	-	-	3,742	2,967,235
Other services and charges	212	-	17,441	302	4,500	74,599	32,489,929
Capital outlay	-	-	-	-	-	-	735,467
Other disbursements	-	-	-	-	-	-	67,127,385
Total disbursements	212	-	180,102	3,253	4,500	87,666	123,858,452
Excess (deficiency) of receipts over (under) disbursements	-	51,000	(5,332)	(1,408)	(4,500)	(8,674)	2,898,891
Cash and investments - ending	\$ -	\$ 51,000	\$ (5,332)	\$ (1,408)	\$ (4,500)	\$ (8,674)	\$ 44,385,565

WAYNE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities: Revenue bonds	Purchase Land And Buildings For Tourism	<u>\$ 343,100</u>	<u>\$ 7,292</u>

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Wayne County Jail Holding Corporation	Refinance Jail Building Debt	<u>\$ 1,985,828</u>	10-02-01	07-15-22

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF WAYNE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Wayne County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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, 2015.

Other Matters

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

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

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.


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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002, that we consider to be a material weakness.

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

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


Paul D. Joyce, CPA
State Examiner

August 22, 2017

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.

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Bulletproof Vest Partnership Program	Direct grant	16.607	FY2015	\$ -	\$ 2,345
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	13VA2310 2014-VA-GX-0062	-	49 31,862
Total - Crime Victim Assistance				-	31,911
Total - Department of Justice				-	34,256
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	DES. 0801062 DES. 1006356 DES. 1006546 DES. 1382081 DES. 1383317 DES. 1400769	- - - - - -	110,034 7,195 75,959 33,381 67,518 19,845
Total - Highway Planning and Construction Cluster				-	313,932
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I	City of Richmond	20.601	4393	-	14,394
Safety Belt Performance Grants	City of Richmond	20.609	4394	-	13,894
Total - Highway Safety Cluster				-	28,288
Total - Department of Transportation				-	342,220
<u>Department of Education</u>					
Rehabilitation Services_Vocational Rehabilitation Grants to States	Indiana Family and Social Services Administration	84.126	FY15	-	1,082
<u>Department of Health and Human Services</u>					
Health Centers Cluster Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	Direct grant	93.527	H80CS29006-01-05	-	174,771
Total - Health Centers Cluster				-	174,771
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	15508924	-	1,269
Immunization Cooperative Agreements	Indiana Department of Health	93.268	5H23IP000723-02 A70-5-073169	- -	26,060 138,620
Total - Immunization Cooperative Agreements				-	164,680
Child Support Enforcement Circuit Court Clerk Expenditures IV-D Court Expenditures County IV-D Prosecutor Expenditures Circuit Court Clerk Incentive Funds Title IV-D Incentive Funds IV-D Prosecutors Incentive Funds Indirect Cost Expenditures	Indiana Department of Child Services	93.563	FY2015 FY2015 FY2015 FY2015 FY2015 FY2015 FY2015	- - - - - - -	80,612 99,525 196,017 23,761 5,289 50,992 105,488
Total - Child Support Enforcement				-	561,684
HIV Prevention Activities_Health Department Based	Indiana Department of Health	93.940	40093940CHIVP14 A70-5-112386	- -	3,399 34,920
Total - HIV Prevention Activities_Health Department Based				-	38,319
Total - Department of Health and Human Services				-	940,723
<u>Department of Homeland Security</u>					
Hazard Mitigation Grant	Indiana Department of Homeland Security	97.039	FEMA-4058-DR	-	3,700
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	#38514EMPG000000	-	59,463
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	EMW-2014-SS-00138	-	15,000
Total - Department of Homeland Security				-	78,163
Total federal awards expended				\$ -	\$ 1,396,444

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

WAYNE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

WAYNE 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 weakness identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major program:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Any audit finding disclosed that is required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Program and type of auditor's report issued on compliance for it:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
93.563	Child Support Enforcement	Unmodified

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

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

Section II - Financial Statement Findings

FINDING 2015-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness; Other Matters

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 SEFA presented for audit contained the following errors: grants that were not federal awards were included, grants that were federal awards were excluded, and grant amounts reported were incorrect based on supporting documentation presented for audit. Audit adjustments were proposed, accepted by the County, and made to the SEFA.

WAYNE 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. . . ."

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

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

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

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

Cause

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

Effect

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

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-002

Subject: Child Support Enforcement - Allowable Costs/Cost Principles
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): FY2015
Pass-Through Entity: Indiana Department of Child Services
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

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 Allowable Costs/Cost Principles compliance requirements.

The County did not comply with the Allowable Costs/Cost Principles requirement to maintain documentation of Personnel Expenses to support salaries and wages charged to the federal program. There was no documentation of Personnel Expenses maintained by the IV-D Court.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The lack of controls was a systemic issue, occurring throughout the entire audit period. No documentation of Personnel Expenses to support salaries and wages were maintained by the IV-D Court.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.430(i) states in part:

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected, which could have resulted in the loss of federal funds to the County.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

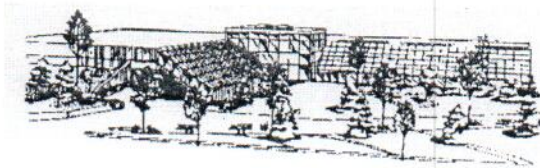
We recommended that the County's management establish controls related to the grant agreement and Allowable Costs/Cost Principle compliance requirement. We also recommended that the County comply with Allowable Costs/Cost Principle requirements of the program.

View of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



Kimberly A. Walton, Auditor
Jennie K. Bailey, Chief Deputy Auditor
Wayne County Administration Building
<http://www.co.wayne.in.us/>

Phone 765-973-9317
Fax 765-973-9339

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-001

Fiscal year in which the finding initially occurred: 2014
Contact Person Responsible for Corrective Action: Auditor, Kimberly Walton
Contact Phone Number: 765-973-9318

Status of Audit Finding:

This finding has not been corrected. The finding was communicated to us during the most recent audit which was completed in July 2017 and we have not had time to develop and implement new procedures to address this issue.

Kimberly Walton
(Signature)
Auditor
(Title)
7/26/17
(Date)

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

Office of the Prosecuting Attorney

17th Indiana Judicial Circuit

MICHAEL W. SHIPMAN

Prosecuting Attorney

STACI A. LANE

Deputy Prosecuting Attorney

CHILD SUPPORT DIVISION



WAYNE COUNTY, INDIANA

COURTHOUSE

RICHMOND, INDIANA 47374

PHONE (765) 973-9285

FAX (765) 973-9477

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-2

Fiscal year in which the finding initially occurred: 2014

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

Contact Person Responsible for Corrective Action: Staci A. Lane

Contact Phone Number: (765) 973-9448

Status of Audit Finding:

This finding was communicated to us during the most recent audit which was completed in April 2014. This finding has since been corrected.

Staci A. Lane, Deputy Prosecuting Attorney

Michael W. Shipman, Prosecuting Attorney

IV-D COURT
301 East Main Street
Richmond, IN 47374
(765) 973-9273

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-002

Fiscal year in which the finding initially occurred: 2014
Contact Person Responsible for Corrective Action: Jennifer Bushey
Contact Phone Number: IVD Court-765-973-9273

Status of Audit Finding:

This finding has been corrected. This finding was communicated to us during the most recent audit which was completed in July 2017. The IV-D Court had already implemented, in 2017, an internal control system to ensure compliance with Allowable Cost/Cost Principles by maintaining certifications to support salaries and wages charged to the federal program.


(Signature)

Judge, Wayne Superior Court 2
(Title)

August 1, 2017
(Date)

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



Kimberly A. Walton, Auditor
Jennie K. Bailey, Chief Deputy Auditor
Wayne County Administration Building
<http://www.co.wayne.in.us/>

Phone 765-973-9317
Fax 765-973-9339

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Kimberly A. Walton
Contact Phone Number: 765-973-9317

Views of Responsible Official:

The Wayne County Auditor concurs there was not proper Internal Controls in place to ensure SEFA information was accurate and complete. The SEFA was prepared without accurate understanding of what needed to be reported.

Description of Corrective Action Plan:

The Auditor's office has worked with the State Board of Accounts to better understand the requirements for SEFA. In conjunction with State Board of Accounts, the Auditor's office will correct the 2014, 2015 and 2016 SEFA to be prepared to input into Gateway for the 2017 SEFA. The Auditor's office has also created a reconciliation process for all grants to have better readily available information. On December 1, we will audit all grants each year and insure they are uploaded to Gateway

Anticipated Completion Date: February 28, 2018

Kimberly Walton

(Signature)

Auditor

(Title)

7/26/17

(Date)

IV-D COURT
301 East Main Street
Richmond, IN 47374
(765) 973-9273

CORRECTIVE ACTION PLAN

FINDING 2015-002

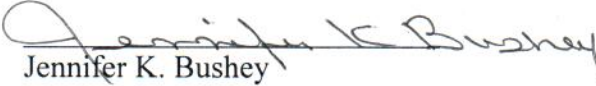
Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number) FY2015
Pass-Through Entity: Indiana Department of Child Services
Contact Person: Jennifer K. Bushey
Contact Person Phone#: (765) 973-9273


Corrective Action:

The IV-D Court already has implemented an internal controls system to ensure compliance with Allowable Cost/Cost Principles by maintaining certifications to support salaries and wages charged to the federal program.

Anticipated Completion Date:

Corrective action will be put into place for calendar year 2017 and thereafter.


Jennifer K. Bushey
IV-D Court Reporter


Gregory A. Horn
Judge, Wayne Superior Court 2

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/>.