

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
STEUBEN COUNTY, INDIANA
January 1, 2016 to December 31, 2016



FILED
12/14/2017

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|-------------------------------|--|
| County Auditor | Kim Koomler Meyers | 01-01-15 to 12-31-18 |
| County Treasurer | Laurie Stoy Melissa Bixler | 01-01-13 to 12-31-16 01-01-17 to 12-31-20 |
| Clerk of the Circuit Court | Michele Herbert | 01-01-15 to 12-31-18 |
| County Sheriff | Tim T. Troyer | 01-01-15 to 12-31-18 |
| County Recorder | Linda Myers | 01-01-15 to 12-31-18 |
| President of the Board of County Commissioners | Ronald L. Smith | 01-01-16 to 12-31-17 |
| President of the County Council | Richard Shipe | 01-01-16 to 12-31-17 |



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF STEUBEN COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Steuben County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, 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, 2016.

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, 2016, 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, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 30, 2017, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

October 30, 2017



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

TO: THE OFFICIALS OF STEUBEN 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 Steuben County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement, and have issued our report thereon dated October 30, 2017, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001, 2016-002, and 2016-003, that we consider to be material weaknesses.

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

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)


determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001 and 2016-002.

Steuben 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

October 30, 2017

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

STEBEN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2016

| Fund | Cash and Investments | | Cash and Investments | |
|--|----------------------|--------------|----------------------|--------------|
| | 01-01-16 | Receipts | Disbursements | 12-31-16 |
| General | \$ 3,603,076 | \$ 9,018,609 | \$ 9,464,532 | \$ 3,157,153 |
| Accident Report | 14,479 | 5,324 | 3,282 | 16,521 |
| Aviation | 25,892 | 121,172 | 74,166 | 72,898 |
| CAGIT County Certified Shares | 1,168,824 | 2,533,997 | 2,306,814 | 1,396,007 |
| CEDIT County Share | 1,689,672 | 1,094,641 | 1,041,734 | 1,742,579 |
| City and Town Court Costs | 12,201 | 6,714 | - | 18,915 |
| Clerk's Records Perpetuation | 21,189 | 27,680 | 5,632 | 43,237 |
| Community Transition Program 2016 | 5,246 | 80,450 | 85,696 | - |
| County Option Dog Tax | 2,572 | - | - | 2,572 |
| Sales Disclosure - County Share | 27,805 | 6,495 | 1,911 | 32,389 |
| Cumulative Bridge | 1,882,309 | 219,393 | 229,080 | 1,872,622 |
| Drug Free Community | 59,964 | 24,439 | 35,274 | 49,129 |
| Electronic Map Generation | 10,351 | 425 | - | 10,776 |
| Emergency Planning/Right To Know | 43,387 | 5,521 | 23,924 | 24,984 |
| Extradition and Sheriff's Assistance | 2,788 | - | - | 2,788 |
| Firearms Training | 43,907 | 26,596 | 16,815 | 53,688 |
| General Drain Improvement | 133,599 | 314,174 | 189,821 | 257,952 |
| Health | 154,162 | 438,238 | 372,984 | 219,416 |
| Identification Security Protection | 3,411 | 4,002 | 5,001 | 2,412 |
| Levy Excess | 3,643 | - | - | 3,643 |
| Local Health Maintenance | 221,172 | 55,789 | 30,667 | 246,294 |
| Local Road and Street | 148,004 | 338,847 | 353,708 | 133,143 |
| LOIT Public Safety - County Share | 1,064,445 | 1,077,712 | 1,186,683 | 955,474 |
| Major Moves Construction | 9,060,863 | 391,659 | 2,005,103 | 7,447,419 |
| Medical Care for Inmates | 6,504 | - | 489 | 6,015 |
| Misdemeanant | 73,186 | 20,126 | 33,284 | 60,028 |
| Motor Vehicle Highway | 1,226,764 | 2,468,431 | 2,773,288 | 921,907 |
| County Park Electric Deposit | 5,716 | 27,876 | 27,397 | 6,195 |
| Plat Book | 127,456 | 17,065 | 12,822 | 131,699 |
| Rainy Day | 1,612,371 | 684,966 | 40,000 | 2,257,337 |
| Recorder's Records Perpetuation | 247,919 | 80,336 | 69,974 | 258,281 |
| Riverboat | 273,321 | 121,537 | 165,000 | 229,858 |
| Sex and Violent Offender Administration | 10,857 | 2,827 | 1,498 | 12,186 |
| Supplemental Public Defender Services | 101,921 | 19,483 | 17,803 | 103,601 |
| Real Estate Surplus 2009-11 | 68,444 | - | - | 68,444 |
| Surveyor's Corner Perpetuation | 76,770 | 9,965 | 2,504 | 84,231 |
| Tax Sale Fees | 40,362 | 27,739 | 25,305 | 42,796 |
| Tax Sale Redemption | 221 | 113,589 | 113,396 | 414 |
| Tax Sale Surplus | 416,517 | 579,653 | 572,922 | 423,248 |
| Local Health Department Trust Account | 48,102 | 31,450 | 13,629 | 65,923 |
| 16.575 Pros Victim Assistance | (7,091) | 26,484 | 25,766 | (6,373) |
| Court Appointed Special Advocate (CASA) | - | 19,484 | 19,484 | - |
| County Elected Officials Training | 17,526 | 4,001 | 755 | 20,772 |
| Statewide 911 | 784,335 | 633,048 | 705,051 | 712,332 |
| Reassessment | 622,767 | 282,394 | 232,907 | 672,254 |
| Adult Probation User Fee | 166,680 | 112,378 | 11,909 | 267,149 |
| Juvenile Probation User Fee | 31,661 | 10,612 | 15,824 | 26,449 |
| Alternative Dispute Resolution | 14,452 | 4,493 | 5,749 | 13,196 |
| Carter Cemetery ORD 809 | 150 | - | - | 150 |
| Unsafe Building | 27,211 | 24,042 | 27,248 | 24,005 |
| Drainage Maintenance | 896,681 | 494,119 | 517,874 | 872,926 |
| Cumulative Capital Development | 2,252,164 | 1,068,513 | 515,319 | 2,805,358 |
| Federal Seized Assets | - | 82,080 | - | 82,080 |
| 20.600 DUI Task Force | 630 | 6,309 | 4,999 | 1,940 |
| Court Interpreters | 862 | - | - | 862 |
| Immunization Donations | 13,366 | 5,499 | 5,995 | 12,870 |
| 2016 GOB - Motorola | - | 6,820,000 | 6,578,989 | 241,011 |
| Healthcare Claims | 86,021 | 1,367,332 | 1,453,353 | - |
| Sheriff Service Process Pension | 35,802 | 45,895 | 20,000 | 61,697 |
| Settlement | - | 29,750,994 | 29,750,994 | - |
| LOIT Public Safety Special Distribution - County | - | 1,926,145 | 1,646,324 | 279,821 |
| CVET Agency | - | 153,307 | 153,307 | - |
| Sewage Collections | 330 | 201,465 | 201,465 | 330 |
| Financial Institution Tax | - | 254,800 | 254,800 | - |
| CEDIT Homestead Credit | 3,686 | 291,742 | 290,993 | 4,435 |
| LOIT PTRC | 49,372 | 1,751,442 | 1,748,236 | 52,578 |
| LOIT | - | 5,222,820 | 5,222,820 | - |
| State Fines and Forfeitures | 13,709 | 42,648 | 48,128 | 8,229 |
| Infraction Judgements | 14,611 | 164,632 | 169,487 | 9,756 |
| Overweight Vehicle Fines | 700 | 5,123 | 4,916 | 907 |
| Special Death Benefit | 435 | 2,825 | 2,840 | 420 |
| Sales Disclosure - State Share | 830 | 6,495 | 6,365 | 960 |
| Coroners Training & Con't Education | 274 | 3,150 | 3,160 | 264 |
| Interstate Compact - State Share | - | 538 | 413 | 125 |
| Mortgage Recording Fees - State Share | 575 | 3,921 | 3,706 | 790 |
| Canine Research and Education | 100 | - | 100 | - |
| Sex and Violent Offender Admin - State | 25 | 354 | 291 | 88 |
| Child Restraint Violations Fines | 50 | 220 | 220 | 50 |
| Inheritance Tax | 5,052 | - | - | 5,052 |
| Education Plate Fees Agency | - | 450 | 450 | - |
| Riverboat Revenue Sharing | - | 202,502 | 202,502 | - |
| Innkeepers Tax Collections | 262,378 | 476,335 | 455,000 | 283,713 |
| CEDIT Distribution | - | 1,823,388 | 1,823,388 | - |
| 93.563 Title IV-D Incentive | 133,613 | 19,026 | 5,000 | 147,639 |
| 93.563 Prosecutor IV-D Incentive-Post Oct '99 | 140,820 | 28,620 | 15,391 | 154,049 |
| 93.563 Clerk IV-D Incentive-Post Oct '99 | 59,983 | 19,026 | 32,505 | 46,504 |
| Pre-Trial Diversion | 259,835 | 116,271 | 100,014 | 276,092 |
| Jury Pay User Fee | 21,747 | 9,308 | 11,198 | 19,857 |
| Drug AB Pros Interd Corr | 20,286 | 5,130 | 7,300 | 18,116 |
| Law Enforc Ed User Fee | 26,422 | 3,466 | 2,990 | 26,898 |
| Sheriff Con Edu User Fee | 6,909 | 2,208 | 4,971 | 4,146 |
| WIC Donation | - | 550 | 97 | 453 |
| EMS Donation | 3,773 | 2,434 | 2,690 | 3,517 |

STEBEN COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2016

| Fund | Cash and Investments | | Cash and Investments | |
|----------------------------------|----------------------|----------------|----------------------|---------------|
| | 01-01-16 | Receipts | Disbursements | 12-31-16 |
| E911 Donation | 841 | 2,515 | 2,927 | 429 |
| Sheriff Reserve Donations | 2,293 | 2,640 | 2,008 | 2,925 |
| Emergency Mgt Donation | 5,625 | 500 | 187 | 5,938 |
| Equipment Bond 2010 | 139,410 | - | 34,561 | 104,849 |
| Equipment Bond 2013 | 838,319 | 31,189 | 428,435 | 441,073 |
| Debt Service | 603,324 | 889,543 | 1,228,640 | 264,227 |
| NE IND Solid Waste District | - | 397,675 | 397,675 | - |
| School System Radio | 25,928 | - | 4,833 | 21,095 |
| Payroll Clearing Fund | (523) | 4,191,099 | 4,178,988 | 11,588 |
| Health Care Admin | 125,282 | 2,381,429 | 2,420,437 | 86,274 |
| LOIT Public Safety | - | 1,740,940 | 1,740,940 | - |
| Mental Health Fund | - | 269,069 | 269,069 | - |
| LOIT 2016 Special Distribution | - | 4,652,775 | 4,652,775 | - |
| Local Opt Prop Tax Replace | - | 1,740,940 | 1,740,940 | - |
| 16.607 Bulletproof Vests | 1,977 | 3,825 | - | 5,802 |
| 20.106 FAA AIP 15/ROW Crack PE | - | 23,421 | 23,421 | - |
| Community Correction CTP FY 2017 | - | 50,422 | 26,409 | 24,013 |
| Comm Correction Proj Inc FY 2015 | 1,969 | - | 1,969 | - |
| Comm Correct FY 2016 | 94,049 | 229,488 | 323,537 | - |
| Comm Correct Proj Inc FY 2016 | 96,635 | 283,212 | 379,847 | - |
| Comm Correct FY 2017 | - | 667,528 | 505,933 | 161,595 |
| Comm Correct Proj Inc FY 2017 | - | 290,304 | 164,106 | 126,198 |
| TANF Grant NICC FY 2017 | - | - | 265,433 | (265,433) |
| JDAI 2016-17 PART 1 | - | 5,000 | 535 | 4,465 |
| JDAI 2016-17 PART 2 | - | 34,375 | 16,170 | 18,205 |
| TANF Grant NICC | (66,520) | 226,483 | 159,963 | - |
| SWETA | - | 1,651,029 | 1,651,029 | - |
| Tax Sale Attorney Fees | - | 4,620 | 2,670 | 1,950 |
| Real Estate Surplus 2012-14 | 94,986 | 58,395 | 69,483 | 83,898 |
| Co Offender Transport Clerk | 4,376 | 537 | - | 4,913 |
| Sheriff Donations | 3,349 | 7,524 | - | 10,873 |
| Canine Donations | 2,153 | 20,000 | - | 22,153 |
| Work Release Maintenance Fee | 2,736 | - | - | 2,736 |
| Safe School Fee | 400 | - | - | 400 |
| DARE Donation | 27 | - | - | 27 |
| Energy Savings Bond 2006 | 176 | - | - | 176 |
| Co Probation Indigent Treatment | 6,905 | - | - | 6,905 |
| Gravel Pit Fund/County Park | 1,650 | - | - | 1,650 |
| Building Safety Education | 925 | - | - | 925 |
| Comm Certificate Sale Proceeds | 18,312 | - | - | 18,312 |
| Land Acquis and Tx Payable | 3,565 | - | - | 3,565 |
| Tower Rental | 2,859 | - | - | 2,859 |
| Comm Correct FY 2015 | (2,039) | 2,039 | - | - |
| Hazardous Waste Disposal Tax | 1,855 | - | - | 1,855 |
| Abandoned Junk Vehicles | 1,687 | - | - | 1,687 |
| 93.008 MRC NACCHO/Health Grant | 8 | - | - | 8 |
| After Settlement Collections | 1,060,745 | 1,174,049 | 1,060,745 | 1,174,049 |
| Clerk's Cash Book | 268,699 | 3,095,082 | 3,060,988 | 302,793 |
| Sheriff's Cash Book | - | 1,129,352 | 1,129,352 | - |
| Sheriff's Inmate Trust | 3,785 | 151,738 | 153,087 | 2,436 |
| Sheriff's Jail Commissary | 38,377 | 110,873 | 106,910 | 42,340 |
| Sheriff's Meal Account Inmate | 97,578 | 196,470 | 222,640 | 71,408 |
| Sheriff's Seized Assets | 41,411 | 118,542 | 159,953 | - |
| Clerk's ISETS | 2,657 | 245,529 | 247,871 | 315 |
| Airport Grant Clearing | 35,707 | - | 34,725 | 982 |
| WIC Peer Counselor | (3,215) | 18,748 | 16,174 | (641) |
| WIC Peer Counselor (ait) | - | 2,400 | 4,034 | (1,634) |
| 16.588 Stop Violence Agnst Wmn | (4,626) | 17,553 | 19,445 | (6,518) |
| 20.219 Rec Trails Bike Trail | 26,514 | 26,243 | 24,565 | 28,192 |
| 20.509 Transit Star 1802564P | - | 287,939 | 287,939 | - |
| 93.069 Public Health Prepare | (7,377) | 17,644 | 10,267 | - |
| 97.042 Homeland Sec FEMA | - | 5,087 | 5,087 | - |
| 90.401 HAVA SEC 101 Election | 18,865 | - | - | 18,865 |
| 20.106 FAA Part ALP UPDT 31800 | - | 9,546 | 9,546 | - |
| 20.106 FAA Environ Assessment | - | 51,278 | 51,278 | - |
| 20.106 FAA PAPI | - | 14,400 | 14,400 | - |
| WIC Fiscal Yrs (Odd#s) | (93) | 24,651 | 39,486 | (14,928) |
| WIC Fiscal Yrs (Even#s) | (19,755) | 176,074 | 156,119 | 200 |
| 93.563 Odyssey CMS Gt 10CRG025 | 117 | - | - | 117 |
| 16.592 Local Law Enforc Gt | 7 | - | - | 7 |
| WIC SCCF Grant | 635 | - | 226 | 409 |
| SCCF Community Foundation | 76 | - | - | 76 |
| LARE Grant / Boat Patrol | 758 | 19,985 | 20,166 | 577 |
| 14.228 Comm Dev Block Grant | - | 126,750 | 126,750 | - |
| Mental Health Gt 2015 FD 010 | 113,835 | - | 24,440 | 89,395 |
| ALP 07021139 ST GT | 2,391 | - | - | 2,391 |
| Family Court Project Grant | - | 30,000 | - | 30,000 |
| Publ Safety Train Fund | 17 | - | - | 17 |
| Juv Comm Colab Prog CFDA 16.523 | - | 13,754 | 13,754 | - |
| Totals | \$ 33,397,771 | \$ 100,417,141 | \$ 101,308,288 | \$ 32,506,624 |

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

STEUBEN 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.

STEUBEN 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.

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

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

State statutes authorize the County to invest in securities including, but not limited to, 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

STEUBEN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursement for expenditures made by the County was not received by December 31, 2016.

STEUBEN COUNTY
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Note 8. Restatements

| Old Fund | Balance as of December 31, 2015 | New Fund | Prior Period Adjustment | Balance as of January 1, 2016 |
|---------------|---------------------------------------|-------------------|----------------------------|-------------------------------------|
| Clerk's Trust | \$ 268,352 | Clerk's Cash Book | \$ 34 | \$ 268,699 |

Note 9. Subsequent Events

The Steuben County EMS Department is currently reviewing their processes and procedures on EMS billings and changes in these EMS billings will take place if determined necessary.

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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.

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | General | Accident Report | Aviation | CAGIT County Certified Shares | CEDIT County Share | City and Town Court Costs |
|---|--------------|--------------------|-----------|--|--------------------------|------------------------------|
| Cash and investments - beginning | \$ 3,603,076 | \$ 14,479 | \$ 25,892 | \$ 1,168,824 | \$ 1,689,672 | \$ 12,201 |
| Receipts: | | | | | | |
| Taxes | 5,404,640 | - | 91,766 | 2,532,120 | 1,094,353 | - |
| Licenses and permits | 243,782 | - | - | - | - | - |
| Intergovernmental receipts | 422,233 | - | 7,714 | - | - | - |
| Charges for services | 2,414,052 | 5,324 | 21,692 | - | - | - |
| Fines and forfeits | 173,361 | - | - | - | - | 6,714 |
| Other receipts | 360,541 | - | - | 1,877 | 288 | - |
| Total receipts | 9,018,609 | 5,324 | 121,172 | 2,533,997 | 1,094,641 | 6,714 |
| Disbursements: | | | | | | |
| Personal services | 7,516,585 | - | 1,910 | 1,750,000 | 220,971 | - |
| Supplies | 247,542 | - | 12,334 | - | - | - |
| Other services and charges | 1,356,899 | 3,282 | 59,922 | 556,814 | 554,301 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | 33,134 | - | - | - | 266,462 | - |
| Other disbursements | 310,372 | - | - | - | - | - |
| Total disbursements | 9,464,532 | 3,282 | 74,166 | 2,306,814 | 1,041,734 | - |
| Excess (deficiency) of receipts over disbursements | (445,923) | 2,042 | 47,006 | 227,183 | 52,907 | 6,714 |
| Cash and investments - ending | \$ 3,157,153 | \$ 16,521 | \$ 72,898 | \$ 1,396,007 | \$ 1,742,579 | \$ 18,915 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Clerk's Records Perpetuation | Community Transition Program 2016 | County Option Dog Tax | Sales Disclosure - County Share | Cumulative Bridge | Drug Free Community |
|---|------------------------------------|--|--------------------------------|--|----------------------|---------------------------|
| Cash and investments - beginning | \$ 21,189 | \$ 5,246 | \$ 2,572 | \$ 27,805 | \$ 1,882,309 | \$ 59,964 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | 177,611 | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | 80,450 | - | - | 14,930 | - |
| Charges for services | 26,745 | - | - | 6,495 | 26,852 | - |
| Fines and forfeits | - | - | - | - | - | 24,439 |
| Other receipts | 935 | - | - | - | - | - |
| Total receipts | 27,680 | 80,450 | - | 6,495 | 219,393 | 24,439 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 55,875 | - |
| Supplies | - | - | - | - | 26,721 | - |
| Other services and charges | 3,773 | 74,374 | - | 1,911 | 145,074 | 35,274 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | 1,859 | - | - | - | 1,410 | - |
| Other disbursements | - | 11,322 | - | - | - | - |
| Total disbursements | 5,632 | 85,696 | - | 1,911 | 229,080 | 35,274 |
| Excess (deficiency) of receipts over disbursements | 22,048 | (5,246) | - | 4,584 | (9,687) | (10,835) |
| Cash and investments - ending | \$ 43,237 | \$ - | \$ 2,572 | \$ 32,389 | \$ 1,872,622 | \$ 49,129 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Electronic Map Generation | Emergency Planning/Right To Know | Extradition and Sheriff's Assistance | Firearms Training | General Drain Improvement | Health |
|---|---------------------------------|--|---|----------------------|---------------------------------|------------|
| Cash and investments - beginning | \$ 10,351 | \$ 43,387 | \$ 2,788 | \$ 43,907 | \$ 133,599 | \$ 154,162 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | 10,445 | 367,063 |
| Licenses and permits | - | - | - | - | - | 39,696 |
| Intergovernmental receipts | - | - | - | - | - | 30,856 |
| Charges for services | 425 | 5,521 | - | 26,596 | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | 303,729 | 623 |
| Total receipts | 425 | 5,521 | - | 26,596 | 314,174 | 438,238 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | 333,576 |
| Supplies | - | 298 | - | - | - | 7,762 |
| Other services and charges | - | 13,682 | - | 16,815 | 189,821 | 31,646 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | 9,944 | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | 23,924 | - | 16,815 | 189,821 | 372,984 |
| Excess (deficiency) of receipts over disbursements | 425 | (18,403) | - | 9,781 | 124,353 | 65,254 |
| Cash and investments - ending | \$ 10,776 | \$ 24,984 | \$ 2,788 | \$ 53,688 | \$ 257,952 | \$ 219,416 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Identification Security Protection | Levy Excess | Local Health Maintenance | Local Road and Street | LOIT Public Safety - County Share | Major Moves Construction |
|---|--|----------------|--------------------------------|--------------------------------|---|--------------------------------|
| Cash and investments - beginning | \$ 3,411 | \$ 3,643 | \$ 221,172 | \$ 148,004 | \$ 1,064,445 | \$ 9,060,863 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | 996,785 | - |
| Licenses and permits | - | - | 6,080 | - | - | - |
| Intergovernmental receipts | - | - | - | 338,847 | - | - |
| Charges for services | 4,002 | - | 49,709 | - | 50,000 | 179,054 |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | 30,927 | 212,605 |
| Total receipts | 4,002 | - | 55,789 | 338,847 | 1,077,712 | 391,659 |
| Disbursements: | | | | | | |
| Personal services | - | - | 28,880 | - | 259,297 | - |
| Supplies | - | - | 1,152 | 254,151 | 174,531 | - |
| Other services and charges | 5,001 | - | 635 | - | 739,881 | 467,874 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 99,557 | 12,974 | 1,537,229 |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 5,001 | - | 30,667 | 353,708 | 1,186,683 | 2,005,103 |
| Excess (deficiency) of receipts over disbursements | (999) | - | 25,122 | (14,861) | (108,971) | (1,613,444) |
| Cash and investments - ending | \$ 2,412 | \$ 3,643 | \$ 246,294 | \$ 133,143 | \$ 955,474 | \$ 7,447,419 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Medical Care for Inmates | Misdemeanant | Motor Vehicle Highway | County Park Electric Deposit | Plat Book | Rainy Day |
|--|-----------------------------------|--------------|-----------------------------|---------------------------------------|--------------|--------------|
| Cash and investments - beginning | \$ 6,504 | \$ 73,186 | \$ 1,226,764 | \$ 5,716 | \$ 127,456 | \$ 1,612,371 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | 684,966 |
| Licenses and permits | - | - | 8,936 | - | - | - |
| Intergovernmental receipts | - | - | 2,394,904 | - | - | - |
| Charges for services | - | 20,126 | 23,172 | 27,876 | 16,850 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | 41,419 | - | 215 | - |
| Total receipts | - | 20,126 | 2,468,431 | 27,876 | 17,065 | 684,966 |
| Disbursements: | | | | | | |
| Personal services | - | - | 1,192,776 | - | - | - |
| Supplies | - | - | 509,324 | - | - | - |
| Other services and charges | 489 | 33,284 | 503,238 | 27,397 | 12,822 | 40,000 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | 567,950 | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 489 | 33,284 | 2,773,288 | 27,397 | 12,822 | 40,000 |
| Excess (deficiency) of receipts over disbursements | (489) | (13,158) | (304,857) | 479 | 4,243 | 644,966 |
| Cash and investments - ending | \$ 6,015 | \$ 60,028 | \$ 921,907 | \$ 6,195 | \$ 131,699 | \$ 2,257,337 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Recorder's Records Perpetuation | Riverboat | Sex and Violent Offender Administration | Supplemental Public Defender Services | Real Estate Surplus 2009-11 | Surveyor's Corner Perpetuation |
|---|---------------------------------------|------------|---|--|--------------------------------------|--------------------------------------|
| Cash and investments - beginning | \$ 247,919 | \$ 273,321 | \$ 10,857 | \$ 101,921 | \$ 68,444 | \$ 76,770 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | 121,537 | - | - | - | - |
| Charges for services | 80,306 | - | - | - | - | 9,465 |
| Fines and forfeits | - | - | - | 19,449 | - | - |
| Other receipts | 30 | - | 2,827 | 34 | - | 500 |
| Total receipts | 80,336 | 121,537 | 2,827 | 19,483 | - | 9,965 |
| Disbursements: | | | | | | |
| Personal services | 38,196 | - | - | 3,000 | - | - |
| Supplies | - | - | 1,498 | - | - | - |
| Other services and charges | 31,778 | - | - | 14,803 | - | 2,504 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | 165,000 | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 69,974 | 165,000 | 1,498 | 17,803 | - | 2,504 |
| Excess (deficiency) of receipts over disbursements | 10,362 | (43,463) | 1,329 | 1,680 | - | 7,461 |
| Cash and investments - ending | \$ 258,281 | \$ 229,858 | \$ 12,186 | \$ 103,601 | \$ 68,444 | \$ 84,231 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Tax Sale Fees | Tax Sale Redemption | Tax Sale Surplus | Local Health Department Trust Account | 16.575 Pros Victim Assistance | Court Appointed Special Advocate (CASA) |
|--|---------------------|---------------------------|------------------------|---|--|---|
| Cash and investments - beginning | \$ 40,362 | \$ 221 | \$ 416,517 | \$ 48,102 | \$ (7,091) | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | 26,484 | - |
| Charges for services | - | - | - | 31,450 | - | 19,484 |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 27,739 | 113,589 | 579,653 | - | - | - |
| Total receipts | 27,739 | 113,589 | 579,653 | 31,450 | 26,484 | 19,484 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 25,766 | - |
| Supplies | - | - | - | 241 | - | - |
| Other services and charges | 25,305 | - | - | 4,000 | - | 19,484 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 9,388 | - | - |
| Other disbursements | - | 113,396 | 572,922 | - | - | - |
| Total disbursements | 25,305 | 113,396 | 572,922 | 13,629 | 25,766 | 19,484 |
| Excess (deficiency) of receipts over disbursements | 2,434 | 193 | 6,731 | 17,821 | 718 | - |
| Cash and investments - ending | \$ 42,796 | \$ 414 | \$ 423,248 | \$ 65,923 | \$ (6,373) | \$ - |

STEBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | County Elected Officials Training | Statewide 911 | Reassessment | Adult Probation User Fee | Juvenile Probation User Fee | Alternative Dispute Resolution |
|--|--|------------------|--------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Cash and investments - beginning | \$ 17,526 | \$ 784,335 | \$ 622,767 | \$ 166,680 | \$ 31,661 | \$ 14,452 |
| Receipts: | | | | | | |
| Taxes | - | - | 260,496 | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 21,898 | - | - | - |
| Charges for services | 3,201 | 632,712 | - | - | - | - |
| Fines and forfeits | 800 | - | - | - | 5,218 | 4,493 |
| Other receipts | - | 336 | - | 112,378 | 5,394 | - |
| Total receipts | 4,001 | 633,048 | 282,394 | 112,378 | 10,612 | 4,493 |
| Disbursements: | | | | | | |
| Personal services | - | 572,258 | 7,521 | - | - | - |
| Supplies | - | 61,656 | 1,906 | 972 | 908 | - |
| Other services and charges | 755 | 71,137 | 223,480 | 9,913 | 14,863 | 5,749 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 1,024 | 53 | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 755 | 705,051 | 232,907 | 11,909 | 15,824 | 5,749 |
| Excess (deficiency) of receipts over disbursements | 3,246 | (72,003) | 49,487 | 100,469 | (5,212) | (1,256) |
| Cash and investments - ending | \$ 20,772 | \$ 712,332 | \$ 672,254 | \$ 267,149 | \$ 26,449 | \$ 13,196 |

STEBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Carter Cemetery ORD 809 | Unsafe Building | Drainage Maintenance | Cumulative Capital Development | Federal Seized Assets | 20.600 DUI Task Force |
|--|----------------------------------|--------------------|-------------------------|--------------------------------------|-----------------------------|--------------------------------|
| Cash and investments - beginning | \$ 150 | \$ 27,211 | \$ 896,681 | \$ 2,252,164 | \$ - | \$ 630 |
| Receipts: | | | | | | |
| Taxes | - | - | 486,889 | 944,298 | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | 79,379 | - | 6,309 |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | 24,042 | 7,230 | 44,836 | 82,080 | - |
| Total receipts | - | 24,042 | 494,119 | 1,068,513 | 82,080 | 6,309 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | 4,999 |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 27,248 | 517,874 | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 515,319 | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | 27,248 | 517,874 | 515,319 | - | 4,999 |
| Excess (deficiency) of receipts over disbursements | - | (3,206) | (23,755) | 553,194 | 82,080 | 1,310 |
| Cash and investments - ending | \$ 150 | \$ 24,005 | \$ 872,926 | \$ 2,805,358 | \$ 82,080 | \$ 1,940 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Court Interpreters | Immunization Donations | 2016 GOB - Motorola | Healthcare Claims | Sheriff Service Process Pension | Settlement |
|---|-----------------------|---------------------------|------------------------|----------------------|--|------------|
| Cash and investments - beginning | \$ 862 | \$ 13,366 | \$ - | \$ 86,021 | \$ 35,802 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | 29,750,994 |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | 10,650 | - |
| Fines and forfeits | - | - | - | - | 35,245 | - |
| Other receipts | - | 5,499 | 6,820,000 | 1,367,332 | - | - |
| Total receipts | - | 5,499 | 6,820,000 | 1,367,332 | 45,895 | 29,750,994 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 5,995 | 78,989 | 1,453,353 | 20,000 | - |
| Debt service - principal and interest | - | - | 6,500,000 | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | 29,750,994 |
| Total disbursements | - | 5,995 | 6,578,989 | 1,453,353 | 20,000 | 29,750,994 |
| Excess (deficiency) of receipts over disbursements | - | (496) | 241,011 | (86,021) | 25,895 | - |
| Cash and investments - ending | \$ 862 | \$ 12,870 | \$ 241,011 | \$ - | \$ 61,697 | \$ - |

STEBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | LOIT Public Safety Special Distribution - County | CVET Agency | Sewage Collections | Financial Institution Tax | CEDIT Homestead Credit | LOIT PTRC |
|---|---|----------------|-----------------------|---------------------------------|------------------------------|------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ 330 | \$ - | \$ 3,686 | \$ 49,372 |
| Receipts: | | | | | | |
| Taxes | 1,926,145 | - | - | - | 291,742 | 1,751,442 |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | 153,307 | - | 254,800 | - | - |
| Charges for services | - | - | 201,465 | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | <u>1,926,145</u> | <u>153,307</u> | <u>201,465</u> | <u>254,800</u> | <u>291,742</u> | <u>1,751,442</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 153,307 | - | - | 290,993 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | 1,646,324 | - | - | - | - | - |
| Other disbursements | - | - | 201,465 | 254,800 | - | 1,748,236 |
| Total disbursements | <u>1,646,324</u> | <u>153,307</u> | <u>201,465</u> | <u>254,800</u> | <u>290,993</u> | <u>1,748,236</u> |
| Excess (deficiency) of receipts over disbursements | <u>279,821</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>749</u> | <u>3,206</u> |
| Cash and investments - ending | <u>\$ 279,821</u> | <u>\$ -</u> | <u>\$ 330</u> | <u>\$ -</u> | <u>\$ 4,435</u> | <u>\$ 52,578</u> |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | LOIT | State Fines and Forfeitures | Infraction Judgements | Overweight Vehicle Fines | Special Death Benefit | Sales Disclosure - State Share |
|--|------------------|--------------------------------------|--------------------------|--------------------------------|-----------------------------|---|
| Cash and investments - beginning | \$ - | \$ 13,709 | \$ 14,611 | \$ 700 | \$ 435 | \$ 830 |
| Receipts: | | | | | | |
| Taxes | 5,222,820 | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | 6,495 |
| Fines and forfeits | - | 42,648 | 164,632 | 4,887 | 2,825 | - |
| Other receipts | - | - | - | 236 | - | - |
| Total receipts | <u>5,222,820</u> | <u>42,648</u> | <u>164,632</u> | <u>5,123</u> | <u>2,825</u> | <u>6,495</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | <u>5,222,820</u> | <u>48,128</u> | <u>169,487</u> | <u>4,916</u> | <u>2,840</u> | <u>6,365</u> |
| Total disbursements | <u>5,222,820</u> | <u>48,128</u> | <u>169,487</u> | <u>4,916</u> | <u>2,840</u> | <u>6,365</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>(5,480)</u> | <u>(4,855)</u> | <u>207</u> | <u>(15)</u> | <u>130</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 8,229</u> | <u>\$ 9,756</u> | <u>\$ 907</u> | <u>\$ 420</u> | <u>\$ 960</u> |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Coroners Training & Con't Education | Interstate Compact - State Share | Mortgage Recording Fees - State Share | Canine Research and Education | Sex and Violent Offender Admin - State | Child Restraint Violations Fines |
|---|--|---|--|--|--|---|
| Cash and investments - beginning | \$ 274 | \$ - | \$ 575 | \$ 100 | \$ 25 | \$ 50 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | 3,150 | - | 3,921 | - | - | - |
| Fines and forfeits | - | 538 | - | - | 354 | 220 |
| Other receipts | - | - | - | - | - | - |
| Total receipts | 3,150 | 538 | 3,921 | - | 354 | 220 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 3,160 | - | - | 100 | - | 220 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 413 | 3,706 | - | 291 | - |
| Total disbursements | 3,160 | 413 | 3,706 | 100 | 291 | 220 |
| Excess (deficiency) of receipts over disbursements | (10) | 125 | 215 | (100) | 63 | - |
| Cash and investments - ending | \$ 264 | \$ 125 | \$ 790 | \$ - | \$ 88 | \$ 50 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Inheritance Tax | Education Plate Fees Agency | Riverboat Revenue Sharing | Innkeepers Tax Collections | CEDIT Distribution | 93.563 Title IV-D Incentive |
|---|--------------------|--------------------------------------|---------------------------------|----------------------------------|-----------------------|--------------------------------------|
| Cash and investments - beginning | \$ 5,052 | \$ - | \$ - | \$ 262,378 | \$ - | \$ 133,613 |
| Receipts: | | | | | | |
| Taxes | - | - | - | 476,335 | 1,823,388 | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 202,502 | - | - | 19,026 |
| Charges for services | - | 450 | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | - | 450 | 202,502 | 476,335 | 1,823,388 | 19,026 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 450 | - | 455,000 | - | 5,000 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | 202,502 | - | 1,823,388 | - |
| Total disbursements | - | 450 | 202,502 | 455,000 | 1,823,388 | 5,000 |
| Excess (deficiency) of receipts over disbursements | - | - | - | 21,335 | - | 14,026 |
| Cash and investments - ending | \$ 5,052 | \$ - | \$ - | \$ 283,713 | \$ - | \$ 147,639 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 93,563 Prosecutor IV-D Incentive-Post Oct '99 | 93,563 Clerk IV-D Incentive-Post Oct '99 | Pre-Trial Diversion | Jury Pay User Fee | Drug AB Pros Interd Corr | Law Enforc Ed User Fee |
|--|---|--|------------------------|----------------------------|--------------------------------------|------------------------------------|
| Cash and investments - beginning | \$ 140,820 | \$ 59,983 | \$ 259,835 | \$ 21,747 | \$ 20,286 | \$ 26,422 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | 116,271 | 9,017 | 5,130 | 3,466 |
| Other receipts | 28,620 | 19,026 | - | 291 | - | - |
| Total receipts | 28,620 | 19,026 | 116,271 | 9,308 | 5,130 | 3,466 |
| Disbursements: | | | | | | |
| Personal services | 13,675 | 23,601 | 94,574 | - | - | - |
| Supplies | 1,716 | - | 189 | - | - | - |
| Other services and charges | - | 8,904 | 5,251 | 11,198 | 7,300 | 2,990 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 15,391 | 32,505 | 100,014 | 11,198 | 7,300 | 2,990 |
| Excess (deficiency) of receipts over disbursements | 13,229 | (13,479) | 16,257 | (1,890) | (2,170) | 476 |
| Cash and investments - ending | \$ 154,049 | \$ 46,504 | \$ 276,092 | \$ 19,857 | \$ 18,116 | \$ 26,898 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Sheriff Con Edu User Fee | WIC Donation | EMS Donation | E911 Donation | Sheriff Reserve Donations | Emergency Mgt Donation |
|---|--------------------------------------|-----------------|-----------------|------------------|---------------------------------|------------------------------|
| Cash and investments - beginning | \$ 6,909 | \$ - | \$ 3,773 | \$ 841 | \$ 2,293 | \$ 5,625 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | 1,636 | - | - | - | - | - |
| Other receipts | 572 | 550 | 2,434 | 2,515 | 2,640 | 500 |
| Total receipts | 2,208 | 550 | 2,434 | 2,515 | 2,640 | 500 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 4,971 | 97 | 2,690 | 2,927 | 2,008 | 187 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 4,971 | 97 | 2,690 | 2,927 | 2,008 | 187 |
| Excess (deficiency) of receipts over disbursements | (2,763) | 453 | (256) | (412) | 632 | 313 |
| Cash and investments - ending | \$ 4,146 | \$ 453 | \$ 3,517 | \$ 429 | \$ 2,925 | \$ 5,938 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Equipment Bond 2010 | Equipment Bond 2013 | Debt Service | NE IND Solid Waste District | School System Radio | Payroll Clearing Fund |
|---|---------------------------|---------------------------|-----------------|---|---------------------------|-----------------------------|
| Cash and investments - beginning | \$ 139,410 | \$ 838,319 | \$ 603,324 | \$ - | \$ 25,928 | \$ (523) |
| Receipts: | | | | | | |
| Taxes | - | - | 669,001 | 397,675 | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 56,237 | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | 31,189 | 164,305 | - | - | 4,191,099 |
| Total receipts | - | 31,189 | 889,543 | 397,675 | - | 4,191,099 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 34,561 | 60,931 | - | - | 4,833 | - |
| Debt service - principal and interest | - | - | 1,134,950 | - | - | - |
| Capital outlay | - | 367,504 | - | - | - | - |
| Other disbursements | - | - | 93,690 | 397,675 | - | 4,178,988 |
| Total disbursements | 34,561 | 428,435 | 1,228,640 | 397,675 | 4,833 | 4,178,988 |
| Excess (deficiency) of receipts over disbursements | (34,561) | (397,246) | (339,097) | - | (4,833) | 12,111 |
| Cash and investments - ending | \$ 104,849 | \$ 441,073 | \$ 264,227 | \$ - | \$ 21,095 | \$ 11,588 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Health Care Admin | LOIT Public Safety | Mental Health Fund | LOIT 2016 Special Distribution | Local Opt Prop Tax Replace | 16.607 Bulletproof Vests |
|---|-------------------------|--------------------------|--------------------------|---|--|--------------------------------|
| Cash and investments - beginning | \$ 125,282 | \$ - | \$ - | \$ - | \$ - | \$ 1,977 |
| Receipts: | | | | | | |
| Taxes | - | 1,740,940 | 248,655 | 4,652,775 | 1,740,940 | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 20,414 | - | - | 3,825 |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 2,381,429 | - | - | - | - | - |
| Total receipts | 2,381,429 | 1,740,940 | 269,069 | 4,652,775 | 1,740,940 | 3,825 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 2,420,437 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 1,740,940 | 269,069 | 4,652,775 | 1,740,940 | - |
| Total disbursements | 2,420,437 | 1,740,940 | 269,069 | 4,652,775 | 1,740,940 | - |
| Excess (deficiency) of receipts over disbursements | (39,008) | - | - | - | - | 3,825 |
| Cash and investments - ending | \$ 86,274 | \$ - | \$ - | \$ - | \$ - | \$ 5,802 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 20.106 FAA AIP 15/ROW Crack PE | Community Correction CTP FY 2017 | Comm Correction Proj Inc FY 2015 | Comm Correct FY 2016 | Comm Correct Proj Inc FY 2016 | Comm Correct FY 2017 |
|--|--|--|--|-------------------------------|---|-------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ 1,969 | \$ 94,049 | \$ 96,635 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | 23,421 | 39,100 | - | 229,488 | - | 667,528 |
| Charges for services | - | - | - | - | 283,172 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | 11,322 | - | - | 40 | - |
| Total receipts | 23,421 | 50,422 | - | 229,488 | 283,212 | 667,528 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | 317,937 | 168,234 | 445,336 |
| Supplies | - | - | - | 1,000 | 5,211 | - |
| Other services and charges | - | 26,409 | - | 1,000 | 85,563 | 10,234 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | 23,421 | - | - | 3,600 | 6,735 | 11,925 |
| Other disbursements | - | - | 1,969 | - | 114,104 | 38,438 |
| Total disbursements | 23,421 | 26,409 | 1,969 | 323,537 | 379,847 | 505,933 |
| Excess (deficiency) of receipts over disbursements | - | 24,013 | (1,969) | (94,049) | (96,635) | 161,595 |
| Cash and investments - ending | \$ - | \$ 24,013 | \$ - | \$ - | \$ - | \$ 161,595 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Comm Correct Proj Inc FY 2017 | TANF Grant NICC FY 2017 | JDAI 2016-17 PART 1 | JDAI 2016-17 PART 2 | TANF Grant NICC | SWETA |
|---|---|-------------------------------------|------------------------------|------------------------------|-----------------------|-----------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ (66,520) | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 5,000 | 34,375 | 226,483 | 1,651,029 |
| Charges for services | 175,838 | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 114,466 | - | - | - | - | - |
| Total receipts | 290,304 | - | 5,000 | 34,375 | 226,483 | 1,651,029 |
| Disbursements: | | | | | | |
| Personal services | 86,704 | - | - | 15,050 | - | - |
| Supplies | 9,449 | - | - | 383 | - | - |
| Other services and charges | 64,851 | 265,433 | - | 737 | 159,963 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | 3,102 | - | 535 | - | - | - |
| Other disbursements | - | - | - | - | - | 1,651,029 |
| Total disbursements | 164,106 | 265,433 | 535 | 16,170 | 159,963 | 1,651,029 |
| Excess (deficiency) of receipts over disbursements | 126,198 | (265,433) | 4,465 | 18,205 | 66,520 | - |
| Cash and investments - ending | \$ 126,198 | \$ (265,433) | \$ 4,465 | \$ 18,205 | \$ - | \$ - |

STEBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Tax Sale Attorney Fees | Real Estate Surplus 2012-14 | Co Offender Transport Clerk | Sheriff Donations | Canine Donations | Work Release Maintenance Fee |
|--|---------------------------------|--------------------------------------|--------------------------------------|----------------------|---------------------|---------------------------------------|
| Cash and investments - beginning | \$ - | \$ 94,986 | \$ 4,376 | \$ 3,349 | \$ 2,153 | \$ 2,736 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | 537 | - | - | - |
| Other receipts | 4,620 | 58,395 | - | 7,524 | 20,000 | - |
| Total receipts | 4,620 | 58,395 | 537 | 7,524 | 20,000 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | 2,670 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 69,483 | - | - | - | - |
| Total disbursements | 2,670 | 69,483 | - | - | - | - |
| Excess (deficiency) of receipts over disbursements | 1,950 | (11,088) | 537 | 7,524 | 20,000 | - |
| Cash and investments - ending | \$ 1,950 | \$ 83,898 | \$ 4,913 | \$ 10,873 | \$ 22,153 | \$ 2,736 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Safe School Fee | DARE Donation | Energy Savings Bond 2006 | Co Probation Indigent Treatment | Gravel Pit Fund/County Park | Building Safety Education |
|---|-----------------------|------------------|-----------------------------------|--|--------------------------------------|---------------------------------|
| Cash and investments - beginning | \$ 400 | \$ 27 | \$ 176 | \$ 6,905 | \$ 1,650 | \$ 925 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | - | - | - | - | - | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | - | - |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | - |
| Cash and investments - ending | \$ 400 | \$ 27 | \$ 176 | \$ 6,905 | \$ 1,650 | \$ 925 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Comm Certificate Sale Proceeds | Land Acquis and Tx Payable | Tower Rental | Comm Correct FY 2015 | Hazardous Waste Disposal Tax | Abandoned Junk Vehicles |
|---|---|--|-----------------|-------------------------------|---------------------------------------|-------------------------------|
| Cash and investments - beginning | \$ 18,312 | \$ 3,565 | \$ 2,859 | \$ (2,039) | \$ 1,855 | \$ 1,687 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 2,039 | - | - |
| Total receipts | - | - | - | 2,039 | - | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | - | - |
| Excess (deficiency) of receipts over disbursements | - | - | - | 2,039 | - | - |
| Cash and investments - ending | \$ 18,312 | \$ 3,565 | \$ 2,859 | \$ - | \$ 1,855 | \$ 1,687 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 93.008 MRC NACCHO/Health Grant | After Settlement Collections | Clerk's Cash Book | Sheriff's Cash Book | Sheriff's Inmate Trust | Sheriff's Jail Commissary |
|--|---|------------------------------------|-------------------------|---------------------------|------------------------------|---------------------------------|
| Cash and investments - beginning | \$ 8 | \$ 1,060,745 | \$ 268,699 | \$ - | \$ 3,785 | \$ 38,377 |
| Receipts: | | | | | | |
| Taxes | - | 1,174,049 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | 110,873 |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | 3,095,082 | 1,129,352 | 151,738 | - |
| Total receipts | - | 1,174,049 | 3,095,082 | 1,129,352 | 151,738 | 110,873 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | 1,060,745 | 3,060,988 | 1,129,352 | 153,087 | 106,910 |
| Total disbursements | - | 1,060,745 | 3,060,988 | 1,129,352 | 153,087 | 106,910 |
| Excess (deficiency) of receipts over disbursements | - | 113,304 | 34,094 | - | (1,349) | 3,963 |
| Cash and investments - ending | \$ 8 | \$ 1,174,049 | \$ 302,793 | \$ - | \$ 2,436 | \$ 42,340 |

STEBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | Sheriff's Meal Account Inmate | Sheriff's Seized Assets | Clerk's ISETS | Airport Grant Clearing | WIC Peer Counselor | WIC Peer Counselor (alt) |
|---|--|-------------------------------|------------------|------------------------------|--------------------------|-----------------------------------|
| Cash and investments - beginning | \$ 97,578 | \$ 41,411 | \$ 2,657 | \$ 35,707 | \$ (3,215) | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | 18,650 | - |
| Charges for services | - | - | - | - | - | 2,400 |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 196,470 | 118,542 | 245,529 | - | 98 | - |
| Total receipts | 196,470 | 118,542 | 245,529 | - | 18,748 | 2,400 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 15,603 | 3,925 |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | 571 | 109 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 34,725 | - | - |
| Other disbursements | 222,640 | 159,953 | 247,871 | - | - | - |
| Total disbursements | 222,640 | 159,953 | 247,871 | 34,725 | 16,174 | 4,034 |
| Excess (deficiency) of receipts over disbursements | (26,170) | (41,411) | (2,342) | (34,725) | 2,574 | (1,634) |
| Cash and investments - ending | \$ 71,408 | \$ - | \$ 315 | \$ 982 | \$ (641) | \$ (1,634) |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 16,588 Stop Violence Agnst Wmn | 20,219 Rec Trails Bike Trail | 20,509 Transit Star 1802564P | 93,069 Public Health Prepare | 97,042 Homeland Sec FEMA | 90,401 HAVA SEC 101 Election |
|--|--|--|---------------------------------------|---------------------------------------|-----------------------------------|--|
| Cash and investments - beginning | \$ (4,626) | \$ 26,514 | \$ - | \$ (7,377) | \$ - | \$ 18,865 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | 17,553 | 26,243 | 287,939 | - | 5,087 | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 17,644 | - | - |
| Total receipts | 17,553 | 26,243 | 287,939 | 17,644 | 5,087 | - |
| Disbursements: | | | | | | |
| Personal services | 19,445 | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 24,565 | 287,939 | - | 5,087 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | 10,267 | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | 19,445 | 24,565 | 287,939 | 10,267 | 5,087 | - |
| Excess (deficiency) of receipts over disbursements | (1,892) | 1,678 | - | 7,377 | - | - |
| Cash and investments - ending | \$ (6,518) | \$ 28,192 | \$ - | \$ - | \$ - | \$ 18,865 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 20.106 FAA Part ALP UPDT 31800 | 20.106 FAA Environ Assessment | 20.106 FAA PAPI | WIC Fiscal Yrs (Odd#s) | WIC Fiscal Yrs (Even#s) | 93.563 Odyssey CMS Gt 10CRG025 |
|--|--|--|-----------------------|---------------------------------|----------------------------------|--|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ (93) | \$ (19,755) | \$ 117 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | 24,558 | 174,724 | - |
| Charges for services | 9,546 | 51,278 | 14,400 | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 93 | 1,350 | - |
| Total receipts | <u>9,546</u> | <u>51,278</u> | <u>14,400</u> | <u>24,651</u> | <u>176,074</u> | <u>-</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | 33,392 | 132,865 | - |
| Supplies | - | - | - | 419 | 5,278 | - |
| Other services and charges | 9,546 | 51,278 | 14,400 | 5,675 | 17,976 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | <u>9,546</u> | <u>51,278</u> | <u>14,400</u> | <u>39,486</u> | <u>156,119</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>(14,835)</u> | <u>19,955</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (14,928)</u> | <u>\$ 200</u> | <u>\$ 117</u> |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | 16.592 Local Law Enforc Gt | WIC SCCF Grant | SCCF Community Foundation | LARE Grant / Boat Patrol | 14.228 Comm Dev Block Grant | Mental Health Gt 2015 FD 010 |
|--|--|----------------------|---------------------------------|--------------------------------|---|--|
| Cash and investments - beginning | \$ 7 | \$ 635 | \$ 76 | \$ 758 | \$ - | \$ 113,835 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | 19,985 | 126,750 | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - |
| Total receipts | - | - | - | 19,985 | 126,750 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | 226 | - | 20,166 | 126,750 | 24,440 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | 226 | - | 20,166 | 126,750 | 24,440 |
| Excess (deficiency) of receipts over disbursements | - | (226) | - | (181) | - | (24,440) |
| Cash and investments - ending | \$ 7 | \$ 409 | \$ 76 | \$ 577 | \$ - | \$ 89,395 |

STEUBEN COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

| | ALP 07021139 ST GT | Family Court Project Grant | Publ Safety Train Fund | Juv Comm Colab Prog CFDA 16.523 | Totals |
|--|-----------------------------|-------------------------------------|---------------------------------|---|---------------|
| Cash and investments - beginning | \$ 2,391 | \$ - | \$ 17 | \$ - | \$ 33,397,771 |
| Receipts: | | | | | |
| Taxes | - | - | - | - | 64,918,333 |
| Licenses and permits | - | - | - | - | 298,494 |
| Intergovernmental receipts | - | - | - | 13,754 | 7,847,319 |
| Charges for services | - | - | - | - | 4,554,747 |
| Fines and forfeits | - | - | - | - | 621,880 |
| Other receipts | - | 30,000 | - | - | 22,176,368 |
| Total receipts | - | 30,000 | - | 13,754 | 100,417,141 |
| Disbursements: | | | | | |
| Personal services | - | - | - | - | 13,381,951 |
| Supplies | - | - | - | - | 1,324,641 |
| Other services and charges | - | - | - | 13,754 | 12,098,296 |
| Debt service - principal and interest | - | - | - | - | 7,634,950 |
| Capital outlay | - | - | - | - | 5,329,441 |
| Other disbursements | - | - | - | - | 61,539,009 |
| Total disbursements | - | - | - | 13,754 | 101,308,288 |
| Excess (deficiency) of receipts over disbursements | - | 30,000 | - | - | (891,147) |
| Cash and investments - ending | \$ 2,391 | \$ 30,000 | \$ 17 | \$ - | \$ 32,506,624 |

STEUBEN COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2016

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|--|---------------------------------------|----------------------|----------------------|-------------------|
| Governmental activities: Motorola Solutions, Inc. | Communications System Agreement Lease | <u>\$ 2,667,270</u> | 12/21/2015 | 2017 |

| Type | Description of Debt | Purpose | Ending Principal Balance | Principal and Interest Due Within One Year |
|-------------------------------|-------------------------|---------|--------------------------|--|
| Governmental activities: | | | | |
| General obligation bonds | 2013 Equipment Bond | | \$ 340,000 | \$ 344,250 |
| General obligation bonds | 2016 Public Safety Bond | | <u>6,820,000</u> | <u>523,200</u> |
| Total governmental activities | | | <u>\$ 7,160,000</u> | <u>\$ 344,250</u> |

STEUBEN COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2016

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

| | Ending Balance |
|------------------------------------|----------------------|
| Governmental activities: | |
| Land | \$ 5,349,833 |
| Infrastructure | 60,260,509 |
| Buildings | 15,978,931 |
| Improvements other than buildings | 4,942,242 |
| Machinery, equipment, and vehicles | 9,238,924 |
| Books and other | <u>1,502,556</u> |
| Total capital assets | <u>\$ 97,272,995</u> |

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

TO: THE OFFICIALS OF STEUBEN COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Steuben County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. Except as discussed below, we conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Basis for Qualified Opinion on TANF Cluster

As described in item 2016-005 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the County with Temporary Assistance for Needy Families regarding Eligibility. Consequently, we were unable to determine whether the County complied with those requirements applicable to the program.

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

Qualified Opinion on TANF Cluster

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on TANF Cluster* paragraph, 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 the TANF Cluster for the year ended December 31, 2016.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2016.

Other Matters

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

Report on Internal Control over Compliance

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


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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2016-004 and 2016-005, that we consider to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH 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

October 30, 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.

STEBEN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

| 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 Agriculture</u> | | | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | Indiana Department of Health | 10.557 | WIC 175-1/FY15 WIC 175-1/FY16 | \$ - - | \$ 26,958 193,374 |
| Total - Special Supplemental Nutrition Program for Women, Infants, and Children | | | | - | 220,332 |
| Total - Department of Agriculture | | | | - | 220,332 |
| <u>Department of Housing and Urban Development</u> | | | | | |
| Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | Indiana Office of Community and Rural Affairs | 14.228 | EDS A192-16-WFD-15-101 | 126,750 | 126,750 |
| Total - Department of Housing and Urban Development | | | | 126,750 | 126,750 |
| <u>Department of Justice</u> | | | | | |
| Juvenile Accountability Block Grants | Indiana Criminal Justice Institute | 16.523 | FY 2015 | - | 13,754 |
| Crime Victim Assistance | Indiana Criminal Justice Institute | 16.575 | FY 2015 | - | 26,484 |
| Violence Against Women Formula Grants | Indiana Criminal Justice Institute | 16.588 | FY 2015 | - | 17,553 |
| Bulletproof Vest Partnership Program | Direct Grant | 16.607 | FY 2014 | - | 3,825 |
| Equitable Sharing Program | Direct Grant | 16.922 | FY 2016 - IN0760000 | - | 77,873 |
| Total - Department of Justice | | | | - | 139,489 |
| <u>Department of Transportation</u> | | | | | |
| Airport Improvement Program | Direct Grant | 20.106 | 3-18-0002-14 3-18-0002-15 3-18-0002-16 3-18-0002-17 | - - - - | 13,666 6,654 48,579 14,400 |
| Total - Airport Improvement Program | | | | - | 83,299 |
| Highway Planning and Construction Cluster Highway Planning and Construction | Indiana Department of Transportation | 20.205 | DES 0401070 DES 0810104 DES 1382113 DES 1400739 | - - - - | 23,291 52,244 60,760 103,128 |
| Total - Highway Planning and Construction Cluster | | | | - | 239,423 |
| Formula Grants For Rural Areas | Indiana Department of Transportation | 20.509 | A249-15-320496 A249-16-G150155 | 31,697 153,488 | 31,697 153,488 |
| Total - Formula Grants For Rural Areas | | | | 185,185 | 185,185 |
| Federal Transit Cluster Bus and Bus Facilities Formula Program | Indiana Department of Transportation | 20.526 | A249-16-G150067 | - | 30,800 |
| Highway Safety Cluster State and Community Highway Safety | City of Angola | 20.600 | D3-16-10212 | - | 945 |
| Alcohol Impaired Driving Countermeasures Incentive Grants I | City of Angola | 20.601 | D3-16-10111 | - | 5,364 |
| Total - Highway Safety Cluster | | | | - | 6,309 |
| Total - Department of Transportation | | | | 185,185 | 545,016 |
| <u>Department of Health and Human Services</u> | | | | | |
| Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | Indiana Department of Health | 93.074 | Contract 13668 | - | 17,644 |
| TANF Cluster Temporary Assistance for Needy Families | Indiana Department of Corrections | 93.558 | EDS D12-16-106-TANF | - | 226,483 |
| Child Support Enforcement | Indiana Department of Child Services | 93.563 | FY 2015 | - | 356,391 |
| Total - Department of Health and Human Services | | | | - | 600,518 |
| <u>Department of Homeland Security</u> | | | | | |
| Boating Safety Financial Assistance | Indiana Department of Homeland Security | 97.012 | EDS E11-15-0013 | - | 10,361 |
| Emergency Management Performance Grants | Indiana Department of Homeland Security | 97.042 | Contract 14778 Contract 16426 | - - | 5,087 14,449 |
| Total - Emergency Management Performance Grants | | | | - | 19,536 |
| Total - Department of Homeland Security | | | | - | 29,897 |
| Total federal awards expended | | | | \$ 311,935 | \$ 1,662,002 |

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

STEUBEN 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, 2016. 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.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

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

| CFDA Number | Name of Federal Program or Cluster | Opinion Issued |
|----------------|--|-------------------------|
| 20.509 | Formula Grants For Rural Areas TANF Cluster | Unmodified Qualified |
| 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 2016-001

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

Repeat Finding

This is a repeat of finding number 2015-001 from the immediate prior report.

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).

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The lack of controls was a systemic problem, occurring throughout the audit period. As a result, the SEFA presented for audit contained the following errors:

1. The Special Supplemental Nutrition Program for Women, Infants, and Children was understated by \$2,306.
2. The Equitable Sharing Program was understated by \$77,873.
3. The Airport Improvement Program was overstated by \$12,389.
4. The Highway Planning and Construction Cluster was understated by \$185,821.
5. The Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements were understated by \$17,644.
6. The Child Support Enforcement program was understated by \$74,747.
7. The Boating Safety Financial Assistance program was overstated by \$9,625.
8. Some grants contained incorrect federal program names or did not identify clusters.
9. The award numbers were not always included.
10. The amounts remitted to subrecipients were not included.

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

Criteria

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

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

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

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

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

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.
- (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 that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

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

Effect

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

Recommendation

We recommended that the County's management establish controls, including segregation of duties, to ensure accurate reporting of the SEFA.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

FINDING 2016-002

Subject: Financial Transaction and Reporting
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This was not a repeat finding from the immediate prior report.

Condition

There were several deficiencies in the internal control system of the County related to financial transactions and reporting related to payroll.

Context

The lack of controls was a systemic problem, occurring throughout the audit period.

1. Lack of Segregation of Duties: The County had not separated incompatible activities related to payroll processing. The County payroll processing was handled primarily by one employee in the County Auditor's office. The individual input the hours worked information from the County Department's payroll vouchers into the computerized payroll system, added and deleted employees, made corrections as needed, printed and distributed checks or direct deposits, and issued the payments for employee withholdings, employee benefits, and related payroll expenses with minimal oversight. Control activities were not in place to reduce the risk of errors in financial reporting.
2. Monitoring of Controls: The County had no process to identify or communicate corrective actions to improve controls. The County did not monitor and assess the quality of the system of internal control.

There were the following deficiencies in reporting of payroll transactions:

1. The Payroll Schedule and Voucher Form 99 were prepared by the County departments. They did not report the employee's time worked (days or hours) and paid time off (e.g., vacation or sick); rather, they showed all time worked as "regular time worked." Some County departments did not include their time sheets with their Form 99.
2. The Payroll Schedule and Vouchers (General Form 99) were not run through the established claims payment process and, therefore, were not approved by the Board of County Commissioners.
3. The County departments had the responsibility to record the hours or days worked, sick leave, vacation leave, and days lost on the Employee's Service Records (General Form 99A). A complete set of the Employee's Service Records for all County departments was not available for audit upon request.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

4. The detail of regular time worked and paid leave time was not posted to the County's payroll system by the Payroll Clerk. All time entered into the County's payroll system was entered as regular time worked. This made it impossible to have a reconciliation between the County's payroll system and the Employee's Service Records maintained by the departments. Sufficient audit evidence was not available to document the review of payroll time-keeping and recording by anyone other than the departmental supervisors.
5. The Gross Payroll Reports, including Distributions Reports, were not reviewed by the County Auditor prior to the payroll checks being processed and paid.
6. The payments of payroll taxes and other benefits through the Payroll Clearing Fund were not run through the established claims payment process and, therefore, were not approved by the Board of County Commissioners.
7. The W-2 Report was not being reconciled to the quarterly 941s and the Payroll Earnings Record Report by the Payroll Clerk to ensure accurate reporting.
8. The W-2 Report was not reviewed by the County Auditor prior to submission and mailing of the W-2s.
9. At December 31, 2016, the Payroll Clearing Fund had a cash balance (cash control) of \$11,588, whereas the subsidiary accounts of the Payroll Clearing fund had a cash balance of (\$6,104). The difference between the Payroll Clearing fund cash balance (cash control) and the subsidiary accounts at December 31, 2016, is \$17,692 and should be \$0. Numerous subsidiary accounts in this fund had unidentified balances that have been carried forward from several years back and a process was not in place to review the activity in this fund or to reconcile the cash control to the subsidiary accounts.

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. . . ."

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The federal Fair Labor Standards Act (FLSA) requires that records of wages paid, daily and weekly hours of work, and the time of day and day of week on which the employee's work week begins be kept for all employees. These requirements can be met by use of the following prescribed general forms:

General Form 99A, Employee's Service Record

General Form 99B, Employee's Earnings Record

General Form 99C, Employee's Weekly Earnings Record

General Form 99C is required only for employees who are not exempt from FLSA, are not on a fixed work schedule, and are not paid weekly. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Cause

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

Effect

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

Recommendation

We recommended that the County's management establish controls, including segregation of duties, to ensure the accuracy of financial transactions and reporting related to payroll.

Views of Responsible Officials

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

FINDING 2016-003

Subject: Internal Control over Financial Transactions and Reporting - County Sheriff
Audit Finding: Material Weakness

Repeat Finding

This was not a repeat finding from the immediate prior report.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

There were deficiencies in the internal control system of the County related to financial transactions and reporting of the County Sheriff. The County Sheriff had not separated incompatible activities related to reconciling and disbursing for some areas. One employee in the County Sheriff's office performed the monthly bank reconciliations for three bank accounts and issued checks. There was no segregation of duties, such as an oversight, review, or approval process, over the bank reconciliations and disbursement transactions.

Context

The lack of internal controls was a systemic problem, occurring throughout the audit period.

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:

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

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

Cause

The County Sheriff had not established a proper system of internal control that would have segregated key functions.

Effect

The failure to establish and properly implement controls could have enabled misstatements or irregularities to remain undetected.

Recommendation

We recommended that the County Sheriff establish effective controls, including segregation of duties, to ensure that monthly reconciliations are performed and reviewed and to ensure the accuracy of disbursement transactions reported in the financial statement.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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 2016-004

Subject: Temporary Assistance for Needy Families - Internal Controls

Federal Agency: Department of Health and Human Resources

Federal Program: Temporary Assistance for Needy Families

CFDA Number: 93.558

Federal Award Number and Year (or Other Identifying Number): EDS D12-16-106-TANF

Pass-Through Entity: Indiana Department of Corrections

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles,
Cash Management, Period of Performance, Reporting

Audit Finding: Material Weakness

Repeat Finding

This was not a repeat finding from the immediate prior report.

Condition

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

Activities Allowed or Unallowed

There was no review of the reimbursement requests prior to submission for reimbursement. Without proper review, unallowable activities on the claim reimbursement request could have occurred and gone undetected.

Allowable Costs/Cost Principles

There was no review of the reimbursement requests prior to submission for reimbursement. Without proper review, unallowable costs on the claim reimbursement request could have occurred and gone undetected.

Cash Management

There was no review of the reimbursement requests prior to submission for reimbursement. Without proper review, expenditures that were not paid prior to the claim reimbursement request could have occurred and gone undetected.

Period of Performance

There was no review of the reimbursement requests prior to submission for reimbursement. Without proper review, expenditures that did not occur within the period of performance could have occurred gone undetected.

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Reporting

There was no review of the reimbursement requests prior to submission for reimbursement. Without proper review, errors on the claim reimbursement request could have occurred and gone undetected.

Context

Internal control issues were systemic, occurring throughout the audit period.

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). . . ."

Cause

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls, including segregation of duties, to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Period of Performance, and Reporting compliance requirements.

Views of Responsible Officials

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

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2016-005

Subject: Temporary Assistance for Needy Families - Eligibility
Federal Agency: Department of Health and Human Resources
Federal Program: Temporary Assistance for Needy Families
CFDA Number: 93.558
Federal Award Number and Year (or Other Identifying Number): EDS D12-16-106-TANF
Pass-Through Entity: Indiana Department of Corrections
Compliance Requirement: Eligibility
Audit Findings: Material Weakness, Qualified Opinion - Scope Limitation

Repeat Finding

This was not a repeat finding from the immediate prior report.

Condition

An effective internal control system was not in place at the County in order to ensure that sufficient audit evidence was retained to demonstrate compliance with the Eligibility compliance requirement. The County had not established an effective control over the eligibility determination for TANF participants. TANF participants were determined for eligibility by the service provider, rather than the County. There was no audit evidence at the County to test if participants were eligible.

Context

Internal control issues were systemic, occurring throughout the audit period. The lack of audit evidence prevented the ability to determine compliance with the Eligibility compliance requirement.

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 200.333 states in part:

"Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. . . ."

STEUBEN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

The County had not established an effective system of internal controls that would have ensured that documentation was maintained to support eligibility determinations.

Effect

The failure to establish an effective internal control system that would have ensured that supporting documentation was retained and available for audit prevented the determination of the County's compliance with the Eligibility compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls to ensure that supporting documentation was maintained and made available for audit relating to the Eligibility compliance requirement.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



Kim Meyers
Steuben County Auditor

317 S. Wayne St., Suite 2J
Angola, Indiana 46703
Phone (260) 668-1000, ext. 1218 Fax (260) 665-8483

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

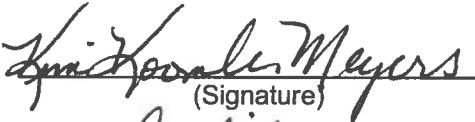
Findings 2015-001
Fiscal Year 2015

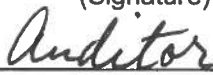
Contact Person Responsible for Corrective Action: Kim Koomler Meyers, Steuben County Auditor
Contact Phone Number: 260-668-1000 ext. 1218

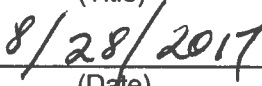
Status of Audit Finding:

The Auditor's Office has implemented additional internal controls to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The Auditor has implemented a more efficient internal review procedure to ensure the proper review of all data prior to entering into the (SEFA) portion of the Annual Financial Report. The Auditor has designated the Chief Deputy Auditor to enter the data and the Auditor performs a secondary review of all grant data prior to final submission.

In addition, controls over receipting, disbursing, recording and accounting for the financial activities are in place to avoid substantial risk. The auditor is working toward implementing a process where a second person prepare and update an excel spreadsheet for tracking of each individual grant.



(Signature)


(Title)


(Date)

Finding 2015-002
Fiscal Year 2015

Contact Person Responsible for Corrective Action: Traci Bruick, IVD Administrator
Contact Phone Number: 260-668-1000 ext. 2500

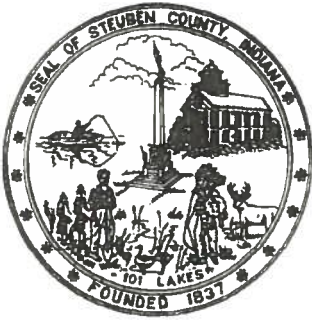
In accordance with the Cooperative Agreement for Federal Financial Participation for Prosecuting Attorneys Performing Title IV-D Services, the Prosecutors Office is preparing periodic certification supporting charges made for salaries and wages for time worked solely that program for the period covered by the certification. These certifications are being prepared at least semi-annually and signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Traci Brunck
(Signature)

IV-D Admin
(Title)

8-28-17
(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).)



Kim Meyers
Steuben County Auditor

317 S. Wayne St., Suite 2J
Angola, Indiana 46703
Phone (260) 668-1000, ext. 1218 Fax (260) 665-8483

FINDING 2016-001 - Preparation of the Schedule of Expenditures of Federal Awards (SEFA)

Contact Person Responsible for Corrective Action: Kim Meyers, Steuben County Auditor
Contact Phone Number: (260)668-1000 ext. 1218

Description of Corrective Action Plan:

The Auditor and Chief Deputy Auditor will take the steps necessary to review financial data and implement more adequate and comprehensive internal control procedure over the preparation of the Schedule of Expenditures of Federal Awards (SEFA) prior to input into the Gateway system. Additionally, a secondary review will be performed to ensure the data is accurate.

Anticipated Completion Date: December 31, 2017

FINDING 2016-002 - Internal Controls Over Payroll Transactions

Description of Corrective Action Plan:

The Auditor will take the necessary steps to ensure a segregation of duties within the payroll department. The Auditor will personally audit bi-weekly payroll claims and reconcile to payroll reports prior to distribution to the employees. The Auditor will ensure the payroll clerk is reconciling the W-2 reports to the quarterly 941's and the payroll earnings record report. The Payroll clerk will submit all W-2 reports to the county auditor for review prior to submission and distribution. The Auditor and Chief Deputy Auditor will work with State Board of Accounts to identify and reconcile all Payroll Clearing Fund balances that have been carried forward from SEVERAL years back and implement a process to review the activity in the clearing fund and reconcile the cash control to the subsidiary accounts on a regular monthly schedule. In addition, the newly created Human Resource position will fulfill the requirements for segregation of duties within the payroll and benefits department.

Contact Person Responsible for Corrective Action: Kim Meyers, Steuben County Auditor
Contact Phone Number: (260)668-1000 ext. 1218

Anticipated Completion Date: Have begun implementation and anticipate December 31, 2017 completion date.

Kim Meyers
(Signature)

Auditor
(Title)

10/25/2017
(Date)



Steuben County Sheriff's Office
206 E. Gale St. • Angola, Indiana 46703
Tim R. Troyer, Sheriff
Rodney L. Robinson, Chief Deputy

Phone: 260.668.1000
Business Office: Ext. 5000
Fax: 260.665.9476

October 26, 2017

CORRECTIVE ACTION PLAN

Finding 2016 – 003

Contact Person Responsible for Corrective Action: Julie Troyer
Contact Phone Number: 260-668-4530

Description of Plan:

Italicized items denote new controls being implemented.

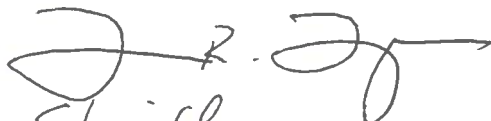
1. Sheriff's Meal Account: Kitchen staff will order inventory, obtain packing slips/invoices for *all food deliveries, and verify by signature that goods were received. Office Manager will deposit county reimbursement check in bank and post to account. Jail Lieutenant will disburse payment checks and reconcile bank statement. Office Manager will review and sign monthly.*

2. Inmate Trust Account: Administrative Assistant #1 will perform daily deposit, verified by computer-generated transaction report, and post to account. *Office Manager will review transactions on 1st and 15th of each month; verify with signature.* Confinement staff write disbursement checks to inmates. *Admin Assistant #2 will write disbursement checks to Commissary Account, verified by Sales Report generated by the Office Manager. Admin Assistant #1 will reconcile bank statement. Office Manager will review and sign monthly.*

3. Commissary Account: Kitchen staff will order sales inventory, obtain packing slips/invoices and verify goods were received. Kitchen staff will enter inmate orders, deducting funds from inmate accounts. Office Manager will generate Sales Reports reflecting inmate orders; *Admin Assistant #2 will write disbursement checks from Inmate Trust Account to Commissary Account, and prepare deposits. Office Manager will post to account. Sheriff will verify receipt of all purchases, other than resale items. Office Manager will disburse payments and reconcile bank statement. Admin Assistant #1 will review and sign monthly.*

Anticipated Completion Date: December 31, 2017

Note: We are obtaining a new banking software system that will impact the Inmate Trust and Commissary accounts in January 2018.


Sheriff,

Northeast Indiana Community Corrections



104 East Gale Street, Suite A

Angola, Indiana 46703

Phone: (260) 668-4505

Fax: (260) 665-3000

Website: www.sccommunitycorrections.com

CORRECTIVE ACTION PLAN

FINDING 2016-004

Contact Person Responsible for Corrective Action: Brett Hays

Contact Phone Number: 260-668-1000 x5363

We concur with the finding.

Description of Corrective Action Plan:

CAVA provides supporting documentation and submits to the Director of NICC. Director of NICC completes submission requests for the TANF grant to the state. Submission requests then approved by the Steuben County Commissioners.

Plan already in place and submission requests have retroactively been approved for EDS #D12-17-106-TANF. *Item corrected.*

Anticipated Completion Date: Item was corrected on 10-16-2017.

A handwritten signature in blue ink, appearing to be "Brett Hays", is written over a horizontal line.

Brett Hays, Director of Northeast Indiana Community Corrections

Northeast Indiana Community Corrections

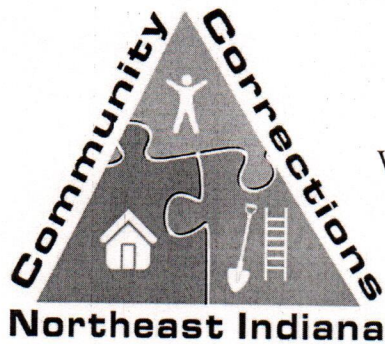
104 East Gale Street, Suite A

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Phone: (260) 668-4505

Fax: (260) 665-3000

Website: www.sccommunitycorrections.com



CORRECTIVE ACTION PLAN

FINDING 2016-005

Contact Person Responsible for Corrective Action: Brett Hays
Contact Phone Number: 260-668-1000 x5363

We concur with the finding.

Description of Corrective Action Plan:

CAVA completes initial eligibility screening and submits all documentation to the Director of NICC. Director of NICC conducts independent eligibility determination and relays findings to CAVA. Services provided to non-eligible entities will not be reimbursed with TANF grant funds.

An MOU will be created outlining these activities and the payment of CAVA regarding the claims process. The MOU will be used for future TANF grant funding.

All entities funded with EDS #D12-16-106-TANF funds will have their eligibility confirmed by NICC. Any discrepancies will be reported to the state.

Anticipated Completion Date: All past entities will be reviewed prior to December 31, 2017

Brett Hays, Director of Northeast Indiana Community Corrections

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/>.