

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

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



FILED
03/01/2018

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|-------------------------------------|--|
| County Auditor | Gertrud Whitaker Jane E. Downard | 01-01-15 to 12-31-15 01-01-16 to 12-31-18 |
| County Treasurer | Mary Hiers Lavonda Glover | 01-01-13 to 12-31-16 01-01-17 to 12-31-20 |
| Clerk of the Circuit Court | Melinda Sudhoff | 01-01-15 to 12-31-18 |
| County Sheriff | David J. Laughlin | 01-01-15 to 12-31-18 |
| County Recorder | Ruth Nutty | 01-01-15 to 12-31-18 |
| President of the Board of County Commissioners | Frank Jackson Leota King | 01-01-15 to 12-31-16 01-01-17 to 12-31-18 |
| President of the County Council | Mike Wenta | 01-01-14 to 12-31-18 |



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF FAYETTE COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 20, 2018, 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 solely 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 effectiveness of the County's 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

February 20, 2018



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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 FAYETTE 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 Fayette County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated February 20, 2018, 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 2015-001 and 2015-002, that we consider to be material weaknesses.

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

Compliance and Other Matters

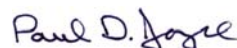
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001 and 2015-002.

Fayette County's Response to Findings

The County's responses to the findings identified in our audit were described in the accompanying Corrective Action Plans. The County's responses were 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

February 20, 2018

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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.

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

| Fund | Cash and Investments | | Cash and Investments | |
|---------------------------------|----------------------|--------------|----------------------|------------|
| | 01-01-15 | Receipts | Disbursements | 12-31-15 |
| County General | \$ 933,985 | \$ 5,950,256 | \$ 6,414,240 | \$ 470,001 |
| After Settlement Collections | 499,159 | 579,381 | 499,159 | 579,381 |
| Sheriff's Inmate Trust | 25,236 | 177,548 | 165,043 | 37,741 |
| Jail Commissary | 34,547 | 143,914 | 161,259 | 17,202 |
| Treasurer's Change Fund | 750 | - | - | 750 |
| Clerk Trust Account | 421,009 | 2,140,500 | 2,192,366 | 369,143 |
| Clerk ISETS Account | 1,219 | 610,436 | 608,205 | 3,450 |
| Sheriff Accident Report | 926 | 170 | - | 1,096 |
| Co Share Econ Dev Inc T | 331,929 | 128,878 | 212,878 | 247,929 |
| EDIT-Co Facilities Rev Fund | 67,952 | 855,495 | 726,617 | 196,830 |
| Cities & Towns | 313 | 5,495 | 2,564 | 3,244 |
| Clerk's Perpetuation | 18,120 | 8,240 | 5,005 | 21,355 |
| COIT Distributive Shares | 328,283 | 1,587,252 | 1,274,894 | 640,641 |
| Community Correction Grant | (10,636) | 490,022 | 535,095 | (55,709) |
| Community Transition Fund | 216,044 | 94,400 | 50,779 | 259,665 |
| Sales Disclosure - County Share | 6,849 | 2,545 | - | 9,394 |
| Covered Bridges | 9,276 | 1,850 | - | 11,126 |
| Cumulative Bridge Fund | 851,375 | 747,983 | 744,308 | 855,050 |
| Cumulative Capital Development | 944,852 | 476,274 | 895,777 | 525,349 |
| Cumulative Bldg Court House | 222,727 | 29,350 | 6,481 | 245,596 |
| Cumulative Bldg Jail | 46,639 | 28,689 | 60,179 | 15,149 |
| Community Drug Free Fund | 17,121 | 19,216 | 17,120 | 19,217 |
| Local Plan & Right to Know | 341 | 3,240 | - | 3,581 |
| Emergency Telephone Fund | 24 | - | - | 24 |
| Extradition | 6,383 | - | - | 6,383 |
| Firearms Training Fund | 10,405 | 6,370 | 2,579 | 14,196 |
| Health Dept | 56,848 | 297,851 | 246,035 | 108,664 |
| Co Ident Security Protection | 192 | 1,714 | 280 | 1,626 |
| Local Health Maint Grant | 72,746 | 33,139 | 24,243 | 81,642 |
| Local Road & Streets | 840,257 | 677,728 | 658,237 | 859,748 |
| Misdemeanant Fund | 51,820 | 18,146 | 29,053 | 40,913 |
| Highway Dept | 813,154 | 1,527,592 | 1,167,174 | 1,173,572 |
| Transfer Fee Plat Books | 28,316 | 5,910 | 6,000 | 28,226 |
| Rainy Day Fund | 5,419 | - | - | 5,419 |
| 2015 Reassessment Fund | 460,204 | 157,669 | 143,393 | 474,480 |
| Recorder Perpetuation | 135,312 | 29,154 | 55,287 | 109,179 |
| County Sex Offender Fees | 7,561 | 2,133 | 99 | 9,595 |
| Public Defenders Fund | 11,293 | 9,903 | - | 21,196 |
| Excess Tax (Surplus) | 124,724 | 18,674 | 14,338 | 129,060 |
| Corners Perpetuation | 10,777 | 4,455 | 4,958 | 10,274 |
| Tax Sale | 7,162 | 176,624 | 179,624 | 4,162 |
| Tax Sale Surplus | 315,182 | 168,102 | 291,995 | 191,289 |
| GAL/CASA | 32,325 | 12,039 | 11,565 | 32,799 |
| Election & Registration | 463 | 235 | - | 698 |
| Auditors Ineligible Deductions | 5,051 | - | - | 5,051 |
| Elected Officials Training | 5,605 | 1,732 | 1,505 | 5,832 |
| Fayette County Parks | 14,437 | - | - | 14,437 |
| Statewide 911 | 405,773 | 346,488 | 500,313 | 251,948 |
| Adult Administration Fee | 14,049 | 19,428 | - | 33,477 |
| Cemetery | 13,334 | 24,059 | 25,229 | 12,164 |
| User Fees Fund | 62,435 | 4,440 | 5,308 | 61,567 |
| General Drain Improvement | 9,134 | - | - | 9,134 |
| Big Flatrock River Drain | 21,142 | 7,637 | 687 | 28,092 |
| Sheriff Sale Administration | 3,849 | 7,500 | 9,000 | 2,349 |
| Cemetery Donations | 38,520 | 2,697 | 5,033 | 36,184 |
| Courthouse Lease-Debt Svc | 200,763 | 626,988 | 471,366 | 356,385 |
| Payroll-Health Insurance | 22,825 | 423,836 | 418,985 | 27,676 |
| Payroll-Voluntary Wage Assign | - | 580 | 580 | - |
| Payroll-Deferred Compensation | - | 3,420 | 3,420 | - |
| Payroll-Federal Withholding | - | 422,829 | 422,829 | - |
| Payroll-Medicare Tax | - | 326,727 | 326,727 | - |
| Payroll-Local Option (COIT) | - | 97,891 | 97,891 | - |
| Payroll-PERF | - | 105,048 | 105,048 | - |
| Payroll-Sheriff Retirement | - | 13,740 | 13,740 | - |
| Payroll-State Withholding | - | 143,528 | 143,528 | - |
| Payroll-Union Dues | - | 5,571 | 5,571 | - |
| Payroll-Garnishment | - | 43,079 | 43,079 | - |
| Settlement | - | 19,190,499 | 19,190,499 | - |
| Wheel Tax | - | 48,482 | 47,762 | 720 |
| Wheel Surtax | - | 616,273 | 616,273 | - |
| Commercial Vehicle Excise | - | 76,353 | 76,353 | - |
| Financial Institution Tax | - | 89,844 | 89,844 | - |
| CEDIT HSC-Inventory HS Credit | 8,992 | 413,428 | 410,667 | 11,753 |
| HEA 1001-2008 St Hmstd Cr Fund | 2,540 | - | - | 2,540 |
| Homestead Credit Rebate | 14,248 | - | - | 14,248 |
| LOIT-Local Option Income Tax | 118,901 | 3,268,780 | 3,280,135 | 107,546 |
| Fines & Forfeitures | - | 11,252 | - | - |
| Infraction Judgements | 1,835 | 18,515 | 8,218 | 12,132 |
| Overweight Vehicles | 39 | 2,975 | 1,549 | 1,465 |
| Special Death Fund | 355 | 2,245 | 1,080 | 1,520 |
| Disclosure Fees | 220 | 2,575 | 1,220 | 1,575 |
| Coroners Education Fund | 170 | 2,024 | 1,170 | 1,024 |

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

| Fund | Cash and Investments 01-01-15 | Receipts | Disbursements | Cash and Investments 12-31-15 |
|--------------------------------|-------------------------------------|---------------|---------------|-------------------------------------|
| St Share Probation Transfers | 45 | 893 | 334 | 604 |
| Recorder Mortgage Fees | 115 | 1,580 | 703 | 992 |
| State Sex Offender Fees | 1 | 237 | 139 | 99 |
| Child Restraint Fee | 25 | 475 | 175 | 325 |
| Forest Restoration | - | 77 | - | 77 |
| Inheritance Tax | 4,739 | 7,581 | 7,610 | 4,710 |
| Education Plate Fee Dist | - | 300 | 225 | 75 |
| Riverboat Tax Revenue | - | 143,815 | 143,815 | - |
| Innkeepers Tax | 6,491 | 23,136 | 23,049 | 6,578 |
| COIT-County Option Income Tax | - | 3,234,122 | 3,234,122 | - |
| IV-D Private Collection | 2,531 | 5,004 | 3,667 | 3,868 |
| Prosecutor ARRA Fund | 17,237 | - | - | 17,237 |
| Clerk's ARRA Fund | 9,086 | - | - | 9,086 |
| Title IV-D Incentive Fund | 64,856 | 12,000 | 6,052 | 70,804 |
| Pros Atty Incentive IV-D | 29,910 | 18,045 | 26,848 | 21,107 |
| Clerk's Incentive IV-D | 62,557 | 12,016 | 14,507 | 60,066 |
| RICO Forfeiture | 8,750 | 5,186 | 3,699 | 10,237 |
| Southern By-Pass | 7,362 | - | - | 7,362 |
| Welfare Trust | 6 | - | - | 6 |
| Land Acquisitions | 217,157 | - | - | 217,157 |
| Courthouse Operating Fund | 340,897 | 587,000 | 513,620 | 414,277 |
| Police Pension Trust Share | 11,487 | - | - | 11,487 |
| Felony Fund | 501 | - | - | 501 |
| Sheriff Leo Fund | 2,903 | - | - | 2,903 |
| Advocate User Fees | 1,385 | - | - | 1,385 |
| Solid Waste Landfill | 2,329 | - | - | 2,329 |
| Co Offender Transportation | 2,160 | 405 | - | 2,565 |
| Administrative Fees | 16,833 | 4,450 | - | 21,283 |
| Statewide 911 City Share | - | 60,000 | - | 60,000 |
| Econ Dev payment Windfarm | - | 52,000 | - | 52,000 |
| Pretrial Diversion Fees | 9,336 | 12,330 | 5,306 | 16,360 |
| Deferrals Fees | 2,879 | 8,140 | 2,718 | 8,301 |
| Adult Prob Superior | 76,650 | 53,182 | 15,035 | 114,797 |
| Juv Prob Circuit Court | 18,447 | 1,156 | 3,790 | 15,813 |
| Adult Prob Circuit Court | 75,255 | 25,183 | 13,350 | 87,088 |
| School Pension Debt | - | 21,300 | 21,300 | - |
| School Debt Services | - | 206,096 | 206,096 | - |
| School Transportation | - | 199,274 | 199,274 | - |
| School Capital Project | - | 237,521 | 237,521 | - |
| School Bus Replacement | - | 27,925 | 27,925 | - |
| Corporation General | - | 299,310 | 299,310 | - |
| Park City | - | 33,055 | 33,055 | - |
| Cemetery City | - | 186 | 186 | - |
| Airport City | - | 4,858 | 4,858 | - |
| Cumulative Capital Dev City | - | 1,832 | 1,832 | - |
| City - Motor Vehicle Highway | - | 31,107 | 31,107 | - |
| Bioterrorism Preparedness | 3,755 | 24,039 | 20,995 | 6,799 |
| STOP Grant | (1,143) | 10,000 | 11,715 | (2,858) |
| Senior Ctr Trans Grant | - | 394,083 | 360,033 | 34,050 |
| Victim's Assistance | 15,001 | 48,605 | 47,172 | 16,434 |
| State Homeland Security | 1,045 | 32,171 | 19,023 | 14,193 |
| Emp-Emerg Mgt Performance Grt | 4 | 24,893 | 24,894 | 3 |
| 93.558 TANF Comm Corrections | - | 6,514 | 19,674 | (13,160) |
| Drug/SHOCAP | 3,824 | - | - | 3,824 |
| EARN Indiana | 248 | - | - | 248 |
| Bullet Proof Vest fund | 168 | 3,265 | - | 3,433 |
| Build Ind Orange Water | 37,922 | - | - | 37,922 |
| Neighborhood Watch | 101 | - | - | 101 |
| Dental Health Grant | 93 | - | - | 93 |
| Holdover Supervisor | 200 | - | - | 200 |
| EMA-EMPQ Grant | 6,695 | - | 4,683 | 2,012 |
| Child Care Grant | 421 | - | - | 421 |
| Prob Drug Coalition Grant | 600 | 685 | 685 | 600 |
| Tobacco Settlement Trust | 56,682 | 17,788 | 18,347 | 56,123 |
| DARE Program | 5,104 | - | - | 5,104 |
| Project Income | 404,887 | 252,160 | 251,732 | 405,315 |
| Health Vital Records | 3,123 | - | - | 3,123 |
| Bldg Foundation Grant | 59 | - | - | 59 |
| Toxic Waste Education | 175 | - | - | 175 |
| Wrk Rels/Recreation/Com | 35,074 | 15,422 | 11,198 | 39,298 |
| Probation Juvenile Drug Grant | 115 | - | - | 115 |
| Circuit Court Improvmtnt Grant | 6 | - | - | 6 |
| IN Veteran's Affairs Grant | 500 | - | - | 500 |
| Housing Rehabilitation Grant | - | 206,250 | 206,250 | - |
| Syringe Exchange Grant | - | - | 4,246 | (4,246) |
| Probation DOC Grant | - | 41,700 | 4,078 | 37,622 |
| Totals | \$ 10,489,389 | \$ 50,007,387 | \$ 49,828,642 | \$ 10,668,134 |

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

FAYETTE 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.

FAYETTE 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.

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

FAYETTE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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.

FAYETTE 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

FAYETTE 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 deficit cash balances. This is a result of reimbursable grant expenditures made by the County by December 31, 2015, for which the reimbursements had not been received.

FAYETTE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The County has entered into a capital lease with the Fayette County Indiana Building Corp (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2015 were \$641,366.

Note 9. *Other Postemployment Benefits*

The County provides to eligible retirees and their spouses the following benefits: health insurance. These benefits pose a liability to the County for this year and in future years. Information regarding these benefits can be obtained by contacting the County.

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OTHER INFORMATION - UNAUDITED

The County's Annual Financial Report information can be found on the Indiana Gateway for government units 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.

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

| | County General | After Settlement Collections | Sheriff's Inmate Trust | Jail Commissary | Treasurer's Change Fund | Clerk Trust Account | Clerk ISETS Account |
|---|-------------------|------------------------------------|------------------------------|--------------------|-------------------------------|---------------------------|---------------------------|
| Cash and investments - beginning | \$ 933,985 | \$ 499,159 | \$ 25,236 | \$ 34,547 | \$ 750 | \$ 421,009 | \$ 1,219 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | 60,362 | - | - | - | - | - | - |
| Intergovernmental receipts | 80,260 | - | - | - | - | - | - |
| Charges for services | 510,058 | - | - | - | - | - | - |
| Fines and forfeits | 81,577 | - | - | - | - | - | - |
| Other receipts | 5,217,999 | 579,381 | 177,548 | 143,914 | - | 2,140,500 | 610,436 |
| Total receipts | 5,950,256 | 579,381 | 177,548 | 143,914 | - | 2,140,500 | 610,436 |
| Disbursements: | | | | | | | |
| Personal services | 3,598,832 | - | - | - | - | - | - |
| Supplies | 465,045 | - | - | - | - | - | - |
| Other services and charges | 1,590,282 | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 957 | - | - | - | - | - | - |
| Other disbursements | 759,124 | 499,159 | 165,043 | 161,259 | - | 2,192,366 | 608,205 |
| Total disbursements | 6,414,240 | 499,159 | 165,043 | 161,259 | - | 2,192,366 | 608,205 |
| Excess (deficiency) of receipts over disbursements | (463,984) | 80,222 | 12,505 | (17,345) | - | (51,866) | 2,231 |
| Cash and investments - ending | \$ 470,001 | \$ 579,381 | \$ 37,741 | \$ 17,202 | \$ 750 | \$ 369,143 | \$ 3,450 |

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

| | Sheriff Accident Report | Co Share Econ Dev Inc T | EDIT-Co Facilities Rev Fund | Cities & Towns | Clerk's Perpetuation | COIT Distributive Shares | Community Correction Grant |
|---|-------------------------------|-------------------------------------|--------------------------------------|----------------------|-------------------------|--------------------------------|----------------------------------|
| Cash and investments - beginning | \$ 926 | \$ 331,929 | \$ 67,952 | \$ 313 | \$ 18,120 | \$ 328,283 | \$ (10,636) |
| Receipts: | | | | | | | |
| Taxes | - | 128,878 | 855,495 | - | - | 1,488,558 | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | 170 | - | - | 5,495 | 8,240 | 98,444 | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | 250 | 490,022 |
| Total receipts | 170 | 128,878 | 855,495 | 5,495 | 8,240 | 1,587,252 | 490,022 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | 5,005 | 1,274,894 | 486,890 |
| Supplies | - | - | - | - | - | - | 16,734 |
| Other services and charges | - | 84,000 | - | - | - | - | 23,048 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | 128,878 | 726,617 | 2,564 | - | - | 8,423 |
| Total disbursements | - | 212,878 | 726,617 | 2,564 | 5,005 | 1,274,894 | 535,095 |
| Excess (deficiency) of receipts over disbursements | 170 | (84,000) | 128,878 | 2,931 | 3,235 | 312,358 | (45,073) |
| Cash and investments - ending | \$ 1,096 | \$ 247,929 | \$ 196,830 | \$ 3,244 | \$ 21,355 | \$ 640,641 | \$ (55,709) |

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

| | Community Transition Fund | Sales Disclosure - County Share | Covered Bridges | Cumulative Bridge Fund | Cumulative Capital Development | Cumulative Bldg Court House | Cumulative Bldg Jail |
|---|---------------------------------|---|--------------------|------------------------------|--------------------------------------|--------------------------------------|----------------------------|
| Cash and investments - beginning | \$ 216,044 | \$ 6,849 | \$ 9,276 | \$ 851,375 | \$ 944,852 | \$ 222,727 | \$ 46,639 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 1,850 | 1,073 | 579 | 112 | 110 |
| Charges for services | - | 10 | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 94,400 | 2,535 | - | 746,910 | 475,695 | 29,238 | 28,579 |
| Total receipts | 94,400 | 2,545 | 1,850 | 747,983 | 476,274 | 29,350 | 28,689 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | 23,350 | - | - | 419,308 | 19,352 | 6,481 | 51,179 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 27,429 | - | - | - | 551,425 | - | 9,000 |
| Other disbursements | - | - | - | 325,000 | 325,000 | - | - |
| Total disbursements | 50,779 | - | - | 744,308 | 895,777 | 6,481 | 60,179 |
| Excess (deficiency) of receipts over disbursements | 43,621 | 2,545 | 1,850 | 3,675 | (419,503) | 22,869 | (31,490) |
| Cash and investments - ending | \$ 259,665 | \$ 9,394 | \$ 11,126 | \$ 855,050 | \$ 525,349 | \$ 245,596 | \$ 15,149 |

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

| | Community Drug Free Fund | Local Plan & Right to Know | Emergency Telephone Fund | Extradition | Firearms Training Fund | Health Dept | Co Ident Security Protection |
|---|-----------------------------------|--|--------------------------------|-------------|------------------------------|----------------|---------------------------------------|
| Cash and investments - beginning | \$ 17,121 | \$ 341 | \$ 24 | \$ 6,383 | \$ 10,405 | \$ 56,848 | \$ 192 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | 10,930 | - |
| Intergovernmental receipts | - | - | - | - | - | 514 | - |
| Charges for services | 19,216 | - | - | - | - | 120,077 | 1,709 |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | - | 3,240 | - | - | 6,370 | 166,330 | 5 |
| Total receipts | 19,216 | 3,240 | - | - | 6,370 | 297,851 | 1,714 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | 162,433 | - |
| Supplies | - | - | - | - | - | 1,956 | - |
| Other services and charges | 17,120 | - | - | - | - | 79,513 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | 2,579 | 2,133 | 280 |
| Total disbursements | 17,120 | - | - | - | 2,579 | 246,035 | 280 |
| Excess (deficiency) of receipts over disbursements | 2,096 | 3,240 | - | - | 3,791 | 51,816 | 1,434 |
| Cash and investments - ending | \$ 19,217 | \$ 3,581 | \$ 24 | \$ 6,383 | \$ 14,196 | \$ 108,664 | \$ 1,626 |

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

| | Local Health Maint Grant | Local Road & Streets | Misdemeanant Fund | Highway Dept | Transfer Fee Plat Books | Rainy Day Fund | 2015 Reassessment Fund |
|--|-----------------------------------|-------------------------------|----------------------|-----------------|----------------------------------|----------------------|------------------------------|
| Cash and investments - beginning | \$ 72,746 | \$ 840,257 | \$ 51,820 | \$ 813,154 | \$ 28,316 | \$ 5,419 | \$ 460,204 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | 199,615 | - | 1,526,126 | - | - | 604 |
| Charges for services | - | - | - | 130 | 5,905 | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 33,139 | 478,113 | 18,146 | 1,336 | 5 | - | 157,065 |
| Total receipts | 33,139 | 677,728 | 18,146 | 1,527,592 | 5,910 | - | 157,669 |
| Disbursements: | | | | | | | |
| Personal services | 24,243 | - | - | 825,616 | - | - | 38,930 |
| Supplies | - | 485,826 | 16,194 | 162,507 | - | - | - |
| Other services and charges | - | 26,616 | 12,859 | 123,157 | 6,000 | - | 104,463 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | 145,795 | - | 55,894 | - | - | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | 24,243 | 658,237 | 29,053 | 1,167,174 | 6,000 | - | 143,393 |
| Excess (deficiency) of receipts over disbursements | 8,896 | 19,491 | (10,907) | 360,418 | (90) | - | 14,276 |
| Cash and investments - ending | \$ 81,642 | \$ 859,748 | \$ 40,913 | \$ 1,173,572 | \$ 28,226 | \$ 5,419 | \$ 474,480 |

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

| | Recorder Perpetuation | County Sex Offender Fees | Public Defenders Fund | Excess Tax (Surplus) | Corners Perpetuation | Tax Sale | Tax Sale Surplus |
|---|--------------------------|-----------------------------------|-----------------------------|----------------------------|-------------------------|-------------|------------------------|
| Cash and investments - beginning | \$ 135,312 | \$ 7,561 | \$ 11,293 | \$ 124,724 | \$ 10,777 | \$ 7,162 | \$ 315,182 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | 9,903 | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 29,154 | 2,133 | - | 18,674 | 4,455 | 176,624 | 168,102 |
| Total receipts | 29,154 | 2,133 | 9,903 | 18,674 | 4,455 | 176,624 | 168,102 |
| Disbursements: | | | | | | | |
| Personal services | 25,419 | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 4,958 | - | - |
| Other disbursements | 29,868 | 99 | - | 14,338 | - | 179,624 | 291,995 |
| Total disbursements | 55,287 | 99 | - | 14,338 | 4,958 | 179,624 | 291,995 |
| Excess (deficiency) of receipts over disbursements | (26,133) | 2,034 | 9,903 | 4,336 | (503) | (3,000) | (123,893) |
| Cash and investments - ending | \$ 109,179 | \$ 9,595 | \$ 21,196 | \$ 129,060 | \$ 10,274 | \$ 4,162 | \$ 191,289 |

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

| | <u>GAL/CASA</u> | <u>Election & Registration</u> | <u>Auditors Ineligible Deductions</u> | <u>Elected Officials Training</u> | <u>Fayette County Parks</u> | <u>Statewide 911</u> | <u>Adult Administration Fee</u> |
|---|-----------------|--|---|---|-------------------------------------|--------------------------|---|
| Cash and investments - beginning | \$ 32,325 | \$ 463 | \$ 5,051 | \$ 5,605 | \$ 14,437 | \$ 405,773 | \$ 14,049 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | 346,488 | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 12,039 | 235 | - | 1,732 | - | - | 19,428 |
| Total receipts | 12,039 | 235 | - | 1,732 | - | 346,488 | 19,428 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | 395,001 | - |
| Supplies | 3,553 | - | - | - | - | 3,237 | - |
| Other services and charges | 7,046 | - | - | - | - | 100,272 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 966 | - | - | - | - | 1,803 | - |
| Other disbursements | - | - | - | 1,505 | - | - | - |
| Total disbursements | 11,565 | - | - | 1,505 | - | 500,313 | - |
| Excess (deficiency) of receipts over disbursements | 474 | 235 | - | 227 | - | (153,825) | 19,428 |
| Cash and investments - ending | \$ 32,799 | \$ 698 | \$ 5,051 | \$ 5,832 | \$ 14,437 | \$ 251,948 | \$ 33,477 |

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

| | Cemetery | User Fees Fund | General Drain Improvement | Big Flatrock River Drain | Sheriff Sale Administration | Cemetery Donations | Courthouse Lease-Debt Svc |
|--|-----------|----------------|---------------------------|--------------------------|-----------------------------|--------------------|---------------------------|
| Cash and investments - beginning | \$ 13,334 | \$ 62,435 | \$ 9,134 | \$ 21,142 | \$ 3,849 | \$ 38,520 | \$ 200,763 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | 7,637 | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | 92 | - | - | - | - | - | 2,078 |
| Charges for services | - | 4,440 | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 23,967 | - | - | - | 7,500 | 2,697 | 624,910 |
| Total receipts | 24,059 | 4,440 | - | 7,637 | 7,500 | 2,697 | 626,988 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | 604 | - | - | - | - | - | - |
| Other services and charges | 24,625 | - | - | 687 | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | 471,366 |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | 5,308 | - | - | 9,000 | 5,033 | - |
| Total disbursements | 25,229 | 5,308 | - | 687 | 9,000 | 5,033 | 471,366 |
| Excess (deficiency) of receipts over disbursements | (1,170) | (868) | - | 6,950 | (1,500) | (2,336) | 155,622 |
| Cash and investments - ending | \$ 12,164 | \$ 61,567 | \$ 9,134 | \$ 28,092 | \$ 2,349 | \$ 36,184 | \$ 356,385 |

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

| | Payroll-Health Insurance | Payroll-Voluntary Wage Assign | Payroll-Deferred Compensation | Payroll-Federal Withholding | Payroll-Medicare Tax | Payroll-Local Option (COIT) |
|---|-----------------------------|-------------------------------------|----------------------------------|--------------------------------|-------------------------|-----------------------------------|
| Cash and investments - beginning | \$ 22,825 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | 29 | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 423,807 | 580 | 3,420 | 422,829 | 326,727 | 97,891 |
| Total receipts | 423,836 | 580 | 3,420 | 422,829 | 326,727 | 97,891 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 418,985 | 580 | 3,420 | 422,829 | 326,727 | 97,891 |
| Total disbursements | 418,985 | 580 | 3,420 | 422,829 | 326,727 | 97,891 |
| Excess (deficiency) of receipts over disbursements | 4,851 | - | - | - | - | - |
| Cash and investments - ending | \$ 27,676 | \$ - | \$ - | \$ - | \$ - | \$ - |

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

| | <u>Payroll-PERF</u> | <u>Payroll-Sheriff Retirement</u> | <u>Payroll-State Withholding</u> | <u>Payroll-Union Dues</u> | <u>Payroll-Garnishment</u> | <u>Settlement</u> |
|---|---------------------|---------------------------------------|--------------------------------------|-------------------------------|----------------------------|-------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 105,048 | 13,740 | 143,528 | 5,571 | 43,079 | 19,190,499 |
| Total receipts | <u>105,048</u> | <u>13,740</u> | <u>143,528</u> | <u>5,571</u> | <u>43,079</u> | <u>19,190,499</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 105,048 | 13,740 | 143,528 | 5,571 | 43,079 | 19,190,499 |
| Total disbursements | <u>105,048</u> | <u>13,740</u> | <u>143,528</u> | <u>5,571</u> | <u>43,079</u> | <u>19,190,499</u> |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | - |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

| | Wheel Tax | Wheel Surtax | Commercial Vehicle Excise | Financial Institution Tax | CEDIT HSC-Inventory HS Credit | HEA 1001-2008 St Hmstd Cr Fund | Homestead Credit Rebate |
|---|--------------|-----------------|---------------------------------|---------------------------------|--|--|-------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ 8,992 | \$ 2,540 | \$ 14,248 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | 410,638 | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | 89,844 | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 48,482 | 616,273 | 76,353 | - | 2,790 | - | - |
| Total receipts | 48,482 | 616,273 | 76,353 | 89,844 | 413,428 | - | - |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | 47,762 | 616,273 | 76,353 | 89,844 | 410,667 | - | - |
| Total disbursements | 47,762 | 616,273 | 76,353 | 89,844 | 410,667 | - | - |
| Excess (deficiency) of receipts over disbursements | 720 | - | - | - | 2,761 | - | - |
| Cash and investments - ending | \$ 720 | \$ - | \$ - | \$ - | \$ 11,753 | \$ 2,540 | \$ 14,248 |

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

| | LOIT-Local Option Income Tax | Fines & Forfeitures | Infraction Judgements | Overweight Vehicles | Special Death Fund | Disclosure Fees | Coroners Education Fund |
|---|---------------------------------------|---------------------------|--------------------------|------------------------|--------------------------|--------------------|-------------------------------|
| Cash and investments - beginning | \$ 118,901 | \$ - | \$ 1,835 | \$ 39 | \$ 355 | \$ 220 | \$ 170 |
| Receipts: | | | | | | | |
| Taxes | 3,234,122 | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | 18,515 | 2,975 | - | 2,575 | - |
| Fines and forfeits | - | 11,252 | - | - | - | - | - |
| Other receipts | 34,658 | - | - | - | 2,245 | - | 2,024 |
| Total receipts | 3,268,780 | 11,252 | 18,515 | 2,975 | 2,245 | 2,575 | 2,024 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | 3,280,135 | 11,252 | 8,218 | 1,549 | 1,080 | 1,220 | 1,170 |
| Total disbursements | 3,280,135 | 11,252 | 8,218 | 1,549 | 1,080 | 1,220 | 1,170 |
| Excess (deficiency) of receipts over disbursements | (11,355) | - | 10,297 | 1,426 | 1,165 | 1,355 | 854 |
| Cash and investments - ending | \$ 107,546 | \$ - | \$ 12,132 | \$ 1,465 | \$ 1,520 | \$ 1,575 | \$ 1,024 |

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

| | St Share Probation Transfers | Recorder Mortgage Fees | State Sex Offender Fees | Child Restraint Fee | Forest Restoration | Inheritance Tax | Education Plate Fee Dist |
|---|---------------------------------------|------------------------------|----------------------------------|---------------------------|-----------------------|--------------------|-----------------------------------|
| Cash and investments - beginning | \$ 45 | \$ 115 | \$ 1 | \$ 25 | \$ - | \$ 4,739 | \$ - |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | 475 | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 893 | 1,580 | 237 | - | 77 | 7,581 | 300 |
| Total receipts | 893 | 1,580 | 237 | 475 | 77 | 7,581 | 300 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | 334 | 703 | 139 | 175 | - | 7,610 | 225 |
| Total disbursements | 334 | 703 | 139 | 175 | - | 7,610 | 225 |
| Excess (deficiency) of receipts over disbursements | 559 | 877 | 98 | 300 | 77 | (29) | 75 |
| Cash and investments - ending | \$ 604 | \$ 992 | \$ 99 | \$ 325 | \$ 77 | \$ 4,710 | \$ 75 |

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

| | Riverboat Tax Revenue | Innkeepers Tax | COIT-County Option Income Tax | IV-D Private Collection | Prosecutor ARRA Fund | Clerk's ARRA Fund | Title IV-D Incentive Fund |
|---|-----------------------------|-------------------|--|-------------------------------|----------------------------|-------------------------|------------------------------------|
| Cash and investments - beginning | \$ - | \$ 6,491 | \$ - | \$ 2,531 | \$ 17,237 | \$ 9,086 | \$ 64,856 |
| Receipts: | | | | | | | |
| Taxes | - | - | 3,234,122 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | 143,815 | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | - | 23,136 | - | 5,004 | - | - | 12,000 |
| Total receipts | 143,815 | 23,136 | 3,234,122 | 5,004 | - | - | 12,000 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | 143,815 | 23,049 | 3,234,122 | 3,667 | - | - | 6,052 |
| Total disbursements | 143,815 | 23,049 | 3,234,122 | 3,667 | - | - | 6,052 |
| Excess (deficiency) of receipts over disbursements | - | 87 | - | 1,337 | - | - | 5,948 |
| Cash and investments - ending | \$ - | \$ 6,578 | \$ - | \$ 3,868 | \$ 17,237 | \$ 9,086 | \$ 70,804 |

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

| | Pros Atty Incentive IV-D | Clerk's Incentive IV-D | RICO Forfeiture | Southern By-Pass | Welfare Trust | Land Acquisitions | Courthouse Operating Fund |
|---|-----------------------------------|------------------------------|--------------------|---------------------|------------------|----------------------|---------------------------------|
| Cash and investments - beginning | \$ 29,910 | \$ 62,557 | \$ 8,750 | \$ 7,362 | \$ 6 | \$ 217,157 | \$ 340,897 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | 587,000 |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | 18,045 | 12,016 | 5,186 | - | - | - | - |
| Total receipts | 18,045 | 12,016 | 5,186 | - | - | - | 587,000 |
| Disbursements: | | | | | | | |
| Personal services | 10,841 | - | - | - | - | - | 26,104 |
| Supplies | - | - | - | - | - | - | 2,706 |
| Other services and charges | - | - | 3,699 | - | - | - | 314,810 |
| Debt service - principal and interest | - | - | - | - | - | - | 170,000 |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | 16,007 | 14,507 | - | - | - | - | - |
| Total disbursements | 26,848 | 14,507 | 3,699 | - | - | - | 513,620 |
| Excess (deficiency) of receipts over disbursements | (8,803) | (2,491) | 1,487 | - | - | - | 73,380 |
| Cash and investments - ending | \$ 21,107 | \$ 60,066 | \$ 10,237 | \$ 7,362 | \$ 6 | \$ 217,157 | \$ 414,277 |

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

| | Police Pension Trust Share | Felony Fund | Sheriff Leo Fund | Advocate User Fees | Solid Waste Landfill | Co Offender Transportation | Administrative Fees |
|---|-------------------------------------|----------------|------------------------|--------------------------|----------------------------|----------------------------------|------------------------|
| Cash and investments - beginning | \$ 11,487 | \$ 501 | \$ 2,903 | \$ 1,385 | \$ 2,329 | \$ 2,160 | \$ 16,833 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | 4,450 |
| Other receipts | - | - | - | - | - | 405 | - |
| Total receipts | - | - | - | - | - | 405 | 4,450 |
| 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 | - | - | - | - | - | 405 | 4,450 |
| Cash and investments - ending | \$ 11,487 | \$ 501 | \$ 2,903 | \$ 1,385 | \$ 2,329 | \$ 2,565 | \$ 21,283 |

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

| | Statewide 911 City Share | Econ Dev payment Windfarm | Pretrial Diversion Fees | Deferral Fees | Adult Prob Superior | Juv Prob Circuit Court | Adult Prob Circuit Court |
|---|-----------------------------------|------------------------------------|-------------------------------|------------------|---------------------------|---------------------------------|-----------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ 9,336 | \$ 2,879 | \$ 76,650 | \$ 18,447 | \$ 75,255 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | 60,000 | - | 12,330 | 8,140 | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Other receipts | - | 52,000 | - | - | 53,182 | 1,156 | 25,183 |
| Total receipts | 60,000 | 52,000 | 12,330 | 8,140 | 53,182 | 1,156 | 25,183 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | 221 | 72 | 1,411 | - | 3,294 |
| Other services and charges | - | - | 4,585 | 2,196 | 13,624 | 3,790 | 7,687 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | 500 | 450 | - | - | 2,369 |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | - | - | 5,306 | 2,718 | 15,035 | 3,790 | 13,350 |
| Excess (deficiency) of receipts over disbursements | 60,000 | 52,000 | 7,024 | 5,422 | 38,147 | (2,634) | 11,833 |
| Cash and investments - ending | \$ 60,000 | \$ 52,000 | \$ 16,360 | \$ 8,301 | \$ 114,797 | \$ 15,813 | \$ 87,088 |

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

| | School Pension Debt | School Debt Services | School Transporation | School Capital Project | School Bus Replacement | Corporation General |
|---|---------------------------|----------------------------|-------------------------|------------------------------|------------------------------|------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 21,300 | 206,096 | 199,274 | 237,521 | 27,925 | 299,310 |
| Total receipts | 21,300 | 206,096 | 199,274 | 237,521 | 27,925 | 299,310 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 21,300 | 206,096 | 199,274 | 237,521 | 27,925 | 299,310 |
| Total disbursements | 21,300 | 206,096 | 199,274 | 237,521 | 27,925 | 299,310 |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | - |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

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

| | Park City | Cemetery City | Airport City | Cumulative Capital Dev City | City - Motor Vehicle Highway | Bioterrorism Preparedness |
|---|---------------|------------------|-----------------|--------------------------------------|--|------------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,755 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 33,055 | 186 | 4,858 | 1,832 | 31,107 | 24,039 |
| Total receipts | <u>33,055</u> | <u>186</u> | <u>4,858</u> | <u>1,832</u> | <u>31,107</u> | <u>24,039</u> |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | 19,234 |
| Supplies | - | - | - | - | - | 620 |
| Other services and charges | - | - | - | - | - | 1,141 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Other disbursements | 33,055 | 186 | 4,858 | 1,832 | 31,107 | - |
| Total disbursements | <u>33,055</u> | <u>186</u> | <u>4,858</u> | <u>1,832</u> | <u>31,107</u> | <u>20,995</u> |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | - | 3,044 |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,799</u> |

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

| | STOP Grant | Senior Ctr Trans Grant | Victim's Assistance | State Homeland Security | Emp-Emerg Mgt Performance Grt | 93.558 TANF Comm Corrections |
|--|-------------------|---------------------------------|------------------------|-------------------------------|--|---------------------------------------|
| Cash and investments - beginning | \$ (1,143) | \$ - | \$ 15,001 | \$ 1,045 | \$ 4 | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 10,000 | 394,083 | 48,605 | 32,171 | 24,893 | 6,514 |
| Total receipts | <u>10,000</u> | <u>394,083</u> | <u>48,605</u> | <u>32,171</u> | <u>24,893</u> | <u>6,514</u> |
| Disbursements: | | | | | | |
| Personal services | 11,715 | - | 45,581 | - | - | 10,675 |
| Supplies | - | - | 1,591 | - | - | 4,193 |
| Other services and charges | - | 218,773 | - | 129 | 935 | 4,806 |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | 141,260 | - | 18,894 | 6,421 | - |
| Other disbursements | - | - | - | - | 17,538 | - |
| Total disbursements | <u>11,715</u> | <u>360,033</u> | <u>47,172</u> | <u>19,023</u> | <u>24,894</u> | <u>19,674</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,715)</u> | <u>34,050</u> | <u>1,433</u> | <u>13,148</u> | <u>(1)</u> | <u>(13,160)</u> |
| Cash and investments - ending | <u>\$ (2,858)</u> | <u>\$ 34,050</u> | <u>\$ 16,434</u> | <u>\$ 14,193</u> | <u>\$ 3</u> | <u>\$ (13,160)</u> |

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

| | Drug/SHOCAP | EARN Indiana | Bullet Proof Vest fund | Build Ind Orange Water | Neighborhood Watch | Dental Health Grant |
|---|-------------|-----------------|---------------------------------|---------------------------------|-----------------------|---------------------------|
| Cash and investments - beginning | \$ 3,824 | \$ 248 | \$ 168 | \$ 37,922 | \$ 101 | \$ 93 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | 3,265 | - | - | - |
| Total receipts | - | - | 3,265 | - | - | - |
| 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 | - | - | 3,265 | - | - | - |
| Cash and investments - ending | \$ 3,824 | \$ 248 | \$ 3,433 | \$ 37,922 | \$ 101 | \$ 93 |

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

| | Holdover Supervisor | EMA-EMPQ Grant | Child Care Grant | Prob Drug Coalition Grant | Tobacco Settlement Trust | DARE Program |
|---|------------------------|-------------------|------------------------|------------------------------------|--------------------------------|-----------------|
| Cash and investments - beginning | \$ 200 | \$ 6,695 | \$ 421 | \$ 600 | \$ 56,682 | \$ 5,104 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | - | - | - | 685 | 17,788 | - |
| Total receipts | - | - | - | 685 | 17,788 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | 1,351 | - | 685 | 9,539 | - |
| Other services and charges | - | 716 | - | - | 734 | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | 2,616 | - | - | 8,074 | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | 4,683 | - | 685 | 18,347 | - |
| Excess (deficiency) of receipts over disbursements | - | (4,683) | - | - | (559) | - |
| Cash and investments - ending | \$ 200 | \$ 2,012 | \$ 421 | \$ 600 | \$ 56,123 | \$ 5,104 |

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

| | Project Income | Health Vital Records | Bldg Foundation Grant | Toxic Waste Education | Wrk Rels/Recreation/Com | Probation Juvenile Drug Grant |
|---|-------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|--|
| Cash and investments - beginning | \$ 404,887 | \$ 3,123 | \$ 59 | \$ 175 | \$ 35,074 | \$ 115 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | 243,737 | - | - | - | 15,422 | - |
| Fines and forfeits | - | - | - | - | - | - |
| Other receipts | 8,423 | - | - | - | - | - |
| Total receipts | 252,160 | - | - | - | 15,422 | - |
| Disbursements: | | | | | | |
| Personal services | 166,164 | - | - | - | - | - |
| Supplies | 2,127 | - | - | - | 8,648 | - |
| Other services and charges | 82,981 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 1,616 | - |
| Other disbursements | 460 | - | - | - | 934 | - |
| Total disbursements | 251,732 | - | - | - | 11,198 | - |
| Excess (deficiency) of receipts over disbursements | 428 | - | - | - | 4,224 | - |
| Cash and investments - ending | \$ 405,315 | \$ 3,123 | \$ 59 | \$ 175 | \$ 39,298 | \$ 115 |

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

| | Circuit Court Improvmt Grant | IN Veteran's Affairs Grant | Housing Rehabilitaion Grant | Syringe Exchange Grant | Probation DOC Grant | Totals |
|---|---------------------------------------|-------------------------------------|-----------------------------------|------------------------------|---------------------------|---------------|
| Cash and investments - beginning | \$ 6 | \$ 500 | \$ - | \$ - | \$ - | \$ 10,489,389 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | 9,946,450 |
| Licenses and permits | - | - | - | - | - | 71,292 |
| Intergovernmental receipts | - | - | - | - | - | 2,046,672 |
| Charges for services | - | - | - | - | - | 1,494,483 |
| Fines and forfeits | - | - | - | - | - | 97,279 |
| Other receipts | - | - | 206,250 | - | 41,700 | 36,351,211 |
| Total receipts | - | - | 206,250 | - | 41,700 | 50,007,387 |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | 4,078 | 7,131,655 |
| Supplies | - | - | - | 3,775 | - | 1,195,889 |
| Other services and charges | - | - | - | - | - | 3,379,964 |
| Debt service - principal and interest | - | - | - | - | - | 641,366 |
| Capital outlay | - | - | - | 471 | - | 980,898 |
| Other disbursements | - | - | 206,250 | - | - | 36,498,870 |
| Total disbursements | - | - | 206,250 | 4,246 | 4,078 | 49,828,642 |
| Excess (deficiency) of receipts over disbursements | - | - | - | (4,246) | 37,622 | 178,745 |
| Cash and investments - ending | \$ 6 | \$ 500 | \$ - | \$ (4,246) | \$ 37,622 | \$ 10,668,134 |

FAYETTE COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2015

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-------------------------|----------------------------|
| Governmental activities | <u>\$ 453,161</u> | <u>\$ 121,128</u> |

FAYETTE COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2015

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|--------------------------------------|---|----------------------------|----------------------------|-------------------------|
| Governmental activities: | | | | |
| Fifth Third Equipment Finance | Purchase of 5 Dump Trucks for Highway Dept. | \$ 145,795 | 8/1/2012 | 8/1/2016 |
| Fayette County Indiana Building Corp | Courthouse Renovation and Addition | <u>640,000</u> | 6/30/2014 | 1/15/2028 |
| Total of annual lease payments | | <u>\$ 785,795</u> | | |

FAYETTE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2015

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

| | Ending Balance |
|------------------------------------|----------------------|
| Governmental activities: | |
| Land | \$ 626,392 |
| Infrastructure | 12,385,009 |
| Buildings | 15,745,275 |
| Machinery, equipment, and vehicles | 6,709,183 |
| Construction in progress | <u>475,560</u> |
| Total governmental activities | <u>35,941,419</u> |
| Total capital assets | <u>\$ 35,941,419</u> |

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF FAYETTE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Fayette County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

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

(Continued)


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 did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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


Paul D. Joyce, CPA
State Examiner

February 20, 2018

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

| Federal Grantor Agency Cluster/Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Pass-Through To Subrecipient | Total Federal Awards Expended |
|--|---|---------------------------|---|---------------------------------|--------------------------------------|
| <u>Department of Housing and Urban Development</u> | | | | | |
| Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Housing Rehabilitation Grant | Indiana Housing and Community Development Authority | 14.228 | DR2OR-013-014 | \$ - | \$ 206,250 |
| Total - Department of Housing and Urban Development | | | | - | 206,250 |
| <u>Department of Justice</u> | | | | | |
| Equitable Sharing Program RICO Forfeiture | Direct Grant | 16.922 | N/A | - | 5,186 |
| Total - Equitable Sharing Program | | | | - | 5,186 |
| Crime Victim Assistance Victims Assistance Grant | Indiana Criminal Justice Institute | 16.575 | EDS# D3-14-8509 | - | 48,605 |
| Total - Crime Victim Assistance | | | | - | 48,605 |
| Violence Against Women Formula Grants STOP Grant | Indiana Criminal Justice Institute | 16.588 | EDS# D3-15-9100 | - | 10,000 |
| Total - Violence Against Women Formula Grants | | | | - | 10,000 |
| Total - Department of Justice | | | | - | 58,605 |
| <u>Department of Transportation</u> | | | | | |
| Highway Planning and Construction Cluster Highway Planning and Construction | Indiana Department of Transportation | 20.205 | DES#0100364 DES#1173578 DES#1383454 | - - - | 22,218 44,800 71,193 |
| Total - Highway Planning and Construction Cluster | | | | - | 138,211 |
| Federal Transit Cluster Bus and Bus Facilities Formula Program | Indiana Department of Transportation | 20.526 | EDS# A249-15-320516 | 88,870 | 88,870 |
| Total - Federal Transit Cluster | | | | 88,870 | 88,870 |
| Formula Grants for Rural Areas Senior Center Public Transportation Grant Senior Center Public Transportation Grant ARRA Capital Grant Award | Indiana Department of Transportation | 20.509 | EDS#A249-14-320405 EDS#A249-14-320405 EDS# A249-15-320516 | 36,445 100,284 86,440 | 36,445 100,284 86,440 |
| Total - Formula Grants for Rural Areas | | | | 223,169 | 223,169 |
| Total - Department of Transportation | | | | 312,039 | 450,250 |
| <u>Department of Health and Human Services</u> | | | | | |
| TANF Cluster Temporary Assistance for Needy Families | Indiana Department of Health | 93.558 | EDS# D12-16-101-TANF | - | 6,514 |
| Total - TANF Cluster | | | | - | 6,514 |
| Public Health Emergency Preparedness 2015 Public Health Emergency Preparedness (PHEP) Cooperative Agreement | Indiana Department of Health | 93.069 | #40093074PHEPA16 | - | 3,213 |
| Total - Public Health Emergency Preparedness | | | | - | 3,213 |
| Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Bioterrorism Preparedness | Indiana Department of Health | 93.074 | A70-5-0532417 | - | 18,693 |
| Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | | | | - | 18,693 |
| Child Support Enforcement Title IV-D Reimbursement to County General IV-D Incentive Funds Prosecutor's IV-D Incentive Clerk's IV-D Incentive | Indiana Department of Child Services | 93.563 | N/A N/A N/A N/A | - - - - | 200,265 6,052 26,849 14,507 |
| Total - Child Support Enforcement | | | | - | 247,673 |
| Total - Department of Health and Human Services | | | | - | 276,093 |
| <u>Department of Homeland Security</u> | | | | | |
| Hazard Mitigation Grant Homeland Security | Indiana Department of Homeland Security | 97.039 | C44P-5-663B | - | 13,148 |
| Emergency Management Performance Grants Emergency Management Performance Grants | Indiana Department of Homeland Security | 97.042 | C44P-5-710B EDS#C44P-5-478B | - - | 17,538 7,354 |
| Total - Emergency Management Performance Grants | | | | - | 24,892 |
| State Homeland Security Grant Program (SHSP) Homeland Security | Indiana Department of Homeland Security | 97.073 | EDS# C44P-5-582B | - | 19,023 |
| Total - Department of Homeland Security | | | | - | 57,063 |
| Total federal awards expended | | | | \$ 312,039 | \$ 1,053,447 |

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

FAYETTE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The County has elected to not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

FAYETTE 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? | no |
| Significant deficiencies identified? | none reported |
| Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? | no |

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

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

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

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

Section II - Financial Statement Findings

FINDING 2015-001

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

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2014-001.

FAYETTE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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). There were not adequate controls in place, such as an oversight, review, or approval process, to ensure the accuracy of the information that was entered into the Indiana Gateway for government units financial system (Gateway), which is the source of the SEFA.

Context

The lack of controls was a systemic problem throughout the audit period. Due to the lack of controls, the SEFA contained the following errors: there were three programs that were omitted from the SEFA and four programs which were reported on the SEFA with errors. The SEFA was understated in total by \$393,317.

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

Criteria

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

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

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

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

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

2 CFR 200.510(b) states:

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

FAYETTE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within 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 prevent, or detect and correct, errors on the SEFA.

Views of Responsible Officials

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

FINDING 2015-002

Subject: Financial Transactions and Reporting
Audit Findings: Material Weakness, Noncompliance

FAYETTE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding numbers were 2014-002, 2014-003, and 2014-004.

Condition

There were several deficiencies in the internal control system of the County related to Financial Transactions and Reporting.

County Auditor

Lack of Segregation of Duties: The County Auditor's office had not separated incompatible activities related to Financial Transactions and Reporting.

Financial Transactions and Reporting: The County Auditor's office prepared and submitted the financial information into the Gateway financial system, which is the source of the Annual Financial Report (AFR) and financial statement. The County Auditor's office did not have effective controls to verify the accuracy of the financial information prior to submission.

Clerk of the Circuit Court

Lack of Segregation of Duties: The Clerk of the Circuit Court's office had not separated incompatible activities related to Financial Transactions and Reporting and Cash and Investments.

Financial Transactions and Reporting: The Clerk of the Circuit Court had not separated incompatible activities related to receipts and disbursements. One employee was responsible for preparing and making bank deposits, reconciling daily cash collections, and issuing checks.

Cash and Investment: One employee was responsible for performing the reconciliation of the depository account balance with the record balance. There were no controls in place such as an oversight, review, or approval process of the bank reconcilements.

County Treasurer

Lack of Segregation of Duties: The County Treasurer's office had not separated incompatible activities related to Cash and Investments.

Cash and Investment: One employee was responsible for performing the reconciliation of the depository account balance with the record balance. There were no controls in place such as an oversight, review, or approval process of the bank reconcilements.

Context

The lack of controls was a systemic problem throughout the audit period. Due to the lack of controls, the County's AFR and financial statement contained the following errors: the beginning balances were understated \$981,920, total receipts were understated \$3,651,779, total disbursements were understated \$3,626,031, and the ending balance was understated \$1,007,667.

Audit adjustments were proposed, accepted by the County, and made to the AFR and financial statement.

FAYETTE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

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

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

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8.7."

Cause

Management of the County had not established a proper system of internal control over Financial Transactions and Reporting.

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, over Financial Transactions and Reporting.

Views of Responsible Officials

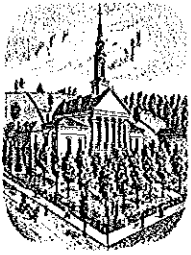
For the views of responsible officials, refer to the Corrective Action Plans that are part of this report.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENTS

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



FAYETTE COUNTY, INDIANA
OFFICE OF THE AUDITOR, JANE E. DOWNARD

401 N. CENTRAL AVENUE, CONNERSVILLE, IN 47331
(765) 825-8987 OFFICE; (765) 827-4936 FAX

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-001

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Jane Downard, Auditor
Contact Phone Number: 765-825-8987

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

The County did not have an effective system of internal controls in place to prevent, or detect and correct, material errors on the Schedule of Expenditures of Federal Awards (SEFA).
The County has submitted a Corrective Action Plan that going forward, prior to submitting the SEFA on the Annual Financial Report, Auditor will have a member of county council and, when appropriate, the county's grant administrator, review the Schedule of Expenditures of Federal Awards.

FINDING 2014-002

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Jane Downard, Auditor
Contact Phone Number: 765-825-8987

Status of Audit Finding: Subject: Internal Controls over Financial Transactions and Reporting – Auditor
Audit Findings: Material Weakness, Other Matters

The County did not have an effective system of internal controls in place to prevent, or detect and correct, material errors on the Annual Financial Report.
The County has submitted a Corrective Action Plan that going forward, prior to submitting the Annual Financial Report, Auditor will have a member of county council and, when appropriate, the county's grant administrator, review the Schedule of Expenditures of Federal Awards.



(Signature)

Auditor

(Title)

January 24, 2018

(Date)



Summary Schedule of Prior Audit Findings

Finding 2014-003

Fiscal year in which the finding initially occurred: 2014

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

Contact Person Responsible for Corrective Action: Melinda Sudhoff, Clerk

Contact Phone Number: 765-222-1554

**Status of Audit Finding: Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness**

There were several deficiencies in the internal control system of the Clerk of the Circuit Court related to financial transactions and reporting and cash and investment.

1. **Lack of Segregation of Duties:** The Clerk's office had not separated incompatible activities related to financial transactions and reporting and cash and investment.
2. **Monitoring of Controls:** The Clerk had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting would have required the Clerk to monitor and assess the quality of the internal control system.

The Clerk has submitted a Corrective Action Plan that going forward, Clerk has implemented a segregation of duties, randomly assigned daily transactions, and verified daily deposits. These controls are monitored in order to ascertain compliance.

Melinda Sudhoff

Fayette Co. Clerk

1/30/18

Fayette County Treasurer

Lavonda M. Glover, Treasurer
401 Central Avenue
Connersville, IN 47331
(765)825-1013, FAX (765)825-7393

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-004 (Auditor Assigned Reference Number)

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Lavonda M. Glover, Treasurer
Contact Phone Number: 765-825-1013

Status of Audit Finding: Subject: Financial Transactions and Reporting – County Treasurer
Audit Finding: Material Weakness

There were several deficiencies in the internal control system of the County Treasurer related to financial transactions and reporting and cash and investment.
The County has submitted a Corrective Action Plan that going forward, the bank's reconcilements will be performed by the 2nd deputy and printed in hard copy, and reviewed and stamped and dated by the Treasurer before filing away. Bank reconcilements will be performed to balance with the cash book on a monthly basis and maintain all bank accounts be recorded on cash book as noted. Measures will be taken in the Treasurer's Office to correct this and prevent future deficiencies as a part of internal controls. Complete and accurate reconciliation is the highest priority of this office. I, as treasurer, will seek out the assistance needed to maintain accurate monthly reports as to be distributed to the appropriate offices.



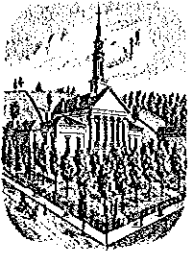
(Signature)

Treasurer

(Title)

January 30, 2018

(Date)



FAYETTE COUNTY, INDIANA
OFFICE OF THE AUDITOR, JANE E. DOWNARD

401 N. CENTRAL AVENUE, CONNERSVILLE, IN 47331
(765) 825-8987 OFFICE; (765) 827-4936 FAX

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Jane Downard
Contact Phone Number: (765) 825-8987

We concur with Finding 2015-001.

Description of Corrective Action Plan:

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

Going forward, prior to submitting the Annual Financial Report, Auditor will have a member of county council and, when appropriate, the county's grant administrator, review the Schedule of Expenditures of Federal Awards.

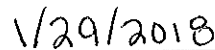
Anticipated Completion Date: This will be done in 2018 when the Annual Financial Report for 2017 is prepared and submitted.



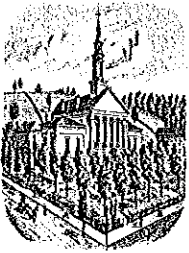
Jane E. Downard



Auditor
Title



1/29/2018
Date



FAYETTE COUNTY, INDIANA
OFFICE OF THE AUDITOR, JANE E. DOWNARD

401 N. CENTRAL AVENUE, CONNERSVILLE, IN 47331
(765) 825-8987 OFFICE; (765) 827-4936 FAX

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Jane Downard
Contact Phone Number: (765) 825-8987

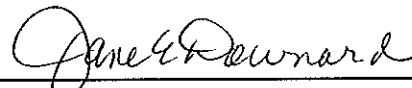
We concur with Finding 2015-002.

Description of Corrective Action Plan:

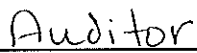
The County did not have an effective system of internal control in place over the Annual Financial Report.

Going forward, prior to submitting the Annual Financial Report, Auditor will have a member of county council and, when appropriate, the county's grant administrator, review the Annual Financial Report.

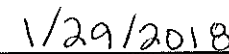
Anticipated Completion Date: This will be done in 2018 when the Annual Financial Report for 2017 is prepared and submitted.



Jane E. Downard



Title



Date

Fayette County Treasurer

Lavonda M. Glover, Treasurer
401 Central Avenue
Connersville, IN 47331

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Lavonda M. Glover
Contact Phone Number: 765-825-1013

Views of Responsible Official: Based upon the reviews of the prior Treasurer, I concur with the Findings.

Description of Corrective Action Plan: Corrective efforts will be put into place from the date of this letter moving forward and be in pursuant to the Corrective Action Plan.

Segregation of Duties: The bank's reconcilements will be performed by the 2nd deputy and printed in hard copy, and reviewed and stamped and dated by the Treasurer before filing away. Bank reconcilements will be performed to balance with the cash book on a monthly basis and maintain all bank accounts be recorded on cash book as noted. Measures will be taken in the Treasurer's Office to correct this and prevent future deficiencies as a part of internal controls. Complete and accurate reconciliation is the highest priority of this office. I, as treasurer, will seek out the assistance needed to maintain accurate monthly reports as to be distributed to the appropriate offices.

Anticipated Completion Date: The corrective action plan will begin immediately and continue from this audit forward.



(Signature)

Treasurer

(Title)

February 12, 2018

(Date)

Fayette County Clerk

Melinda Sudhoff



Fayette County Government Center
401 Central Avenue
Connersville, IN 47331

Phone: 765-825-1813
Fax: 765-827-4902
Email: clerk@co.fayette.in.us

CORRECTIVE ACTION PLAN

RE: FINDING 2015-002

Melinda Sudhoff, Fayette County Clerk
Contact Phone Number: 765-222-1554

To Whom it may Concern:

Upon receiving notice of the lack of segregation of duties from the State Board of Accounts, I have reviewed the finding and concur with the audit.

Description of Corrective Action Plan:

In order to correct the deficiencies, we have implemented a segregation of duties. One person is no longer responsible for the complete daily closeout of financial transactions. We have four persons who have been trained to perform these duties. Each transaction is assigned randomly and is never the same individual daily. As an example: when one person prints checks then another person verifies the check register and the amounts of each check while another individual deposits the checks in the mail. There is no longer an established "routine". Bank reconcilments are also reviewed by several individuals. Our daily deposits are verified upon the return of the individual by another individual who thereby initials the deposit slip.

Anticipated Completion Date: The segregation of duties and the monitoring of controls have been established and are hereby completed as of this date.

Melinda Sudhoff

(Signature)

Fayette County Clerk

(Title)

1/23/18

(Date)

OTHER REPORTS

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