

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

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



**FILED**  
08/16/2018



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
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 <i>Government Auditing Standards</i> .....	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	10-11
Notes to Financial Statement .....	12-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	20-39
Schedule of Payables and Receivables .....	40
Schedule of Leases and Debt .....	41
Schedule of Capital Assets .....	42
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance .....	44-45
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards .....	48-49
Notes to Schedule of Expenditures of Federal Awards .....	50
Schedule of Findings and Questioned Costs .....	51-55
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings .....	58-63
Corrective Action Plan .....	64-66
Other Reports .....	67

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Patricia K. Ball	01-01-15 to 12-31-18
County Treasurer	Elaine Wellman	01-01-15 to 12-31-18
Clerk of the Circuit Court	Janice Williams	01-01-15 to 12-31-18
County Sheriff	Jerry Harbstreit	01-01-15 to 12-31-18
County Recorder	Jamie Chapman	01-01-13 to 12-31-20
President of the Board of County Commissioners	Michael Taylor Nathan Gabhart	01-01-16 to 12-31-16 01-01-17 to 12-31-18
President of the County Council	Mike Myers Mike Sprinkle Mike Myers	01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18



**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](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF DAVIESS COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of Daviess County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement as listed in the Table of Contents.

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

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2016.

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2016, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

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


*Other Information*

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of 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 August 2, 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

August 2, 2018



**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](http://www.in.gov/sboa)

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

TO: THE OFFICIALS OF DAVIESS 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 Daviess County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement, and have issued our report thereon dated August 2, 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 2016-001 and 2016-002, 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 item 2016-001.

**Daviess County's Response to Findings**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

August 2, 2018

(This page intentionally left blank.)

## 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.

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

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
Sheriff's Inmate Trust	\$ 12,182	\$ 766,643	\$ 755,785	\$ 23,040
Jail Commissary	6,702	101,607	89,765	18,544
Clerk's Trust	750,352	2,490,311	2,405,119	835,544
General	2,680,227	21,584,964	11,212,431	13,052,760
Accident Report	15,696	1,029	-	16,725
Aviation	1,063,972	276,003	203,673	1,136,302
CAGIT - Special Legislation	3,072,599	1,507,347	2,565,870	2,014,076
CAGIT County Certified Shares	11,017,267	3,691,910	14,709,177	-
CEDIT County Share	474,088	1,221,265	1,017,000	678,353
City and Town Court Costs	30,097	8,143	-	38,240
Clerk's Records Perpetuation	23,473	20,457	-	43,930
Community Corrections	249,659	153,544	241,597	161,606
Community Transition Program	22,849	24,551	24,108	23,292
Convention Visitor and Tourism Promotion	175	193,304	193,479	-
Sales Disclosure - County Share	49,716	3,620	-	53,336
Cumulative Bridge	2,184,233	1,661,286	741,314	3,104,205
Cumulative Capital Development	2,373,702	713,500	753,190	2,334,012
Drug Free Community	32,634	23,203	31,557	24,280
Emergency Planning/Right To Know	6,168	6,523	6,110	6,581
Firearms Training	11,982	16,380	7,039	21,323
Health	477,296	437,495	440,204	474,587
Identification Security Protection	12,619	2,419	2,472	12,566
Levy Excess	121	-	-	121
Local Road and Street	42,606	257,361	244,675	55,292
Misdemeanant	58,147	19,631	15,683	62,095
Motor Vehicle Highway	4,552,197	3,899,394	3,179,502	5,272,089
Rainy Day	1,479,269	550,535	47,039	1,982,765
Recorder's Records Perpetuation	482,813	49,168	72,544	459,437
Riverboat	460,811	135,746	144,131	452,426
Sheriff's Pension Trust	-	20,376	20,376	-
Supplemental Public Defender Services	99,405	66,817	71,811	94,411
Surplus Tax	37	15,511	15,538	10
Surveyor's Corner Perpetuation	24,972	6,460	-	31,432
Tax Sale Fees	2,573	-	-	2,573
Tax Sale Redemption	669	49,180	48,767	1,082
Tax Sale Surplus	78,329	318,475	317,726	79,078
GAL/CASA	7,377	42,489	9,024	40,842
Auditors Ineligible Deductions	75,191	-	-	75,191
County Elected Officials Training	9,449	2,420	674	11,195
County Offender Transportation Fund	1,688	562	-	2,250
Statewide 911	543,470	406,709	389,226	560,953
LOIT 2016 Special Distribution	-	3,403,285	3,403,285	-
Juvenile Probation Administrative	130,709	6,860	8,035	129,534
Supplemental Adult Probation Services	511,933	149,964	44,437	617,460
Law Enf. Cont. Ed to Be Disburse	47,866	5,456	5,456	47,866
Drainage Maintenance	219,656	75,688	59,775	235,569
Drug Buy Money	21,562	10,283	10,674	21,171
Donation Strategic Resp. Unit	3,176	-	-	3,176
TIF Debt Service	-	1,482,000	1,482,000	-
TIF Capital Projects South Washington	3	1	-	4
Payroll Clearing	35,972	5,408,968	5,417,378	27,562
Settlement	2	17,585,850	17,585,852	-
Wheel Tax	-	140,416	140,416	-
Sur Tax	-	540,943	540,943	-
CVET Agency	-	306,558	306,558	-
Sewage Collections	-	28,639	28,639	-
Financial Institution Tax	-	201,964	201,964	-
CEDIT Homestead Credit	24,990	1,515,567	1,516,648	23,909
State Fines and Forfeitures	4,055	20,400	24,455	-
Infraction Judgements	769	15,708	13,557	2,920
Special Death Benefit	135	2,830	2,569	396

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

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
Sales Disclosure - State Share	350	3,620	3,315	655
Coroners Training & Con't Education	184	3,330	3,060	454
Interstate Compact - State Share	-	688	688	-
Mortgage Recording Fees - State Share	208	2,725	2,473	460
Education Plate Fees Agency	-	338	338	-
Riverboat Revenue Sharing	-	187,474	187,051	423
CAGIT Distribution	-	6,029,389	6,029,389	-
CEDIT Distribution	-	1,515,567	1,515,567	-
County LOIT 2016 Special Distribution	-	1,651,604	1,000,000	651,604
93.563 Prosecutor PCA	1,756	629	597	1,788
93.563 ARRA Clerk IV-D Incentive	17	-	17	-
93.563 Title IV-D Incentive	62,874	13,404	14,519	61,759
93.563 Prosecutor IV-D Incentive-Post Oct '99	110,783	20,171	5,258	125,696
93.563 Clerk IV-D Incentive-Post Oct '99	63,719	13,404	8,538	68,585
Public Health Emerg. Re	206	3,478	5,152	(1,468)
C.O.P.S. More	249	-	249	-
Homeland Security 1 Grant	9,750	-	9,750	-
Airport Improvement	11,797	29,308	12,038	29,067
Emerg Management Peror	-	47,160	47,160	-
Sheriff Federal Enforce	65,475	7,714	31,239	41,950
Prosecutor Federal Enforcement	8,680	-	-	8,680
Community Corrections Grant	(82,031)	534,655	520,721	(68,097)
Local Health Maintenance Grant	61,388	49,710	33,086	78,012
L.H.D. Trust Account	8,264	30,229	20,000	18,493
Boater Safety Education	1,604	15,000	13,831	2,773
Shoreline Stabilization Grant	94	-	-	94
Adult Protective Services	(6,404)	123,429	132,609	(15,584)
Daviess County Park Board	2,119	-	-	2,119
Sheriff Law Enforce.Cont.Ed.Pr	223	606	-	829
Community Corrections Proj. Inc.	53,979	128,939	130,520	52,398
West Boggs	76,640	955,014	1,009,046	22,608
West Boggs Donation Fund	3,189	-	-	3,189
Park Non-Revert. Capital	1,905	59,843	20,173	41,575
TIF Capital Projects-GPC Redev.	753,672	198,556	520,890	431,338
TIF Capital Projects-Westgate	100,535	91,660	99,675	92,520
Donations-Rescue Boat	5,122	-	2,610	2,512
Donations-New Jail	295	54	349	-
Donations-Training Dog	1,806	31,610	30,616	2,800
Donations-Computer Equipment	3,500	-	3,500	-
Donations-Car Seat Safety	703	-	703	-
Jury Fee	56,266	4,367	-	60,633
Pre-Trial Diversion Prog. Fee	134,471	116,739	81,769	169,441
City User Fees - Deferral	-	6,380	6,380	-
Elnora Users Fees - Deferral	-	1,540	1,540	-
TIF Capital Projects - Legends	124,578	47,488	148,100	23,966
Treasurer	821,540	804,323	821,540	804,323
Prosecuting Attorney Trust	123	39,320	39,320	123
Reassessment-2017	1,463,045	427,171	291,186	1,599,030
ARRA State Broadband Data and Development Grant	1,000	-	-	1,000
Comm. Cert. Sale Fees	-	13,000	11,050	1,950
Certificate Sale Surplus	1,635	1,342	-	2,977
Daviess County Vaccine Program	34	-	-	34
Odon Deferral	-	110	110	-
Donations R.A.R.E. Program	-	5,000	4,616	384
Local Road & Bridge Match	-	2,000,000	993,479	1,006,521
Lively Lakefront Playground	-	2,000	-	2,000
<b>Totals</b>	<b>\$ 37,412,983</b>	<b>\$ 86,865,806</b>	<b>\$ 84,583,064</b>	<b>\$ 39,695,725</b>

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

DAVIESS 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 nonbusinesses that must be licensed before doing business within the government's jurisdiction, or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

*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,

DAVISS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

*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.

DAVIESS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's 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.

**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.

DAVISS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

DAVISS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. County Police Retirement Plan*

*Plan Description*

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

*Funding Policy*

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

*C. County Police Benefit Plan*

*Plan Description*

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

*Funding Policy*

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

**Note 7. Cash Balance Deficits**

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

**Note 8. Holding Corporation**

The County has entered into a capital lease with Daviess County Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2016 totaled \$563,000.

DAVIESS COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Subsequent Events**

On January 10, 2018, the County approved Ordinance No. 2018-1 authorizing the issuance and sale of bonds of the County for the purpose of providing funds to be applied on the cost of the construction of a new county courthouse annex building.

On January 23, 2018, the County approved the Local Income Tax Revenue Bonds, Series 2018 for \$4,965,000 for the purpose of paying the costs of the construction of an approximately 35,000 square foot new county courthouse annex building.

On February 14, 2018, the County accepted the low bid for the construction of a new county courthouse annex building from Jasper Lumber, for \$5,696,869.

(This page intentionally left blank.)

#### 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.

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

	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	General	Accident Report	Aviation
Cash and investments - beginning	\$ 12,182	\$ 6,702	\$ 750,352	\$ 2,680,227	\$ 15,696	\$ 1,063,972
Receipts:						
Taxes	-	-	-	18,374,046	-	118,444
Licenses and permits	-	-	-	6,550	-	-
Intergovernmental receipts	-	-	-	1,400,081	-	10,657
Charges for services	-	-	-	1,426,418	1,029	146,851
Fines and forfeits	-	-	-	109,113	-	-
Other receipts	766,643	101,607	2,490,311	268,756	-	51
Total receipts	766,643	101,607	2,490,311	21,584,964	1,029	276,003
Disbursements:						
Personal services	-	-	-	8,815,664	-	55,350
Supplies	-	-	-	447,694	-	79,831
Other services and charges	-	-	-	1,190,482	-	66,766
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	325,780	-	749
Other disbursements	755,785	89,765	2,405,119	432,811	-	977
Total disbursements	755,785	89,765	2,405,119	11,212,431	-	203,673
Excess (deficiency) of receipts over disbursements	10,858	11,842	85,192	10,372,533	1,029	72,330
Cash and investments - ending	\$ 23,040	\$ 18,544	\$ 835,544	\$ 13,052,760	\$ 16,725	\$ 1,136,302

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

	CAGIT - Special Legislation	CAGIT County Certified Shares	CEDIT County Share	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections
Cash and investments - beginning	\$ 3,072,599	\$ 11,017,267	\$ 474,088	\$ 30,097	\$ 23,473	\$ 249,659
Receipts:						
Taxes	1,507,347	2,987,059	1,081,265	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	696,828	-	-	-	-
Charges for services	-	-	140,000	-	-	153,544
Fines and forfeits	-	-	-	8,143	20,457	-
Other receipts	-	8,023	-	-	-	-
Total receipts	1,507,347	3,691,910	1,221,265	8,143	20,457	153,544
Disbursements:						
Personal services	-	994,947	-	-	-	172,989
Supplies	-	5,695	-	-	-	-
Other services and charges	2,870	948,477	95,500	-	-	68,570
Debt service - principal and interest	2,563,000	-	639,000	-	-	-
Capital outlay	-	2,228,783	-	-	-	-
Other disbursements	-	10,531,275	282,500	-	-	38
Total disbursements	2,565,870	14,709,177	1,017,000	-	-	241,597
Excess (deficiency) of receipts over disbursements	(1,058,523)	(11,017,267)	204,265	8,143	20,457	(88,053)
Cash and investments - ending	\$ 2,014,076	\$ -	\$ 678,353	\$ 38,240	\$ 43,930	\$ 161,606

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

	Community Transition Program	Convention Visitor and Tourism Promotion	Sales Disclosure - County Share	Cumulative Bridge	Cumulative Capital Development	Drug Free Community
Cash and investments - beginning	\$ 22,849	\$ 175	\$ 49,716	\$ 2,184,233	\$ 2,373,702	\$ 32,634
Receipts:						
Taxes	-	193,304	-	1,107,941	293,641	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	99,684	419,859	-
Charges for services	24,551	-	3,620	42,826	-	-
Fines and forfeits	-	-	-	-	-	23,203
Other receipts	-	-	-	410,835	-	-
Total receipts	24,551	193,304	3,620	1,661,286	713,500	23,203
Disbursements:						
Personal services	10,304	-	-	175,061	-	-
Supplies	45	-	-	204,128	-	-
Other services and charges	2,873	193,479	-	266,924	-	31,557
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	10,886	-	-	95,201	753,190	-
Other disbursements	-	-	-	-	-	-
Total disbursements	24,108	193,479	-	741,314	753,190	31,557
Excess (deficiency) of receipts over disbursements	443	(175)	3,620	919,972	(39,690)	(8,354)
Cash and investments - ending	\$ 23,292	\$ -	\$ 53,336	\$ 3,104,205	\$ 2,334,012	\$ 24,280

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

	Emergency Planning/Right To Know	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Road and Street
Cash and investments - beginning	\$ 6,168	\$ 11,982	\$ 477,296	\$ 12,619	\$ 121	\$ 42,606
Receipts:						
Taxes	-	-	152,990	-	-	-
Licenses and permits	-	16,380	-	-	-	-
Intergovernmental receipts	-	-	13,764	-	-	246,518
Charges for services	6,523	-	234,087	2,419	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	36,654	-	-	10,843
Total receipts	6,523	16,380	437,495	2,419	-	257,361
Disbursements:						
Personal services	-	-	266,641	-	-	-
Supplies	-	-	6,146	-	-	244,675
Other services and charges	6,110	-	27,264	2,472	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	6,157	-	-	-
Other disbursements	-	7,039	133,996	-	-	-
Total disbursements	6,110	7,039	440,204	2,472	-	244,675
Excess (deficiency) of receipts over disbursements	413	9,341	(2,709)	(53)	-	12,686
Cash and investments - ending	\$ 6,581	\$ 21,323	\$ 474,587	\$ 12,566	\$ 121	\$ 55,292

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

	<u>Misdemeanant</u>	<u>Motor Vehicle Highway</u>	<u>Rainy Day</u>	<u>Recorder's Records Perpetuation</u>	<u>Riverboat</u>	<u>Sheriff's Pension Trust</u>
Cash and investments - beginning	\$ 58,147	\$ 4,552,197	\$ 1,479,269	\$ 482,813	\$ 460,811	\$ -
Receipts:						
Taxes	-	-	550,535	-	135,746	-
Licenses and permits	-	111,360	-	-	-	-
Intergovernmental receipts	-	3,316,867	-	-	-	-
Charges for services	-	417,498	-	47,454	-	-
Fines and forfeits	-	-	-	-	-	20,376
Other receipts	19,631	53,669	-	1,714	-	-
Total receipts	19,631	3,899,394	550,535	49,168	135,746	20,376
Disbursements:						
Personal services	15,683	1,296,672	-	5,021	-	-
Supplies	-	1,184,987	47,039	-	12,335	-
Other services and charges	-	255,234	-	67,523	43,550	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	442,429	-	-	-	-
Other disbursements	-	180	-	-	88,246	20,376
Total disbursements	15,683	3,179,502	47,039	72,544	144,131	20,376
Excess (deficiency) of receipts over disbursements	3,948	719,892	503,496	(23,376)	(8,385)	-
Cash and investments - ending	\$ 62,095	\$ 5,272,089	\$ 1,982,765	\$ 459,437	\$ 452,426	\$ -

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

	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Fees	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 99,405	\$ 37	\$ 24,972	\$ 2,573	\$ 669	\$ 78,329
Receipts:						
Taxes	-	15,511	-	-	49,180	318,475
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	6,460	-	-	-
Fines and forfeits	66,817	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	66,817	15,511	6,460	-	49,180	318,475
Disbursements:						
Personal services	71,811	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	15,538	-	-	48,767	317,726
Total disbursements	71,811	15,538	-	-	48,767	317,726
Excess (deficiency) of receipts over disbursements	(4,994)	(27)	6,460	-	413	749
Cash and investments - ending	\$ 94,411	\$ 10	\$ 31,432	\$ 2,573	\$ 1,082	\$ 79,078

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

	<u>GAL/CASA</u>	<u>Auditors Ineligible Deductions</u>	<u>County Elected Officials Training</u>	<u>County Offender Transportation Fund</u>	<u>Statewide 911</u>	<u>LOIT 2016 Special Distribution</u>
Cash and investments - beginning	\$ 7,377	\$ 75,191	\$ 9,449	\$ 1,688	\$ 543,470	\$ -
Receipts:						
Taxes	-	-	-	-	406,709	3,403,285
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	26,419	-	-	-	-	-
Charges for services	-	-	2,420	-	-	-
Fines and forfeits	850	-	-	562	-	-
Other receipts	15,220	-	-	-	-	-
Total receipts	<u>42,489</u>	<u>-</u>	<u>2,420</u>	<u>562</u>	<u>406,709</u>	<u>3,403,285</u>
Disbursements:						
Personal services	-	-	-	-	70,000	-
Supplies	1,168	-	-	-	-	-
Other services and charges	7,412	-	-	-	14,458	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	444	-	-	-	304,768	-
Other disbursements	-	-	674	-	-	3,403,285
Total disbursements	<u>9,024</u>	<u>-</u>	<u>674</u>	<u>-</u>	<u>389,226</u>	<u>3,403,285</u>
Excess (deficiency) of receipts over disbursements	<u>33,465</u>	<u>-</u>	<u>1,746</u>	<u>562</u>	<u>17,483</u>	<u>-</u>
Cash and investments - ending	<u>\$ 40,842</u>	<u>\$ 75,191</u>	<u>\$ 11,195</u>	<u>\$ 2,250</u>	<u>\$ 560,953</u>	<u>\$ -</u>

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

	Juvenile Probation Administrative	Supplemental Adult Probation Services	Law Enf. Cont. Ed to Be Disburse	Drainage Maintenance	Drug Buy Money	Donation Strategic Resp. Unit
Cash and investments - beginning	\$ 130,709	\$ 511,933	\$ 47,866	\$ 219,656	\$ 21,562	\$ 3,176
Receipts:						
Taxes	-	-	-	75,688	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	6,860	149,864	5,456	-	563	-
Other receipts	-	100	-	-	9,720	-
Total receipts	6,860	149,964	5,456	75,688	10,283	-
Disbursements:						
Personal services	-	16,245	-	-	-	-
Supplies	-	8,191	-	-	-	-
Other services and charges	8,035	19,721	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	111	-	-	-	-
Other disbursements	-	169	5,456	59,775	10,674	-
Total disbursements	8,035	44,437	5,456	59,775	10,674	-
Excess (deficiency) of receipts over disbursements	(1,175)	105,527	-	15,913	(391)	-
Cash and investments - ending	\$ 129,534	\$ 617,460	\$ 47,866	\$ 235,569	\$ 21,171	\$ 3,176

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

	TIF Debt Service	TIF Capital Projects South Washington	Payroll Clearing	Settlement	Wheel Tax	Sur Tax
Cash and investments - beginning	\$ -	\$ 3	\$ 35,972	\$ 2	\$ -	\$ -
Receipts:						
Taxes	1,482,000	1	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	140,416	540,943
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	5,408,968	17,585,850	-	-
Total receipts	<u>1,482,000</u>	<u>1</u>	<u>5,408,968</u>	<u>17,585,850</u>	<u>140,416</u>	<u>540,943</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,482,000	-	5,417,378	17,585,852	140,416	540,943
Total disbursements	<u>1,482,000</u>	<u>-</u>	<u>5,417,378</u>	<u>17,585,852</u>	<u>140,416</u>	<u>540,943</u>
Excess (deficiency) of receipts over disbursements	-	1	(8,410)	(2)	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 27,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	CVET Agency	Sewage Collections	Financial Institution Tax	CEDIT Homestead Credit	State Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 24,990	\$ 4,055	\$ 769
Receipts:						
Taxes	-	-	-	1,515,567	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	306,558	-	201,964	-	-	-
Charges for services	-	28,639	-	-	-	-
Fines and forfeits	-	-	-	-	20,400	15,708
Other receipts	-	-	-	-	-	-
Total receipts	<u>306,558</u>	<u>28,639</u>	<u>201,964</u>	<u>1,515,567</u>	<u>20,400</u>	<u>15,708</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	24,455	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	306,558	28,639	201,964	1,516,648	-	13,557
Total disbursements	<u>306,558</u>	<u>28,639</u>	<u>201,964</u>	<u>1,516,648</u>	<u>24,455</u>	<u>13,557</u>
Excess (deficiency) of receipts over disbursements	-	-	-	(1,081)	(4,055)	2,151
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,909</u>	<u>\$ -</u>	<u>\$ 2,920</u>

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

	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Education Plate Fees Agency
Cash and investments - beginning	\$ 135	\$ 350	\$ 184	\$ -	\$ 208	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	3,620	3,330	-	2,725	-
Fines and forfeits	2,830	-	-	688	-	-
Other receipts	-	-	-	-	-	338
Total receipts	2,830	3,620	3,330	688	2,725	338
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,569	3,315	3,060	688	2,473	338
Total disbursements	2,569	3,315	3,060	688	2,473	338
Excess (deficiency) of receipts over disbursements	261	305	270	-	252	-
Cash and investments - ending	\$ 396	\$ 655	\$ 454	\$ -	\$ 460	\$ -

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

	Riverboat Revenue Sharing	CAGIT Distribution	CEDIT Distribution	County LOIT 2016 Special Distribution	93.563 Prosecutor PCA	93.563 ARRA Clerk IV-D Incentive
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,756	\$ 17
Receipts:						
Taxes	187,474	4,522,042	1,515,567	1,651,604	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	1,507,347	-	-	-	-
Charges for services	-	-	-	-	629	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>187,474</u>	<u>6,029,389</u>	<u>1,515,567</u>	<u>1,651,604</u>	<u>629</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	1,000,000	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>187,051</u>	<u>6,029,389</u>	<u>1,515,567</u>	<u>-</u>	<u>597</u>	<u>17</u>
Total disbursements	<u>187,051</u>	<u>6,029,389</u>	<u>1,515,567</u>	<u>1,000,000</u>	<u>597</u>	<u>17</u>
Excess (deficiency) of receipts over disbursements	<u>423</u>	<u>-</u>	<u>-</u>	<u>651,604</u>	<u>32</u>	<u>(17)</u>
Cash and investments - ending	<u>\$ 423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 651,604</u>	<u>\$ 1,788</u>	<u>\$ -</u>

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

	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Public Health Emerg. Re	C.O.P.S. More	Homeland Security 1 Grant
Cash and investments - beginning	\$ 62,874	\$ 110,783	\$ 63,719	\$ 206	\$ 249	\$ 9,750
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	3,478	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	13,404	20,171	13,404	-	-	-
Total receipts	13,404	20,171	13,404	3,478	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	5,152	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	14,519	5,258	8,538	-	249	9,750
Total disbursements	14,519	5,258	8,538	5,152	249	9,750
Excess (deficiency) of receipts over disbursements	(1,115)	14,913	4,866	(1,674)	(249)	(9,750)
Cash and investments - ending	\$ 61,759	\$ 125,696	\$ 68,585	\$ (1,468)	\$ -	\$ -

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

	Airport Improvement	Emerg Management Peror	Sheriff Federal Enforce	Prosecutor Federal Enforcement	Community Corrections Grant	Local Health Maintenance Grant
Cash and investments - beginning	\$ 11,797	\$ -	\$ 65,475	\$ 8,680	\$ (82,031)	\$ 61,388
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	29,308	-	-	-	219,366	-
Charges for services	-	47,160	-	-	-	49,710
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	7,714	-	315,289	-
Total receipts	<u>29,308</u>	<u>47,160</u>	<u>7,714</u>	<u>-</u>	<u>534,655</u>	<u>49,710</u>
Disbursements:						
Personal services	-	-	-	-	461,042	25,122
Supplies	-	-	-	-	7,835	643
Other services and charges	12,038	-	-	-	51,736	2,138
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	47,160	-	-	108	4,264
Other disbursements	-	-	31,239	-	-	919
Total disbursements	<u>12,038</u>	<u>47,160</u>	<u>31,239</u>	<u>-</u>	<u>520,721</u>	<u>33,086</u>
Excess (deficiency) of receipts over disbursements	<u>17,270</u>	<u>-</u>	<u>(23,525)</u>	<u>-</u>	<u>13,934</u>	<u>16,624</u>
Cash and investments - ending	<u>\$ 29,067</u>	<u>\$ -</u>	<u>\$ 41,950</u>	<u>\$ 8,680</u>	<u>\$ (68,097)</u>	<u>\$ 78,012</u>

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

	L.H.D. Trust Account	Boater Safety Education	Shoreline Stabilization Grant	Adult Protective Services	Daviess County Park Board	Sheriff Law Enforce.Cont.Ed.Pr
Cash and investments - beginning	\$ 8,264	\$ 1,604	\$ 94	\$ (6,404)	\$ 2,119	\$ 223
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	30,229	15,000	-	123,429	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	606
Other receipts	-	-	-	-	-	-
Total receipts	<u>30,229</u>	<u>15,000</u>	<u>-</u>	<u>123,429</u>	<u>-</u>	<u>606</u>
Disbursements:						
Personal services	20,000	12,681	-	126,078	-	-
Supplies	-	563	-	84	-	-
Other services and charges	-	587	-	3,772	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	2,675	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>20,000</u>	<u>13,831</u>	<u>-</u>	<u>132,609</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>10,229</u>	<u>1,169</u>	<u>-</u>	<u>(9,180)</u>	<u>-</u>	<u>606</u>
Cash and investments - ending	<u>\$ 18,493</u>	<u>\$ 2,773</u>	<u>\$ 94</u>	<u>\$ (15,584)</u>	<u>\$ 2,119</u>	<u>\$ 829</u>

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

	Community Corrections Proj. Inc.	West Boggs	West Boggs Donation Fund	Park Non-Revert. Capital	TIF Capital Projects-GPC Redev.	TIF Capital Projects-Westgate
Cash and investments - beginning	\$ 53,979	\$ 76,640	\$ 3,189	\$ 1,905	\$ 753,672	\$ 100,535
Receipts:						
Taxes	-	-	-	-	198,556	91,660
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	103,416	927,532	-	59,843	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	25,523	27,482	-	-	-	-
Total receipts	128,939	955,014	-	59,843	198,556	91,660
Disbursements:						
Personal services	130,393	447,294	-	-	-	-
Supplies	-	73,657	-	-	-	-
Other services and charges	-	360,277	-	-	4,250	99,675
Debt service - principal and interest	-	-	-	-	516,640	-
Capital outlay	-	90,714	-	-	-	-
Other disbursements	127	37,104	-	20,173	-	-
Total disbursements	130,520	1,009,046	-	20,173	520,890	99,675
Excess (deficiency) of receipts over disbursements	(1,581)	(54,032)	-	39,670	(322,334)	(8,015)
Cash and investments - ending	\$ 52,398	\$ 22,608	\$ 3,189	\$ 41,575	\$ 431,338	\$ 92,520

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

	Donations-Rescue Boat	Donations-New Jail	Donations-Training Dog	Donations-Computer Equipment	Donations-Car Seat Safety
Cash and investments - beginning	\$ 5,122	\$ 295	\$ 1,806	\$ 3,500	\$ 703
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	54	31,610	-	-
Total receipts	-	54	31,610	-	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	2,610	349	30,616	3,500	703
Total disbursements	2,610	349	30,616	3,500	703
Excess (deficiency) of receipts over disbursements	(2,610)	(295)	994	(3,500)	(703)
Cash and investments - ending	\$ 2,512	\$ -	\$ 2,800	\$ -	\$ -

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

	Jury Fee	Pre-Trial Diversion Prog. Fee	City User Fees - Deferral	Elnora Users Fees - Deferral	TIF Capital Projects - Legends	Treasurer
Cash and investments - beginning	\$ 56,266	\$ 134,471	\$ -	\$ -	\$ 124,578	\$ 821,540
Receipts:						
Taxes	-	-	-	-	47,488	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	4,367	104,865	6,380	1,540	-	-
Other receipts	-	11,874	-	-	-	804,323
Total receipts	4,367	116,739	6,380	1,540	47,488	804,323
Disbursements:						
Personal services	-	21,290	-	-	-	-
Supplies	-	6,199	-	-	-	-
Other services and charges	-	30,916	-	-	148,100	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	13,556	-	-	-	-
Other disbursements	-	9,808	6,380	1,540	-	821,540
Total disbursements	-	81,769	6,380	1,540	148,100	821,540
Excess (deficiency) of receipts over disbursements	4,367	34,970	-	-	(100,612)	(17,217)
Cash and investments - ending	\$ 60,633	\$ 169,441	\$ -	\$ -	\$ 23,966	\$ 804,323

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

	Prosecuting Attorney Trust	Reassessment-2017	ARRA State Broadband Data and Development Grant	Comm. Cert. Sale Fees	Certificate Sale Surplus
Cash and investments - beginning	\$ 123	\$ 1,463,045	\$ 1,000	\$ -	\$ 1,635
Receipts:					
Taxes	-	382,474	-	13,000	1,342
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	34,412	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	39,320	10,285	-	-	-
Total receipts	39,320	427,171	-	13,000	1,342
Disbursements:					
Personal services	-	146,180	-	-	-
Supplies	-	3,241	-	-	-
Other services and charges	-	96,588	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	45,177	-	-	-
Other disbursements	39,320	-	-	11,050	-
Total disbursements	39,320	291,186	-	11,050	-
Excess (deficiency) of receipts over disbursements	-	135,985	-	1,950	1,342
Cash and investments - ending	\$ 123	\$ 1,599,030	\$ 1,000	\$ 1,950	\$ 2,977

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

	Daviess County Vaccine Program	Odon Deferral	Donations R.A.R.E. Program	Local Road & Bridge Match	Lively Lakefront Playground	Totals
Cash and investments - beginning	\$ 34	\$ -	\$ -	\$ -	\$ -	\$ 37,412,983
Receipts:						
Taxes	-	-	-	-	-	42,379,941
Licenses and permits	-	-	-	-	-	134,290
Intergovernmental receipts	-	-	-	1,000,000	2,000	10,381,649
Charges for services	-	-	-	1,000,000	-	4,885,782
Fines and forfeits	-	110	-	-	-	569,758
Other receipts	-	-	5,000	-	-	28,514,386
Total receipts	-	110	5,000	2,000,000	2,000	86,865,806
Disbursements:						
Personal services	-	-	-	-	-	13,356,468
Supplies	-	-	-	-	-	2,334,156
Other services and charges	-	-	-	993,479	-	6,152,440
Debt service - principal and interest	-	-	-	-	-	3,718,640
Capital outlay	-	-	-	-	-	4,372,152
Other disbursements	-	110	4,616	-	-	54,649,208
Total disbursements	-	110	4,616	993,479	-	84,583,064
Excess (deficiency) of receipts over disbursements	-	-	384	1,006,521	2,000	2,282,742
Cash and investments - ending	\$ 34	\$ -	\$ 384	\$ 1,006,521	\$ 2,000	\$ 39,695,725

DAVISS COUNTY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2016

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 821,579</u>	<u>\$ 770,616</u>

DAVISS COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Dav. Co. Economic Dev. Found. Inc.	Economic Development	\$ 191,000	9/29/2011	2/1/2026
Caterpillar Financial Services Corporation	2016 140M3Grader SN 0729 & 0731	53,388	11/1/2016	1/1/2020
Caterpillar Financial Services Corporation	2014 M316D Cat Excavator SN 0338	23,838	6/1/2014	8/1/2019
Daviess County Building Corporation	Jail Construction	564,500	6/21/2016	7/1/2023
Kansas State Bank of Manhattan	Digital Voice Recording Equipment	<u>7,315</u>	6/7/2013	6/5/2017
Total governmental activities		<u>840,041</u>		
Total of annual lease payments		<u>\$ 840,041</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Taxable Econ Dev Income Tax Rev Bond 2006 Series A EG&G	\$ 755,000	\$ 193,600
Revenue bonds	Taxable Econ Dev Income Tax Rev Bond 2006 OLON	1,705,000	440,488
Revenue bonds	Econ Dev Taxable Rev Bond Series 1999 GPC	761,503	1,482,000
Revenue bonds	Economic Development Revenue Bonds Series 2014	<u>1,900,000</u>	<u>-</u>
Total governmental activities		<u>5,121,503</u>	<u>2,116,088</u>
Totals		<u>\$ 5,121,503</u>	<u>\$ 2,116,088</u>

DAVISS COUNTY  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2016

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 714,286
Infrastructure	105,750,143
Buildings	17,855,572
Improvements other than buildings	34,259,203
Machinery, equipment, and vehicles	<u>8,412,283</u>
 Total governmental activities	 <u>166,991,487</u>
 Total capital assets	 <u>\$ 166,991,487</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](http://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 DAVIESS COUNTY, INDIANA

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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, 2016.

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. 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

August 2, 2018

(This page intentionally left blank.)

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.

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed 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 ADA Courthouse	Indiana Office of Community and Rural Affairs	14.228	B14DC180001PF-14-101	\$ -	\$ 343,438
Total - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				-	343,438
Total - Department of Housing and Urban Development				-	343,438
<u>Department of the Interior</u>					
Fish and Wildlife Cluster					
Wildlife Restoration and Basic Hunter Education Wildlife Restoration and Basic Hunter Education	Indiana Department of Natural Resources	15.611	300FW1A22D46000	-	1,422
Total - Fish and Wildlife Cluster				-	1,422
Historic Preservation Fund Grants-in-Aid Stained Glass Project - Courthouse	Division of Historic Preservation and Archaeology	15.904	18-15-FFY-06	-	40,858
Total - Department of the Interior				-	42,280
<u>Department of Justice</u>					
Equitable Sharing Program Sheriff Federal Enforcement	Direct grant	16.922	M-17-A44-P-504123	-	15,721
Total - Department of Justice				-	15,721
<u>Department of Labor</u>					
Unemployment Insurance	Indiana Department of Workforce Development	17.225	2016	-	60
Total - Department of Labor				-	60
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	IN Dept of Transportation				
Cannelburg Phase II		20.205	DES 1005974	-	159,818
Cannelburg Phase III		20.205	DES 1383329	-	70,915
Cannelburg ROW Phase III CAGIT		20.205	DES 1383329	-	696,828
Cannelburg Phase II Utilities		20.205	DES 1005974	-	7,002
Bridge Inspections		20.205	DES 1382190	-	29,365
Cannelburg Right of Way Phase III		20.205	DES 1383329	-	285,794
Total - Highway Planning and Construction				-	1,249,722
Total - Highway Planning and Construction Cluster				-	1,249,782

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through To Subrecipient	Total Federal Awards Expended
Airport Improvement Program	Direct grant	20.106	1786016	-	25,663
Airport Improvement Program					
Interagency Hazardous Materials Public Sector Training and Planning Grants LEPC	Indiana Department of Homeland Security	20.703	HMP-0498-15-01-00	-	2,540
Total - Department of Transportation				-	1,277,925
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreement Public Health Emergency Preparedness	Indiana State Department of Health	93.069	5U90TP517024-08	-	3,478
Child Support Enforcement	Indiana Department of Child Services				
ARRA - County Clerk's Expense		93.563	2016	-	17
Collection Incentives County		93.563	2016	-	14,519
County Prosecutor's Expense		93.563	2016	-	201,740
Clerk's Expense		93.563	2016	-	40,394
Court Expense		93.563	2016	-	26,832
Indirect Cost		93.563	2016	-	83,564
Collection Incentives Clerk		93.563	2016	-	8,538
Collection Incentives Prosecutor		93.563	2016	-	5,258
Total - Child Support Enforcement				-	380,862
Total - Department of Health and Human Services				-	384,340
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance Boater Safety Education	Indiana Department of Natural Resources	97.012	EDS# E11-15-006	-	7,777
Emergency Management Performance Grants	Indiana Department of Homeland Security				
2014 EMPG Salary Reimbursement		97.042	EDS# C44P-5-7048	-	27,699
Inventory Management Tracking Software		97.042	EMW-2015-EP-00037	-	5,111
ATV Slide in Skid Unit		97.042	EMW-2015-EP-00037	-	11,049
Radio Reprogramming		97.042	EMW-2016-SS-00078	-	9,750
Total - Emergency Management Performance Grants				-	53,609
Homeland Security Grant Program Equipment	Indiana Department of Homeland Security	97.067	EMW-2015-SS-00049	-	31,000
Total - Department of Homeland Security				-	92,386
Total federal awards expended				\$ -	\$ 2,156,150

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

DAVIESS COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2016. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

**Note 2. Summary of Significant Accounting Policies**

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

DAVISS 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 deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding disclosed that is 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
93.563	Highway Planning and Construction Cluster Child Support Enforcement	Unmodified Unmodified

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

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

**Section II - Financial Statement Findings**

**FINDING 2016-001**

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

*Repeat Finding*

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-003.

DAVISS COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

There were deficiencies in the internal control system of the County Auditor and the Board of County Commissioners related to financial transactions and reporting regarding economic development joint park activities and the Daviess County Economic Development Corporation (Development Corporation), West Boggs Park Foundation (Foundation), and the Daviess-Martin County Joint Park (Park) activities. Adequate controls were not in place to ensure that contracts and agreements entered into by the County were adhered to and that disbursements for these activities had adequate documentation to ensure the funding was used for its intended purposes.

*Disbursement Documentation - Development Corporation*

The Board of County Commissioners and the County Auditor approved and processed a disbursement to the Development Corporation in the amount of \$100,000 on September 16, 2016. The disbursement was made without adequate supporting documentation.

The County provided a contract with the Development Corporation. The claim for payment submitted to the County Auditor and approved by the Board of County Commissioners included an invoice from the Development Corporation, but the invoice was not itemized and only included a time period for the invoice and a total amount due for each position.

*Disbursement Documentation - Foundation*

The Board of County Commissioners and the County Auditor approved and processed disbursements to the Foundation without adequate documentation to ensure the funds were spent for its intended uses. Thirteen payments, totaling \$135,141, were made without supporting documentation to the Foundation. The Park had an agreement with the Foundation to perform administrative services for the Park. The Foundation paid the Park bills on behalf of the Park and submitted one monthly claim to the County Auditor for reimbursement of expenses paid on behalf of the Park and payment for services provided by the Foundation. Adequate supporting documentation for the amounts owed was not provided for audit by either the Foundation or the Park.

*Disbursement Documentation - Park Petty Cash*

The Board of County Commissioners and the County Auditor approved and processed disbursements to the West Boggs petty cash fund at the Park without adequate documentation to ensure the funds were spent for its intended uses. Four payments, totaling \$8,070, were made without supporting documentation. Supporting documentation for the amounts owed was not provided for audit by the Park.

*Context*

The lack of internal controls and noncompliance were systemic issues, which occurred throughout the audit period.

DAVIESS 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 publication, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. This includes control activities. According to this publication:

"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. . . ."

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

The County's contract with the Daviess County Economic Development Corporation stated:

"The Corporation shall submit invoices to Daviess County for the services performed on a periodic basis, not more often than monthly, utilizing claim forms acceptable to the Indiana State Board of Accounts and Daviess County Auditor, itemizing the number of hours expended by each category of employees set forth in Exhibit A."

*Cause*

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

*Effect*

The failure to establish controls enabled noncompliance to occur and remain undetected.

*Views of Responsible Officials*

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

DAVIESS COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2016-002***

Subject: Financial Transactions and Reporting  
Finding: Material Weakness

*Repeat Finding*

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2015-002.

*Condition*

There was a lack of segregation of duties within the internal control system of the Clerk of the Circuit Court (Clerk) related to financial transactions and reporting. The Clerk had not separated incompatible activities related to cash and investments and disbursements.

*Cash and Investments*

Individuals with responsibilities for receipting and disbursing funds also performed the monthly bank reconciliations. There was no indication of a review, oversight, or approval process.

*Disbursements*

Individuals with responsibility for disbursing funds had complete control over the disbursements function. The same individuals responsible for preparation of checks also used the Clerk's signature stamp to sign those checks authorizing payment. There was no indication of a review, oversight, or approval process.

*Context*

The lack of internal controls was a systemic issue, which occurred throughout the audit period.

*Criteria*

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

"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 even. 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. . . ."

DAVIESS COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

Management of the County had not established a proper system of internal control over the Clerk's cash and investments and disbursements.

*Effect*

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

*Views of Responsible Officials*

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

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

No matters are reportable.

(This page intentionally left blank.)

#### AUDITEE-PREPARED DOCUMENTS

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

# Auditor of Daviess County

Patty Ball

Daviess County Courthouse

200 East Walnut - Washington, IN 47501

Office (812) 254-8662

Fax (812) 254-8697

E-Mail auditor@daviess.org

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2015-001 PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Fiscal year in which the finding initially occurred: 2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: NA  
Contact Person Responsible for Corrective Action: Patricia K. Ball  
Contact Phone Number: 812-254-8662

#### Status of Audit Finding:

Our efforts to identify federal dollars is ongoing, we have met with SBOA for assistance in how to accurately report the information we receive. The challenges of identification of federal funds is complicated and more communication from the State agencies is critical in being able to achieve 100% compliance.

*Patricia K. Ball*

(Signature)

*Auditor*

(Title)

*6/21/2018*

(Date)

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

# Clerk of the Circuit Court

49th Judicial Circuit



Janice M. Williams

Courthouse – 200 E. Walnut Street  
P.O. Box 739  
Washington, IN 47501

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2015-002 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

Fiscal year in which the finding initially occurred: 2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: NA  
Contact Person Responsible for Corrective Action: Janice M. Williams  
Contact Phone Number: 812-254-8690

Status of Audit Finding: In regard to the prior audit done by the State Board of Accounts in 2017, for 2015, I immediately took action and implemented A Corrective Action Plan. I prepared the Corrective Action Plan on March 13, 2017, but all of the things listed in said plan were implemented on February 10, 2017, and remain in effect at this time.

Janice M. Williams  
(Signature)

Daviess County Clerk  
(Title)

June 28, 2018  
(Date)

# Auditor of Daviess County

**Patty Ball**

**Daviess County Courthouse**

200 East Walnut - Washington, IN 47501

Office (812) 254-8662

Fax (812) 254-8697

E-Mail auditor@daviess.org

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2015-003 FINANCIAL TRANSACTIONS AND REPORTING**

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Corrective Action: Patricia K. Ball

Contact Phone Number: 812-254-8662

Status of Audit Finding:

Regarding Finding 2015-003 – Internal Controls over Financial Transactions and Reporting.

- 1) Economic Development Disbursements – Our Corrective Action Plan for 2015-003 (based on the audit completed in September 2017) is complete in 2017 as no disbursements have been made under either of the Contracts. Claims were submitted, audited, and returned to the EDC as not adequate for payment.
- 2) West Boggs Park Foundation Disbursements- Corrective Action Plan completed in 2017. Supporting documentation is received with claim for audit purposes.

*Patricia K. Ball*

(Signature)

*Auditor*

(Title)

*6/20/2018*

(Date)

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

**BOARD OF  
DAVISS COUNTY COMMISSIONERS**

200 E. WALNUT STREET  
WASHINGTON, IN 47501

PHONE: 812-254-8662    FAX: 812-254-8697  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2015-003 FINANCIAL TRANSACTIONS AND REPORTING**

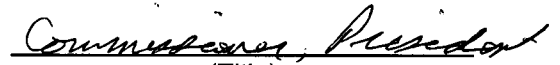
Fiscal year in which the finding initially occurred: 2015  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: NA  
Contact Person Responsible for Corrective Action: Nathan Gabhart  
Contact Phone Number: 812-259-1703

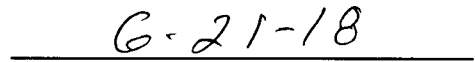
Status of Audit Finding:

The contracts with the Daviess County economic development corporation and foundation were terminated by the county on August 8, 2017. No disbursements of any kind have been made since.

All invoices from all organizations require state approved information to be paid. No invoices will be or have been approved without the required information from 2017 on.

  
\_\_\_\_\_  
(Signature)

  
\_\_\_\_\_  
(Title)

  
\_\_\_\_\_  
(Date)

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

# STATE OF INDIANA

CRIMINAL/TRAFFIC DIVISION

Telephone: (812) 254-8673  
Fax: (812) 254-8687

**PROSECUTING ATTORNEY**

49<sup>th</sup> JUDICIAL CIRCUIT  
Davies County, Indiana  
200 East Walnut Street, Suite B03  
Washington, IN 47501

CHILD SUPPORT DIVISION

Telephone: (812) 254-8680  
Fax: (812) 254-8646

**DANIEL S. MURRIE**  
Prosecutor

**DONITA M. FARR**  
Chief Deputy Prosecutor

**J. DAVID LETT**  
Deputy Prosecutor

**JENNIFER L. JOHNSON**  
Deputy Prosecutor

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### FINDING 2015-004 CASH MANAGEMENT

Fiscal year in which the finding initially occurred: 2015

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

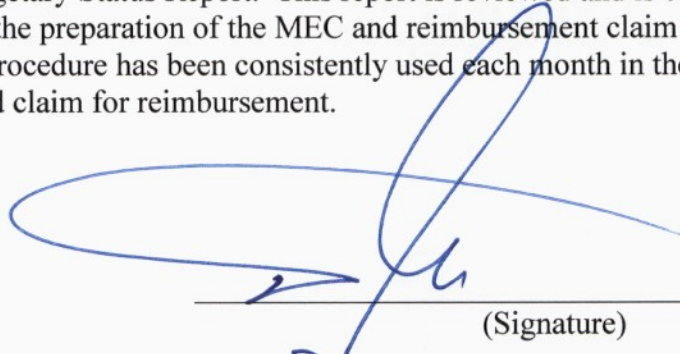
Contact Person Responsible for Correction Action: Rechel Wilz, IV-D Administrator

Contact Phone Number: (812) 254-8680

Status of Audit Finding:

In previous years, the IV-D office submitted claims for reimbursement the month they were submitted to the auditor. It is now recognized that claims should only be listed on the MEC when they are actually paid by the auditor, regardless of the month in which the IV-D office submitted them. In approximately the summer of 2015, the state child support financial group contacted our office and brought this issue to our attention. For months that the MEC did not match the auditor's records, prior month adjustments were completed.

Additionally, since the date of the audit finding, the IV-D office implemented new procedures going forward to ensure that claims for reimbursement are only made during the month those claims are paid. More specifically, the administrator is now required to request from the auditor, a Transaction History Listing Report for IV-D expenditures (Incentive and PCAs) in addition to the Budgetary Status Report. This report is reviewed and is compared to the auditor's records prior to the preparation of the MEC and reimbursement claim being submitted to the state. This procedure has been consistently used each month in the preparation of the IV-D office's MEC and claim for reimbursement.



(Signature)

Prosecutor

(Title)

06.25.2018

(Date)

# STATE OF INDIANA

CRIMINAL/TRAFFIC DIVISION

Telephone: (812) 254-8673

Fax: (812) 254-8687

PROSECUTING ATTORNEY

49<sup>th</sup> JUDICIAL CIRCUIT

Daviess County, Indiana

200 East Walnut Street, Suite B03

Washington, IN 47501

CHILD SUPPORT DIVISION

Telephone: (812) 254-8680

Fax: (812) 254-8646

**DANIEL S. MURRIE**

Prosecutor

**DONITA M. FARR**

Chief Deputy Prosecutor

**J. DAVID LETT**

Deputy Prosecutor

**JENNIFER L. JOHNSON**

Deputy Prosecutor

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### FINDING 2015-005 REPORTING

Fiscal year in which the finding initially occurred: 2015

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

Contact Person Responsible for Correction Action: Rechel Wilz, IV-D Administrator

Contact Phone Number: (812) 254-8680

#### Status of Audit Finding:

This audit finding was directly related to Finding 2015-004. There were a number of instances where the reimbursement claims made by the office did not agree with the ledger maintained with the auditor for the reason that our office was claiming reimbursement for expenses according to the date claims were submitted to the auditor, despite the fact that those were sometimes not paid until the following month.

In the summer of 2015, the state child support financial group contacted the IV-D office and brought this issue to our attention. For the months in which the MEC did not match the state records, adjustments were completed. In addition, since the date of the audit finding, the IV-D office adjusted its procedures to ensure that the IV-D reimbursement claims would consistently match the auditor's ledger and records. More specifically, the administrator is now required to request from the auditor, a Transaction History Listing Report for IV-D expenditures (Incentive and PCAs) in addition to the Budgetary Status Report. Access to and review of this report allows the opportunity for a detailed, line-item confirmation that claims have been paid before they are listed on the MEC and claimed for reimbursement. This procedure has been consistently used each month in preparing the IV-D office's MEC and claim for reimbursement.



(Signature)

Prosecutor

(Title)

06.25.2018

(Date)

# Auditor of Daviess County

**Patty Ball**

**Daviess County Courthouse**  
(INCLUDE ON OFFICIAL LETTERHEAD)  
200 East Walnut - Washington, IN 47501

Office (812) 254-8662 Fax (812) 254-8697 E-Mail auditor@daviess.org

## CORRECTIVE ACTION PLAN

### **FINDING 2016-001 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

Contact Person Responsible for Corrective Action: Patricia K. Ball  
Contact Phone Number: 812-254-8662

Views of Responsible Official:  
Repeat finding due to the timing of the audits.

#### Description of Corrective Action Plan:

Corrective measures have been taken by both the Commissioners and the Auditor's office in this matter. The repeat finding is due to the timing of the multiple year audits and the overlapping time period that the corrective measures taken are not accounted for by this audit time period. Once identified, issues were addressed and corrected.

Anticipated Completion Date: January 2018 Reporting Period

*Patricia K. Ball*  
\_\_\_\_\_  
(Signature)

*Auditor*  
\_\_\_\_\_  
(Title)

*7/23/2018*  
\_\_\_\_\_  
(Date)

**BOARD OF  
DAVISS COUNTY COMMISSIONERS**

200 E. WALNUT STREET  
WASHINGTON, IN 47501

PHONE: 812-254-8662 FAX: 812-254-8697

CORRECTIVE ACTION PLAN

**FINDING 2016-001**

Contact Person Responsible for Corrective Action: Nathan Gabhart  
Contact Phone Number: 812-259-1703

Views of Responsible Official: Findings were due to a timing issue of the audits conducted. Corrective action plan from 2017 has been implemented

Description of Corrective Action Plan:

Contracts have been terminated with DCEDF/C

All invoices must have all pertinent information included for approval

No transgressions have occurred since the previous onsite audit

Anticipated Completion Date: In place currently

Nathan Gabhart  
(Signature)

Commissioner, President  
(Title)

7-24-2018  
(Date)

# Clerk of the Circuit Court

49th Judicial Circuit



Janice M. Williams

Courthouse – 200 E. Walnut Street

P.O. Box 739

Washington, IN 47501

## CORRECTIVE ACTION PLAN

### **FINDING 2016-002**

Contact Person Responsible for Corrective Action: Janice M. Williams

Contact Phone Number: 812-254-8690

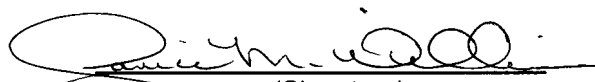
Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: In regard to the Internal Controls Over Financial Transactions, I immediately took steps to implement more effective internal controls within our office. I have a Superior Court deputy clerk check out and balance the drawer of the Circuit Court side of the office each day and a Circuit Court deputy clerk checks out and balances the drawer of the Superior Court side each day. I have a deputy clerk who has not receipted in the ISETS system check out and balance that drawer each day and one of the deputy clerks puts the bank deposit together. I hand carry the bank deposit to the bank each day or one of the deputy clerks who has not been involved in any part of the checking out process for the day will take the deposit to the bank. We are also documenting on the deposit ticket when it comes back from the bank who took the deposit on that day.

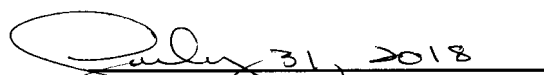
Each day that checks are printed in the office, either myself or one of the deputy clerks will check the report against the checks to make sure it is correct before the checks are issued. We date and initial the report showing that it has been reviewed and is in agreement.

In balancing for each month on our trust and ISETS system, I am reviewing the statements and documenting in red the date and my initials showing that I am in agreement with the balancing for that month. I review and sign the report that is prepared for the Auditor each month and I also review and sign the report that is prepared for the State Auditor every six months. I also authorize the check being issued to the State Auditor as it is now done through an electronic funds transfer.

Anticipated Completion Date: All of the above has been implemented as of February 10, 2017.

  
(Signature)

  
(Title)

  
(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/>.