

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, 2017 to December 31, 2017



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	20-43
Schedule of Payables and Receivables	44
Schedule of Leases and Debt	45
Schedule of Capital Assets	46
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance	48-49
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards	52-53
Notes to Schedule of Expenditures of Federal Awards	54
Schedule of Findings and Questioned Costs	55
Auditee-Prepared Document:	
Summary Schedule of Prior Audit Findings	58-60
Other Reports	61

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	01-01-17 to 12-31-20
President of the Board of County Commissioners	Nathan Gabhart	01-01-17 to 12-31-18
President of the County Council	Mike Sprinkle Mike Myers	01-01-17 to 12-31-17 01-01-18 to 12-31-18



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, 2017, 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, 2017.

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, 2017, 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



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

TO: THE OFFICIALS OF 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, 2017, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

DAVISS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
Sheriff's Inmate Trust	\$ 23,040	\$ 846,696	\$ 850,240	\$ 19,496
Jail Commissary	18,544	114,540	109,339	23,745
Clerk's Trust	835,544	2,458,217	2,304,492	989,269
General	13,052,760	17,211,524	17,921,703	12,342,581
Accident Report	16,725	1,006	1,206	16,525
Aviation	1,136,302	297,874	284,903	1,149,273
CAGIT - Special Legislation	2,014,076	-	2,014,076	-
CEDIT County Share	678,353	1,186,803	419,745	1,445,411
LIT-SPECIAL PURPOSE	-	3,282,211	3,049,411	232,800
City and Town Court Costs	38,240	9,670	-	47,910
Clerk's Records Perpetuation	43,930	23,222	-	67,152
Community Corrections	161,606	210,051	267,718	103,939
Community Transition Program	23,292	18,775	24,299	17,768
Convention Visitor and Tourism Promotion	-	197,080	197,080	-
Sales Disclosure - County Share	53,336	4,040	-	57,376
Cumulative Bridge	3,104,205	1,367,401	1,442,146	3,029,460
Cumulative Capital Development	2,334,012	395,510	294,928	2,434,594
Drug Free Community	24,280	32,211	20,587	35,904
Emergency Planning/Right To Know	6,581	8,665	4,443	10,803
Firearms Training	21,323	7,650	17,896	11,077
Health	474,587	442,756	502,882	414,461
Identification Security Protection	12,566	3,590	-	16,156
Levy Excess	121	-	-	121
Local Road and Street	55,292	314,494	246,942	122,844
Misdemeanant	62,095	19,631	15,259	66,467
Motor Vehicle Highway	5,272,089	4,256,258	4,491,357	5,036,990
Rainy Day	1,982,765	-	-	1,982,765
Recorder's Records Perpetuation	459,437	67,682	50,884	476,235
Riverboat	452,426	191,175	9,972	633,629
Sheriff's Pension Trust	-	27,859	27,670	189
Supplemental Public Defender Services	94,411	75,832	66,007	104,236
Surplus Tax	10	11,679	11,687	2
Surveyor's Corner Perpetuation	31,432	14,175	-	45,607
TAX SALE FEES	2,573	-	-	2,573
Tax Sale Redemption	1,082	34,744	34,838	988
Tax Sale Surplus	79,078	117,240	65,694	130,624
GAL/CASA	40,842	40,581	12,457	68,966
Auditors Ineligible Deductions	75,191	-	2,445	72,746
County Elected Officials Training	11,195	3,590	435	14,350
County Offender Transportation Fund	2,250	563	-	2,813
Statewide 911	560,953	404,030	299,827	665,156
Juvenile Probation Administrative	129,534	5,645	7,842	127,337
Supplemental Adult Probation Services	617,460	81,891	50,674	648,677
Law Enf. Cont. Ed to Be Disburse	47,866	6,730	6,730	47,866
Drainage Maintenance	235,569	78,794	79,179	235,184
Drug Buy Money	21,171	3,423	6,840	17,754
DONATION-STRATEGIC RESP. UNIT	3,176	4,300	5,230	2,246
TIF Debt Service	-	1,246,273	1,246,273	-
TIF CAPITAL PROJECTS-SOUTH WASHINGTON	4	2,897	-	2,901
Self Insurance Fund	-	1,357,126	1,037,191	319,935
Payroll Clearing	27,562	5,436,814	5,424,037	40,339
Settlement	-	18,639,629	18,639,629	-
Wheel Tax	-	378,371	378,371	-
Sur Tax	-	349,673	349,673	-
CVET Agency	-	297,232	297,232	-
Sewage Collections	-	20,202	20,202	-
Financial Institution Tax	-	181,731	181,731	-
CEDIT Homestead Credit	23,909	-	23,909	-
LIT Property Tax Relief	-	1,585,079	1,534,131	50,948
State Fines and Forfeitures	-	18,192	15,737	2,455
Infraction Judgements	2,920	23,566	24,935	1,551

DAVISS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
Special Death Benefit	396	3,765	3,891	270
Sales Disclosure - State Share	655	4,040	4,340	355
Coroners Training & Con't Education	454	3,350	3,616	188
Interstate Compact - State Share	-	438	438	-
Mortgage Recording Fees - State Share	460	2,898	3,133	225
Education Plate Fees Agency	-	338	338	-
Riverboat Revenue Sharing	423	187,480	187,480	423
COUNTY LOIT 2016 SPECIAL DISTRIBUTION	651,604	-	-	651,604
LIT Certified Shares	-	6,204,538	6,204,538	-
LIT EDIT	-	1,561,170	1,561,170	-
93.563 Prosecutor PCA	1,788	481	701	1,568
93.563 Title IV-D Incentive	61,759	14,458	10,350	65,867
93.563 Prosecutor IV-D Incentive-Post Oct '99	125,696	21,754	16,760	130,690
93.563 Clerk IV-D Incentive-Post Oct '99	68,585	14,458	11,708	71,335
Public Health Emerg. Re	(1,468)	6,490	4,816	206
Airport Improvement	29,067	19,960	34,964	14,063
Emerg Management Peror	-	35,739	42,234	(6,495)
Sheriff Federal Enforce	41,950	-	35,302	6,648
Prosecutor Federal Enforcement	8,680	-	-	8,680
Community Corrections Grant	(68,097)	552,206	595,685	(111,576)
Local Health Maintenance Grant	78,012	16,570	31,532	63,050
L.H.D. Trust Account	18,493	10,076	-	28,569
Boater Safety Education	2,773	15,000	15,594	2,179
Shoreline Stabilization Grant	94	-	-	94
Adult Protective Services	(15,584)	158,946	173,275	(29,913)
Daviess County Park Board	2,119	-	-	2,119
Sheriff Law Enforce.Cont.Ed.Pr	829	1,004	-	1,833
Community Corrections Proj. Inc.	52,398	139,274	115,887	75,785
West Boggs	22,608	1,021,487	1,017,114	26,981
West Boggs Donation Fund	3,189	-	-	3,189
Park Non-Revert. Capital	41,575	42,405	9,567	74,413
TIF Capital Projects-GPC Redev.	431,338	167,463	557,549	41,252
TIF Capital Projects-Westgate	92,520	118,004	103,660	106,864
Donations-Rescue Boat	2,512	-	2,512	-
Donations-Training Dog	2,800	500	3,292	8
Jury Fee	60,633	5,370	-	66,003
Pre-Trial Diversion Prog. Fee	169,441	144,697	122,312	191,826
City User Fees - Deferral	-	1,650	1,650	-
Elnora Users Fees - Deferral	-	3,080	3,080	-
TIF Capital Projects - Legends	23,966	49,063	21,500	51,529
Treasurer	804,323	1,069,777	804,323	1,069,777
Prosecuting Attorney Trust	123	25,072	25,072	123
REASSESSMENT-2017	1,599,030	441,056	297,187	1,742,899
ARRA State Broadband Data and Development Grant	1,000	-	-	1,000
COMM. CERT. SALE FEES	1,950	11,234	9,716	3,468
CERTIFICATE SALE SURPLUS	2,977	-	-	2,977
DAVISS COUNTY VACCINE PROGRAM	34	-	-	34
DONATIONS R.A.R.E. PROGRAM	384	-	-	384
LOCAL ROAD & BRIDGE MATCH	1,006,521	-	1,000,614	5,907
LIVELY LAKEFRONT-PLAYGROUND	2,000	16,109	-	18,109
Operation Pull Over Grant	-	5,650	4,980	670
Airport Runway Grant	-	520,860	520,085	775
Op Pull Over	-	1,838	1,838	-
Veteran Serv. Grant	-	449	-	449
Jail Treatment (Comm. Correc.)	-	-	734	(734)
Totals	<u>\$ 39,695,725</u>	<u>\$ 76,036,790</u>	<u>\$ 77,956,651</u>	<u>\$ 37,775,864</u>

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

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, 2017.

Note 8. 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.

DAVISS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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OTHER INFORMATION - UNAUDITED

The County's Annual Financial Report information can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the County's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the County. It is presented as intended by the County.

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	General	Accident Report
Cash and investments - beginning	\$ 23,040	\$ 18,544	\$ 835,544	\$ 13,052,760	\$ 16,725
Receipts:					
Taxes	-	-	-	8,622,946	-
Licenses and permits	-	-	-	7,295	-
Intergovernmental receipts	-	-	-	4,967,125	-
Charges for services	-	-	-	3,123,553	1,006
Fines and forfeits	-	-	-	126,003	-
Other receipts	846,696	114,540	2,458,217	364,602	-
Total receipts	<u>846,696</u>	<u>114,540</u>	<u>2,458,217</u>	<u>17,211,524</u>	<u>1,006</u>
Disbursements:					
Personal services	-	-	-	9,994,219	-
Supplies	-	-	-	483,183	-
Other services and charges	-	-	-	3,207,828	1,206
Debt service - principal and interest	-	-	-	2,204,588	-
Capital outlay	-	-	-	1,209,901	-
Other disbursements	850,240	109,339	2,304,492	821,984	-
Total disbursements	<u>850,240</u>	<u>109,339</u>	<u>2,304,492</u>	<u>17,921,703</u>	<u>1,206</u>
Excess (deficiency) of receipts over disbursements	<u>(3,544)</u>	<u>5,201</u>	<u>153,725</u>	<u>(710,179)</u>	<u>(200)</u>
Cash and investments - ending	<u>\$ 19,496</u>	<u>\$ 23,745</u>	<u>\$ 989,269</u>	<u>\$ 12,342,581</u>	<u>\$ 16,525</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Aviation	CAGIT - Special Legislation	CEDIT County Share	LIT-SPECIAL PURPOSE	City and Town Court Costs
Cash and investments - beginning	\$ 1,136,302	\$ 2,014,076	\$ 678,353	\$ -	\$ 38,240
Receipts:					
Taxes	120,132	-	1,113,215	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	10,890	-	-	3,282,211	-
Charges for services	166,674	-	73,588	-	-
Fines and forfeits	-	-	-	-	9,670
Other receipts	178	-	-	-	-
Total receipts	<u>297,874</u>	<u>-</u>	<u>1,186,803</u>	<u>3,282,211</u>	<u>9,670</u>
Disbursements:					
Personal services	57,826	-	-	-	-
Supplies	126,208	-	-	-	-
Other services and charges	64,248	-	106,720	3,049,411	-
Debt service - principal and interest	-	2,014,076	313,025	-	-
Capital outlay	1,019	-	-	-	-
Other disbursements	35,602	-	-	-	-
Total disbursements	<u>284,903</u>	<u>2,014,076</u>	<u>419,745</u>	<u>3,049,411</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>12,971</u>	<u>(2,014,076)</u>	<u>767,058</u>	<u>232,800</u>	<u>9,670</u>
Cash and investments - ending	<u>\$ 1,149,273</u>	<u>\$ -</u>	<u>\$ 1,445,411</u>	<u>\$ 232,800</u>	<u>\$ 47,910</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Clerk's Records Perpetuation	Community Corrections	Community Transition Program	Convention Visitor and Tourism Promotion	Sales Disclosure - County Share
Cash and investments - beginning	\$ 43,930	\$ 161,606	\$ 23,292	\$ -	\$ 53,336
Receipts:					
Taxes	-	-	-	197,080	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	210,051	18,775	-	4,040
Fines and forfeits	23,222	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>23,222</u>	<u>210,051</u>	<u>18,775</u>	<u>197,080</u>	<u>4,040</u>
Disbursements:					
Personal services	-	160,091	11,363	-	-
Supplies	-	-	1,149	-	-
Other services and charges	-	99,990	6,327	197,080	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	5,460	-	-
Other disbursements	-	7,637	-	-	-
Total disbursements	<u>-</u>	<u>267,718</u>	<u>24,299</u>	<u>197,080</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>23,222</u>	<u>(57,667)</u>	<u>(5,524)</u>	<u>-</u>	<u>4,040</u>
Cash and investments - ending	<u>\$ 67,152</u>	<u>\$ 103,939</u>	<u>\$ 17,768</u>	<u>\$ -</u>	<u>\$ 57,376</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right To Know	Firearms Training
Cash and investments - beginning	\$ 3,104,205	\$ 2,334,012	\$ 24,280	\$ 6,581	\$ 21,323
Receipts:					
Taxes	1,172,591	310,776	-	-	-
Licenses and permits	-	-	-	-	7,650
Intergovernmental receipts	106,296	84,734	-	-	-
Charges for services	71,939	-	-	8,665	-
Fines and forfeits	-	-	32,211	-	-
Other receipts	16,575	-	-	-	-
Total receipts	<u>1,367,401</u>	<u>395,510</u>	<u>32,211</u>	<u>8,665</u>	<u>7,650</u>
Disbursements:					
Personal services	165,558	-	-	-	-
Supplies	250,775	-	-	-	-
Other services and charges	350,838	-	20,587	4,443	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	674,975	294,928	-	-	-
Other disbursements	-	-	-	-	17,896
Total disbursements	<u>1,442,146</u>	<u>294,928</u>	<u>20,587</u>	<u>4,443</u>	<u>17,896</u>
Excess (deficiency) of receipts over disbursements	<u>(74,745)</u>	<u>100,582</u>	<u>11,624</u>	<u>4,222</u>	<u>(10,246)</u>
Cash and investments - ending	<u>\$ 3,029,460</u>	<u>\$ 2,434,594</u>	<u>\$ 35,904</u>	<u>\$ 10,803</u>	<u>\$ 11,077</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Health	Identification Security Protection	Levy Excess	Local Road and Street	Misdemeanant
Cash and investments - beginning	\$ 474,587	\$ 12,566	\$ 121	\$ 55,292	\$ 62,095
Receipts:					
Taxes	155,388	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	14,086	-	-	314,494	-
Charges for services	273,282	3,590	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	19,631
Total receipts	<u>442,756</u>	<u>3,590</u>	<u>-</u>	<u>314,494</u>	<u>19,631</u>
Disbursements:					
Personal services	281,242	-	-	-	15,259
Supplies	7,264	-	-	246,942	-
Other services and charges	27,270	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	645	-	-	-	-
Other disbursements	186,461	-	-	-	-
Total disbursements	<u>502,882</u>	<u>-</u>	<u>-</u>	<u>246,942</u>	<u>15,259</u>
Excess (deficiency) of receipts over disbursements	<u>(60,126)</u>	<u>3,590</u>	<u>-</u>	<u>67,552</u>	<u>4,372</u>
Cash and investments - ending	<u>\$ 414,461</u>	<u>\$ 16,156</u>	<u>\$ 121</u>	<u>\$ 122,844</u>	<u>\$ 66,467</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Motor Vehicle Highway	Rainy Day	Recorder's Records Perpetuation	Riverboat	Sheriff's Pension Trust
Cash and investments - beginning	\$ 5,272,089	\$ 1,982,765	\$ 459,437	\$ 452,426	\$ -
Receipts:					
Taxes	-	-	-	181,200	-
Licenses and permits	138,570	-	-	-	-
Intergovernmental receipts	3,630,408	-	-	-	-
Charges for services	458,132	-	65,293	-	189
Fines and forfeits	-	-	-	-	27,670
Other receipts	29,148	-	2,389	9,975	-
Total receipts	<u>4,256,258</u>	<u>-</u>	<u>67,682</u>	<u>191,175</u>	<u>27,859</u>
Disbursements:					
Personal services	1,268,911	-	10,639	-	-
Supplies	1,083,989	-	-	-	-
Other services and charges	214,042	-	40,245	9,972	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	1,924,415	-	-	-	-
Other disbursements	-	-	-	-	27,670
Total disbursements	<u>4,491,357</u>	<u>-</u>	<u>50,884</u>	<u>9,972</u>	<u>27,670</u>
Excess (deficiency) of receipts over disbursements	<u>(235,099)</u>	<u>-</u>	<u>16,798</u>	<u>181,203</u>	<u>189</u>
Cash and investments - ending	<u>\$ 5,036,990</u>	<u>\$ 1,982,765</u>	<u>\$ 476,235</u>	<u>\$ 633,629</u>	<u>\$ 189</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	TAX SALE FEES	Tax Sale Redemption
Cash and investments - beginning	\$ 94,411	\$ 10	\$ 31,432	\$ 2,573	\$ 1,082
Receipts:					
Taxes	-	11,679	-	-	34,744
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	14,175	-	-
Fines and forfeits	75,832	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>75,832</u>	<u>11,679</u>	<u>14,175</u>	<u>-</u>	<u>34,744</u>
Disbursements:					
Personal services	66,007	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	11,687	-	-	34,838
Total disbursements	<u>66,007</u>	<u>11,687</u>	<u>-</u>	<u>-</u>	<u>34,838</u>
Excess (deficiency) of receipts over disbursements	<u>9,825</u>	<u>(8)</u>	<u>14,175</u>	<u>-</u>	<u>(94)</u>
Cash and investments - ending	<u>\$ 104,236</u>	<u>\$ 2</u>	<u>\$ 45,607</u>	<u>\$ 2,573</u>	<u>\$ 988</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Tax Sale Surplus	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training	County Offender Transportation Fund
Cash and investments - beginning	\$ 79,078	\$ 40,842	\$ 75,191	\$ 11,195	\$ 2,250
Receipts:					
Taxes	117,240	25,072	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	3,590	-
Fines and forfeits	-	701	-	-	563
Other receipts	-	14,808	-	-	-
Total receipts	<u>117,240</u>	<u>40,581</u>	<u>-</u>	<u>3,590</u>	<u>563</u>
Disbursements:					
Personal services	-	-	2,445	-	-
Supplies	-	2,629	-	-	-
Other services and charges	-	6,500	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	3,328	-	-	-
Other disbursements	65,694	-	-	435	-
Total disbursements	<u>65,694</u>	<u>12,457</u>	<u>2,445</u>	<u>435</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>51,546</u>	<u>28,124</u>	<u>(2,445)</u>	<u>3,155</u>	<u>563</u>
Cash and investments - ending	<u>\$ 130,624</u>	<u>\$ 68,966</u>	<u>\$ 72,746</u>	<u>\$ 14,350</u>	<u>\$ 2,813</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Statewide 911	Juvenile Probation Administrative	Supplemental Adult Probation Services	Law Enf. Cont. Ed to Be Disburse	Drainage Maintenance
Cash and investments - beginning	\$ 560,953	\$ 129,534	\$ 617,460	\$ 47,866	\$ 235,569
Receipts:					
Taxes	404,030	-	-	-	76,636
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	2,158
Fines and forfeits	-	5,645	81,891	6,730	-
Other receipts	-	-	-	-	-
Total receipts	<u>404,030</u>	<u>5,645</u>	<u>81,891</u>	<u>6,730</u>	<u>78,794</u>
Disbursements:					
Personal services	70,000	-	26,527	-	-
Supplies	-	-	2,775	-	-
Other services and charges	14,461	7,842	21,267	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	215,366	-	-	-	-
Other disbursements	-	-	105	6,730	79,179
Total disbursements	<u>299,827</u>	<u>7,842</u>	<u>50,674</u>	<u>6,730</u>	<u>79,179</u>
Excess (deficiency) of receipts over disbursements	<u>104,203</u>	<u>(2,197)</u>	<u>31,217</u>	<u>-</u>	<u>(385)</u>
Cash and investments - ending	<u>\$ 665,156</u>	<u>\$ 127,337</u>	<u>\$ 648,677</u>	<u>\$ 47,866</u>	<u>\$ 235,184</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Drug Buy Money	DONATION-STRATEGIC RESP. UNIT	TIF Debt Service	TIF CAPITAL PROJECTS-SOUTH WASHINGTON
Cash and investments - beginning	\$ 21,171	\$ 3,176	\$ -	\$ 4
Receipts:				
Taxes	-	-	1,246,273	2,897
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	490	-	-	-
Other receipts	2,933	4,300	-	-
Total receipts	3,423	4,300	1,246,273	2,897
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	6,840	5,230	1,246,273	-
Total disbursements	6,840	5,230	1,246,273	-
Excess (deficiency) of receipts over disbursements	(3,417)	(930)	-	2,897
Cash and investments - ending	\$ 17,754	\$ 2,246	\$ -	\$ 2,901

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Self Insurance Fund	Payroll Clearing	Settlement	Wheel Tax	Sur Tax
Cash and investments - beginning	\$ -	\$ 27,562	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	378,371	349,673
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	1,357,126	5,436,814	18,639,629	-	-
Total receipts	<u>1,357,126</u>	<u>5,436,814</u>	<u>18,639,629</u>	<u>378,371</u>	<u>349,673</u>
Disbursements:					
Personal services	1,037,191	5,424,037	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	18,639,629	378,371	349,673
Total disbursements	<u>1,037,191</u>	<u>5,424,037</u>	<u>18,639,629</u>	<u>378,371</u>	<u>349,673</u>
Excess (deficiency) of receipts over disbursements	<u>319,935</u>	<u>12,777</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 319,935</u>	<u>\$ 40,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CVET Agency	Sewage Collections	Financial Institution Tax	CEDIT Homestead Credit	LIT Property Tax Relief
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 23,909	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	297,232	-	181,731	-	-
Charges for services	-	20,202	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	1,585,079
Total receipts	<u>297,232</u>	<u>20,202</u>	<u>181,731</u>	<u>-</u>	<u>1,585,079</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	297,232	20,202	181,731	23,909	1,534,131
Total disbursements	<u>297,232</u>	<u>20,202</u>	<u>181,731</u>	<u>23,909</u>	<u>1,534,131</u>
Excess (deficiency) of receipts over disbursements	-	-	-	(23,909)	50,948
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,948</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	State Fines and Forfeitures	Infraction Judgements	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education
Cash and investments - beginning	\$ -	\$ 2,920	\$ 396	\$ 655	\$ 454
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	4,040	3,350
Fines and forfeits	18,192	23,566	3,765	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>18,192</u>	<u>23,566</u>	<u>3,765</u>	<u>4,040</u>	<u>3,350</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	15,737	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	24,935	3,891	4,340	3,616
Total disbursements	<u>15,737</u>	<u>24,935</u>	<u>3,891</u>	<u>4,340</u>	<u>3,616</u>
Excess (deficiency) of receipts over disbursements	<u>2,455</u>	<u>(1,369)</u>	<u>(126)</u>	<u>(300)</u>	<u>(266)</u>
Cash and investments - ending	<u>\$ 2,455</u>	<u>\$ 1,551</u>	<u>\$ 270</u>	<u>\$ 355</u>	<u>\$ 188</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Education Plate Fees Agency	Riverboat Revenue Sharing	COUNTY LOIT 2016 SPECIAL DISTRIBUTION
Cash and investments - beginning	\$ -	\$ 460	\$ -	\$ 423	\$ 651,604
Receipts:					
Taxes	-	-	-	187,480	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	2,898	-	-	-
Fines and forfeits	438	-	-	-	-
Other receipts	-	-	338	-	-
Total receipts	<u>438</u>	<u>2,898</u>	<u>338</u>	<u>187,480</u>	<u>-</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	438	3,133	338	187,480	-
Total disbursements	<u>438</u>	<u>3,133</u>	<u>338</u>	<u>187,480</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(235)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 225</u>	<u>\$ -</u>	<u>\$ 423</u>	<u>\$ 651,604</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	LIT Certified Shares	LIT EDIT	93.563 Prosecutor PCA	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ -	\$ -	\$ 1,788	\$ 61,759	\$ 125,696
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	6,204,538	1,561,170	-	-	-
Charges for services	-	-	481	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	14,458	21,754
Total receipts	<u>6,204,538</u>	<u>1,561,170</u>	<u>481</u>	<u>14,458</u>	<u>21,754</u>
Disbursements:					
Personal services	-	-	-	-	275
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	6,204,538	1,561,170	701	10,350	16,485
Total disbursements	<u>6,204,538</u>	<u>1,561,170</u>	<u>701</u>	<u>10,350</u>	<u>16,760</u>
Excess (deficiency) of receipts over disbursements	-	-	(220)	4,108	4,994
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,568</u>	<u>\$ 65,867</u>	<u>\$ 130,690</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	93.563 Clerk IV-D Incentive-Post Oct '99	Public Health Emerg. Re	Airport Improvement	Emerg Management Peror	Sheriff Federal Enforce
Cash and investments - beginning	\$ 68,585	\$ (1,468)	\$ 29,067	\$ -	\$ 41,950
Receipts:					
Taxes	-	-	19,960	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	6,490	-	35,739	-
Fines and forfeits	-	-	-	-	-
Other receipts	14,458	-	-	-	-
Total receipts	<u>14,458</u>	<u>6,490</u>	<u>19,960</u>	<u>35,739</u>	<u>-</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	4,816	34,964	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	42,234	-
Other disbursements	11,708	-	-	-	35,302
Total disbursements	<u>11,708</u>	<u>4,816</u>	<u>34,964</u>	<u>42,234</u>	<u>35,302</u>
Excess (deficiency) of receipts over disbursements	<u>2,750</u>	<u>1,674</u>	<u>(15,004)</u>	<u>(6,495)</u>	<u>(35,302)</u>
Cash and investments - ending	<u>\$ 71,335</u>	<u>\$ 206</u>	<u>\$ 14,063</u>	<u>\$ (6,495)</u>	<u>\$ 6,648</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Prosecutor Federal Enforcement	Community Corrections Grant	Local Health Maintenance Grant	L.H.D. Trust Account	Boater Safety Education
Cash and investments - beginning	\$ 8,680	\$ (68,097)	\$ 78,012	\$ 18,493	\$ 2,773
Receipts:					
Taxes	-	277,514	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	10,076	15,000
Charges for services	-	-	16,570	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	274,692	-	-	-
Total receipts	-	552,206	16,570	10,076	15,000
Disbursements:					
Personal services	-	533,242	8,579	-	13,661
Supplies	-	7,383	3,709	-	1,360
Other services and charges	-	52,975	9,422	-	573
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	2,085	9,355	-	-
Other disbursements	-	-	467	-	-
Total disbursements	-	595,685	31,532	-	15,594
Excess (deficiency) of receipts over disbursements	-	(43,479)	(14,962)	10,076	(594)
Cash and investments - ending	\$ 8,680	\$ (111,576)	\$ 63,050	\$ 28,569	\$ 2,179

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Shoreline Stabilization Grant	Adult Protective Services	Daviess County Park Board	Sheriff Law Enforce.Cont.Ed.Pr	Community Corrections Proj. Inc.
Cash and investments - beginning	\$ 94	\$ (15,584)	\$ 2,119	\$ 829	\$ 52,398
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	158,946	-	-	-
Charges for services	-	-	-	-	139,274
Fines and forfeits	-	-	-	1,004	-
Other receipts	-	-	-	-	-
Total receipts	-	158,946	-	1,004	139,274
Disbursements:					
Personal services	-	162,690	-	-	114,600
Supplies	-	151	-	-	-
Other services and charges	-	10,402	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	32	-	-	-
Other disbursements	-	-	-	-	1,287
Total disbursements	-	173,275	-	-	115,887
Excess (deficiency) of receipts over disbursements	-	(14,329)	-	1,004	23,387
Cash and investments - ending	\$ 94	\$ (29,913)	\$ 2,119	\$ 1,833	\$ 75,785

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	West Boggs	West Boggs Donation Fund	Park Non-Revert. Capital	TIF Capital Projects-GPC Redev.	TIF Capital Projects-Westgate
Cash and investments - beginning	\$ 22,608	\$ 3,189	\$ 41,575	\$ 431,338	\$ 92,520
Receipts:					
Taxes	-	-	-	167,463	118,004
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	1,017,644	-	42,405	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	3,843	-	-	-	-
Total receipts	<u>1,021,487</u>	<u>-</u>	<u>42,405</u>	<u>167,463</u>	<u>118,004</u>
Disbursements:					
Personal services	462,011	-	-	-	-
Supplies	85,334	-	-	-	-
Other services and charges	350,668	-	-	5,905	103,660
Debt service - principal and interest	-	-	-	551,644	-
Capital outlay	90,790	-	-	-	-
Other disbursements	28,311	-	9,567	-	-
Total disbursements	<u>1,017,114</u>	<u>-</u>	<u>9,567</u>	<u>557,549</u>	<u>103,660</u>
Excess (deficiency) of receipts over disbursements	<u>4,373</u>	<u>-</u>	<u>32,838</u>	<u>(390,086)</u>	<u>14,344</u>
Cash and investments - ending	<u>\$ 26,981</u>	<u>\$ 3,189</u>	<u>\$ 74,413</u>	<u>\$ 41,252</u>	<u>\$ 106,864</u>

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Donations-Rescue Boat	Donations-Training Dog	Jury Fee	Pre-Trial Diversion Prog. Fee	City User Fees - Deferral
Cash and investments - beginning	\$ 2,512	\$ 2,800	\$ 60,633	\$ 169,441	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	5,370	129,272	1,650
Other receipts	-	500	-	15,425	-
Total receipts	-	500	5,370	144,697	1,650
Disbursements:					
Personal services	-	-	-	32,798	-
Supplies	-	-	-	9,611	-
Other services and charges	-	-	-	30,624	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	37,299	-
Other disbursements	2,512	3,292	-	11,980	1,650
Total disbursements	2,512	3,292	-	122,312	1,650
Excess (deficiency) of receipts over disbursements	(2,512)	(2,792)	5,370	22,385	-
Cash and investments - ending	\$ -	\$ 8	\$ 66,003	\$ 191,826	\$ -

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Elnora Users Fees -	TIF Capital Projects -		Prosecuting Attorney Trust	REASSESSMENT-2017
	Deferral	Legends	Treasurer		
Cash and investments - beginning	\$ -	\$ 23,966	\$ 804,323	\$ 123	\$ 1,599,030
Receipts:					
Taxes	-	49,063	-	-	390,429
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	35,392
Charges for services	-	-	-	-	-
Fines and forfeits	3,080	-	-	-	-
Other receipts	-	-	1,069,777	25,072	15,235
Total receipts	3,080	49,063	1,069,777	25,072	441,056
Disbursements:					
Personal services	-	-	-	-	150,309
Supplies	-	-	-	-	4,790
Other services and charges	-	21,500	-	-	105,996
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	36,092
Other disbursements	3,080	-	804,323	25,072	-
Total disbursements	3,080	21,500	804,323	25,072	297,187
Excess (deficiency) of receipts over disbursements	-	27,563	265,454	-	143,869
Cash and investments - ending	\$ -	\$ 51,529	\$ 1,069,777	\$ 123	\$ 1,742,899

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	ARRA State Broadband Data and Development Grant	COMM. CERT. SALE FEES	CERTIFICATE SALE SURPLUS	DAVISS COUNTY VACCINE PROGRAM	DONATIONS R.A.R.E. PROGRAM
Cash and investments - beginning	\$ 1,000	\$ 1,950	\$ 2,977	\$ 34	\$ 384
Receipts:					
Taxes	-	11,234	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	11,234	-	-	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	9,716	-	-	-
Total disbursements	-	9,716	-	-	-
Excess (deficiency) of receipts over disbursements	-	1,518	-	-	-
Cash and investments - ending	\$ 1,000	\$ 3,468	\$ 2,977	\$ 34	\$ 384

DAVIESS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	LOCAL ROAD & BRIDGE MATCH	LIVELY LAKEFRONT-PLAYGROUND	Operation Pull Over Grant	Airport Runway Grant
Cash and investments - beginning	\$ 1,006,521	\$ 2,000	\$ -	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	16,109	5,650	520,860
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	-	-	-
Total receipts	-	16,109	5,650	520,860
Disbursements:				
Personal services	-	-	4,980	-
Supplies	-	-	-	-
Other services and charges	1,000,614	-	-	520,085
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	1,000,614	-	4,980	520,085
Excess (deficiency) of receipts over disbursements	(1,000,614)	16,109	670	775
Cash and investments - ending	\$ 5,907	\$ 18,109	\$ 670	\$ 775

DAVISS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Op Pull Over	Veteran Serv. Grant	Jail Treatment (Comm. Correc.)	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 39,695,725
Receipts:				
Taxes	-	-	-	15,013,046
Licenses and permits	-	-	-	153,515
Intergovernmental receipts	1,838	449	-	22,147,279
Charges for services	-	-	-	5,787,793
Fines and forfeits	-	-	-	576,965
Other receipts	-	-	-	32,358,192
Total receipts	<u>1,838</u>	<u>449</u>	<u>-</u>	<u>76,036,790</u>
Disbursements:				
Personal services	-	-	465	20,074,925
Supplies	-	-	269	2,317,521
Other services and charges	-	-	-	9,718,218
Debt service - principal and interest	-	-	-	5,083,333
Capital outlay	-	-	-	4,547,924
Other disbursements	1,838	-	-	36,214,730
Total disbursements	<u>1,838</u>	<u>-</u>	<u>734</u>	<u>77,956,651</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>449</u>	<u>(734)</u>	<u>(1,919,861)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 449</u>	<u>\$ (734)</u>	<u>\$ 37,775,864</u>

DAVISS COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 446,836</u>	<u>\$ 506,437</u>

DAVISS COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Enterprise FM Trust	2017 Chrysler Sedan	\$ 5,551	8/26/2016	8/26/2021
Ronald L. Seal	Real Estate Lease Rental	3,600	8/12/2013	9/1/2019
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	1/11/2020
Caterpillar Financial Services Corporation	2014 M316D Cat Excavator SN 0338	<u>23,838</u>	6/1/2014	8/1/2019
Total governmental activities		<u>277,377</u>		
Total of annual lease payments		<u>\$ 277,377</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Econ Dev Taxable Rev Bond Series 1999 GPC	\$ 246,197	\$ 741,000
Revenue bonds	Economic Development Revenue Bonds Series 2014	<u>1,900,000</u>	<u>260,172</u>
Total governmental activities		<u>2,146,197</u>	<u>1,001,172</u>
Totals		<u>\$ 2,146,197</u>	<u>\$ 1,001,172</u>

DAVISS COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2017

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

	Ending Balance
Governmental activities:	
Land	\$ 836,686
Infrastructure	105,750,143
Buildings	17,855,572
Improvements other than buildings	34,259,203
Machinery, equipment, and vehicles	<u>8,343,957</u>
Total governmental activities	<u>167,045,561</u>
Total capital assets	<u><u>\$ 167,045,561</u></u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF DAVIESS COUNTY, INDIANA

Report on Compliance for the 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 its major federal program for the year ended December 31, 2017. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2017.

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


Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with 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

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

DAVIESS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

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	\$ -	\$ 56,562
Total - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				-	56,562
Total - Department of Housing and Urban Development				-	56,562
<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	-	2,942
Total - Fish and Wildlife Cluster				-	2,942
Total - Department of the Interior				-	2,942
<u>Department of Labor</u>					
Unemployment Insurance	Indiana Department of Workforce Development	17.225	2017	-	24
Total - Department of Labor				-	24
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Cannelburg Phase III Cannelburg Phase II Bridge Inspections Cannelburg ROW Phase III Cannelburg Phase III Utilities	Indiana Department of Transportation	20.205	DES 1383329 DES 1005974 DES 1382190 DES 1383329 DES 1005974	- - - - -	362,956 31,545 65,955 425,158 1,052,675
Total - Highway Planning and Construction				-	1,938,289
Total - Highway Planning and Construction Cluster				-	1,938,289
Highway Safety Cluster State and Community Highway Safety Traffic Safety/Occupant Protection Operation Pull Over	Indiana Department of Transportation	20.600	D3-18-11870	-	5,650
Total - State and Community Highway Safety				-	5,650
Total - Highway Safety Cluster				-	5,650
Airport Improvement Program Airport Improvement Program Airport Runway	Direct grant	20.106	AIP 3-18-0086-13 AIP 3-18-0086-016-2016	- -	10,058 507,588
Total - Airport Improvement Program				-	517,646

DAVISS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

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
Interagency Hazardous Materials Public Sector Training and Planning Grants LEPC	Indiana Department of Homeland Security	20.703	HM-MHP-0548-16-01-00	-	8,665
Total - Department of Transportation				-	2,470,250
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Public Health Emergency Preparedness	Indiana State Department of Health	93.074	U90TP000521	-	6,490
Child Support Enforcement	Indiana Department of Child Services	93.563			
Collection Incentives County			2017	-	10,350
County Prosecutor's Expense			2017	-	190,102
Clerk's Expense			2017	-	41,302
Court Expense			2017	-	36,338
Indirect Cost			2017	-	81,248
Collection Incentives Clerk			2017	-	11,708
Collection Incentives Prosecutor			2017	-	16,760
Total - Child Support Enforcement				-	387,808
Total - Department of Health and Human Services				-	394,298
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance Boater Safety Education	Indiana Department of Natural Resources	97.012	EDS E-11-15-006	-	15,000
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042			
2014 EMPG Salary Reimbursement			EDS#C44P-5-704B	-	28,685
Trailer Equipment			EMC-2016-EP-00006	-	13,911
EMA - De Obligated Funds			EMC-2016-EP-00006-S01	-	7,254
Total - Emergency Management Performance Grants				-	49,850
Homeland Security Grant Program EMA Radios	Indiana Department of Homeland Security	97.067	EMW-2016-SS-00078	-	14,574
Total - Department of Homeland Security				-	79,424
Total federal awards expended				\$ -	\$ 3,003,500

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, 2017. 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 weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over the major program:	
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 Program and type of auditor's report issued on compliance for it:

Name of Federal Program or Cluster	Opinion Issued
Highway Planning and Construction Cluster	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

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the County. The document is 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 2016-001 Internal Controls over Financial Transactions and Reporting

Fiscal year in which the finding initially occurred: 2016

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 2016-001 Internal Controls over Financial Transactions and Reporting.

1. Economic Development Disbursements – Our Corrective Action Plan based on SBOA audit completed in September 2017 is complete in 2017 as no disbursements have been made under either of the Contracts with Daviess County Economic Development Corporation or Foundation.
2. West Boggs Park, Corrective Action Plan also completed in 2017 based on SBOA audit completed in September of 2017, supporting documentation is received with claims for audit purposes.

Patty Ball

(Signature)

Auditor

(Title)

7/27/2018

(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 2016-001 Internal Controls over Financial Transactions and Reporting

Fiscal year in which the finding initially occurred: 2016
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.

Nathan Gabhart
(Signature)

Commissioner, President
(Title)

7-24-2018
(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

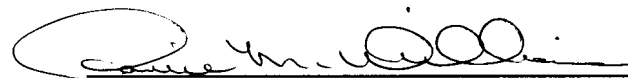
Courthouse – 200 E. Walnut Street
P.O. Box 739
Washington, IN 47501

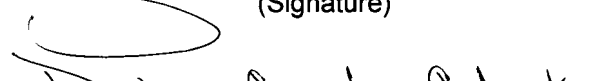
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

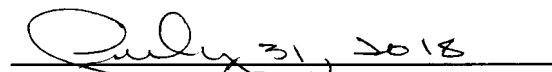
FINDING 2016-002 Internal Controls over Financial Transactions and Reporting

Fiscal year in which the finding initially occurred: 2016
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, 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.


(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/>.