

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

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



FILED
02/27/2019

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	10-12
Notes to Financial Statement	13-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-45
Schedule of Payables and Receivables	46
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each 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
Notes to Schedule of Expenditures of Federal Awards	53
Schedule of Findings and Questioned Costs	54-56
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings	58
Corrective Action Plan	59
Other Reports	60

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Karen Engleman Chad Shireman	01-01-15 to 11-26-16 11-27-16 to 12-31-18
County Treasurer	Debra Dones	01-01-15 to 12-31-18
Clerk of the Circuit Court	Sally A. Whitis Sherry Brown	01-01-13 to 12-31-16 01-01-17 to 12-31-20
County Sheriff	Rodney Seelye	01-01-15 to 12-31-18
County Recorder	Barbara Best Debbie Dennison	01-01-13 to 12-31-16 01-01-17 to 12-31-20
President of the Board of County Commissioners	Kenny Saulman	01-01-16 to 12-31-18
President of the County Council	Gary Davis	01-01-16 to 12-31-18



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF HARRISON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Harrison 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 and Schedule of Payables and Receivables, 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 December 20, 2018, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

December 20, 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

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 HARRISON 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 Harrison 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 December 20, 2018, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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

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*.

Harrison 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

December 20, 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.

HARRISON 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
After Settlement Collections	\$ 958,473	\$ 794,722	\$ 958,073	\$ 795,122
Sheriff's Inmate Trust	28,107	251,550	257,997	21,660
Jail Commissary	54,101	267,687	192,145	129,643
Clerk's Trust	596,164	2,169,062	2,011,572	753,654
County General	2,677,037	12,171,976	9,500,650	5,348,363
Accident Report	6,760	1,475	810	7,425
CAGIT-Co. Certified Shares	197,029	2,830,781	2,873,247	154,563
Campaign Finance Enf.-Co.	6,328	1,679	1,087	6,920
CEDIT-County Share	1,730,894	1,771,544	3,502,437	1
Clerk's Records Perp.	31,188	14,766	-	45,954
Community Corrections Program	-	147,931	110,372	37,559
Community Transition Program	-	13,250	-	13,250
Contrl Subst Excise Tax	17	-	-	17
Sales Disclosure-Co. Share	28,527	5,415	8,773	25,169
Cumulative Bridge	2,023,042	706,138	258,774	2,470,406
Cum Capital Development	533,850	349,681	4,146	879,385
Cumulative Courthouse	1,780,062	263,504	2,900	2,040,666
Community Drug Free	27,278	13,905	21,240	19,943
Electronic Map Generation	6,642	1,295	-	7,937
Emergency Medical Services	75,522	432,989	508,085	426
Emerg Planning / Right to Know	16,642	3,709	-	20,351
Recorder Enhanced Access	16,400	6,104	-	22,504
Extradition & Sheriff Assist.	54,431	2,524	10,357	46,598
Fire Arms Training	29,902	67,979	24,783	73,098
Health	315,435	811,891	731,347	395,979
Identification Security Protec	3,777	3,237	3,000	4,014
Levy Excess	1,003	-	-	1,003
Local Health Maintenance	136,440	40,091	37,114	139,417
Local Road & Street	1,398,216	448,636	508,917	1,337,935
Misdemeanant Fund	67,622	23,813	21,318	70,117
Motor Vehicle Highway	1,712,311	3,341,708	2,728,243	2,325,776
Park Non Reverting	20,000	-	-	20,000
Parks Non-revert Timber	425	-	-	425
Plat Book-Auditor	15,050	9,825	-	24,875
Rainy Day	679	548,006	-	548,685
Reassessment	870,248	275,007	368,257	776,998
Recorder's Records Perp.	414,107	59,010	45,042	428,075
Riverboat - County Share	22,268,472	22,877,492	20,259,070	24,886,894
Sex and Violent Offender Adm.	6,582	2,268	534	8,316
Sheriff Pension Trust	7,175	25,690	22,296	10,569
Supp. Public Defender Serv.	15,772	7,048	-	22,820
Surplus Tax	59,185	61,089	45,127	75,147
Surveyor Corner Perp.	39,444	8,905	4,800	43,549
Tax Sale Redemption	3,402	25,593	28,767	228
Tax Sale Surplus	240,525	141,691	168,246	213,970
Local Health Trust Account	99,955	22,628	23,559	99,024
Auditor Ineligible Deduction	57,684	-	12,935	44,749
County Elected Officials Train	12,809	3,237	140	15,906
Park & Recreation	457,989	870,895	977,407	351,477
County Offender Trans. Fund	52	-	-	52
Statewide 911	699,680	336,123	304,480	731,323
Juv. Probation User Fees(circuit)	61,288	5,498	14,548	52,238
Probation User Fees (superior)	76,578	111,757	38,148	150,187

HARRISON 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
Pretrial Diversion	190,265	124,437	86,200	228,502
Hoosier Hills Pact	516	70,708	68,968	2,256
Humane Society	11,347	-	-	11,347
Payroll Clearing	-	150	150	-
Payroll- co paid health	-	15	-	15
PAYROLL-WTH CHILD SUPPORT	-	31,261	31,261	-
Payroll-Withholding Pebsco	-	25,780	25,780	-
PAYROLL-WTH FEDERAL	-	830,132	830,132	-
PAYROLL-WTH FICA & MEDICARE	-	648,890	648,890	-
PAYROLL-WTH LOCAL TAX	-	87,885	87,885	-
PAYROLL-WTH PROPERTY TAX	-	1,323	1,323	-
PAYROLL-WTH SHERIFF PENSION	-	53,382	53,382	-
PAYROLL-WTH STATE	-	287,403	287,403	-
PAYROLL-Garn. superior court	-	4,784	4,784	-
Settlement	-	24,931,846	24,931,846	-
CVET Agency	-	134,472	134,472	-
Weed Lien Collections	-	677	677	-
Sewage Collections	-	825	825	-
Financial Institution Tax	-	206,960	206,960	-
State Fines & Forfeitures	531	2,966	2,804	693
Infraction Judgements	3,312	16,885	18,255	1,942
Overweight Vehicles Fine	57	2,922	2,979	-
Special Death Benefits	810	3,265	3,715	360
Sales Disclosure-State Share	850	5,055	5,410	495
Coroners Training & Cont. Educ	590	3,610	3,872	328
Interstate Compact-State Share	1,063	2,959	3,254	768
Mortgage Recording Fee-State	1,045	4,135	4,487	693
DLGF Homestead Property Databa	2	-	2	-
Sex & Violent Offender Adm-State	86	253	304	35
Child Restraint Violations	25	125	125	25
Education Plate	-	394	394	-
Riverboat Ord 98-12	4,025,678	21,852,192	25,647,043	230,827
Innkeeper Tax Collections	185,033	954,256	925,000	214,289
CAGIT Distribution	-	5,799,618	5,799,618	-
CEDIT Distribution	-	1,941,461	1,941,461	-
City/Town Ordinance Violations	3,938	6,177	6,174	3,941
93.563 ARRA Pros. IV-D Incentive	876	-	876	-
93.563 Title IV-D INCENTIVE	62,081	11,235	-	73,316
93.563 PROS. IV-D-POSTOCT99	76,411	16,906	21,733	71,584
93.563 CLERK IV-D-PRIOROCT99	10,836	-	-	10,836
93.563 CLERK IV-D-POSTOCT99	24,835	11,235	10,108	25,962
County Law Enf Con't Education	1,600	1,270	900	1,970
County LOIT Special Distribution	-	451,994	-	451,994
Park Board Donations	3,220	823	3,599	444
Animal Control Donations	8,053	12,308	16,212	4,149
Casa Donations	300	-	-	300
Land Conservation Donation	776	-	-	776
Veterans Affairs Donations	726	720	-	1,446
Hayswood Vet. Memorial Donatio	-	3,000	3,000	-
New Salisbury Cabin	-	2,000	-	2,000
Discovery Ctr-Corydon donation	-	199,470	189,470	10,000
Animal Control Fines & Fees	23,623	3,978	3,192	24,409
Family Health & Hoosier Hills	2,698	4,800	137	7,361

HARRISON 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
Discovery Center Revenues	-	672	-	672
Coroner Accident Report Fund	250	300	-	550
Casa User Fees	3,990	-	-	3,990
Work Release	36,900	11,842	21,326	27,416
Prosecutor Asset Forfeiture	9,734	-	-	9,734
MCH Fees and Reimb. ord 2012-2	22,079	8,938	12,762	18,255
Sheriff Asset Forfeiture	62,953	43,426	8,154	98,225
Home Detention	-	71,866	21,534	50,332
Payroll - Insur Aflac	(394)	69,871	64,922	4,555
Payroll - Insur Health	(9,339)	380,139	376,986	(6,186)
Payroll - Insur Boston Mutual	2,271	26,728	26,886	2,113
Payroll - Insur Colonial	-	1,164	1,067	97
Payroll - Dental Insur	(231)	79,527	79,564	(268)
Payroll - Insur Libery Nat	-	6,995	6,467	528
Payroll - Insur Pre-paid Legal	74	700	682	92
Payroll - Insur TransAmerica	-	22,691	20,896	1,795
Payroll - Humana Voluntary	2	16,154	16,168	(12)
Payroll-Perf Vol. Post-tax	-	6,761	6,761	-
Payroll-Perf Voluntary pre-tax	-	3,745	3,745	-
Payroll-chase insur wth	-	1,200	1,200	-
LOIT 2016 Special Distribution	-	871,993	871,993	-
Ema Planning Grant	7,492	-	673	6,819
Clerk Non Reverting Sect 101	19,650	3,982	15,504	8,128
1997-FEMA DISASTER	-	266,259	266,259	-
EMPG-EMW-2015-EP-00037	-	5,085	5,085	-
JDAI -do not use	-	5,000	5,000	-
2016 5311 Transportation Grant	-	383,809	383,809	-
2015 EMPG - EMW-2015-EP-00037	-	2,077	2,077	-
Spanish Inter.-Superior Court	-	4,500	2,230	2,270
2015 EMPG - Salaries	-	25,643	25,643	-
5311 Capital Assist. Grant-van	-	40,357	40,357	-
Casa (in St) Grant Fund	61,029	11,873	9,874	63,028
Gov. Facilities Plan	38,057	-	25,501	12,556
2016 JDAI 1004	-	5,068	4,968	100
JDAI - DOC -EDS#D25-17-575	-	31,109	25,331	5,778
Vet. Treatment COURT Plan.	-	1,243	1,243	-
Lanesville Deferral Fee	-	220	-	220
Retainage - Highway Building	134,475	94,641	229,116	-
STATE-Pros. Asset Forfeiture	394,113	-	50,867	343,246
Morvin's Landing Lease Fund	15,459	15,459	-	30,918
Premiere Garnishment	-	210	210	-
2015 5311 Transportation Grant	-	118,639	118,639	-
PHEP-16505261	8,361	39,918	35,281	12,998
MCH - 16519101	(31)	4,286	4,346	(91)
MCH - CONTRACT#14460	(1,421)	3,596	2,655	(480)
Parks/Foundation Museum Grant	33,245	852,825	886,070	-
Drug Prosecution Fund	2,000	-	2,000	-
Parks - Indian Creek Trail	(33,245)	296,945	263,700	-
Totals	<u>\$ 45,388,957</u>	<u>\$ 114,945,202</u>	<u>\$ 112,553,356</u>	<u>\$ 47,780,803</u>

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

HARRISON 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.

HARRISON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits. Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Other receipts. Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies. Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

Other disbursements. Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

HARRISON 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.

HARRISON 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.

HARRISON 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. Two of the funds are a result of those funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2016. Three of the funds are a result of those funds being payroll withholding. The payroll withholding funds were due to timing and were resolved in January 2017.

(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.

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

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	County General	Accident Report
Cash and investments - beginning	\$ 958,473	\$ 28,107	\$ 54,101	\$ 596,164	\$ 2,677,037	\$ 6,760
Receipts:						
Taxes	794,722	-	-	-	3,775,679	-
Licenses and permits	-	-	-	-	56,698	-
Intergovernmental receipts	-	-	-	-	1,271,120	-
Charges for services	-	251,550	267,687	-	253,110	1,475
Fines and forfeits	-	-	-	2,169,062	118,016	-
Other receipts	-	-	-	-	6,697,353	-
Total receipts	794,722	251,550	267,687	2,169,062	12,171,976	1,475
Disbursements:						
Personal services	-	-	-	-	6,301,996	-
Supplies	-	-	-	-	327,423	810
Other services and charges	-	-	-	-	2,803,843	-
Capital outlay	-	-	-	-	12,827	-
Other disbursements	958,073	257,997	192,145	2,011,572	54,561	-
Total disbursements	958,073	257,997	192,145	2,011,572	9,500,650	810
Excess (deficiency) of receipts over disbursements	(163,351)	(6,447)	75,542	157,490	2,671,326	665
Cash and investments - ending	\$ 795,122	\$ 21,660	\$ 129,643	\$ 753,654	\$ 5,348,363	\$ 7,425

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

	CAGIT-Co. Certified Shares	Campaign Finance Enf.-Co.	CEDIT-County Share	Clerk's Records Perp.	Community Corrections Program	Community Transition Program
Cash and investments - beginning	\$ 197,029	\$ 6,328	\$ 1,730,894	\$ 31,188	\$ -	\$ -
Receipts:						
Taxes	2,811,805	-	1,771,544	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	88,500	13,250
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	1,679	-	14,766	431	-
Other receipts	18,976	-	-	-	59,000	-
Total receipts	2,830,781	1,679	1,771,544	14,766	147,931	13,250
Disbursements:						
Personal services	2,234,272	-	-	-	70,129	-
Supplies	373,288	-	-	-	1,028	-
Other services and charges	265,202	-	-	-	37,924	-
Capital outlay	485	-	-	-	860	-
Other disbursements	-	1,087	3,502,437	-	431	-
Total disbursements	2,873,247	1,087	3,502,437	-	110,372	-
Excess (deficiency) of receipts over disbursements	(42,466)	592	(1,730,893)	14,766	37,559	13,250
Cash and investments - ending	\$ 154,563	\$ 6,920	\$ 1	\$ 45,954	\$ 37,559	\$ 13,250

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

	Contrl Subst Excise Tax	Sales Disclosure-Co. Share	Cumulative Bridge	Cum Capital Development	Cumulative Courthouse	Community Drug Free
Cash and investments - beginning	\$ 17	\$ 28,527	\$ 2,023,042	\$ 533,850	\$ 1,780,062	\$ 27,278
Receipts:						
Taxes	-	-	609,607	286,773	231,822	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	82,784	38,944	31,481	-
Charges for services	-	5,055	11,767	-	-	-
Fines and forfeits	-	-	-	-	-	13,905
Other receipts	-	360	1,980	23,964	201	-
Total receipts	-	5,415	706,138	349,681	263,504	13,905
Disbursements:						
Personal services	-	-	138,399	-	-	-
Supplies	-	-	20,435	-	-	-
Other services and charges	-	-	99,940	4,146	2,900	21,240
Capital outlay	-	8,423	-	-	-	-
Other disbursements	-	350	-	-	-	-
Total disbursements	-	8,773	258,774	4,146	2,900	21,240
Excess (deficiency) of receipts over disbursements	-	(3,358)	447,364	345,535	260,604	(7,335)
Cash and investments - ending	\$ 17	\$ 25,169	\$ 2,470,406	\$ 879,385	\$ 2,040,666	\$ 19,943

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

	Electronic Map Generation	Emergency Medical Services	Emerg Planning / Right to Know	Recorder Enhanced Access	Extradition & Sheriff Assist.	Fire Arms Training
Cash and investments - beginning	\$ 6,642	\$ 75,522	\$ 16,642	\$ 16,400	\$ 54,431	\$ 29,902
Receipts:						
Taxes	-	381,219	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	51,770	3,709	-	-	-
Charges for services	1,295	-	-	6,104	-	61,719
Fines and forfeits	-	-	-	-	2,518	-
Other receipts	-	-	-	-	6	6,260
Total receipts	1,295	432,989	3,709	6,104	2,524	67,979
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	13,851
Other services and charges	-	508,085	-	-	10,357	-
Capital outlay	-	-	-	-	-	10,882
Other disbursements	-	-	-	-	-	50
Total disbursements	-	508,085	-	-	10,357	24,783
Excess (deficiency) of receipts over disbursements	1,295	(75,096)	3,709	6,104	(7,833)	43,196
Cash and investments - ending	\$ 7,937	\$ 426	\$ 20,351	\$ 22,504	\$ 46,598	\$ 73,098

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

	Health	Identification Security Protec	Levy Excess	Local Health Maintenance	Local Road & Street	Misdemeanant Fund
Cash and investments - beginning	\$ 315,435	\$ 3,777	\$ 1,003	\$ 136,440	\$ 1,398,216	\$ 67,622
Receipts:						
Taxes	666,274	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	90,480	-	-	33,139	445,900	-
Charges for services	-	3,237	-	-	-	23,813
Fines and forfeits	54,420	-	-	-	-	-
Other receipts	717	-	-	6,952	2,736	-
Total receipts	811,891	3,237	-	40,091	448,636	23,813
Disbursements:						
Personal services	669,452	-	-	19,704	-	-
Supplies	6,287	-	-	-	484,012	-
Other services and charges	55,305	3,000	-	13,995	-	-
Capital outlay	-	-	-	3,415	24,905	21,318
Other disbursements	303	-	-	-	-	-
Total disbursements	731,347	3,000	-	37,114	508,917	21,318
Excess (deficiency) of receipts over disbursements	80,544	237	-	2,977	(60,281)	2,495
Cash and investments - ending	\$ 395,979	\$ 4,014	\$ 1,003	\$ 139,417	\$ 1,337,935	\$ 70,117

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

	Motor Vehicle Highway	Park Non Reverting	Parks Non-revert Timber	Plat Book-Auditor	Rainy Day	Reassessment
Cash and investments - beginning	\$ 1,712,311	\$ 20,000	\$ 425	\$ 15,050	\$ 679	\$ 870,248
Receipts:						
Taxes	-	-	-	-	-	242,126
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	3,098,869	-	-	-	-	32,881
Charges for services	-	-	-	9,825	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	242,839	-	-	-	548,006	-
Total receipts	3,341,708	-	-	9,825	548,006	275,007
Disbursements:						
Personal services	2,113,376	-	-	-	-	50,829
Supplies	240,663	-	-	-	-	-
Other services and charges	373,990	-	-	-	-	317,428
Capital outlay	-	-	-	-	-	-
Other disbursements	214	-	-	-	-	-
Total disbursements	2,728,243	-	-	-	-	368,257
Excess (deficiency) of receipts over disbursements	613,465	-	-	9,825	548,006	(93,250)
Cash and investments - ending	\$ 2,325,776	\$ 20,000	\$ 425	\$ 24,875	\$ 548,685	\$ 776,998

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

	Recorder's Records Perp.	Riverboat - County Share	Sex and Violent Offender Adm.	Sheriff Pension Trust	Supp. Public Defender Serv.	Surplus Tax
Cash and investments - beginning	\$ 414,107	\$ 22,268,472	\$ 6,582	\$ 7,175	\$ 15,772	\$ 59,185
Receipts:						
Taxes	-	-	-	-	-	61,089
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	58,288	205,813	2,268	-	-	-
Fines and forfeits	-	-	-	25,690	7,048	-
Other receipts	722	22,671,679	-	-	-	-
Total receipts	59,010	22,877,492	2,268	25,690	7,048	61,089
Disbursements:						
Personal services	13,891	1,126,539	-	22,296	-	-
Supplies	-	404,890	414	-	-	-
Other services and charges	-	15,210,723	120	-	-	45,127
Capital outlay	-	2,968,912	-	-	-	-
Other disbursements	31,151	548,006	-	-	-	-
Total disbursements	45,042	20,259,070	534	22,296	-	45,127
Excess (deficiency) of receipts over disbursements	13,968	2,618,422	1,734	3,394	7,048	15,962
Cash and investments - ending	\$ 428,075	\$ 24,886,894	\$ 8,316	\$ 10,569	\$ 22,820	\$ 75,147

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

	Surveyor Corner Perp.	Tax Sale Redemption	Tax Sale Surplus	Local Health Trust Account	Auditor Ineligible Deduction	County Elected Officials Train
Cash and investments - beginning	\$ 39,444	\$ 3,402	\$ 240,525	\$ 99,955	\$ 57,684	\$ 12,809
Receipts:						
Taxes	-	-	122,482	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	22,628	-	-
Charges for services	8,905	-	-	-	-	3,237
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	25,593	19,209	-	-	-
Total receipts	8,905	25,593	141,691	22,628	-	3,237
Disbursements:						
Personal services	-	-	-	4,570	-	-
Supplies	-	-	-	-	-	-
Other services and charges	4,800	-	-	5,271	-	140
Capital outlay	-	-	-	-	12,935	-
Other disbursements	-	28,767	168,246	13,718	-	-
Total disbursements	4,800	28,767	168,246	23,559	12,935	140
Excess (deficiency) of receipts over disbursements	4,105	(3,174)	(26,555)	(931)	(12,935)	3,097
Cash and investments - ending	\$ 43,549	\$ 228	\$ 213,970	\$ 99,024	\$ 44,749	\$ 15,906

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

	Park & Recreation	County Offender Trans. Fund	Statewide 911	Juv. Probation User Fees(circuit)	Probation User Fees (superior)	Pretrial Diversion
Cash and investments - beginning	\$ 457,989	\$ 52	\$ 699,680	\$ 61,288	\$ 76,578	\$ 190,265
Receipts:						
Taxes	472,231	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	64,129	-	336,123	-	-	-
Charges for services	330,189	-	-	-	-	-
Fines and forfeits	-	-	-	5,445	110,514	124,437
Other receipts	4,346	-	-	53	1,243	-
Total receipts	870,895	-	336,123	5,498	111,757	124,437
Disbursements:						
Personal services	616,457	-	168,280	-	-	24,586
Supplies	108,275	-	-	-	-	-
Other services and charges	214,602	-	83,705	4,549	29,681	61,614
Capital outlay	14,280	-	52,495	9,999	5,788	-
Other disbursements	23,793	-	-	-	2,679	-
Total disbursements	977,407	-	304,480	14,548	38,148	86,200
Excess (deficiency) of receipts over disbursements	(106,512)	-	31,643	(9,050)	73,609	38,237
Cash and investments - ending	\$ 351,477	\$ 52	\$ 731,323	\$ 52,238	\$ 150,187	\$ 228,502

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

	Hoosier Hills Pact	Humane Society	Payroll Clearing	Payroll- co paid health	PAYROLL-WTH CHILD SUPPORT	Payroll-Withholding Pebasco
Cash and investments - beginning	\$ 516	\$ 11,347	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	59,000	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	11,708	-	-	-	-	-
Other receipts	-	-	150	15	31,261	25,780
Total receipts	70,708	-	150	15	31,261	25,780
Disbursements:						
Personal services	-	-	150	-	31,261	25,780
Supplies	-	-	-	-	-	-
Other services and charges	720	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	68,248	-	-	-	-	-
Total disbursements	68,968	-	150	-	31,261	25,780
Excess (deficiency) of receipts over disbursements	1,740	-	-	15	-	-
Cash and investments - ending	\$ 2,256	\$ 11,347	\$ -	\$ 15	\$ -	\$ -

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

	PAYROLL-WTH FEDERAL	PAYROLL-WTH FICA & MEDICARE	PAYROLL-WTH LOCAL TAX	PAYROLL-WTH PROPERTY TAX	PAYROLL-WTH SHERIFF PENSION	PAYROLL-WTH STATE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	1,323	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	830,132	648,890	87,885	-	53,382	287,403
Total receipts	830,132	648,890	87,885	1,323	53,382	287,403
Disbursements:						
Personal services	830,132	648,890	87,885	1,323	53,382	287,403
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	830,132	648,890	87,885	1,323	53,382	287,403
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	PAYROLL-Garn. superior court	Settlement	CVET Agency	Weed Lien Collections	Sewage Collections	Financial Institution Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	20,861,506	-	677	825	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	4,070,340	134,472	-	-	206,960
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,784	-	-	-	-	-
Total receipts	4,784	24,931,846	134,472	677	825	206,960
Disbursements:						
Personal services	4,784	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	24,931,846	134,472	677	825	206,960
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	4,784	24,931,846	134,472	677	825	206,960
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	State Fines & Forfeitures	Infraction Judgements	Overweight Vehicles Fine	Special Death Benefits	Sales Disclosure-State Share	Coroners Training & Cont. Educ
Cash and investments - beginning	\$ 531	\$ 3,312	\$ 57	\$ 810	\$ 850	\$ 590
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	1,860	4,050	3,610
Fines and forfeits	2,966	16,885	2,922	1,405	-	-
Other receipts	-	-	-	-	1,005	-
Total receipts	2,966	16,885	2,922	3,265	5,055	3,610
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,804	18,255	2,979	3,715	5,410	3,872
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,804	18,255	2,979	3,715	5,410	3,872
Excess (deficiency) of receipts over disbursements	162	(1,370)	(57)	(450)	(355)	(262)
Cash and investments - ending	\$ 693	\$ 1,942	\$ -	\$ 360	\$ 495	\$ 328

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

	Interstate Compact-State Share	Mortgage Recording Fee-State	DLGF Homestead Property Databa	Sex & Violent Offender Adm-State	Child Restraint Violations	Education Plate
Cash and investments - beginning	\$ 1,063	\$ 1,045	\$ 2	\$ 86	\$ 25	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	4,135	-	253	-	394
Fines and forfeits	2,959	-	-	-	125	-
Other receipts	-	-	-	-	-	-
Total receipts	2,959	4,135	-	253	125	394
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	3,254	4,487	2	304	125	394
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,254	4,487	2	304	125	394
Excess (deficiency) of receipts over disbursements	(295)	(352)	(2)	(51)	-	-
Cash and investments - ending	\$ 768	\$ 693	\$ -	\$ 35	\$ 25	\$ -

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

	Riverboat Ord 98-12	Innkeeper Tax Collections	CAGIT Distribution	CEDIT Distribution	City/Town Ordinance Violations	93,563 ARRA Pros. IV-D Incentive
Cash and investments - beginning	\$ 4,025,678	\$ 185,033	\$ -	\$ -	\$ 3,938	\$ 876
Receipts:						
Taxes	21,788,141	954,256	5,799,618	1,941,461	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	6,177	-
Other receipts	64,051	-	-	-	-	-
Total receipts	21,852,192	954,256	5,799,618	1,941,461	6,177	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	3,980,810	925,000	5,799,618	1,941,461	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	21,666,233	-	-	-	6,174	876
Total disbursements	25,647,043	925,000	5,799,618	1,941,461	6,174	876
Excess (deficiency) of receipts over disbursements	(3,794,851)	29,256	-	-	3	(876)
Cash and investments - ending	\$ 230,827	\$ 214,289	\$ -	\$ -	\$ 3,941	\$ -

HARRISON 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 PROS. IV-D-POSTOCT99	93.563 CLERK IV-D-PRIOROCT99	93.563 CLERK IV-D-POSTOCT99	County Law Enf Con't Education	County LOIT Special Distribution
Cash and investments - beginning	\$ 62,081	\$ 76,411	\$ 10,836	\$ 24,835	\$ 1,600	\$ -
Receipts:						
Taxes	-	-	-	-	-	451,994
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	99	-
Fines and forfeits	-	-	-	-	1,171	-
Other receipts	11,235	16,906	-	11,235	-	-
Total receipts	11,235	16,906	-	11,235	1,270	451,994
Disbursements:						
Personal services	-	19,266	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	900	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	2,467	-	10,108	-	-
Total disbursements	-	21,733	-	10,108	900	-
Excess (deficiency) of receipts over disbursements	11,235	(4,827)	-	1,127	370	451,994
Cash and investments - ending	\$ 73,316	\$ 71,584	\$ 10,836	\$ 25,962	\$ 1,970	\$ 451,994

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

	Park Board Donations	Animal Control Donations	Casa Donations	Land Conservation Donation	Veterans Affairs Donations	Hayswood Vet. Memorial Donatio
Cash and investments - beginning	\$ 3,220	\$ 8,053	\$ 300	\$ 776	\$ 726	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	823	12,308	-	-	720	3,000
Total receipts	823	12,308	-	-	720	3,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1,599	16,212	-	-	-	3,000
Capital outlay	-	-	-	-	-	-
Other disbursements	2,000	-	-	-	-	-
Total disbursements	3,599	16,212	-	-	-	3,000
Excess (deficiency) of receipts over disbursements	(2,776)	(3,904)	-	-	720	-
Cash and investments - ending	\$ 444	\$ 4,149	\$ 300	\$ 776	\$ 1,446	\$ -

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

	New Salisbury Cabin	Discovery Ctr-Corydon donation	Animal Control Fines & Fees	Family Health & Hoosier Hills	Discovery Center Revenues	Coroner Accident Report Fund
Cash and investments - beginning	\$ -	\$ -	\$ 23,623	\$ 2,698	\$ -	\$ 250
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	4,800	672	300
Fines and forfeits	-	-	3,618	-	-	-
Other receipts	2,000	199,470	360	-	-	-
Total receipts	2,000	199,470	3,978	4,800	672	300
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	2,433	1,092	-	-	-
Other services and charges	-	187,037	2,100	137	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	189,470	3,192	137	-	-
Excess (deficiency) of receipts over disbursements	2,000	10,000	786	4,663	672	300
Cash and investments - ending	\$ 2,000	\$ 10,000	\$ 24,409	\$ 7,361	\$ 672	\$ 550

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

	Casa User Fees	Work Release	Prosecutor Asset Forfeiture	MCH Fees and Reimb. ord 2012-2	Sheriff Asset Forfeiture	Home Detention
Cash and investments - beginning	\$ 3,990	\$ 36,900	\$ 9,734	\$ 22,079	\$ 62,953	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	10,668	-	-	43,426	-
Fines and forfeits	-	-	-	8,938	-	67,866
Other receipts	-	1,174	-	-	-	4,000
Total receipts	-	11,842	-	8,938	43,426	71,866
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	3,931	-	3,966	-	-
Other services and charges	-	10,867	-	8,796	8,154	21,222
Capital outlay	-	6,528	-	-	-	-
Other disbursements	-	-	-	-	-	312
Total disbursements	-	21,326	-	12,762	8,154	21,534
Excess (deficiency) of receipts over disbursements	-	(9,484)	-	(3,824)	35,272	50,332
Cash and investments - ending	\$ 3,990	\$ 27,416	\$ 9,734	\$ 18,255	\$ 98,225	\$ 50,332

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

	Payroll - Insur Aflac	Payroll - Insur Health	Payroll - Insur Boston Mutual	Payroll - Insur Colonial	Payroll - Dental Insur	Payroll - Insur Libery Nat
Cash and investments - beginning	\$ (394)	\$ (9,339)	\$ 2,271	\$ -	\$ (231)	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	69,871	380,139	26,728	1,164	79,527	6,995
Total receipts	69,871	380,139	26,728	1,164	79,527	6,995
Disbursements:						
Personal services	64,922	376,986	26,886	1,067	79,564	6,467
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	64,922	376,986	26,886	1,067	79,564	6,467
Excess (deficiency) of receipts over disbursements	4,949	3,153	(158)	97	(37)	528
Cash and investments - ending	\$ 4,555	\$ (6,186)	\$ 2,113	\$ 97	\$ (268)	\$ 528

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

	Payroll - Insur Pre-paid Legal	Payroll - Insur TransAmerica	Payroll - Humana Voluntary	Payroll-Perf Vol. Post-tax	Payroll-Perf Voluntary pre-tax	Payroll-chase insur wth
Cash and investments - beginning	\$ 74	\$ -	\$ 2	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	700	22,691	16,154	6,761	3,745	1,200
Total receipts	700	22,691	16,154	6,761	3,745	1,200
Disbursements:						
Personal services	682	20,896	16,168	6,761	3,745	1,200
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	682	20,896	16,168	6,761	3,745	1,200
Excess (deficiency) of receipts over disbursements	18	1,795	(14)	-	-	-
Cash and investments - ending	\$ 92	\$ 1,795	\$ (12)	\$ -	\$ -	\$ -

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

	LOIT 2016 Special Distribution	Ema Planning Grant	Clerk Non Reverting Sect 101	1997-FEMA DISASTER	EMPG-EMW-2015-EP-00037	JDAI -do not use
Cash and investments - beginning	\$ -	\$ 7,492	\$ 19,650	\$ -	\$ -	\$ -
Receipts:						
Taxes	871,993	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	5,085	5,000
Charges for services	-	-	-	266,259	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	3,982	-	-	-
Total receipts	871,993	-	3,982	266,259	5,085	5,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	673	-	-	-	-
Other services and charges	871,993	-	-	-	-	-
Capital outlay	-	-	15,504	-	5,085	-
Other disbursements	-	-	-	266,259	-	5,000
Total disbursements	871,993	673	15,504	266,259	5,085	5,000
Excess (deficiency) of receipts over disbursements	-	(673)	(11,522)	-	-	-
Cash and investments - ending	\$ -	\$ 6,819	\$ 8,128	\$ -	\$ -	\$ -

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

	2016 5311 Transportation Grant	2015 EMPG - EMW-2015-EP-00037	Spanish Inter.-Superior Court	2015 EMPG - Salaries	5311 Capital Assist. Grant-van	Casa (in St) Grant Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,029
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	383,809	2,077	4,500	25,643	40,357	11,783
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	90
Total receipts	<u>383,809</u>	<u>2,077</u>	<u>4,500</u>	<u>25,643</u>	<u>40,357</u>	<u>11,873</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	383,809	-	2,230	-	-	9,874
Capital outlay	-	2,077	-	-	40,357	-
Other disbursements	-	-	-	25,643	-	-
Total disbursements	<u>383,809</u>	<u>2,077</u>	<u>2,230</u>	<u>25,643</u>	<u>40,357</u>	<u>9,874</u>
Excess (deficiency) of receipts over disbursements	-	-	2,270	-	-	1,999
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,270</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,028</u>

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

	Gov. Facilities Plan	2016 JDAI 1004	JDAI - DOC -EDS#D25-17-575	Vet. Treatment COURT Plan.	Lanesville Deferral Fee	Retainage - Highway Building
Cash and investments - beginning	\$ 38,057	\$ -	\$ -	\$ -	\$ -	\$ 134,475
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	30,938	1,243	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	220	-
Other receipts	-	5,068	171	-	-	94,641
Total receipts	-	5,068	31,109	1,243	220	94,641
Disbursements:						
Personal services	-	-	23,301	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	25,501	-	2,030	-	-	229,116
Capital outlay	-	4,968	-	-	-	-
Other disbursements	-	-	-	1,243	-	-
Total disbursements	25,501	4,968	25,331	1,243	-	229,116
Excess (deficiency) of receipts over disbursements	(25,501)	100	5,778	-	220	(134,475)
Cash and investments - ending	\$ 12,556	\$ 100	\$ 5,778	\$ -	\$ 220	\$ -

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

	STATE-Pros. Asset Forfeiture	Morvin's Landing Lease Fund	Premiere Garnishment	2015 5311 Transportation Grant	PHEP-16505261	MCH - 16519101
Cash and investments - beginning	\$ 394,113	\$ 15,459	\$ -	\$ -	\$ 8,361	\$ (31)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	118,639	39,918	4,286
Charges for services	-	15,459	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	210	-	-	-
Total receipts	-	15,459	210	118,639	39,918	4,286
Disbursements:						
Personal services	-	-	210	-	-	-
Supplies	332	-	-	-	-	4,100
Other services and charges	50,535	-	-	118,639	35,281	246
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	50,867	-	210	118,639	35,281	4,346
Excess (deficiency) of receipts over disbursements	(50,867)	15,459	-	-	4,637	(60)
Cash and investments - ending	\$ 343,246	\$ 30,918	\$ -	\$ -	\$ 12,998	\$ (91)

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

	MCH - CONTRACT#14460	Parks/Foundation Museum Grant	Drug Prosecution Fund	Parks - Indian Creek Trail	Totals
Cash and investments - beginning	\$ (1,421)	\$ 33,245	\$ 2,000	\$ (33,245)	\$ 45,388,957
Receipts:					
Taxes	-	-	-	-	64,899,167
Licenses and permits	-	-	-	-	56,698
Intergovernmental receipts	3,596	-	-	-	10,853,353
Charges for services	-	-	-	-	1,861,322
Fines and forfeits	-	-	-	-	2,774,891
Other receipts	-	852,825	-	296,945	34,499,771
Total receipts	3,596	852,825	-	296,945	114,945,202
Disbursements:					
Personal services	-	-	-	-	16,193,887
Supplies	735	-	-	-	1,998,638
Other services and charges	1,920	852,825	-	263,700	61,253,400
Capital outlay	-	-	2,000	-	3,224,043
Other disbursements	-	33,245	-	-	29,883,388
Total disbursements	2,655	886,070	2,000	263,700	112,553,356
Excess (deficiency) of receipts over disbursements	941	(33,245)	(2,000)	33,245	2,391,846
Cash and investments - ending	\$ (480)	\$ -	\$ -	\$ -	\$ 47,780,803

HARRISON 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>\$ 1,625,499</u>	<u>\$ 2,201,649</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF HARRISON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Harrison 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

December 20, 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.

HARRISON 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
Department of Justice					
Equitable Sharing Program Sheriff Asset Forfeiture	Direct Grant	16.922	2016	\$ -	\$ 8,154
Total - Department of Justice				-	8,154
Department of Transportation					
Federal Transit Cluster Bus and Bus Facilities Formula Program 5311 Capital Asset-Van	Indiana Department of Transportation	20.526	EDS#A249-16-G150053	-	40,357
Total - Federal Transit Cluster				-	40,357
Highway Planning and Construction Cluster Highway Planning and Construction Cumulative Bridge Riverboat	Indiana Department of Transportation	20.205	DES# 1382112 DES# 1383370	- -	11,767 197,671
Total - Highway Planning and Construction Cluster				-	209,438
Formula Grants for Rural Areas 2015 5311 Transportation Grant 2016 5311 Transportation Grant	Indiana Department of Transportation	20.509	EDS #A249-15-320472 EDS#A249-16-G150138	75,277 244,679	75,277 244,679
Total - Formula Grants for Rural Areas				319,956	319,956
Total - Department of Transportation				319,956	569,751
General Services Administration					
Election Reform Payments Clerk Non Reverting	Indiana Secretary of State	39.011	2016	-	15,504
Total - General Services Administration				-	15,504
Department of Health and Human Services					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements PHEP-16505261	Indiana Department of Health	93.074	PHEP-16505261	-	35,281
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	35,281
Child Support Enforcement Prosecutor Incentive Child Support Clerk Child Support Indirect Costs Clerk Incentive Child Support Prosecutor Spanish Inter.-Superior Court ARRA Prosecutor IV-D Incentive	Indiana Department of Child Services	93.563	2016 2016 2016 2016 2016 2016 2016	- - - - - - -	21,734 37,171 87,658 10,109 133,174 9,428 877
Total - Child Support Enforcement				-	300,151
Maternal and Child Health Services Block Grant to the States Title V: Early Start Baby and Me-Title V	Indiana Department of Health	93.994	Contract #14464 Contract#14460	- -	4,286 3,596
Total - Maternal and Child Health Services Block Grant to the States				-	7,882
Total - Department of Health and Human Services				-	343,314
Department of Homeland Security					
Disaster Grant - Public Assistance (Presidentially Declared Disasters) 1997-FEMA DISASTER	Indiana Department of Homeland Security	97.036	061-99061-00	-	266,259
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				-	266,259
Emergency Management Performance Grants 2015 EMPG-Salaries 2015 EMPG EMPG-EMW-2015-EP-00037	Indiana Department of Homeland Security	97.042	EMW-2015-EP-00037 EMW-2015-EP-00037 EMW-2015-EP-00037	- - -	25,643 2,077 5,085
Total - Emergency Management Performance Grants				-	32,805
Total - Department of Homeland Security				-	299,064
Total federal awards expended				\$ 319,956	\$ 1,235,787

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

HARRISON 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.

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weakness identified?	none reported
Significant deficiency identified?	none reported
Any audit finding disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Highway Planning and Construction Cluster Formula Grants for Rural Areas	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: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Material Weakness

Repeat Finding

This is a repeat of Finding 2015-001 from the immediately prior audit.

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The federal award information within the County's Annual Report on the Indiana Gateway for Government Units financial reporting system, which was used to generate the County's SEFA, was entered by the County Auditor without a control process in place to ensure its accuracy before submission.

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

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

Criteria

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

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

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

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

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

2 CFR 200.510(b) states:

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

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

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

Cause

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

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have remained undetected.

Recommendation

We recommended that the County's management establish controls related to the preparation of the SEFA.

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.

AUDITEE-PREPARED DOCUMENTS

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

HARRISON COUNTY AUDITOR

245 ATWOOD STREET • STE. 211

CORYDON, INDIANA 47112

(812) 738-8241

Summary Schedule of Prior Audit Findings

Finding 2015-001

Fiscal Year in which the finding initially occurred: 2014

Contact Person: Chad Shireman

Contact Phone Number: 812-738-8241

Status of Audit Finding:

The audit finding is currently in the process of being addressed. Due to a change in elected official, some of the old practices of reporting the Schedule of Expenditures of Federal Award were continued. Errors on the SEFA were primarily a result of incorrect reporting and not absence of internal controls/formal review process. With that being said, I am currently interviewing for another employee to be a part of the financial team in the office. After someone is hired and trained, Brenda Arnold will be relieved of some of her A/P duties in order to provide necessary oversight for all financial reporting, including but not limited to the SEFA and other financial reporting.

Anticipated Completion Date: The current three-year audit will be wrapping up by the end of the calendar year (2018). At that time, I will review all corrections made to the SEFA for the years that were audited. With a better understanding of what is expected with federal awards reporting, this plan will be implemented during the next annual report submission with a due date of March 1, 2019.

Chad Shireman

(Signature)

Harrison County Auditor

(Title)

12-11-2018

(Date)

CHAD SHIREMAN, AUDITOR

HARRISON COUNTY AUDITOR

245 ATWOOD STREET • STE. 211
CORYDON, INDIANA 47112
(812) 738-8241

CORRECTIVE ACTION PLAN

FINDING 2016-001

Contact Person Responsible for Corrective Action: Chad Shireman
Contact Phone Number: 812-738-8241

Views of Responsible Official: We concur with the finding. More concentration was given to the deadline of a timely submission of the Schedule of Expenditures of Federal Awards than the internal controls needed to ensure accuracy. There was also a misunderstanding of how the information should be entered for reporting, which lead to an ongoing trend of the same errors with SEFA submissions. Due to this misunderstanding, it would have been unlikely that any secondary oversight would have caught and corrected this error prior to submission.

Description of Corrective Action Plan: It is now understood how the federal award information should be reported. The auditor will continue to prepare the Schedule of Expenditures of Federal Awards in the future. Accounts receivable personnel that have the duty of documenting all federal awards will verify that the information entered matches the monies received and disbursed by the County. An additional employee will be hired in accounts payable, allowing the seniors accounts payable employee to provide additional oversight for the reporting of federal awards and all other financial transactions. Once any needed corrections have been made, the auditor will submit the County's annual report on the Indiana Gateway financial reporting system.

Anticipated Completion Date: The current three-year audit will be wrapping up by the end of the calendar year (2018). At that time, I will review all corrections made to the SEFA for the years that were audited. With a better understanding of what is expected with federal awards reporting, this corrective action plan will be implemented during the next annual report submission with a due date of March 1, 2019.

Chad Shireman

(Signature)

Harrison County Auditor

(Title)

12-10-2018

(Date)

CHAD SHIREMAN, AUDITOR

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/>.