

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
CLINTON COUNTY, INDIANA
January 1, 2018 to December 31, 2018



FILED
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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Cathy J. Hamilton Britt A. Ostler	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Treasurer	Carol J. Bartley	01-01-17 to 12-31-20
Clerk of the Circuit Court	Sherri Crews Rhea A. Harris	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Sheriff	Jeff Ward Rich Kelly	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Recorder	Elizabeth J. Keeney	01-01-17 to 12-31-20
President of the Board of County Commissioners	Scott Shoemaker Josh Uitts	01-01-17 to 12-31-17 01-01-18 to 12-31-19
President of the County Council	Alan Dunn	01-01-16 to 12-31-19



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF CLINTON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Clinton County (County), which comprises the financial position and results of operations for the year ended December 31, 2018, 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, 2018.

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, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 1, 2019, 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

July 1, 2019



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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 CLINTON 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 Clinton County (County), which comprises the financial position and results of operations for the year ended December 31, 2018, and the related notes to the financial statement, and have issued our report thereon dated July 1, 2019, 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 2018-001, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001.

Clinton 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

July 1, 2019

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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.

CLINTON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
VICTIM ASSISTANCE GRANT	\$ 2,299	\$ 30,636	\$ 31,939	\$ 996
General	829,530	13,008,489	12,555,055	1,282,964
Accident Report	7,651	4,048	4,080	7,619
Bid Deposits and Bonds Holding	41,881	500	-	42,381
Compaigh Finance Enforcement	-	456	-	456
CEDIT County Share	2,542,317	893,663	1,305,232	2,130,748
Child Advocacy	100	-	-	100
City and Town Court Costs	22,396	7,734	-	30,130
Clerk's Records Perpetuation	96,695	25,885	12,673	109,907
Community Corrections	353,102	611,640	576,699	388,043
Community Transition Program	17,945	43,500	42,878	18,567
County Option Dog Tax	813	-	-	813
Sales Disclosure - County Share	16,580	3,760	-	20,340
Cumulative Bridge	1,174,016	545,919	488,469	1,231,466
Cumulative Capital Development	363,567	249,543	218,264	394,846
Cumulative Courthouse	166,212	274,168	243,586	196,794
Drug Free Community	19,479	41,274	31,727	29,026
Electronic Map Generation	790	691	920	561
Emergency Medical Services	257,981	1,191,605	842,649	606,937
Emergency Planning/Right to Know	13,171	5,101	1,429	16,843
Firearms Training	28,365	6,780	2,114	33,031
General Drain Improvement	382,230	15,871	-	398,101
Health	94,705	348,931	337,374	106,262
Identification Security Protection	50,544	4,614	14,769	40,389
Levy Excess	872	-	-	872
Local Health Maintenance	1,328	33,139	31,879	2,588
Local Road and Street	265,385	511,334	250,000	526,719
LOIT Public Safety - County Share	244,751	1,076,195	952,397	368,549
Medical Care for Inmates	4,339	-	296	4,043
Misdemeanant	66,135	22,034	-	88,169
Motor Vehicle Highway	2,119,848	3,856,156	3,510,477	2,465,527
Plat Book	57,536	9,940	18,633	48,843
Rainy Day	825,882	56,898	326,620	556,160
Reassessment - 2009	22,080	-	-	22,080
Reassessment - 2015	37,094	322,924	318,706	41,312
Recorder's Records Perpetuation	149,909	91,123	70,177	170,855
Sex and Violent Offender Administration	16,589	3,286	3,664	16,211
Sheriff's Pension Trust	29,587	34,211	48,269	15,529
Storm Water Management Capial Projects	89,606	539	-	90,145
Supplemental Public Defender Services	130,060	81,905	23,753	188,212
Surplus Tax	78,245	58,412	67,387	69,270
Surveyor's Corner Perpetuation	35,656	22,715	-	58,371
Tax Sale Redemption	8,168	120,973	137,992	(8,851)
Tax Sale Surplus	517,903	241,727	322,613	437,017
Local Health Department Trust Account	77,409	20,658	3,265	94,802
Unsafe Building	1,421	-	-	1,421
Victim Impact Program	(577)	16,812	16,812	(577)
Guardian Ad Litem	7,365	5	-	7,370
Court Appointed Special Advocate (CASA)	22,470	15,385	10,407	27,448
Auditors Ineligible Deductions	3,217	-	-	3,217
County Elected Officials Training	14,206	4,614	882	17,938
Park and Recreation	411	-	-	411
Statewide 911	733,490	512,471	525,347	720,614
Adult Probation Administrative	2,613	33,568	-	36,181
Juvenile Probation Administrative	54,356	24,349	2,696	76,009
County User Fee	408,335	107,196	150,621	364,910
Drain Construction/Reconstruction	3,916	-	-	3,916
Drain Maintenance	551,765	518,320	314,555	755,530
Sheriff Sale Administration	80,146	11,171	6,600	84,717
DUI Task Force	577	721	1,958	(660)
K-9	1,476	13,000	13,000	1,476
Health Clinic	7,872,441	5,432,241	5,958,474	7,346,208
Court Interpreters	2,855	1,120	1,345	2,630
Donations	33,688	8,776	9,372	33,092
Payroll Clearing	27,661	6,039,007	6,004,051	62,617
Settlement	403,911	44,233,560	44,637,472	(1)
Wheel Tax / Surtax Combined	490,582	828,544	745,000	574,126
Wheel Tax	-	263,325	263,325	-
Sur Tax	-	783,571	783,571	-
CVET Agency	-	301,921	301,921	-
Weed Lien Collections	1,785	-	-	1,785
Financial Institution Tax	-	138,041	138,041	-
Homestead Credit Rebate	-	60,559	-	60,559

CLINTON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
LOIT PTRC	183,180	3,079,773	3,131,092	131,861
State Fines and Forfeitures	6,710	50,144	50,918	5,936
Infraction Judgements	6,040	64,174	57,342	12,872
Overweight Vehicle Fines	-	320	320	-
Special Death Benefit	220	4,195	4,415	-
Sales Disclosure - State Share	375	3,780	3,990	165
Coroners Training & Con't Education	388	2,791	2,985	194
Mortgage Recording Fees - State Share	207	2,493	2,700	-
Sex and Violent Offender Admin - State	10	365	375	-
Education Plate Fees Agency	-	769	769	-
Riverboat Revenue Sharing	-	196,816	196,816	-
Innkeepers Tax Collections	45,511	59,591	59,100	46,002
LIT Certified Shares	-	6,125,351	6,125,351	-
LIT Public Safety	-	2,078,949	2,078,949	-
LIT Economic Development	-	1,560,151	1,560,171	(20)
93.563 ARRA Clerk IV-D Incentive	543	-	543	-
93.563 Title IV-D Incentive	87,281	13,663	-	100,944
93.563 Prosecutor IV-D Incentive-Post Oct '99	171,827	20,549	1,540	190,836
93.563 Clerk IV-D Incentive-Prior To Oct '99	15,227	-	-	15,227
93.563 Clerk IV-D Incentive-Post Oct '99	86,653	14,206	2,539	98,320
County Home Resident's Trust	27,234	170,822	166,299	31,757
Sheriff's Inmate Trust	10,651	346,341	349,359	7,633
Jail Commissary	38,500	222,174	204,588	56,086
Recorder's Petty Cash	50	-	-	50
Recorder Fee and Cash Book	-	-	-	-
Clerk's Trust Account	974,694	2,870,464	2,673,519	1,171,639
Sheriff's Law Enforcement	754	-	60	694
Treasurer Cashbook	781,849	672,614	781,849	672,614
Clerk's Child Support Account	5,379	630,273	631,317	4,335
Sheriff's Work Release	65,431	83,047	126,260	22,218
Project Lifesaver	2,425	-	-	2,425
Drug Prosecution Fund	8	-	-	8
Probation State Grant 2	-	44,688	30,575	14,113
Recovery Grant	(1,986)	-	-	(1,986)
Step Ahead Grant	(21)	-	-	(21)
Jail Treatment Services	26,370	8,383	16,587	18,166
Stop DAT for Baby	-	2,500	2,500	-
Jail Treatment Services 2	-	22,450	7,969	14,481
Community Crossing Fund	-	876,319	876,319	-
Immunization Grant	-	7,457	10,896	(3,439)
Public Defender Board Operation	-	57,028	22,006	35,022
Forest Twp Fire Dept Grant	-	289,805	289,805	-
Sheriff's SWAT	-	11,492	-	11,492
Cl Co & 4-H Community Bldg fund	24,840	-	24,840	-
TMA	640,041	18,370	5,700	652,711
Travel Immunizations	11,894	5,569	6,497	10,966
Medicaid Immunization	4,957	8,900	165	13,692
Law Enforcement Recording Fund	150	900	-	1,050
EMA Sale of Equipment	356	1,500	-	1,856
Medical Reserve Corp Grant	2,416	-	-	2,416
MCR REIMBURSABLE GRANT	1,431	-	-	1,431
Dare Fund Grant	2,570	-	-	2,570
Central Dispatch	415,081	864,636	828,029	451,688
JAG Grant	60	-	-	60
Landfill Tipping Fee	774,506	1,004,069	782,215	996,360
Law Enforcement Education	28,589	5,635	3,750	30,474
Law Enforcement Seizure	1,748	-	-	1,748
Seized Assets	71	-	-	71
Solid Waste Payroll Clearing	9,494	58,365	53,051	14,808
Traffic Enforcement RDP	(309)	852	3,256	(2,713)
Resource Center Transportation	-	403,320	403,320	-
Public Health Emergency Preparedness	4,593	18,898	18,396	5,095
PROBATION STATE GRANT	(7,110)	23,063	15,144	809
Thinking for a Change Grant	260	-	-	260
Traffic Safety Equipment Grant	167	-	-	167
County Training Fund	6,208	970	569	6,609
SHERIFF SAFETY EQUIPMENT	860	-	-	860
Totals	\$ 26,437,244	\$ 105,236,238	\$ 104,296,190	\$ 27,377,292

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

CLINTON 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. 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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

My Choice: Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

New employees hired have a one-time election to join either the Public Employees' Hybrid Plan (PERF Hybrid) or the My Choice: Retirement Savings Plan for Public Employees (My Choice), which is a multiple-employer defined contribution plan. PERF Hybrid consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Financial Report

INPRS 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. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

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.

CLINTON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2018.

Note 8. Holding Corporation

The County has entered into a capital lease with the Clinton County, Indiana Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2018 totaled \$407,359.

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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.

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	VICTIM ASSISTANCE GRANT	General	Accident Report	Bid Deposits and Bonds Holding	Campaign Finance Enforcement	CEDIT County Share
Cash and investments - beginning	\$ 2,299	\$ 829,530	\$ 7,651	\$ 41,881	\$ -	\$ 2,542,317
Receipts:						
Taxes	-	8,203,065	-	-	-	272,913
Licenses and permits	-	49,500	-	-	-	-
Intergovernmental receipts	30,636	1,075,463	-	-	-	-
Charges for services	-	1,141,024	-	-	-	-
Fines and forfeits	-	140,697	-	-	456	-
Other receipts	-	2,398,740	4,048	500	-	620,750
Total receipts	30,636	13,008,489	4,048	500	456	893,663
Disbursements:						
Personal services	31,939	7,074,480	-	-	-	-
Supplies	-	594,545	-	-	-	-
Other services and charges	-	2,706,374	4,080	-	-	891,889
Debt service - principal and interest	-	-	-	-	-	413,343
Capital outlay	-	94,099	-	-	-	-
Other disbursements	-	2,085,557	-	-	-	-
Total disbursements	31,939	12,555,055	4,080	-	-	1,305,232
Excess (deficiency) of receipts over disbursements	(1,303)	453,434	(32)	500	456	(411,569)
Cash and investments - ending	\$ 996	\$ 1,282,964	\$ 7,619	\$ 42,381	\$ 456	\$ 2,130,748

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program	County Option Dog Tax
Cash and investments - beginning	\$ 100	\$ 22,396	\$ 96,695	\$ 353,102	\$ 17,945	\$ 813
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	164,793	-	-
Charges for services	-	-	-	-	43,500	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	7,734	25,885	446,847	-	-
Total receipts	-	7,734	25,885	611,640	43,500	-
Disbursements:						
Personal services	-	-	12,673	334,508	-	-
Supplies	-	-	-	2,992	-	-
Other services and charges	-	-	-	159,849	42,878	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	79,350	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	12,673	576,699	42,878	-
Excess (deficiency) of receipts over disbursements	-	7,734	13,212	34,941	622	-
Cash and investments - ending	\$ 100	\$ 30,130	\$ 109,907	\$ 388,043	\$ 18,567	\$ 813

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Sales Disclosure - County Share	Cumulative Bridge	Cumulative Capital Development	Cumulative Courthouse	Drug Free Community	Electronic Map Generation
Cash and investments - beginning	\$ 16,580	\$ 1,174,016	\$ 363,567	\$ 166,212	\$ 19,479	\$ 790
Receipts:						
Taxes	-	379,152	228,695	251,263	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	58,955	20,848	22,905	-	-
Charges for services	-	100,714	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,760	7,098	-	-	41,274	691
Total receipts	3,760	545,919	249,543	274,168	41,274	691
Disbursements:						
Personal services	-	-	-	-	31,727	-
Supplies	-	24,537	-	-	-	-
Other services and charges	-	463,932	27,520	242,669	-	920
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	190,744	917	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	488,469	218,264	243,586	31,727	920
Excess (deficiency) of receipts over disbursements	3,760	57,450	31,279	30,582	9,547	(229)
Cash and investments - ending	\$ 20,340	\$ 1,231,466	\$ 394,846	\$ 196,794	\$ 29,026	\$ 561

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Emergency Medical Services	Emergency Planning/Right to Know	Firearms Training	General Drain Improvement	Health	Identification Security Protection
Cash and investments - beginning	\$ 257,981	\$ 13,171	\$ 28,365	\$ 382,230	\$ 94,705	\$ 50,544
Receipts:						
Taxes	-	-	-	-	215,069	-
Licenses and permits	-	-	-	-	45,114	-
Intergovernmental receipts	-	-	-	-	19,613	-
Charges for services	1,191,605	-	-	-	40,617	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	5,101	6,780	15,871	28,518	4,614
Total receipts	1,191,605	5,101	6,780	15,871	348,931	4,614
Disbursements:						
Personal services	842,614	-	-	-	248,691	-
Supplies	-	-	2,114	-	7,320	-
Other services and charges	35	1,429	-	-	52,914	14,769
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	28,449	-
Total disbursements	842,649	1,429	2,114	-	337,374	14,769
Excess (deficiency) of receipts over disbursements	348,956	3,672	4,666	15,871	11,557	(10,155)
Cash and investments - ending	\$ 606,937	\$ 16,843	\$ 33,031	\$ 398,101	\$ 106,262	\$ 40,389

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Levy Excess	Local Health Maintenance	Local Road and Street	LOIT Public Safety - County Share	Medical Care for Inmates	Misdemeanant
Cash and investments - beginning	\$ 872	\$ 1,328	\$ 265,385	\$ 244,751	\$ 4,339	\$ 66,135
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	511,334	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	33,139	-	1,076,195	-	22,034
Total receipts	-	33,139	511,334	1,076,195	-	22,034
Disbursements:						
Personal services	-	31,879	-	776,590	-	-
Supplies	-	-	250,000	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	175,807	-	-
Other disbursements	-	-	-	-	296	-
Total disbursements	-	31,879	250,000	952,397	296	-
Excess (deficiency) of receipts over disbursements	-	1,260	261,334	123,798	(296)	22,034
Cash and investments - ending	\$ 872	\$ 2,588	\$ 526,719	\$ 368,549	\$ 4,043	\$ 88,169

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation
Cash and investments - beginning	\$ 2,119,848	\$ 57,536	\$ 825,882	\$ 22,080	\$ 37,094	\$ 149,909
Receipts:						
Taxes	-	-	-	-	222,625	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	3,742,225	-	-	-	20,299	-
Charges for services	103,715	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	10,216	9,940	56,898	-	80,000	91,123
Total receipts	3,856,156	9,940	56,898	-	322,924	91,123
Disbursements:						
Personal services	1,515,126	6,683	-	-	43,460	49,908
Supplies	1,572,094	-	-	-	-	-
Other services and charges	226,517	11,950	79,091	-	195,246	20,269
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	196,740	-	-	-	-	-
Other disbursements	-	-	247,529	-	80,000	-
Total disbursements	3,510,477	18,633	326,620	-	318,706	70,177
Excess (deficiency) of receipts over disbursements	345,679	(8,693)	(269,722)	-	4,218	20,946
Cash and investments - ending	\$ 2,465,527	\$ 48,843	\$ 556,160	\$ 22,080	\$ 41,312	\$ 170,855

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Sex and Violent Offender Administration	Sheriff's Pension Trust	Storm Water Management Capital Projects	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation
Cash and investments - beginning	\$ 16,589	\$ 29,587	\$ 89,606	\$ 130,060	\$ 78,245	\$ 35,656
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	3,286	34,211	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	539	81,905	58,412	22,715
Total receipts	3,286	34,211	539	81,905	58,412	22,715
Disbursements:						
Personal services	-	48,269	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	23,753	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	3,664	-	-	-	-	-
Other disbursements	-	-	-	-	67,387	-
Total disbursements	3,664	48,269	-	23,753	67,387	-
Excess (deficiency) of receipts over disbursements	(378)	(14,058)	539	58,152	(8,975)	22,715
Cash and investments - ending	\$ 16,211	\$ 15,529	\$ 90,145	\$ 188,212	\$ 69,270	\$ 58,371

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Unsafe Building	Victim Impact Program	Guardian Ad Litem
Cash and investments - beginning	\$ 8,168	\$ 517,903	\$ 77,409	\$ 1,421	\$ (577)	\$ 7,365
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	16,812	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	120,973	241,727	20,658	-	-	5
Total receipts	120,973	241,727	20,658	-	16,812	5
Disbursements:						
Personal services	-	-	2,372	-	16,812	-
Supplies	-	-	581	-	-	-
Other services and charges	-	-	312	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	137,992	322,613	-	-	-	-
Total disbursements	137,992	322,613	3,265	-	16,812	-
Excess (deficiency) of receipts over disbursements	(17,019)	(80,886)	17,393	-	-	5
Cash and investments - ending	\$ (8,851)	\$ 437,017	\$ 94,802	\$ 1,421	\$ (577)	\$ 7,370

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Court Appointed Special Advocate (CASA)	Auditors Ineligible Deductions	County Elected Officials Training	Park and Recreation	Statewide 911	Adult Probation Administrative
Cash and investments - beginning	\$ 22,470	\$ 3,217	\$ 14,206	\$ 411	\$ 733,490	\$ 2,613
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	15,385	-	-	-	-	-
Charges for services	-	-	-	-	512,471	33,568
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	4,614	-	-	-
Total receipts	15,385	-	4,614	-	512,471	33,568
Disbursements:						
Personal services	8,051	-	-	-	280,414	-
Supplies	354	-	-	-	-	-
Other services and charges	2,002	-	882	-	244,933	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	10,407	-	882	-	525,347	-
Excess (deficiency) of receipts over disbursements	4,978	-	3,732	-	(12,876)	33,568
Cash and investments - ending	\$ 27,448	\$ 3,217	\$ 17,938	\$ 411	\$ 720,614	\$ 36,181

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Juvenile Probation Administrative	County User Fee	Drain Construction/Reconstruction	Drain Maintenance	Sheriff Sale Administration
Cash and investments - beginning	\$ 54,356	\$ 408,335	\$ 3,916	\$ 551,765	\$ 80,146
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	24,349	96,610	-	510,835	171
Fines and forfeits	-	-	-	-	-
Other receipts	-	10,586	-	7,485	11,000
Total receipts	24,349	107,196	-	518,320	11,171
Disbursements:					
Personal services	2,479	129,106	-	-	-
Supplies	217	2,769	-	-	-
Other services and charges	-	12,477	-	314,555	6,600
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	6,269	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	2,696	150,621	-	314,555	6,600
Excess (deficiency) of receipts over disbursements	21,653	(43,425)	-	203,765	4,571
Cash and investments - ending	\$ 76,009	\$ 364,910	\$ 3,916	\$ 755,530	\$ 84,717

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	DUI Task Force	K-9	Health Clinic	Court Interpreters	Donations	Payroll Clearing
Cash and investments - beginning	\$ 577	\$ 1,476	\$ 7,872,441	\$ 2,855	\$ 33,688	\$ 27,661
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	721	-	-	1,120	-	-
Charges for services	-	-	49,632	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	13,000	5,382,609	-	8,776	6,039,007
Total receipts	721	13,000	5,432,241	1,120	8,776	6,039,007
Disbursements:						
Personal services	1,958	-	868,346	-	-	6,004,051
Supplies	-	-	151,573	-	2,132	-
Other services and charges	-	-	2,432,532	1,345	7,240	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	326,022	-	-	-
Other disbursements	-	13,000	2,180,001	-	-	-
Total disbursements	1,958	13,000	5,958,474	1,345	9,372	6,004,051
Excess (deficiency) of receipts over disbursements	(1,237)	-	(526,233)	(225)	(596)	34,956
Cash and investments - ending	\$ (660)	\$ 1,476	\$ 7,346,208	\$ 2,630	\$ 33,092	\$ 62,617

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Settlement	Wheel Tax / Surtax Combined	Wheel Tax	Sur Tax	CVET Agency	Weed Lien Collections
Cash and investments - beginning	\$ 403,911	\$ 490,582	\$ -	\$ -	\$ -	\$ 1,785
Receipts:						
Taxes	40,692,541	-	263,325	783,571	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	3,541,019	-	-	-	301,921	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	828,544	-	-	-	-
Total receipts	<u>44,233,560</u>	<u>828,544</u>	<u>263,325</u>	<u>783,571</u>	<u>301,921</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	745,000	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	664,380	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	43,973,092	-	263,325	783,571	301,921	-
Total disbursements	<u>44,637,472</u>	<u>745,000</u>	<u>263,325</u>	<u>783,571</u>	<u>301,921</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(403,912)</u>	<u>83,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ (1)</u>	<u>\$ 574,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,785</u>

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Financial Institution Tax	Homestead Credit Rebate	LOIT PTRC	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines
Cash and investments - beginning	\$ -	\$ -	\$ 183,180	\$ 6,710	\$ 6,040	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	138,041	-	3,079,773	-	-	-
Charges for services	-	-	-	-	11,204	-
Fines and forfeits	-	-	-	50,144	52,970	320
Other receipts	-	60,559	-	-	-	-
Total receipts	138,041	60,559	3,079,773	50,144	64,174	320
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,480	-
Other disbursements	138,041	-	3,131,092	50,918	54,862	320
Total disbursements	138,041	-	3,131,092	50,918	57,342	320
Excess (deficiency) of receipts over disbursements	-	60,559	(51,319)	(774)	6,832	-
Cash and investments - ending	\$ -	\$ 60,559	\$ 131,861	\$ 5,936	\$ 12,872	\$ -

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State	Education Plate Fees Agency
Cash and investments - beginning	\$ 220	\$ 375	\$ 388	\$ 207	\$ 10	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	365	-
Fines and forfeits	4,195	3,780	-	-	-	-
Other receipts	-	-	2,791	2,493	-	769
Total receipts	4,195	3,780	2,791	2,493	365	769
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	4,415	3,990	2,985	2,700	375	769
Total disbursements	4,415	3,990	2,985	2,700	375	769
Excess (deficiency) of receipts over disbursements	(220)	(210)	(194)	(207)	(10)	-
Cash and investments - ending	\$ -	\$ 165	\$ 194	\$ -	\$ -	\$ -

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Riverboat Revenue Sharing	Innkeepers Tax Collections	LIT Certified Shares	LIT Public Safety	LIT Economic Development	93.563 ARRA Clerk IV-D Incentive
Cash and investments - beginning	\$ -	\$ 45,511	\$ -	\$ -	\$ -	\$ 543
Receipts:						
Taxes	-	59,591	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	196,816	-	6,125,351	2,078,949	1,560,151	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>196,816</u>	<u>59,591</u>	<u>6,125,351</u>	<u>2,078,949</u>	<u>1,560,151</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	196,816	59,100	6,125,351	2,078,949	1,560,171	543
Total disbursements	<u>196,816</u>	<u>59,100</u>	<u>6,125,351</u>	<u>2,078,949</u>	<u>1,560,171</u>	<u>543</u>
Excess (deficiency) of receipts over disbursements	-	491	-	-	(20)	(543)
Cash and investments - ending	<u>\$ -</u>	<u>\$ 46,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20)</u>	<u>\$ -</u>

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Prior To Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	County Home Resident's Trust	Sheriff's Inmate Trust
Cash and investments - beginning	\$ 87,281	\$ 171,827	\$ 15,227	\$ 86,653	\$ 27,234	\$ 10,651
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	13,663	20,549	-	14,206	-	-
Charges for services	-	-	-	-	170,822	346,341
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	13,663	20,549	-	14,206	170,822	346,341
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	2,491	-	-
Other services and charges	-	1,540	-	48	166,299	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	349,359
Total disbursements	-	1,540	-	2,539	166,299	349,359
Excess (deficiency) of receipts over disbursements	13,663	19,009	-	11,667	4,523	(3,018)
Cash and investments - ending	\$ 100,944	\$ 190,836	\$ 15,227	\$ 98,320	\$ 31,757	\$ 7,633

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Jail Commissary	Recorder's Petty Cash	Recorder Fee and Cash Book	Clerk's Trust Account	Sheriff's Law Enforcement	Treasurer Cashbook
Cash and investments - beginning	\$ 38,500	\$ 50	\$ -	\$ 974,694	\$ 754	\$ 781,849
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	222,174	-	-	2,870,464	-	672,614
Total receipts	222,174	-	-	2,870,464	-	672,614
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	204,588	-	-	2,673,519	60	781,849
Total disbursements	204,588	-	-	2,673,519	60	781,849
Excess (deficiency) of receipts over disbursements	17,586	-	-	196,945	(60)	(109,235)
Cash and investments - ending	\$ 56,086	\$ 50	\$ -	\$ 1,171,639	\$ 694	\$ 672,614

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Clerk's Child Support Account	Sheriff's Work Release	Project Lifesaver	Drug Prosecution Fund	Probation State Grant 2	Recovery Grant
Cash and investments - beginning	\$ 5,379	\$ 65,431	\$ 2,425	\$ 8	\$ -	\$ (1,986)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	44,688	-
Charges for services	-	83,047	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	630,273	-	-	-	-	-
Total receipts	630,273	83,047	-	-	44,688	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	631,317	126,260	-	-	30,575	-
Total disbursements	631,317	126,260	-	-	30,575	-
Excess (deficiency) of receipts over disbursements	(1,044)	(43,213)	-	-	14,113	-
Cash and investments - ending	\$ 4,335	\$ 22,218	\$ 2,425	\$ 8	\$ 14,113	\$ (1,986)

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Step Ahead Grant	Jail Treatment Services	Stop DAT for Baby	Jail Treatment Services 2	Community Crossing Fund	Immunization Grant
Cash and investments - beginning	\$ (21)	\$ 26,370	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	2,500	22,450	876,319	7,457
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	8,383	-	-	-	-
Total receipts	-	8,383	2,500	22,450	876,319	7,457
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	16,587	-	7,969	-	10,896
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	876,319	-
Other disbursements	-	-	2,500	-	-	-
Total disbursements	-	16,587	2,500	7,969	876,319	10,896
Excess (deficiency) of receipts over disbursements	-	(8,204)	-	14,481	-	(3,439)
Cash and investments - ending	\$ (21)	\$ 18,166	\$ -	\$ 14,481	\$ -	\$ (3,439)

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Public Defender Board Operation	Forest Twp Fire Dept Grant	Sheriff's SWAT	Cl Co & 4-H Community Bldg fund	TMA	Travel Immunizations
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 24,840	\$ 640,041	\$ 11,894
Receipts:						
Taxes	-	-	-	-	18,370	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	289,805	-	-	-	5,569
Charges for services	-	-	-	-	-	-
Fines and forfeits	57,028	-	-	-	-	-
Other receipts	-	-	11,492	-	-	-
Total receipts	57,028	289,805	11,492	-	18,370	5,569
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	5,700	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	289,805	-	24,840	-	-
Other disbursements	22,006	-	-	-	-	6,497
Total disbursements	22,006	289,805	-	24,840	5,700	6,497
Excess (deficiency) of receipts over disbursements	35,022	-	11,492	(24,840)	12,670	(928)
Cash and investments - ending	\$ 35,022	\$ -	\$ 11,492	\$ -	\$ 652,711	\$ 10,966

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Medicaid Immunization	Law Enforcement Recording Fund	EMA Sale of Equipment	Medical Reserve Corp Grant	MCR REIMBURSABLE GRANT	Dare Fund Grant
Cash and investments - beginning	\$ 4,957	\$ 150	\$ 356	\$ 2,416	\$ 1,431	\$ 2,570
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	8,900	-	-	-	-	-
Charges for services	-	900	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	1,500	-	-	-
Total receipts	8,900	900	1,500	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	165	-	-	-	-	-
Total disbursements	165	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	8,735	900	1,500	-	-	-
Cash and investments - ending	\$ 13,692	\$ 1,050	\$ 1,856	\$ 2,416	\$ 1,431	\$ 2,570

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Central Dispatch	JAG Grant	Landfill Tipping Fee	Law Enforcement Education	Law Enforcement Seizure	Seized Assets
Cash and investments - beginning	\$ 415,081	\$ 60	\$ 774,506	\$ 28,589	\$ 1,748	\$ 71
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	993,831	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	864,636	-	10,238	5,635	-	-
Total receipts	864,636	-	1,004,069	5,635	-	-
Disbursements:						
Personal services	724,940	-	-	-	-	-
Supplies	8,631	-	-	-	-	-
Other services and charges	31,491	-	755,215	3,750	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	27,000	-	-	-
Other disbursements	62,967	-	-	-	-	-
Total disbursements	828,029	-	782,215	3,750	-	-
Excess (deficiency) of receipts over disbursements	36,607	-	221,854	1,885	-	-
Cash and investments - ending	\$ 451,688	\$ 60	\$ 996,360	\$ 30,474	\$ 1,748	\$ 71

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Solid Waste Payroll Clearing	Traffic Enforcement RDP	Resource Center Transportation	Public Health Emergency Preparedness	PROBATION STATE GRANT
Cash and investments - beginning	\$ 9,494	\$ (309)	\$ -	\$ 4,593	\$ (7,110)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	852	403,320	-	23,063
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	58,365	-	-	18,898	-
Total receipts	<u>58,365</u>	<u>852</u>	<u>403,320</u>	<u>18,898</u>	<u>23,063</u>
Disbursements:					
Personal services	53,051	-	-	10,937	15,144
Supplies	-	-	-	1,156	-
Other services and charges	-	3,256	403,320	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	6,303	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>53,051</u>	<u>3,256</u>	<u>403,320</u>	<u>18,396</u>	<u>15,144</u>
Excess (deficiency) of receipts over disbursements	<u>5,314</u>	<u>(2,404)</u>	<u>-</u>	<u>502</u>	<u>7,919</u>
Cash and investments - ending	<u>\$ 14,808</u>	<u>\$ (2,713)</u>	<u>\$ -</u>	<u>\$ 5,095</u>	<u>\$ 809</u>

CLINTON COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Thinking for a Change Grant	Traffic Safety Equipment Grant	County Training Fund	SHERIFF SAFETY EQUIPMENT	Totals
Cash and investments - beginning	\$ 260	\$ 167	\$ 6,208	\$ 860	\$ 26,437,244
Receipts:					
Taxes	-	-	-	-	51,590,180
Licenses and permits	-	-	-	-	94,614
Intergovernmental receipts	-	-	-	-	24,456,471
Charges for services	-	-	-	-	5,492,818
Fines and forfeits	-	-	-	-	309,590
Other receipts	-	-	970	-	23,292,565
Total receipts	-	-	970	-	105,236,238
Disbursements:					
Personal services	-	-	-	-	19,166,208
Supplies	-	-	-	-	3,368,506
Other services and charges	-	-	569	-	9,595,602
Debt service - principal and interest	-	-	-	-	1,077,723
Capital outlay	-	-	-	-	2,300,359
Other disbursements	-	-	-	-	68,787,792
Total disbursements	-	-	569	-	104,296,190
Excess (deficiency) of receipts over disbursements	-	-	401	-	940,048
Cash and investments - ending	\$ 260	\$ 167	\$ 6,609	\$ 860	\$ 27,377,292

CLINTON COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
CATERPILLAR FINANCIAL SERVICES CORP	ROAD GRADER	\$ 27,000	12/1/2016	12/30/2020
REPUBLIC FIRST NATIONAL CORPORATION	AMBULANCE	53,000	1/15/2019	1/15/2022
REPUBLIC FIRST NATIONAL CORPORATION	EMS BUILDING LEASE	130,000	8/8/2018	8/8/2038
REPUBLIC FIRST NATIONAL CORPORATION	SEVEN FORD POLICE VEHICLES	79,000	6/13/2017	6/13/2018
REPUBLIC FIRST NATIONAL CORPORATION	TWO AMBULANCES	110,000	4/17/2017	4/10/2020
CLINTON COUNTY, INDIANA BUILDING CORPORATION	28 WEST INFRASTRUCTURE	<u>207,000</u>	3/29/2017	1/15/2030
Total of annual lease payments		<u>\$ 606,000</u>		

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose	
Governmental activities:		
General obligation bonds	CR 375 PROJECT	<u>\$ 2,680,000</u> <u>\$ 218,575</u>

CLINTON COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 72,211
Infrastructure	321,020,000
Buildings	25,741,681
Improvements other than buildings	347,350
Machinery, equipment, and vehicles	<u>9,815,691</u>
Total capital assets	<u>\$ 356,996,933</u>

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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 CLINTON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Clinton 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, 2018. 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, 2018.

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

July 1, 2019

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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.

CLINTON COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2018

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 Housing and Urban Development					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Indiana Office of Community and Rural Affairs	14.228	B-16-DC-18-0001	\$ 289,805	\$ 289,805
Total - Department of Housing and Urban Development				289,805	289,805
Department of Justice					
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	D3-17-11406	-	30,636
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	D3-18-12247	-	16,812
Total - Department of Justice				-	47,448
Department of Transportation					
Federal Transit Cluster					
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	Indiana Department of Transportation	20.526	A249-18-G170082	85,058	85,058
Total - Federal Transit Cluster				85,058	85,058
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
CUM BRIDGE BRIDGE INSP			DES 1500231	-	100,714
CUM BRIDGE /BRIDGE 36			DES 1600769	-	24,392
CR 450W			DES 1297552	-	103,715
Total - Highway Planning and Construction				-	228,821
Total - Highway Planning and Construction Cluster				-	228,821
Highway Safety Cluster					
State and Community Highway Safety	Frankfort Police Department	20.600	D3-17-11074	-	852
Alcohol Impaired Driving Countermeasures Incentive Grants I	Frankfort Police Department	20.601	D-3-17-11166	-	721
Total - Highway Safety Cluster				-	1,573
Formula Grants for Rural Areas and Tribal Transit Program	Indiana Department of Transportation	20.509			
Paul Phillippe Transportation Grant			A249-18-G170194	208,330	208,330
Paul Phillippe Camera Grant			A249-18-G17056	18,942	18,942
Total - Formula Grants for Rural Areas and Tribal Transit Program				227,272	227,272
Total - Department of Transportation				312,330	542,724
Department of Health and Human Services					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	U90TP000521	-	18,898
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	Indiana Department of Health	93.539	NU23IP000723	-	7,457
Child Support Enforcement	Indiana Department of Child Services	93.563			
Prosecutor Title IV-D Incentive			FY 2016; FY 2017	-	1,540
Clerk Title IV-D Incentive			FY 2016; FY 2017	-	2,539
Indirect Cost			1804 INCSES, 1904 INCSES	-	45,518
Clerk Prosecutor Court Expenditures			1804 INCSES, 1904 INCSES	-	168,114
Total - Child Support Enforcement				-	217,711
Total - Department of Health and Human Services				-	244,066
Department of Homeland Security					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EMC-2016-EP-00006	-	37,657
Total - Department of Homeland Security				-	37,657
Total federal awards expended				\$ 602,135	\$ 1,161,700

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

CLINTON 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, 2018. 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.

CLINTON 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?	yes

Federal Awards:

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

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Unmodified
93.563	Child Support Enforcement	Unmodified

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

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

FINDING 2018-001

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

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).

Although the County had established internal controls over the federal award information entered into the Indiana Gateway for Government Units financial reporting system, which was the source of the SEFA, the controls failed to detect material errors contained in the SEFA.

CLINTON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The SEFA presented for audit contained the following errors:

1. The Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii program was understated by \$289,805.
2. The PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds program was understated by \$7,457.
3. Not all CFDA numbers and program names were correct, nor were all of grants included on the schedule.

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

Criteria

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

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

CLINTON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

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

Effect

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

Recommendation

We recommended that the County's management establish controls 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 DOCUMENT

The subsequent document was provided by management of the County. The document is presented as intended by the County.



Clinton County Auditor

Britt A. Ostler
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Frankfort, Indiana 46041-1995
765-659-6330
765-659-6391 fax
bostler@clintonco.com

Corrective Action Plan

Finding 2018-001

Britt A. Ostler
765-659-6330

Views of Responsible Official:

We are in agreement with the finding.

Description of Corrective Action Plan:

Next year we will document when reviewed by the First Deputy by signing and dating.

We now realize we need to report all federal grants, even when we are only used as the flow through for the grant.

Anticipated Complete Date:
12/31/2019

Britt A. Ostler
(Signature)

Auditor
(Title)

7/1/19
(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/>.