

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, 2018 to December 31, 2018



FILED
07/30/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Chad Shireman	11-27-16 to 12-31-22
County Treasurer	Debbie Dones	01-01-15 to 12-31-22
Clerk of the Circuit Court	Sherry Brown	01-01-17 to 12-31-20
County Sheriff	Rodney Seelye Nicholas Smith	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Recorder	Debbie Dennison	01-01-17 to 12-31-20
President of the Board of County Commissioners	Kenny Saulman	01-01-18 to 12-31-19
President of the County Council	Gary Davis Holli Castetter Donnie Hussung	01-01-18 to 12-31-18 01-01-19 to 06-23-19 06-24-19 to 12-31-19



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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, 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 Payables and Receivables, 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 9, 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 9, 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 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, 2018, and the related notes to the financial statement, and have issued our report thereon dated July 9, 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 items 2018-001 and 2018-002, that we consider to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001.

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

July 9, 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.

HARRISON 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
After Settlement Collections	\$ 1,072,750	\$ 1,221,490	\$ 1,072,350	\$ 1,221,890
Sheriff's Inmate Trust	26,629	244,216	236,503	34,342
Commissary	84,351	255,722	312,370	27,703
Clerk's Trust	1,379,202	1,909,244	2,178,061	1,110,385
County General	3,822,942	11,207,819	10,125,036	4,905,725
Accident Report	7,827	166,386	-	174,213
CAGIT-Co. Certified Shares	154,357	749	-	155,106
Campaign Finance Enf.-Co.	6,920	-	-	6,920
EDIT-County Share	1,879,545	2,056,585	1,834,283	2,101,847
Clerk's Records Perpetuation	19,885	19,773	3,863	35,795
Community Corrections Grant	-	149	149	-
Community Transition Program	26,000	9,150	-	35,150
Controlled Substance Excise Tax	17	-	-	17
Sales Disclosure-Co. Share	30,839	5,731	536	36,034
Cumulative Bridge	2,891,420	2,265,427	2,594,976	2,561,871
Cumulative Capital Development	1,184,961	395,812	137,662	1,443,111
Cumulative Courthouse	2,305,860	703,559	393,588	2,615,831
Community Drug Free	23,774	28,189	18,394	33,569
Electronic Map Generation	8,976	994	1,369	8,601
Emergency Medical Services	138,384	481,903	608,058	12,229
Emergency Planning / Right to Know	23,847	3,828	928	26,747
Recorder Enhanced Access	32,161	13,198	-	45,359
Extradition & Sheriff Assist.	36,897	10,840	13,985	33,752
Firearms Training	54,002	25,955	31,019	48,938
Health	488,419	929,245	768,536	649,128
Identification Security Protection	8,608	6,853	-	15,461
Local Health Maintenance	137,104	33,187	92,900	77,391
Local Road & Street	1,093,335	796,421	576,518	1,313,238
Misdemeanant Fund	72,316	23,813	17,709	78,420
Motor Vehicle Highway	2,777,983	4,264,567	3,826,603	3,215,947
Park Non-Reverting	10,000	-	-	10,000
Parks Non-Reverting Timber	425	-	-	425
Plat Book-Auditor	35,255	10,348	-	45,603
Rainy Day	679	-	-	679
Reassessment	746,750	293,940	280,619	760,071
Recorder's Records Perpetuation	461,150	101,418	29,724	532,844
Riverboat - County Share	26,310,218	15,484,338	20,663,600	21,130,956
Sex and Violent Offender Adm.	9,253	2,426	-	11,679
Sheriff Pension Trust	14,987	33,597	26,682	21,902
Supplemental Public Defender Services	32,853	13,827	-	46,680
Surplus Tax	87,798	43,457	72,173	59,082
Surveyor Corner Perpetuation	59,673	34,065	8,746	84,992
Tax Sale Redemption	2,039	26,581	28,620	-
Tax Sale Surplus	281,934	458,111	284,594	455,451
Local Health Trust Account	97,174	37,553	43,412	91,315
Auditor Ineligible Deduction	44,749	-	-	44,749
County Elected Officials Training	21,250	6,853	-	28,103
Park & Recreation	336,499	1,256,780	1,067,212	526,067
County Offender Trans. Fund	52	-	-	52
Statewide 911	805,345	340,811	292,118	854,038
Juvenile Probation User Fees (Circuit)	53,624	6,444	7,271	52,797
Probation User Fees (Superior)	221,794	90,052	84,812	227,034
Pretrial Diversion	268,254	166,965	93,668	341,551

HARRISON 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
Hoosier Hills Pact	1,343	937	-	2,280
Humane Society	11,347	-	-	11,347
Payroll Clearing	-	275	275	-
Payroll-Wth Child Support	-	28,186	28,186	-
Payroll-Withholding Pepsco	-	14,620	14,620	-
Payroll-Wth Federal	-	792,028	792,028	-
Payroll-Wth FICA & Medicare	-	717,063	717,063	-
Payroll-Wth Local Tax	-	100,681	100,681	-
Payroll-Wth Property Tax	-	1,359	1,359	-
Payroll-Wth Sheriff Pension	-	61,649	61,649	-
Payroll-Wth State	-	307,186	307,186	-
Settlement	-	28,405,171	28,405,171	-
CVET Agency	-	126,466	126,466	-
Weed Lien Collections	-	1,018	1,018	-
Sewage Collections	-	2,456	2,456	-
Financial Institution Tax	-	176,015	176,015	-
State Fines & Forfeitures	7	6,236	4,239	2,004
Infraction Judgments	2,472	29,703	29,431	2,744
Special Death Benefits	505	3,466	3,386	585
Sales Disclosure-State Share	530	5,353	5,428	455
Coroners Training & Continuing Education	296	3,557	2,935	918
Interstate Compact-State Share	398	2,790	2,760	428
Mortgage Recording Fee-State	655	3,798	3,860	593
Sex & Violent Offender Adm-State	35	269	239	65
Child Restraint Violations	25	375	350	50
Education Plate	-	488	488	-
Riverboat Ordinance 98-12	456,771	20,419,039	18,239,584	2,636,226
Innkeeper Tax Collections	96,668	870,410	929,836	37,242
City/Town Ordinance Violations	7,432	7,539	6,453	8,518
93.563 Title IV-D Incentive	85,187	11,544	-	96,731
93.563 Pros. IV-D Post Oct99	63,177	17,369	27,678	52,868
93.563 Clerk IV-D Prior Oct99	10,836	-	-	10,836
93.563 Clerk IV-D Post Oct99	28,521	11,544	10,071	29,994
Clerk Child Support	2,439	439,501	434,759	7,181
Spanish Interpreter-Superior Court	576	-	-	576
County Law Enforcement Continuing Education	475	1,256	700	1,031
Park Board Donations	23	-	-	23
Animal Control Donations	8,435	130,842	40,615	98,662
Casa Donations	300	-	-	300
Land Conservation Donations	776	-	-	776
Veterans Affairs Donations	3,703	872	-	4,575
Concerts/Parks Donations	-	3,600	3,250	350
Hayswood Veterans Memorial Donations	712	3,500	2,492	1,720
Discovery Center Donations	5,042	440	5,171	311
Parks Annual Meeting Donations	273	-	-	273
Indian Creek Loop Woods Trail	7	-	-	7
Prosecutor-Halloween Donation	-	198	198	-
Merry Country Christmas Donation	47	7,000	4,294	2,753
B.T. Park/Camper/HCTC/Parks	-	50,000	48,884	1,116
Animal Control Fines & Fees	23,362	7,085	4,377	26,070
Family Health & Hoosier Hills	12,183	4,800	-	16,983
Discovery Center Revenues	55,355	30,682	-	86,037
Coroner Accident Report Fund	750	-	-	750

HARRISON 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
Casa User Fees	3,990	200	-	4,190
Work Release	20,508	214	19,228	1,494
Parks Endowment Fund	13,048	-	-	13,048
Prosecutor Asset Forfeiture	-	37,071	-	37,071
MCH Fees and Reimbursement Ordinance 2012-2	18,097	7,383	16,232	9,248
Sheriff Asset Forfeiture	58,979	117,652	67,621	109,010
Home Detention	120,619	106,637	23,267	203,989
Payroll - Insurance Aflac	(443)	51,307	51,293	(429)
Payroll - Insurance Health	(7,246)	349,219	319,340	22,633
Payroll - Insurance Boston Mutual	57	20,506	18,959	1,604
Payroll - Insurance Colonial	-	700	680	20
Payroll - Dental Insurance	(224)	95,204	95,369	(389)
Payroll - Insurance Liberty National	-	4,762	4,762	-
Payroll - Insurance Pre-Paid Legal	46	550	550	46
Payroll - Insurance TransAmerica	18	16,658	16,676	-
Payroll - Humana Voluntary	(12)	4,140	4,140	(12)
Payroll-Perf Voluntary Post-tax	-	13,750	13,750	-
Payroll-Perf Voluntary Pre-Tax	-	3,917	3,917	-
Payroll-Chase Insurance Wth	-	1,200	1,200	-
Payroll-Office Standing Trust	-	9,120	9,120	-
BPP Late Assessment Penalty	977	1,057	-	2,034
LIT - Certified Shares	(1)	6,671,076	6,671,075	-
LIT - Economic Development	-	2,255,589	2,255,589	-
EMA Planning Grant	6,110	-	1,138	4,972
Clerk Non-Reverting Sect 101	8,128	-	261	7,867
2016 SHSP - Equip. Repair	(4,495)	4,495	-	-
2017 5311 Transportation Grant	-	130,003	130,003	-
Title II Truancy-Juvenile	-	58,836	87,611	(28,775)
2018 5311 Transportation Grant	-	469,987	469,987	-
5311/5339 2 Vans 2018	-	83,065	83,065	-
2017 EMP - Salary	-	33,539	33,539	-
S.H. Water System WW-16-111	-	129,135	353,789	(224,654)
Casa (in St) Grant Fund	62,284	9,200	12,788	58,696
Gov. Facilities Plan	12,556	-	7,500	5,056
2016 JDAI 1004	100	-	-	100
Community Crossing Grant 1601284	1,797,120	-	1,797,120	-
Community Corrections 18/19	-	147,500	107,365	40,135
Community Corrections 17/18	33,544	89,261	121,060	1,745
Community Corrections	-	73,750	73,750	-
Lanesville Deferral Fee	220	-	220	-
State-Pros. Asset Forfeiture	306,849	23,026	35,472	294,403
Morvin's Landing Lease Fund	46,377	-	-	46,377
Premiere Garnishment	-	2,113	2,113	-
PHEP-16505261	8,085	-	499	7,586
MCH - 16519101	-	12,252	13,405	(1,153)
Parks - Indian Creek Trail	-	255,719	2,536,617	(2,280,898)
Harrison County Tourism Commission	478,931	930,967	1,000,975	408,923
Totals	\$ 53,555,951	\$ 110,517,497	\$ 114,835,343	\$ 49,238,105

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.

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,

HARRISON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

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

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

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

E. Disbursements

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

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

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

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

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 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.

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) 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.

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:

HARRISON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

Funding Policy

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

HARRISON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. The deficits in four funds are 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. The deficits in three other funds are the result of timing issues due to the funds being set up for payroll deductions. The expenditures for employee benefits were made prior to amounts being deducted from employees' paychecks and transferred to the respective funds.

Note 8. Restatement

For the year ended December 31, 2017, a change has been made to the beginning balance of the financial statement to more appropriately reflect the financial activity of the County. Beginning January 1, 2018, the County was required to account for the financial activity of its Tourism Commission on its financial statement. The following schedule presents a summary of the restated beginning balance:

Fund Name	Balance as of December 31, 2017	New Fund	Balance as of January 1, 2018
Harrison County Tourism Commission	\$ -	\$ 478,931	\$ 478,931

Note 9. Combined Funds

The Clerk's Trust and Clerk Child Support funds were reported individually in the current financial statement, but were combined into one fund, Clerk's Trust, in the prior financial statement.

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, 2018

	After Settlement Collections	Sheriff's Inmate Trust	Commissary	Clerk's Trust	County General
Cash and investments - beginning	\$ 1,072,750	\$ 26,629	\$ 84,351	\$ 1,379,202	\$ 3,822,942
Receipts:					
Taxes	1,221,490	-	-	-	7,202,794
Licenses and permits	-	-	-	-	81,223
Intergovernmental receipts	-	-	-	-	1,409,596
Charges for services	-	244,216	255,722	-	240,673
Fines and forfeits	-	-	-	1,909,244	121,162
Other receipts	-	-	-	-	2,152,371
Total receipts	<u>1,221,490</u>	<u>244,216</u>	<u>255,722</u>	<u>1,909,244</u>	<u>11,207,819</u>
Disbursements:					
Personal services	-	-	-	-	6,739,120
Supplies	-	-	-	-	620,610
Other services and charges	-	-	-	-	2,604,511
Capital outlay	-	-	-	-	7,614
Other disbursements	1,072,350	236,503	312,370	2,178,061	153,181
Total disbursements	<u>1,072,350</u>	<u>236,503</u>	<u>312,370</u>	<u>2,178,061</u>	<u>10,125,036</u>
Excess (deficiency) of receipts over disbursements	<u>149,140</u>	<u>7,713</u>	<u>(56,648)</u>	<u>(268,817)</u>	<u>1,082,783</u>
Cash and investments - ending	<u>\$ 1,221,890</u>	<u>\$ 34,342</u>	<u>\$ 27,703</u>	<u>\$ 1,110,385</u>	<u>\$ 4,905,725</u>

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

	Accident Report	CAGIT-Co. Certified Shares	Campaign Finance Enf.-Co.	EDIT-County Share	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 7,827	\$ 154,357	\$ 6,920	\$ 1,879,545	\$ 19,885
Receipts:					
Taxes	-	-	-	2,056,581	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	1,386	-	-	-	-
Fines and forfeits	-	-	-	-	19,773
Other receipts	165,000	749	-	4	-
Total receipts	<u>166,386</u>	<u>749</u>	<u>-</u>	<u>2,056,585</u>	<u>19,773</u>
Disbursements:					
Personal services	-	-	-	1,072,742	-
Supplies	-	-	-	12,927	-
Other services and charges	-	-	-	748,614	3,863
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,834,283</u>	<u>3,863</u>
Excess (deficiency) of receipts over disbursements	<u>166,386</u>	<u>749</u>	<u>-</u>	<u>222,302</u>	<u>15,910</u>
Cash and investments - ending	<u>\$ 174,213</u>	<u>\$ 155,106</u>	<u>\$ 6,920</u>	<u>\$ 2,101,847</u>	<u>\$ 35,795</u>

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

	Community Corrections Grant	Community Transition Program	Controlled Substance Excise Tax	Sales Disclosure-Co. Share	Cumulative Bridge
Cash and investments - beginning	\$ -	\$ 26,000	\$ 17	\$ 30,839	\$ 2,891,420
Receipts:					
Taxes	-	-	-	-	621,400
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	9,150	-	-	88,456
Charges for services	-	-	-	5,185	-
Fines and forfeits	-	-	-	-	-
Other receipts	149	-	-	546	1,555,571
Total receipts	<u>149</u>	<u>9,150</u>	<u>-</u>	<u>5,731</u>	<u>2,265,427</u>
Disbursements:					
Personal services	-	-	-	-	131,768
Supplies	-	-	-	-	21,672
Other services and charges	149	-	-	-	2,441,536
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	536	-
Total disbursements	<u>149</u>	<u>-</u>	<u>-</u>	<u>536</u>	<u>2,594,976</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>9,150</u>	<u>-</u>	<u>5,195</u>	<u>(329,549)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 35,150</u>	<u>\$ 17</u>	<u>\$ 36,034</u>	<u>\$ 2,561,871</u>

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

	Cumulative Capital Development	Cumulative Courthouse	Community Drug Free	Electronic Map Generation	Emergency Medical Services
Cash and investments - beginning	\$ 1,184,961	\$ 2,305,860	\$ 23,774	\$ 8,976	\$ 138,384
Receipts:					
Taxes	292,320	236,307	-	-	421,852
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	41,612	33,638	-	-	60,051
Charges for services	-	-	-	994	-
Fines and forfeits	-	-	28,189	-	-
Other receipts	61,880	433,614	-	-	-
Total receipts	<u>395,812</u>	<u>703,559</u>	<u>28,189</u>	<u>994</u>	<u>481,903</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	120,000	331,708	18,394	1,369	608,058
Capital outlay	17,662	-	-	-	-
Other disbursements	-	61,880	-	-	-
Total disbursements	<u>137,662</u>	<u>393,588</u>	<u>18,394</u>	<u>1,369</u>	<u>608,058</u>
Excess (deficiency) of receipts over disbursements	<u>258,150</u>	<u>309,971</u>	<u>9,795</u>	<u>(375)</u>	<u>(126,155)</u>
Cash and investments - ending	<u>\$ 1,443,111</u>	<u>\$ 2,615,831</u>	<u>\$ 33,569</u>	<u>\$ 8,601</u>	<u>\$ 12,229</u>

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

	Emergency Planning / Right to Know	Recorder Enhanced Access	Extradition & Sheriff Assist.	Firearms Training	Health
Cash and investments - beginning	\$ 23,847	\$ 32,161	\$ 36,897	\$ 54,002	\$ 488,419
Receipts:					
Taxes	-	-	-	-	710,671
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	3,828	-	-	-	101,164
Charges for services	-	13,198	-	25,955	-
Fines and forfeits	-	-	10,840	-	67,269
Other receipts	-	-	-	-	50,141
Total receipts	3,828	13,198	10,840	25,955	929,245
Disbursements:					
Personal services	-	-	-	-	706,414
Supplies	-	-	-	21,919	7,460
Other services and charges	-	-	13,985	-	54,562
Capital outlay	928	-	-	9,100	-
Other disbursements	-	-	-	-	100
Total disbursements	928	-	13,985	31,019	768,536
Excess (deficiency) of receipts over disbursements	2,900	13,198	(3,145)	(5,064)	160,709
Cash and investments - ending	\$ 26,747	\$ 45,359	\$ 33,752	\$ 48,938	\$ 649,128

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

	Identification Security Protection	Local Health Maintenance	Local Road & Street	Misdemeanant Fund	Motor Vehicle Highway
Cash and investments - beginning	\$ 8,608	\$ 137,104	\$ 1,093,335	\$ 72,316	\$ 2,777,983
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	33,140	792,225	-	4,187,482
Charges for services	6,853	-	-	23,813	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	47	4,196	-	77,085
Total receipts	<u>6,853</u>	<u>33,187</u>	<u>796,421</u>	<u>23,813</u>	<u>4,264,567</u>
Disbursements:					
Personal services	-	19,479	-	-	2,320,061
Supplies	-	-	576,518	-	882,908
Other services and charges	-	7,780	-	-	623,634
Capital outlay	-	-	-	17,709	-
Other disbursements	-	65,641	-	-	-
Total disbursements	<u>-</u>	<u>92,900</u>	<u>576,518</u>	<u>17,709</u>	<u>3,826,603</u>
Excess (deficiency) of receipts over disbursements	<u>6,853</u>	<u>(59,713)</u>	<u>219,903</u>	<u>6,104</u>	<u>437,964</u>
Cash and investments - ending	<u>\$ 15,461</u>	<u>\$ 77,391</u>	<u>\$ 1,313,238</u>	<u>\$ 78,420</u>	<u>\$ 3,215,947</u>

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

	Park Non-Reverting	Parks Non-Reverting Timber	Plat Book-Auditor	Rainy Day	Reassessment
Cash and investments - beginning	\$ 10,000	\$ 425	\$ 35,255	\$ 679	\$ 746,750
Receipts:					
Taxes	-	-	-	-	257,312
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	36,628
Charges for services	-	-	10,348	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	-	10,348	-	293,940
Disbursements:					
Personal services	-	-	-	-	39,668
Supplies	-	-	-	-	2,000
Other services and charges	-	-	-	-	238,951
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	-	-	-	280,619
Excess (deficiency) of receipts over disbursements	-	-	10,348	-	13,321
Cash and investments - ending	\$ 10,000	\$ 425	\$ 45,603	\$ 679	\$ 760,071

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

	Recorder's Records Perpetuation	Riverboat - County Share	Sex and Violent Offender Adm.	Sheriff Pension Trust	Supplemental Public Defender Services
Cash and investments - beginning	\$ 461,150	\$ 26,310,218	\$ 9,253	\$ 14,987	\$ 32,853
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	100,331	-	2,426	-	-
Fines and forfeits	-	-	-	33,597	13,827
Other receipts	1,087	15,484,338	-	-	-
Total receipts	101,418	15,484,338	2,426	33,597	13,827
Disbursements:					
Personal services	13,604	2,494,480	-	26,682	-
Supplies	-	233,882	-	-	-
Other services and charges	-	16,056,268	-	-	-
Capital outlay	-	1,807,820	-	-	-
Other disbursements	16,120	71,150	-	-	-
Total disbursements	29,724	20,663,600	-	26,682	-
Excess (deficiency) of receipts over disbursements	71,694	(5,179,262)	2,426	6,915	13,827
Cash and investments - ending	\$ 532,844	\$ 21,130,956	\$ 11,679	\$ 21,902	\$ 46,680

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

	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Trust Account
Cash and investments - beginning	\$ 87,798	\$ 59,673	\$ 2,039	\$ 281,934	\$ 97,174
Receipts:					
Taxes	26,682	-	-	458,111	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	22,628
Charges for services	-	34,065	-	-	8,605
Fines and forfeits	-	-	-	-	6,320
Other receipts	16,775	-	26,581	-	-
Total receipts	<u>43,457</u>	<u>34,065</u>	<u>26,581</u>	<u>458,111</u>	<u>37,553</u>
Disbursements:					
Personal services	-	-	-	-	8,479
Supplies	-	379	-	-	-
Other services and charges	69,196	5,000	-	-	3,200
Capital outlay	-	3,367	-	-	-
Other disbursements	2,977	-	28,620	284,594	31,733
Total disbursements	<u>72,173</u>	<u>8,746</u>	<u>28,620</u>	<u>284,594</u>	<u>43,412</u>
Excess (deficiency) of receipts over disbursements	<u>(28,716)</u>	<u>25,319</u>	<u>(2,039)</u>	<u>173,517</u>	<u>(5,859)</u>
Cash and investments - ending	<u>\$ 59,082</u>	<u>\$ 84,992</u>	<u>\$ -</u>	<u>\$ 455,451</u>	<u>\$ 91,315</u>

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

	Auditor Ineligible Deduction	County Elected Officials Training	Park & Recreation	County Offender Trans. Fund	Statewide 911
Cash and investments - beginning	\$ 44,749	\$ 21,250	\$ 336,499	\$ 52	\$ 805,345
Receipts:					
Taxes	-	-	497,225	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	70,765	-	340,811
Charges for services	-	6,853	371,094	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	317,696	-	-
Total receipts	-	6,853	1,256,780	-	340,811
Disbursements:					
Personal services	-	-	563,851	-	159,354
Supplies	-	-	118,494	-	-
Other services and charges	-	-	272,163	-	132,764
Capital outlay	-	-	75,461	-	-
Other disbursements	-	-	37,243	-	-
Total disbursements	-	-	1,067,212	-	292,118
Excess (deficiency) of receipts over disbursements	-	6,853	189,568	-	48,693
Cash and investments - ending	\$ 44,749	\$ 28,103	\$ 526,067	\$ 52	\$ 854,038

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

	Juvenile Probation User Fees (Circuit)	Probation User Fees (Superior)	Pretrial Diversion	Hoosier Hills Pact	Humane Society
Cash and investments - beginning	\$ 53,624	\$ 221,794	\$ 268,254	\$ 1,343	\$ 11,347
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	6,444	88,772	163,860	937	-
Other receipts	-	1,280	3,105	-	-
Total receipts	<u>6,444</u>	<u>90,052</u>	<u>166,965</u>	<u>937</u>	<u>-</u>
Disbursements:					
Personal services	-	-	27,119	-	-
Supplies	-	-	-	-	-
Other services and charges	6,483	84,353	56,057	-	-
Capital outlay	788	459	-	-	-
Other disbursements	-	-	10,492	-	-
Total disbursements	<u>7,271</u>	<u>84,812</u>	<u>93,668</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(827)</u>	<u>5,240</u>	<u>73,297</u>	<u>937</u>	<u>-</u>
Cash and investments - ending	<u>\$ 52,797</u>	<u>\$ 227,034</u>	<u>\$ 341,551</u>	<u>\$ 2,280</u>	<u>\$ 11,347</u>

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

	Payroll Clearing	Payroll-Wth Child Support	Payroll- Withholding Pebsco	Payroll-Wth Federal	Payroll-Wth FICA & Medicare
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	275	28,186	14,620	792,028	717,063
Total receipts	<u>275</u>	<u>28,186</u>	<u>14,620</u>	<u>792,028</u>	<u>717,063</u>
Disbursements:					
Personal services	275	28,186	14,620	792,028	717,063
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>275</u>	<u>28,186</u>	<u>14,620</u>	<u>792,028</u>	<u>717,063</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Payroll-Wth Local Tax	Payroll-Wth Property Tax	Payroll-Wth Sheriff Pension	Payroll-Wth State	Settlement
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	1,359	-	-	23,471,480
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	4,933,691
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	100,681	-	61,649	307,186	-
Total receipts	<u>100,681</u>	<u>1,359</u>	<u>61,649</u>	<u>307,186</u>	<u>28,405,171</u>
Disbursements:					
Personal services	100,681	1,359	61,649	307,186	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	28,405,171
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>100,681</u>	<u>1,359</u>	<u>61,649</u>	<u>307,186</u>	<u>28,405,171</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	CVET Agency	Weed Lien Collections	Sewage Collections	Financial Institution Tax	State Fines & Forfeitures
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 7
Receipts:					
Taxes	-	1,018	2,456	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	126,466	-	-	176,015	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	6,236
Other receipts	-	-	-	-	-
Total receipts	<u>126,466</u>	<u>1,018</u>	<u>2,456</u>	<u>176,015</u>	<u>6,236</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	126,466	1,018	2,456	176,015	4,239
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>126,466</u>	<u>1,018</u>	<u>2,456</u>	<u>176,015</u>	<u>4,239</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,997</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,004</u>

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

	Infraction Judgments	Special Death Benefits	Sales Disclosure-State Share	Coroners Training & Continuing Education	Interstate Compact-State Share
Cash and investments - beginning	\$ 2,472	\$ 505	\$ 530	\$ 296	\$ 398
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	1,686	4,359	3,557	-
Fines and forfeits	29,703	1,780	-	-	2,790
Other receipts	-	-	994	-	-
Total receipts	<u>29,703</u>	<u>3,466</u>	<u>5,353</u>	<u>3,557</u>	<u>2,790</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	29,431	3,386	5,428	2,935	2,760
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>29,431</u>	<u>3,386</u>	<u>5,428</u>	<u>2,935</u>	<u>2,760</u>
Excess (deficiency) of receipts over disbursements	<u>272</u>	<u>80</u>	<u>(75)</u>	<u>622</u>	<u>30</u>
Cash and investments - ending	<u>\$ 2,744</u>	<u>\$ 585</u>	<u>\$ 455</u>	<u>\$ 918</u>	<u>\$ 428</u>

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

	Mortgage Recording Fee-State	Sex & Violent Offender Adm-State	Child Restraint Violations	Education Plate	Riverboat Ordinance 98-12
Cash and investments - beginning	\$ 655	\$ 35	\$ 25	\$ -	\$ 456,771
Receipts:					
Taxes	-	-	-	19	20,419,039
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	3,798	269	-	469	-
Fines and forfeits	-	-	375	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>3,798</u>	<u>269</u>	<u>375</u>	<u>488</u>	<u>20,419,039</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	3,860	239	350	488	3,350,762
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	14,888,822
Total disbursements	<u>3,860</u>	<u>239</u>	<u>350</u>	<u>488</u>	<u>18,239,584</u>
Excess (deficiency) of receipts over disbursements	<u>(62)</u>	<u>30</u>	<u>25</u>	<u>-</u>	<u>2,179,455</u>
Cash and investments - ending	<u>\$ 593</u>	<u>\$ 65</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 2,636,226</u>

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

	Innkeeper Tax Collections	City/Town Ordinance Violations	93.563 Title IV-D Incentive	93.563 Pros. IV-D Post Oct99	93.563 Clerk IV-D Prior Oct99
Cash and investments - beginning	\$ 96,668	\$ 7,432	\$ 85,187	\$ 63,177	\$ 10,836
Receipts:					
Taxes	870,410	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	7,539	-	-	-
Other receipts	-	-	11,544	17,369	-
Total receipts	<u>870,410</u>	<u>7,539</u>	<u>11,544</u>	<u>17,369</u>	<u>-</u>
Disbursements:					
Personal services	-	-	-	25,428	-
Supplies	-	-	-	-	-
Other services and charges	929,836	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	6,453	-	2,250	-
Total disbursements	<u>929,836</u>	<u>6,453</u>	<u>-</u>	<u>27,678</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(59,426)</u>	<u>1,086</u>	<u>11,544</u>	<u>(10,309)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 37,242</u>	<u>\$ 8,518</u>	<u>\$ 96,731</u>	<u>\$ 52,868</u>	<u>\$ 10,836</u>

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

	93.563 Clerk IV-D Post Oct99	Clerk Child Support	Spanish Interpreter- Superior Court	County Law Enforcement Continuing Education	Park Board Donations
Cash and investments - beginning	\$ 28,521	\$ 2,439	\$ 576	\$ 475	\$ 23
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	439,501	-	1,256	-
Other receipts	11,544	-	-	-	-
Total receipts	11,544	439,501	-	1,256	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	22	-	-	700	-
Capital outlay	-	-	-	-	-
Other disbursements	10,049	434,759	-	-	-
Total disbursements	10,071	434,759	-	700	-
Excess (deficiency) of receipts over disbursements	1,473	4,742	-	556	-
Cash and investments - ending	\$ 29,994	\$ 7,181	\$ 576	\$ 1,031	\$ 23

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

	Animal Control Donations	Casa Donations	Land Conservation Donations	Veterans Affairs Donations	Concerts/Parks Donations
Cash and investments - beginning	\$ 8,435	\$ 300	\$ 776	\$ 3,703	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	130,842	-	-	872	3,600
Total receipts	<u>130,842</u>	<u>-</u>	<u>-</u>	<u>872</u>	<u>3,600</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	454	-	-	-	-
Other services and charges	40,061	-	-	-	3,250
Capital outlay	-	-	-	-	-
Other disbursements	100	-	-	-	-
Total disbursements	<u>40,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,250</u>
Excess (deficiency) of receipts over disbursements	<u>90,227</u>	<u>-</u>	<u>-</u>	<u>872</u>	<u>350</u>
Cash and investments - ending	<u>\$ 98,662</u>	<u>\$ 300</u>	<u>\$ 776</u>	<u>\$ 4,575</u>	<u>\$ 350</u>

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

	Hayswood Veterans Memorial Donations	Discovery Center Donations	Parks Annual Meeting Donations	Indian Creek Loop Woods Trail	Prosecutor- Halloween Donation
Cash and investments - beginning	\$ 712	\$ 5,042	\$ 273	\$ 7	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	3,500	440	-	-	198
Total receipts	<u>3,500</u>	<u>440</u>	<u>-</u>	<u>-</u>	<u>198</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	859	115	-	-	198
Other services and charges	1,633	5,056	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>2,492</u>	<u>5,171</u>	<u>-</u>	<u>-</u>	<u>198</u>
Excess (deficiency) of receipts over disbursements	<u>1,008</u>	<u>(4,731)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,720</u>	<u>\$ 311</u>	<u>\$ 273</u>	<u>\$ 7</u>	<u>\$ -</u>

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

	Merry Country Christmas Donation	B.T. Park/ Camper/ HCTC/Parks	Animal Control Fines & Fees	Family Health & Hoosier Hills	Discovery Center Revenues
Cash and investments - beginning	\$ 47	\$ -	\$ 23,362	\$ 12,183	\$ 55,355
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	4,800	30,682
Fines and forfeits	-	-	7,085	-	-
Other receipts	7,000	50,000	-	-	-
Total receipts	7,000	50,000	7,085	4,800	30,682
Disbursements:					
Personal services	-	-	2,777	-	-
Supplies	589	4,384	498	-	-
Other services and charges	3,705	4,515	1,002	-	-
Capital outlay	-	39,985	-	-	-
Other disbursements	-	-	100	-	-
Total disbursements	4,294	48,884	4,377	-	-
Excess (deficiency) of receipts over disbursements	2,706	1,116	2,708	4,800	30,682
Cash and investments - ending	\$ 2,753	\$ 1,116	\$ 26,070	\$ 16,983	\$ 86,037

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

	Coroner Accident Report Fund	Casa User Fees	Work Release	Parks Endowment Fund	Prosecutor Asset Forfeiture
Cash and investments - beginning	\$ 750	\$ 3,990	\$ 20,508	\$ 13,048	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	200	-	-	-
Other receipts	-	-	214	-	37,071
Total receipts	-	200	214	-	37,071
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	572	-	-
Other services and charges	-	-	8,634	-	-
Capital outlay	-	-	10,022	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	-	19,228	-	-
Excess (deficiency) of receipts over disbursements	-	200	(19,014)	-	37,071
Cash and investments - ending	\$ 750	\$ 4,190	\$ 1,494	\$ 13,048	\$ 37,071

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

	MCH Fees and Reimbursement Ordinance 2012-2	Sheriff Asset Forfeiture	Home Detention	Payroll - Insurance Aflac	Payroll - Insurance Health
Cash and investments - beginning	\$ 18,097	\$ 58,979	\$ 120,619	\$ (443)	\$ (7,246)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	117,652	-	-	-
Fines and forfeits	7,087	-	106,636	-	-
Other receipts	296	-	1	51,307	349,219
Total receipts	<u>7,383</u>	<u>117,652</u>	<u>106,637</u>	<u>51,307</u>	<u>349,219</u>
Disbursements:					
Personal services	-	-	-	51,293	319,340
Supplies	9,839	-	500	-	-
Other services and charges	6,393	67,621	22,442	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	325	-	-
Total disbursements	<u>16,232</u>	<u>67,621</u>	<u>23,267</u>	<u>51,293</u>	<u>319,340</u>
Excess (deficiency) of receipts over disbursements	<u>(8,849)</u>	<u>50,031</u>	<u>83,370</u>	<u>14</u>	<u>29,879</u>
Cash and investments - ending	<u>\$ 9,248</u>	<u>\$ 109,010</u>	<u>\$ 203,989</u>	<u>\$ (429)</u>	<u>\$ 22,633</u>

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

	Payroll - Insurance Boston Mutual	Payroll - Insurance Colonial	Payroll - Dental Insurance	Payroll - Insurance Liberty National	Payroll - Insurance Pre-Paid Legal
Cash and investments - beginning	\$ 57	\$ -	\$ (224)	\$ -	\$ 46
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	20,506	700	95,204	4,762	550
Total receipts	20,506	700	95,204	4,762	550
Disbursements:					
Personal services	18,959	680	95,369	4,762	550
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	18,959	680	95,369	4,762	550
Excess (deficiency) of receipts over disbursements	1,547	20	(165)	-	-
Cash and investments - ending	\$ 1,604	\$ 20	\$ (389)	\$ -	\$ 46

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

	Payroll - Insurance TransAmerica	Payroll - Humana Voluntary	Payroll-Perf Voluntary Post-tax	Payroll-Perf Voluntary Pre-Tax	Payroll-Chase Insurance Wth
Cash and investments - beginning	\$ 18	\$ (12)	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	16,658	4,140	13,750	3,917	1,200
Total receipts	16,658	4,140	13,750	3,917	1,200
Disbursements:					
Personal services	16,676	4,140	13,750	3,917	1,200
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	16,676	4,140	13,750	3,917	1,200
Excess (deficiency) of receipts over disbursements	(18)	-	-	-	-
Cash and investments - ending	\$ -	\$ (12)	\$ -	\$ -	\$ -

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

	Payroll-Office Standing Trust	BPP Late Assessment Penalty	LIT - Certified Shares	LIT - Economic Development	EMA Planning Grant
Cash and investments - beginning	\$ -	\$ 977	\$ (1)	\$ -	\$ 6,110
Receipts:					
Taxes	-	457	6,671,075	2,234,418	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	600	-	-	-
Other receipts	9,120	-	1	21,171	-
Total receipts	9,120	1,057	6,671,076	2,255,589	-
Disbursements:					
Personal services	9,120	-	-	-	-
Supplies	-	-	-	-	210
Other services and charges	-	-	6,650,611	2,255,589	-
Capital outlay	-	-	-	-	928
Other disbursements	-	-	20,464	-	-
Total disbursements	9,120	-	6,671,075	2,255,589	1,138
Excess (deficiency) of receipts over disbursements	-	1,057	1	-	(1,138)
Cash and investments - ending	\$ -	\$ 2,034	\$ -	\$ -	\$ 4,972

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

	Clerk Non-Reverting Sect 101	2016 SHSP - Equip. Repair	2017 5311 Transportation Grant	Title II Truancy- Juvenile	2018 5311 Transportation Grant
Cash and investments - beginning	\$ 8,128	\$ (4,495)	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	4,495	130,003	58,728	469,987
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	108	-
Total receipts	-	4,495	130,003	58,836	469,987
Disbursements:					
Personal services	-	-	-	77,914	-
Supplies	-	-	-	2,214	-
Other services and charges	-	-	130,003	5,011	469,987
Capital outlay	261	-	-	2,472	-
Other disbursements	-	-	-	-	-
Total disbursements	261	-	130,003	87,611	469,987
Excess (deficiency) of receipts over disbursements	(261)	4,495	-	(28,775)	-
Cash and investments - ending	\$ 7,867	\$ -	\$ -	\$ (28,775)	\$ -

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

	5311/5339 2 Vans 2018	2017 EMP - Salary	S.H. Water Water System WW-16-111	Casa (in St) Grant Fund	Gov. Facilities Plan
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 62,284	\$ 12,556
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	83,065	33,539	129,135	8,074	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	1,126	-
Total receipts	<u>83,065</u>	<u>33,539</u>	<u>129,135</u>	<u>9,200</u>	<u>-</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	83,065	33,539	353,789	9,500	7,500
Capital outlay	-	-	-	3,288	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>83,065</u>	<u>33,539</u>	<u>353,789</u>	<u>12,788</u>	<u>7,500</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(224,654)</u>	<u>(3,588)</u>	<u>(7,500)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (224,654)</u>	<u>\$ 58,696</u>	<u>\$ 5,056</u>

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

	2016 JDAI 1004	Community Crossing Grant 1601284	Community Corrections 18/19	Community Corrections 17/18	Community Corrections
Cash and investments - beginning	\$ 100	\$ 1,797,120	\$ -	\$ 33,544	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	147,500	88,500	73,750
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	761	-
Total receipts	-	-	147,500	89,261	73,750
Disbursements:					
Personal services	-	-	71,414	85,788	-
Supplies	-	-	8,081	4,010	-
Other services and charges	-	1,797,120	27,712	31,054	-
Capital outlay	-	-	158	208	-
Other disbursements	-	-	-	-	73,750
Total disbursements	-	1,797,120	107,365	121,060	73,750
Excess (deficiency) of receipts over disbursements	-	(1,797,120)	40,135	(31,799)	-
Cash and investments - ending	\$ 100	\$ -	\$ 40,135	\$ 1,745	\$ -

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

	Lanesville Deferral Fee	State-Pros. Asset Forfeiture	Morvin's Landing Lease Fund	Premiere Garnishment	PHEP- 16505261
Cash and investments - beginning	\$ 220	\$ 306,849	\$ 46,377	\$ -	\$ 8,085
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	23,026	-	2,113	-
Total receipts	-	23,026	-	2,113	-
Disbursements:					
Personal services	-	-	-	2,113	-
Supplies	-	-	-	-	499
Other services and charges	-	35,472	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	220	-	-	-	-
Total disbursements	220	35,472	-	2,113	499
Excess (deficiency) of receipts over disbursements	(220)	(12,446)	-	-	(499)
Cash and investments - ending	\$ -	\$ 294,403	\$ 46,377	\$ -	\$ 7,586

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

	MCH - 16519101	Parks - Indian Creek Trail	Harrison County Tourism Commission	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 478,931	\$ 53,555,951
Receipts:				
Taxes	-	-	-	67,674,476
Licenses and permits	-	-	-	81,223
Intergovernmental receipts	9,052	-	-	13,703,174
Charges for services	-	-	-	1,518,989
Fines and forfeits	-	-	-	3,081,022
Other receipts	3,200	255,719	930,967	24,458,613
Total receipts	<u>12,252</u>	<u>255,719</u>	<u>930,967</u>	<u>110,517,497</u>
Disbursements:				
Personal services	-	-	-	17,151,058
Supplies	4,665	-	-	2,536,456
Other services and charges	8,740	2,536,617	-	72,147,781
Capital outlay	-	-	-	1,998,230
Other disbursements	-	-	1,000,975	21,001,818
Total disbursements	<u>13,405</u>	<u>2,536,617</u>	<u>1,000,975</u>	<u>114,835,343</u>
Excess (deficiency) of receipts over disbursements	<u>(1,153)</u>	<u>(2,280,898)</u>	<u>(70,008)</u>	<u>(4,317,846)</u>
Cash and investments - ending	<u>\$ (1,153)</u>	<u>\$ (2,280,898)</u>	<u>\$ 408,923</u>	<u>\$ 49,238,105</u>

HARRISON COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,489,830</u>	<u>\$ 1,848,359</u>

HARRISON 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.

	Ending Balance
Governmental activities:	
Land	\$ 1,748,722
Infrastructure	139,755,045
Buildings	46,839,695
Improvements other than buildings	2,261,512
Machinery, equipment, and vehicles	<u>13,410,968</u>
Total governmental activities	<u>204,015,942</u>
Total capital assets	<u><u>\$ 204,015,942</u></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, 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.

Basis for Qualified Opinion on Federal Transit Cluster

As described in item 2018-003 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with the requirement regarding Equipment and Real Property Management that is applicable to its Federal Transit Cluster. Compliance with such requirement is necessary, in our opinion, for the County to comply with requirements applicable to that program.

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

Qualified Opinion on Federal Transit Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Federal Transit Cluster* paragraph, 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 the Federal Transit Cluster for the year ended December 31, 2018.

Unmodified Opinion on the Other Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its other major federal program identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2018.

Other Matters

The County's response to the noncompliance finding 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 compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.


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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2018-003, that we consider to be a material weakness.

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

The County's response to the internal control over compliance finding 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 compliance and, accordingly, we express no opinion on the response.

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 9, 2019

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, 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 S.H. Water Systems WW-16-111	Indiana Office of Community and Rural Affairs	14.228	A192-18-WW-16-111	\$ -	\$ 129,135
Total - Department of Housing and Urban Development				-	129,135
Department of Justice					
Juvenile Justice and Delinquency Prevention Title II Truancy - Juvenile	Indiana Criminal Justice Institute	16.540	D3-18-12332	-	58,729
Equitable Sharing Program Sheriff Asset Forfeiture	Direct Grant	16.922	2018	-	67,621
Total - Department of Justice				-	126,350
Department of Transportation					
Federal Transit Cluster					
Bus and Bus Facilities Formula Program 5311 Capital Asset-Van	Indiana Department of Transportation	20.526	A249-18-G170077	83,065	83,065
Total - Federal Transit Cluster				83,065	83,065
Formula Grants for Rural Areas					
2017 5311 Transportation Grant	Indiana Department of Transportation	20.509	A249-17-G150138	84,009	84,009
2018 5311 Transpotation Grant			A249-18-G170184	300,002	300,002
Total - Formula Grants for Rural Areas				384,011	384,011
Total - Department of Transportation				467,076	467,076
Department of Health and Human Services					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements PHEP-16505261	Indiana State Department of Health	93.074	Contract #13818	-	499
Child Support Enforcement					
Spanish Interpreter - Superior Court	Indiana Department of Child Services	93.563	2018	-	6,082
Prosecutor Incentive			2018	-	27,678
Child Support Clerk			2018	-	31,926
Child Support Indirect Costs			2018	-	61,899
Clerk Incentive			2018	-	10,071
Child Support Prosecutor			2018	-	151,989
Total - Child Support Enforcement				-	289,645
Maternal and Child Health Services Block Grant to the States Title V: Early Start	Indiana State Department of Health	93.994	Contract #14464	-	12,087
Total - Department of Health and Human Services				-	302,231
Department of Homeland Security					
Emergency Management Performance Grants 2017 EMPG - Salaries	Indiana Department of Homeland Security	97.042	EMCW-2017-EP-00002	-	33,539
Homeland Security Grant Program 2016 SHSP - Equipment Repair	Indiana Department of Homeland Security	97.067	EMW-2016-SS-00078	-	4,495
Total - Department of Homeland Security				-	38,034
Total federal awards expended				\$ 467,076	\$ 1,062,826

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, 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.

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

Federal Awards:

Internal control over major programs:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

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	Federal Transit Cluster Formula Grants for Rural Areas	Qualified 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 2018-001

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

Repeat Finding

This is a repeat of Finding 2017-001 from the immediately prior audit report.

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors in the financial information entered into the Indiana Gateway for Government Units financial reporting system, which was the source for the Schedule of Expenditures of Federal Awards (SEFA).

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

Due to the lack of internal controls, the following errors resulted in the overstatement of the total federal awards expended on the SEFA by \$2,350,153:

1. Five program titles were incorrect, one pass-through agency was incorrect, and one CFDA number was incorrect, which resulted in the grant erroneously not being reported as part of a cluster.
2. The expenditures for five state grants were incorrectly included on the SEFA, resulting in an overstatement of \$2,074,973.
3. The expenditures for the Equitable Sharing Program were overstated by \$59,400.
4. The expenditures for the Formula Grants for Rural Areas program included the state portion of the grant funds awarded and were overstated by \$215,979.
5. The expenditures for the Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements program were overstated by \$7,586.
6. The expenditures for the Maternal and Child Health Services Block Grant to the States program were understated by \$3,035.
7. The Spanish Interpreter - Superior Court project was omitted from the SEFA, resulting in an understatement of \$6,082. Additionally, the Child Support Clerk and Child Support Prosecutor projects were understated and overstated by \$5,938 and \$7,270, respectively. These errors resulted in a net understatement of Child Support Enforcement program expenditures in the amount of \$4,750.

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. . . ."

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.
- (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

The County's 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*.

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.

FINDING 2018-002

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors during the financial close and reporting process. Financial information was entered into the Indiana Gateway for Government Units financial reporting system, which was the source for the financial statement, by the County Auditor with no evidence of an independent review, oversight, or approval process to ensure the accuracy of the information reported. There were no signoffs or other documentation to indicate that someone other than the County Auditor was involved in the financial close and reporting process.

Context

The lack of controls was a systemic issue, which affected the entire financial close and reporting process.

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. . . ."

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management of the County had not established a proper system of internal control related to financial close and reporting.

Effect

The failure to establish a proper system of internal controls could have enabled misstatements or irregularities within the financial statement to occur and remain undetected.

Recommendation

We recommended that the County's management establish and implement a system of internal controls related to financial close and reporting to ensure proper reporting of the financial statement.

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

FINDING 2018-003

Subject: Federal Transit Cluster - Equipment
Federal Agency: Department of Transportation
Federal Program: Bus and Bus Facilities Formula Program
CFDA Number: 20.526
Federal Award Number and Year (or Other Identifying Number): A249-18-G170077
Pass-Through Entity: Indiana Department of Transportation
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness, Modified Opinion

Condition

An effective internal control system was not in place at the County in order to ensure compliance with requirements related to the grant agreement and the Equipment and Real Property Management compliance requirement.

Controls were not in place to ensure that capital assets purchased with federal grant funds were properly recorded in the County's capital asset records, that the capital asset records were properly updated to reflect the disposition of capital assets, and that physical inventories were conducted as required.

Two vans were purchased during the audit period, neither of which was added to the capital asset register. Additionally, two vans that were purchased under the grant were disposed of during the audit period, and the capital asset register was not updated to reflect either of the dispositions. Finally, the County did not conduct a physical inventory at least once every two years and reconcile the results with the capital asset register.

Context

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

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 200.313(d) states in part:

"Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. . . ."

Cause

Management of the County had not established an effective internal control system that would have ensured compliance with the grant agreement and the Equipment and Real Property Management compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to remain undetected. The failure to comply with the grant agreement and the Equipment and Real Property Management compliance requirement could have resulted in the loss of federal funds to the County.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish an effective system of internal controls to ensure compliance with the grant agreement and the Equipment and Real Property Management compliance requirement.

HARRISON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

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 2017-001

Fiscal Year in which the finding initially occurred: 2013

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. A new employee has been hired in accounts payable and will be freeing up the time of more experienced employees, so they can prepare for the annual financial report and SEFA appropriately. Online resources such as SAM.gov and a concentrated effort to get grant information from departments during the application process will streamline the SEFA reporting. By starting with more accurate information and having employees in position to review figures prior to submission, we are working toward a more timely and accurate submission.

Anticipated Completion Date: The new accounts payable employee was hired on July 1, 2019. As she takes on more work in her new role, the county auditor and more experienced staff will begin revising the annual financial report preparation process. This planning will start as of September 1, 2019. Once the planning process is completed, new processes will be implemented as of January 1, 2019 and will continue throughout the reconciliation process prior to the next annual financial report submission deadline of March 1, 2020.

Chad Se:

(Signature)

Harrison County Auditor

(Title)

07-09-2019

(Date)

CHAD SHIREMAN, AUDITOR



Sherry L. Brown

Clerk of the Harrison Circuit and Superior Courts

sherrybrown@harrisoncounty.in.gov

Harrison Circuit Court
Harrison County Courthouse
300 North Capitol Ave,
Corydon, Indiana 47112
(812) 738-4289 FAX (812) 738-3126

Harrison Superior Court
Harrison County Justice Center
1445 Gardner Ln. NW
Corydon, Indiana 47112
(812) 738-8149 FAX (812) 738-2459

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-002

Fiscal year in which the finding initially occurred: 2017
Contact Person Responsible for Corrective Action: Sherry L. Brown
Contact Phone Number: 812-738-4289

Status of Audit Finding: Corrective Action was implemented 12/18/18, which entails the Clerk or 2nd Deputy comparing checks to the corresponding report and check registry after the 1st Deputy or Bookkeeper prints the checks. The Clerk or 2nd Deputy then makes distribution.

Sherry L. Brown
Signature

Clerk
Title

6/19/19
Date

HARRISON COUNTY AUDITOR

245 ATWOOD STREET • STE. 211

CORYDON, INDIANA 47112

(812) 738-8241

CORRECTIVE ACTION PLAN

FINDING 2018-001

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

Views of Responsible Official: We concur with the finding. Most of the issues found during the 2015-2017 audit were not addressed prior to the 2018 AFR being due. As a result, some of the same findings were reported for the Schedule of Expenditures of Federal Awards.

Description of Corrective Action Plan: As of July 1, 2019, a new accounts payable employee has been hired to free up more experienced personnel for the oversight and preparation needed for an accurate and timely submission of the Annual Financial Report with special emphasis on the Schedule of Expenditures of Federal Awards. We will be using SAM.gov and also reaching out to departments with grants to completely revamp the process of securing information for new federal grants, as well as maintaining current/ongoing grants within the county. With the added personnel, my office will begin preparation for the annual financial report early. We will also have more accurate grant information on file based on the updated methods for maintaining this information. Finally, after all information has been gathered and entered into Gateway, a checks and balances process will take place to guarantee accuracy.

Anticipated Completion Date: The anticipated completion date for the new grant maintenance process with the auditor's office will be September 1, 2019. January 1, 2020 will serve as the start date for the newly improved AFR process, with preliminary work beginning at the first of the year and overview taking place up to the March 1, 2020 submission deadline.

Chad Ae

Signature

Harrison County Auditor

Title

07-09-2019

Date

CHAD SHIREMAN, AUDITOR

HARRISON COUNTY AUDITOR

245 ATWOOD STREET • STE. 211

CORYDON, INDIANA 47112

(812) 738-8241

CORRECTIVE ACTION PLAN

FINDING 2018-002

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

Views of Responsible Official: We concur with the finding. Yet again this year, getting the annual report submitted took longer than expected, with the deadline taking more priority than the internal controls process. The only way to address the issue is to start sooner.

Description of Corrective Action Plan: As of July 1, 2019, a new accounts payable employee was hired. As she learns the claims process and begins data entry, this will free up time for more experienced personnel to focus on early preparation for the annual financial report. By implementing early preparation, the deadline will no longer be an issue. Once the correct steps are taken for timely and accurate submissions, the county auditor will continue to enter all information into Gateway. Using the 'report outputs' function, all information entered into Gateway will be printed and reviewed by auditor's office personnel prior to submission.

Anticipated Completion Date: The new employee has been hired and is currently being trained. This will be an ongoing process, adding to her workload and taking from the workload of other employees. Once enough free time is created, more experienced personnel will work on preparation and review of the annual financial report. The anticipated completion date for this process in January 1, 2020.

Chad Ae

Signature

Harrison County Auditor

Title

07-09-2019

Date

CHAD SHIREMAN, AUDITOR

HARRISON COUNTY AUDITOR

245 ATWOOD STREET • STE. 211

CORYDON, INDIANA 47112

(812) 738-8241

CORRECTIVE ACTION PLAN

FINDING 2018-003

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

Views of Responsible Official: We concur with the finding. A limited amount of delegation from the elected official caused errors on the submission of capital assets. As a result of this, figures from the prior year's AFR were submitted again.

Description of Corrective Action Plan: In order to correct this issue, the county auditor has worked with the accounts receivable employee who maintains the schedule of capital assets. The auditor has also reached out to Blue River Services to get the appropriate information needed to update the current capital assets inventory. The next step will be for the county auditor to schedule an onsite visit to Blue River Services to reconcile results with the capital asset ledger. Once the county auditor enters the capital asset information into Gateway, he will use the 'report output' feature to print this section. The aforementioned accounts receivable employee will ensure the accuracy of these numbers prior to the auditor's final submission.

Anticipated Completion Date: The current capital asset register has been updated to account for the noted changes. A physical inspection of the vehicles will be scheduled by the end of July 2019. All other portions of the corrective action plan pertaining to internal controls will begin on January 1, 2020 as the office starts their newly revised AFR preparation process.

Chad Shireman

Signature

Harrison County Auditor

Title

07-09-2019

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/>.