

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

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



FILED
09/10/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	10-11
Notes to Financial Statement	12-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-46
Schedule of Payables and Receivables	47
Schedule of Leases and Debt	48
Schedule of Capital Assets.....	49
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	52-53
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	56
Notes to Schedule of Expenditures of Federal Awards	57
Schedule of Findings and Questioned Costs	58-66
Auditee-Prepared Document:	
Corrective Action Plan	68-72
Other Reports.....	73

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Karla J. Bauman	01-14-17 to 12-31-22
County Treasurer	Veronica A. Voelker	01-01-17 to 12-31-20
Clerk of the Circuit Court	Neysa R. Raible	01-28-17 to 12-31-22
County Sheriff	Kenneth A. Murphy Peter Cates	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Recorder	Connie Bischoff	01-01-17 to 12-31-20
President of the Board of County Commissioners	Thomas Wilson	01-01-18 to 12-31-19
President of the County Council	Jeff Koch	01-01-18 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF FRANKLIN COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Franklin 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, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 30, 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 30, 2019



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF FRANKLIN 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 Franklin 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 30, 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, 2018-002, and 2018-003, 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.

Franklin 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 30, 2019

(This page intentionally left blank.)

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

FRANKLIN 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
CAR-1- Sheriff Commissary Fund	\$ 26,166	\$ 20,318	\$ 11,268	\$ 35,216
General	3,990,690	6,269,502	5,716,500	4,543,692
Accident Report	3,199	2,211	-	5,410
Cagit Certified Shares	-	926	926	-
City And Town Court Cost	4,477	3,857	7,760	574
Clerks Record Perpetuation	52,659	14,415	11,233	55,841
Conv. Tourism & Visitor Promo	-	112,517	112,517	-
County Sales Disclosure Fee	24,782	3,335	1,005	27,112
Covered Bridge	64,945	3,700	1,022	67,623
Cumulative Bridge	788,997	630,086	625,706	793,377
Cumulative Capital Development	258,346	176,801	229,627	205,520
Drug Free Community Fund	48,908	18,358	20,000	47,266
Emergency Planning/Right To Know	15,301	3,662	1,508	17,455
Fire Arm Training	8,522	12,625	9,139	12,008
General Drain Improvement	8,315	-	-	8,315
Health	184,626	243,527	201,651	226,502
Co Id Protection (Recorder)	4,267	4,019	-	8,286
Health Maintenance	124,876	41,842	53,267	113,451
Local Road And Street	257,124	453,049	490,924	219,249
LIT Public Safety-County Share	36,169	843,158	782,398	96,929
Inmate Medical	12,870	2,508	-	15,378
County Misdemeanant	14,566	14,187	2,465	26,288
Highway	1,121,820	3,142,573	2,919,121	1,345,272
Park Nonreverting	11,676	181	-	11,857
Plat Book Fees	51,280	6,910	7,625	50,565
Fr Co Economic Development	100,911	70,000	71,347	99,564
Rainy Day Fund	852,669	-	-	852,669
Reassessment	144,400	208,367	67,923	284,844
Recorders Records Perpetuation	64,167	64,774	43,424	85,517
Sex & Violent Offender Admin	5,603	4,773	3,378	6,998
Sheriff Service (Police Pension)	53,506	13,724	67,230	-
Solid Waste User Fees	-	2,541	2,343	198
Supplemental Public Defender	3,742	-	3,742	-
Surplus Tax	27,202	58,783	45,105	40,880
Surveyors Corner Perpetuation	24,550	20,040	-	44,590
Tax Sale Cost	-	14,706	13,566	1,140
Tax Sale Redemption	4,797	42,591	38,794	8,594
Tax Sale Surplus	282,556	465,304	508,703	239,157
Ind Local Health Dept Trust Account	39,204	33,976	33,353	39,827
Guardian Ad Litem/Court User Fees	2,105	-	-	2,105
Election	96,522	56,138	104,752	47,908
Auditors Ineligible Deductions	4,379	-	-	4,379
Co Elected Officials Training	7,465	4,169	1,539	10,095
Park And Recreation	232,355	293,763	206,678	319,440
Co Offender Transportation	7,750	875	-	8,625
Statewide 911	436,019	397,229	335,479	497,769
Adult Probation Administrative	-	14,892	-	14,892
Juvenile Probation Admin.	-	131	-	131
Supplemental Adult Probation	140,077	84,218	18,709	205,586
Supplemental Juvenile Probation	64,366	6,143	-	70,509
Jury Fee - User Fees	44,457	1,336	-	45,793
Dare Ditch	11,883	-	-	11,883
Drainage Maintenance	18,939	11,992	3,670	27,261
Waste Management & Recycling	3,895	12,200	4,967	11,128
Restricted Sac Donations	6,249	-	-	6,249
TIF FC Redevelopment	98,567	32,718	5,481	125,804
Bond 2 Government Center	232,500	441,474	423,110	250,864
FCGE Health Benefit Plan	1,921,398	1,403,738	1,567,049	1,758,087
Payroll Clearing Fund	18	1,233,599	1,233,617	-
Settlement	-	18,884,572	18,884,572	-
Commercial Vehicle Excise Tax	-	78,303	78,303	-
Sewage Fees	38,831	31,495	51,263	19,063
Financial Institutions Tax	-	114,214	114,214	-
BPPE Late Assessment Penalty	-	5,200	5,200	-
Fines And Forfeitures	6,992	41,163	41,819	6,336
Infractions And Judgements	250	4,429	4,559	120
Overweight Vehicle Fines	-	5	5	-
Special Death Benefits	115	1,370	1,340	145
State Gen Fund Sales Disc	335	3,335	3,270	400
Coroner Training Fund	72	1,714	1,702	84
Interstate Compact Fee	-	875	813	62
Mortgage Fee (Recorder)	213	2,060	2,100	173
State Sex and Violent offender	5	155	160	-
Child Restraint System Violations	5	60	65	-
Forest Restoration	-	3,041	-	3,041
Inheritance Tax	671	-	-	671
Sales Tax Collections	7	132	139	-
Education Plate Fees	150	225	225	150
Riverboat Wagering Tax Revenue	-	136,766	136,766	-
Innkeepers Tax	2,655	1,699	4,354	-
LIT Economic Development	-	1,346,382	1,346,382	-
Clerk ARRA	6,953	-	6,953	-
93.563 County IV-D Incentive	9,235	9,206	6,000	12,441

FRANKLIN 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
Title IV-D Prosecuting Attorney	2,916	-	2,916	-
93.563 Pros. IV-D Inc. 10/1/99	35,720	13,849	16,716	32,853
93.563 Clerk IV-D Inc. 10/1/99	21,726	15,336	8,143	28,919
Pretrial Diversion-User Fees	63,737	16,110	16,376	63,471
Law Enforcement Cnty User Fees	1,881	2,627	2,692	1,816
CAR-1 Inmate Trust Fund	1,241	435	485	1,191
Bruns Harvey Ditch	-	6,780	3,267	3,513
Park Donations	215	-	-	215
Restricted Cemetery Donations	4,594	2,240	-	6,834
Donation Fund (Health Dept.)	135	1,075	911	299
K-9 Donations Sheriff Donations	80	-	-	80
Holiday Display Donation	185	-	-	185
CASA/GAL Donation	-	5,000	5,000	-
REMC K9 Narcotics Detection Grant	-	800	526	274
Redevelopment/Brackney/Duke Grant	-	10,000	-	10,000
Treasurer After Settlement Collections	782,903	736,959	782,903	736,959
SETS Clerk Trust	621	187,689	187,129	1,181
Treasurer Change Fund	-	1,000	-	1,000
CAR-1 Clerk Trust Fund	160,223	1,663,199	1,368,903	454,519
FCCRVC- FC Welcome Center Petty Cash	125	-	-	125
FCCRVC- FC Welcome Center Money Market Acct.	253,019	48,739	113,000	188,758
FCCRVC- FC Welcome Center Business Checking Acct.	13,802	191,685	136,689	68,798
Heritage Barn Public Safety	25	-	-	25
Cholesterol	27	-	-	27
Tower Maintenance	23,447	4,800	540	27,707
Flu Vac	8,848	-	348	8,500
Radio E 911	890	-	-	890
Vaccine	24,075	8,773	2,963	29,885
Commissioner Certificate Sale	4,282	-	-	4,282
Rex Road Repairs	1,570	-	1,570	-
Fr Co Law Enforcement Fund	32,633	4,278	-	36,911
Records Check Fee Sheriff	1,380	443	-	1,823
Surplus Dog	308	-	-	308
Co Law Enforcement Continuing	710	-	-	710
Law Enf Continuing Ed	-	687	8	679
IN Home Detention	64,736	11,520	2,931	73,325
Choices/Saturday Program	2,198	-	-	2,198
Deferral Program	8,414	660	-	9,074
Final HEA 1001-2007 PTRC & HSC	13	-	-	13
Sen Bill 67 Excess LOIT 2016	-	3,356	-	3,356
LIT- Property Tax Relief	488	-	-	488
State Sex/Violent -DO NOT USE	-	15	15	-
Heritage Barn	-	25	25	-
LIT Certified Shares	-	5,340,294	5,340,294	-
LIT Public Safety	-	1,335,074	1,335,074	-
LIT Economic Dev. Highway	669,791	928,752	1,288,775	309,768
CFDA 26.616 Operation Pullover	(1,581)	8,644	7,023	40
Open Alcohol Bev 6/27-7/13/03	1,031	-	-	1,031
Stayin' Alive DUI	4,122	5,000	6,635	2,487
Open GIS WFS Grant	2,500	250	-	2,750
CFDA 20.509 Public Mass Transportation	-	354,176	339,290	14,886
Victim Assistance	22	-	-	22
MRC Federal (Health)	3,005	-	-	3,005
CFDA #97.042 EMA Per. Bonus Grant	13,680	-	-	13,680
CFDA #97.039 Hazard Mitigation	-	7,500	7,500	-
Marijuana Eradication	18	-	-	18
K-9 Narcotics Detection Grant	-	2,000	2,000	-
PHC Base/CRI Public Health Coordinator	134	10,459	10,152	441
PHC Base/CRI Pub Hlth Coo 2017	(1,476)	11,808	10,383	(51)
Teppco G.P. / EMA	91	-	-	91
Ebola Grant Health Dept	1,985	-	-	1,985
Park Grants	1	-	-	1
Landscaping Grant Bville Found	100	-	-	100
Health Dept Grant Bville Found	900	809	900	809
GAL/CASA Grant	4,477	35,097	37,136	2,438
Bio-Terrorism	1,244	-	-	1,244
Marine Patrol Grant	858	-	-	858
CFDA 16.607 Bulletproof Vest	30	388	825	(407)
R1 Ind Nat Dist Grant	1,401	-	-	1,401
Ind. Sec. School Safety Grant	1,131	-	1,131	-
FC Redevelopment Grant	27,372	-	7,186	20,186
Park Playground Donation	1,751	-	-	1,751
Comm. Dev. Block Grant	11,475	199,105	208,105	2,475
CFDA #10.923 NRCS Big Cedar	-	135,533	129,647	5,886
Community Crossing Matching Grant	7,322	-	7,322	-
Com Cross Match Grant-CumBridge	42,606	-	38,145	4,461
Totals	<u>\$ 14,424,478</u>	<u>\$ 48,997,831</u>	<u>\$ 48,131,404</u>	<u>\$ 15,290,905</u>

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

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes. Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

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

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

E. Disbursements

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

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

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

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

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

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

FRANKLIN 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.

FRANKLIN 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 govern most requirements of the system and give 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 govern most requirements of the system and give 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:

FRANKLIN 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.

FRANKLIN COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficits

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

Note 8. Restatements

For the year ended December 31, 2018, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances:

Fund	Reported Balance December 31, 2017	Adjustments	Adjusted Balance January 1, 2018
FCCRVC- FC Welcome Center Petty Cash	\$ -	\$ 125	\$ 125
FCCRVC- FC Welcome Center Money Market Acct.	-	253,019	253,019
FCCRVC- FC Welcome Center Business Checking Acct.	-	13,802	13,802

(This page intentionally left blank.)

OTHER INFORMATION - UNAUDITED

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

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

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

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

	CAR-1- Sheriff Commissary Fund	General	Accident Report	Cagit Certified Shares	City And Town Court Cost	Clerks Record Perpetuation
Cash and investments - beginning	\$ 26,166	\$ 3,990,690	\$ 3,199	\$ -	\$ 4,477	\$ 52,659
Receipts:						
Taxes	-	2,153,426	-	-	-	-
Licenses and permits	-	48,431	-	-	-	-
Intergovernmental receipts	-	3,218,053	-	-	-	-
Charges for services	-	204,491	2,211	-	-	13,917
Fines and forfeits	-	-	-	-	-	-
Other receipts	20,318	645,101	-	926	3,857	498
Total receipts	20,318	6,269,502	2,211	926	3,857	14,415
Disbursements:						
Personal services	-	4,055,487	-	-	-	1,541
Supplies	-	161,087	-	-	-	-
Other services and charges	-	1,434,860	-	-	7,760	2,989
Capital outlay	-	65,066	-	-	-	6,703
Other disbursements	11,268	-	-	926	-	-
Total disbursements	11,268	5,716,500	-	926	7,760	11,233
Excess (deficiency) of receipts over disbursements	9,050	553,002	2,211	-	(3,903)	3,182
Cash and investments - ending	\$ 35,216	\$ 4,543,692	\$ 5,410	\$ -	\$ 574	\$ 55,841

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

	Conv. Tourism & Visitor Promo	County Sales Disclosure Fee	Covered Bridge	Cumulative Bridge	Cumulative Capital Development	Drug Free Community Fund
Cash and investments - beginning	\$ -	\$ 24,782	\$ 64,945	\$ 788,997	\$ 258,346	\$ 48,908
Receipts:						
Taxes	112,517	-	-	464,121	154,421	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	165,965	18,519	-
Charges for services	-	-	-	-	-	18,358
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	3,335	3,700	-	3,861	-
Total receipts	<u>112,517</u>	<u>3,335</u>	<u>3,700</u>	<u>630,086</u>	<u>176,801</u>	<u>18,358</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	985	48	3,002	-	-
Other services and charges	112,517	20	974	622,704	119,796	20,000
Capital outlay	-	-	-	-	109,831	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>112,517</u>	<u>1,005</u>	<u>1,022</u>	<u>625,706</u>	<u>229,627</u>	<u>20,000</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>2,330</u>	<u>2,678</u>	<u>4,380</u>	<u>(52,826)</u>	<u>(1,642)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 27,112</u>	<u>\$ 67,623</u>	<u>\$ 793,377</u>	<u>\$ 205,520</u>	<u>\$ 47,266</u>

FRANKLIN 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	Fire Arm Training	General Drain Improvement	Health	Co Id Protection (Recorder)	Health Maintenance
Cash and investments - beginning	\$ 15,301	\$ 8,522	\$ 8,315	\$ 184,626	\$ 4,267	\$ 124,876
Receipts:						
Taxes	-	-	-	201,336	-	-
Licenses and permits	-	-	-	10,130	-	-
Intergovernmental receipts	3,662	-	-	24,160	-	-
Charges for services	-	12,350	-	7,901	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	275	-	-	4,019	41,842
Total receipts	3,662	12,625	-	243,527	4,019	41,842
Disbursements:						
Personal services	-	-	-	196,516	-	44,564
Supplies	1,197	7,181	-	3,015	-	-
Other services and charges	311	-	-	2,120	-	-
Capital outlay	-	1,958	-	-	-	-
Other disbursements	-	-	-	-	-	8,703
Total disbursements	1,508	9,139	-	201,651	-	53,267
Excess (deficiency) of receipts over disbursements	2,154	3,486	-	41,876	4,019	(11,425)
Cash and investments - ending	\$ 17,455	\$ 12,008	\$ 8,315	\$ 226,502	\$ 8,286	\$ 113,451

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

	Local Road And Street	LIT Public Safety-County Share	Inmate Medical	County Misdemeanant	Highway	Park Nonreverting
Cash and investments - beginning	\$ 257,124	\$ 36,169	\$ 12,870	\$ 14,566	\$ 1,121,820	\$ 11,676
Receipts:						
Taxes	453,049	-	-	-	3,044,237	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	842,755	-	-	-	-
Charges for services	-	-	2,508	-	47,799	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	403	-	14,187	50,537	181
Total receipts	<u>453,049</u>	<u>843,158</u>	<u>2,508</u>	<u>14,187</u>	<u>3,142,573</u>	<u>181</u>
Disbursements:						
Personal services	-	321,546	-	-	1,256,894	-
Supplies	465,300	159,766	-	-	397,659	-
Other services and charges	-	179,464	-	-	548,228	-
Capital outlay	-	121,622	-	2,465	716,340	-
Other disbursements	25,624	-	-	-	-	-
Total disbursements	<u>490,924</u>	<u>782,398</u>	<u>-</u>	<u>2,465</u>	<u>2,919,121</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(37,875)</u>	<u>60,760</u>	<u>2,508</u>	<u>11,722</u>	<u>223,452</u>	<u>181</u>
Cash and investments - ending	<u>\$ 219,249</u>	<u>\$ 96,929</u>	<u>\$ 15,378</u>	<u>\$ 26,288</u>	<u>\$ 1,345,272</u>	<u>\$ 11,857</u>

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

	Plat Book Fees	Fr Co Economic Development	Rainy Day Fund	Reassessment	Recorders Records Perpetuation	Sex & Violent Offender Admin
Cash and investments - beginning	\$ 51,280	\$ 100,911	\$ 852,669	\$ 144,400	\$ 64,167	\$ 5,603
Receipts:						
Taxes	-	-	-	186,046	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	70,000	-	22,321	-	-
Charges for services	6,910	-	-	-	64,774	-
Fines and forfeits	-	-	-	-	-	1,395
Other receipts	-	-	-	-	-	3,378
Total receipts	6,910	70,000	-	208,367	64,774	4,773
Disbursements:						
Personal services	-	4,030	-	-	-	-
Supplies	-	-	-	-	1,999	-
Other services and charges	7,625	66,417	-	67,150	37,619	-
Capital outlay	-	900	-	773	3,806	3,378
Other disbursements	-	-	-	-	-	-
Total disbursements	7,625	71,347	-	67,923	43,424	3,378
Excess (deficiency) of receipts over disbursements	(715)	(1,347)	-	140,444	21,350	1,395
Cash and investments - ending	\$ 50,565	\$ 99,564	\$ 852,669	\$ 284,844	\$ 85,517	\$ 6,998

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

	Sheriff Service (Police Pension)	Solid Waste User Fees	Supplemental Public Defender	Surplus Tax	Surveyors Corner Perpetuation	Tax Sale Cost
Cash and investments - beginning	\$ 53,506	\$ -	\$ 3,742	\$ 27,202	\$ 24,550	\$ -
Receipts:						
Taxes	-	-	-	58,751	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	584	-	-	20,040	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	13,724	1,957	-	32	-	14,706
Total receipts	13,724	2,541	-	58,783	20,040	14,706
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	67,230	2,343	3,742	45,105	-	13,566
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	67,230	2,343	3,742	45,105	-	13,566
Excess (deficiency) of receipts over disbursements	(53,506)	198	(3,742)	13,678	20,040	1,140
Cash and investments - ending	\$ -	\$ 198	\$ -	\$ 40,880	\$ 44,590	\$ 1,140

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

	Tax Sale Redemption	Tax Sale Surplus	Ind Local Health Dept Trust Account	Guardian Ad Litem/Court User Fees	Election	Auditors Ineligible Deductions
Cash and investments - beginning	\$ 4,797	\$ 282,556	\$ 39,204	\$ 2,105	\$ 96,522	\$ 4,379
Receipts:						
Taxes	-	465,304	-	-	50,129	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	6,009	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	42,591	-	33,976	-	-	-
Total receipts	42,591	465,304	33,976	-	56,138	-
Disbursements:						
Personal services	-	-	-	-	19,181	-
Supplies	-	-	245	-	17,718	-
Other services and charges	38,794	508,703	16,538	-	67,666	-
Capital outlay	-	-	-	-	187	-
Other disbursements	-	-	16,570	-	-	-
Total disbursements	38,794	508,703	33,353	-	104,752	-
Excess (deficiency) of receipts over disbursements	3,797	(43,399)	623	-	(48,614)	-
Cash and investments - ending	\$ 8,594	\$ 239,157	\$ 39,827	\$ 2,105	\$ 47,908	\$ 4,379

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

	Co Elected Officials Training	Park And Recreation	Co Offender Transportation	Statewide 911	Adult Probation Administrative	Juvenile Probation Admin.
Cash and investments - beginning	\$ 7,465	\$ 232,355	\$ 7,750	\$ 436,019	\$ -	\$ -
Receipts:						
Taxes	-	201,332	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	24,160	-	-	-	-
Charges for services	-	67,768	-	-	14,892	131
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,169	503	875	397,229	-	-
Total receipts	4,169	293,763	875	397,229	14,892	131
Disbursements:						
Personal services	-	143,933	-	236,748	-	-
Supplies	-	11,772	-	-	-	-
Other services and charges	1,539	21,898	-	98,731	-	-
Capital outlay	-	29,075	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,539	206,678	-	335,479	-	-
Excess (deficiency) of receipts over disbursements	2,630	87,085	875	61,750	14,892	131
Cash and investments - ending	\$ 10,095	\$ 319,440	\$ 8,625	\$ 497,769	\$ 14,892	\$ 131

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

	Supplemental Adult Probation	Supplemental Juvenile Probation	Jury Fee - User Fees	Dare Ditch	Drainage Maintenance	Waste Management & Recycling
Cash and investments - beginning	\$ 140,077	\$ 64,366	\$ 44,457	\$ 11,883	\$ 18,939	\$ 3,895
Receipts:						
Taxes	-	-	-	-	11,992	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	12,200
Charges for services	84,218	6,143	1,336	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	84,218	6,143	1,336	-	11,992	12,200
Disbursements:						
Personal services	4,851	-	-	-	-	4,057
Supplies	636	-	-	-	-	660
Other services and charges	11,989	-	-	-	3,670	-
Capital outlay	1,233	-	-	-	-	250
Other disbursements	-	-	-	-	-	-
Total disbursements	18,709	-	-	-	3,670	4,967
Excess (deficiency) of receipts over disbursements	65,509	6,143	1,336	-	8,322	7,233
Cash and investments - ending	\$ 205,586	\$ 70,509	\$ 45,793	\$ 11,883	\$ 27,261	\$ 11,128

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

	Restricted Sac Donations	TIF FC Redevelopment	Bond 2 Government Center	FCGE Health Benefit Plan	Payroll Clearing Fund	Settlement
Cash and investments - beginning	\$ 6,249	\$ 98,567	\$ 232,500	\$ 1,921,398	\$ 18	\$ -
Receipts:						
Taxes	-	32,718	391,665	-	858,800	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	46,604	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	3,205	1,403,738	374,799	18,884,572
Total receipts	-	32,718	441,474	1,403,738	1,233,599	18,884,572
Disbursements:						
Personal services	-	-	-	-	1,233,599	-
Supplies	-	-	-	-	-	-
Other services and charges	-	5,481	423,110	1,567,049	18	18,884,572
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	5,481	423,110	1,567,049	1,233,617	18,884,572
Excess (deficiency) of receipts over disbursements	-	27,237	18,364	(163,311)	(18)	-
Cash and investments - ending	\$ 6,249	\$ 125,804	\$ 250,864	\$ 1,758,087	\$ -	\$ -

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

	Commercial Vehicle Excise Tax	Sewage Fees	Financial Institutions Tax	BPPE Late Assessment Penalty	Fines And Forfeitures	Infractions And Judgements
Cash and investments - beginning	\$ -	\$ 38,831	\$ -	\$ -	\$ 6,992	\$ 250
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	78,303	-	114,214	-	-	-
Charges for services	-	31,495	-	-	41,163	3,849
Fines and forfeits	-	-	-	-	-	580
Other receipts	-	-	-	5,200	-	-
Total receipts	78,303	31,495	114,214	5,200	41,163	4,429
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	78,303	51,263	114,214	-	41,819	4,559
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	5,200	-	-
Total disbursements	78,303	51,263	114,214	5,200	41,819	4,559
Excess (deficiency) of receipts over disbursements	-	(19,768)	-	-	(656)	(130)
Cash and investments - ending	\$ -	\$ 19,063	\$ -	\$ -	\$ 6,336	\$ 120

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

	Overweight Vehicle Fines	Special Death Benefits	State Gen Fund Sales Disc	Coroner Training Fund	Interstate Compact Fee	Mortgage Fee (Recorder)
Cash and investments - beginning	\$ -	\$ 115	\$ 335	\$ 72	\$ -	\$ 213
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	3,335	1,714	-	-
Fines and forfeits	5	-	-	-	875	-
Other receipts	-	1,370	-	-	-	2,060
Total receipts	5	1,370	3,335	1,714	875	2,060
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	5	1,340	3,270	1,702	813	2,100
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	5	1,340	3,270	1,702	813	2,100
Excess (deficiency) of receipts over disbursements	-	30	65	12	62	(40)
Cash and investments - ending	\$ -	\$ 145	\$ 400	\$ 84	\$ 62	\$ 173

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

	State Sex and Violent offender	Child Restraint System Violations	Forest Restoration	Inheritance Tax	Sales Tax Collections	Education Plate Fees
Cash and investments - beginning	\$ 5	\$ 5	\$ -	\$ 671	\$ 7	\$ 150
Receipts:						
Taxes	-	-	-	-	127	225
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	140	60	3,041	-	-	-
Other receipts	15	-	-	-	5	-
Total receipts	155	60	3,041	-	132	225
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	160	65	-	-	139	225
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	160	65	-	-	139	225
Excess (deficiency) of receipts over disbursements	(5)	(5)	3,041	-	(7)	-
Cash and investments - ending	\$ -	\$ -	\$ 3,041	\$ 671	\$ -	\$ 150

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

	Riverboat Wagering Tax Revenue	Innkeepers Tax	LIT Economic Development	Clerk ARRA	93.563 County IV-D Incentive	Title IV-D Prosecuting Attorney
Cash and investments - beginning	\$ -	\$ 2,655	\$ -	\$ 6,953	\$ 9,235	\$ 2,916
Receipts:						
Taxes	-	1,699	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	136,766	-	1,346,382	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	9,206	-
Total receipts	136,766	1,699	1,346,382	-	9,206	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	136,766	4,354	-	823	6,000	2,916
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	1,346,382	6,130	-	-
Total disbursements	136,766	4,354	1,346,382	6,953	6,000	2,916
Excess (deficiency) of receipts over disbursements	-	(2,655)	-	(6,953)	3,206	(2,916)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 12,441	\$ -

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

	93.563 Pros. IV-D Inc. 10/1/99	93.563 Clerk IV-D Inc. 10/1/99	Pretrial Diversion-User Fees	Law Enforcement Cnty User Fees	CAR-1 Inmate Trust Fund	Bruns Harvey Ditch
Cash and investments - beginning	\$ 35,720	\$ 21,726	\$ 63,737	\$ 1,881	\$ 1,241	\$ -
Receipts:						
Taxes	-	-	-	-	-	6,780
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	16,110	2,627	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	13,849	15,336	-	-	435	-
Total receipts	13,849	15,336	16,110	2,627	435	6,780
Disbursements:						
Personal services	12,516	8,143	8,424	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	4,200	-	3,410	-	-	3,267
Capital outlay	-	-	2,594	-	-	-
Other disbursements	-	-	1,948	2,692	485	-
Total disbursements	16,716	8,143	16,376	2,692	485	3,267
Excess (deficiency) of receipts over disbursements	(2,867)	7,193	(266)	(65)	(50)	3,513
Cash and investments - ending	\$ 32,853	\$ 28,919	\$ 63,471	\$ 1,816	\$ 1,191	\$ 3,513

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

	Park Donations	Restricted Cemetery Donations	Donation Fund (Health Dept.)	K-9 Donations Sheriff Donations	Holiday Display Donation	CASA/GAL Donation
Cash and investments - beginning	\$ 215	\$ 4,594	\$ 135	\$ 80	\$ 185	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	2,240	1,075	-	-	5,000
Total receipts	-	2,240	1,075	-	-	5,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	911	-	-	5,000
Total disbursements	-	-	911	-	-	5,000
Excess (deficiency) of receipts over disbursements	-	2,240	164	-	-	-
Cash and investments - ending	\$ 215	\$ 6,834	\$ 299	\$ 80	\$ 185	\$ -

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

	REMC K9 Narcotics Detection Grant	Redevelopment/Brackney/Duke Grant	Treasurer After Settlement Collections	ISETS Clerk Trust	Treasurer Change Fund
Cash and investments - beginning	\$ -	\$ -	\$ 782,903	\$ 621	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	800	10,000	736,959	187,689	1,000
Total receipts	800	10,000	736,959	187,689	1,000
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	526	-	-	-	-
Other disbursements	-	-	782,903	187,129	-
Total disbursements	526	-	782,903	187,129	-
Excess (deficiency) of receipts over disbursements	274	10,000	(45,944)	560	1,000
Cash and investments - ending	\$ 274	\$ 10,000	\$ 736,959	\$ 1,181	\$ 1,000

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

	CAR-1 Clerk Trust Fund	FCCRVC- FC Welcome Center Petty Cash	FCCRVC- FC Welcome Center Money Market Acct.	FCCRVC- FC Welcome Center Business Checking Acct.	Heritage Barn Public Safety
Cash and investments - beginning	\$ 160,223	\$ 125	\$ 253,019	\$ 13,802	\$ 25
Receipts:					
Taxes	-	-	48,739	191,685	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	1,663,199	-	-	-	-
Total receipts	1,663,199	-	48,739	191,685	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	1,368,903	-	113,000	136,689	-
Total disbursements	1,368,903	-	113,000	136,689	-
Excess (deficiency) of receipts over disbursements	294,296	-	(64,261)	54,996	-
Cash and investments - ending	\$ 454,519	\$ 125	\$ 188,758	\$ 68,798	\$ 25

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

	Cholesterol	Tower Maintenance	Flu Vac	Radio E 911	Vaccine	Commissioner Certificate Sale
Cash and investments - beginning	\$ 27	\$ 23,447	\$ 8,848	\$ 890	\$ 24,075	\$ 4,282
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	4,800	-	-	8,773	-
Total receipts	-	4,800	-	-	8,773	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	348	-	-	-
Other services and charges	-	540	-	-	1,327	-
Capital outlay	-	-	-	-	1,636	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	540	348	-	2,963	-
Excess (deficiency) of receipts over disbursements	-	4,260	(348)	-	5,810	-
Cash and investments - ending	\$ 27	\$ 27,707	\$ 8,500	\$ 890	\$ 29,885	\$ 4,282

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

	Rex Road Repairs	Fr Co Law Enforcement Fund	Records Check Fee Sheriff	Surplus Dog	Co Law Enforcement Continuing	Law Enf Continuing Ed
Cash and investments - beginning	\$ 1,570	\$ 32,633	\$ 1,380	\$ 308	\$ 710	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	679
Fines and forfeits	-	-	443	-	-	-
Other receipts	-	4,278	-	-	-	8
Total receipts	-	4,278	443	-	-	687
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	1,570	-	-	-	-	-
Other services and charges	-	-	-	-	-	8
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,570	-	-	-	-	8
Excess (deficiency) of receipts over disbursements	(1,570)	4,278	443	-	-	679
Cash and investments - ending	\$ -	\$ 36,911	\$ 1,823	\$ 308	\$ 710	\$ 679

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

	IN Home Detention	Choices/Saturday Program	Deferral Program	Final HEA 1001-2007 PTRC & HSC	Sen Bill 67 Excess LOIT 2016	LIT- Property Tax Relief
Cash and investments - beginning	\$ 64,736	\$ 2,198	\$ 8,414	\$ 13	\$ -	\$ 488
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	11,520	-	660	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	3,356	-
Total receipts	11,520	-	660	-	3,356	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,931	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,931	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	8,589	-	660	-	3,356	-
Cash and investments - ending	\$ 73,325	\$ 2,198	\$ 9,074	\$ 13	\$ 3,356	\$ 488

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

	State Sex/Violent -DO NOT USE	Heritage Barn	LIT Certified Shares	LIT Public Safety	LIT Economic Dev. Highway	CFDA 26.616 Operation Pullover
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 669,791	\$ (1,581)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	5,340,294	1,335,074	923,151	-
Charges for services	-	-	-	-	-	8,644
Fines and forfeits	15	-	-	-	-	-
Other receipts	-	25	-	-	5,601	-
Total receipts	15	25	5,340,294	1,335,074	928,752	8,644
Disbursements:						
Personal services	-	-	-	-	-	7,023
Supplies	-	-	-	-	1,136,308	-
Other services and charges	15	25	5,340,294	1,335,074	42,557	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	109,910	-
Total disbursements	15	25	5,340,294	1,335,074	1,288,775	7,023
Excess (deficiency) of receipts over disbursements	-	-	-	-	(360,023)	1,621
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 309,768	\$ 40

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

	Open Alcohol Bev 6/27-7/13/03	Stayin' Alive DUI	Open GIS WFS Grant	CFDA 20,509 Public Mass Transportation	Victim Assistance	MRC Federal (Health)
Cash and investments - beginning	\$ 1,031	\$ 4,122	\$ 2,500	\$ -	\$ 22	\$ 3,005
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	5,000	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	250	354,176	-	-
Total receipts	-	5,000	250	354,176	-	-
Disbursements:						
Personal services	-	6,635	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	339,290	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	6,635	-	339,290	-	-
Excess (deficiency) of receipts over disbursements	-	(1,635)	250	14,886	-	-
Cash and investments - ending	\$ 1,031	\$ 2,487	\$ 2,750	\$ 14,886	\$ 22	\$ 3,005

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

	CFDA #97.042 EMA Per. Bonus Grant	CFDA #97.039 Hazard Mitigation	Marijuana Eradication	K-9 Narcotics Detection Grant	PHC Base/CRI Public Health Coordinator	PHC Base/CRI Pub Hlth Coo 2017
Cash and investments - beginning	\$ 13,680	\$ -	\$ 18	\$ -	\$ 134	\$ (1,476)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	7,500	-	2,000	10,459	11,808
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	7,500	-	2,000	10,459	11,808
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	304
Other services and charges	-	7,500	-	-	10,152	8,983
Capital outlay	-	-	-	2,000	-	1,096
Other disbursements	-	-	-	-	-	-
Total disbursements	-	7,500	-	2,000	10,152	10,383
Excess (deficiency) of receipts over disbursements	-	-	-	-	307	1,425
Cash and investments - ending	\$ 13,680	\$ -	\$ 18	\$ -	\$ 441	\$ (51)

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

	Teppco G.P. / EMA	Ebola Grant Health Dept	Park Grants	Landscaping Grant Bville Found	Health Dept Grant Bville Found	GAL/CASA Grant
Cash and investments - beginning	\$ 91	\$ 1,985	\$ 1	\$ 100	\$ 900	\$ 4,477
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	809	21,647
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	13,450
Total receipts	-	-	-	-	809	35,097
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	37,136
Capital outlay	-	-	-	-	900	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	900	37,136
Excess (deficiency) of receipts over disbursements	-	-	-	-	(91)	(2,039)
Cash and investments - ending	\$ 91	\$ 1,985	\$ 1	\$ 100	\$ 809	\$ 2,438

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

	Bio-Terrorism	Marine Patrol Grant	CFDA 16.607 Bulletproof Vest	R1 Ind Nat Dist Grant	Ind. Sec. School Safety Grant	FC Redevelopment Grant
Cash and investments - beginning	\$ 1,244	\$ 858	\$ 30	\$ 1,401	\$ 1,131	\$ 27,372
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	388	-	-	-
Total receipts	-	-	388	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,131	7,186
Capital outlay	-	-	825	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	825	-	1,131	7,186
Excess (deficiency) of receipts over disbursements	-	-	(437)	-	(1,131)	(7,186)
Cash and investments - ending	\$ 1,244	\$ 858	\$ (407)	\$ 1,401	\$ -	\$ 20,186

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

	Park Playground Donation	Comm. Dev. Block Grant	CFDA #10,923 NRCS Big Cedar	Community Crossing Matching Grant	Com Cross Match Grant-CumBridge	Totals
Cash and investments - beginning	\$ 1,751	\$ 11,475	\$ -	\$ 7,322	\$ 42,606	\$ 14,424,478
Receipts:						
Taxes	-	-	-	-	-	9,089,099
Licenses and permits	-	-	-	-	-	58,561
Intergovernmental receipts	-	199,105	-	-	-	13,986,920
Charges for services	-	-	-	-	-	698,127
Fines and forfeits	-	-	-	-	-	6,554
Other receipts	-	-	135,533	-	-	25,158,570
Total receipts	-	199,105	135,533	-	-	48,997,831
Disbursements:						
Personal services	-	-	-	-	-	7,565,688
Supplies	-	-	129,647	-	12,083	2,512,530
Other services and charges	-	208,105	-	3,356	26,062	32,845,683
Capital outlay	-	-	-	-	-	1,073,164
Other disbursements	-	-	-	3,966	-	4,134,339
Total disbursements	-	208,105	129,647	7,322	38,145	48,131,404
Excess (deficiency) of receipts over disbursements	-	(9,000)	5,886	(7,322)	(38,145)	866,427
Cash and investments - ending	\$ 1,751	\$ 2,475	\$ 5,886	\$ -	\$ 4,461	\$ 15,290,905

FRANKLIN 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>\$ 660,635</u>	<u>\$ -</u>

FRANKLIN COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Canon Solutions America	Copier Lease	\$ 3,480	11/21/2017	11/21/2022
Conservation Club	Land Rental	25	1/1/2019	12/31/2019
Holy Family Church	County Highway Garage	2,400	1/1/2018	12/31/2022
MailFinance Lease Agreement	Postage Meter	1,932	10/1/2016	12/31/2021
Pitney Bowes	Postage Meter Lease	<u>1,638</u>	5/10/2017	5/10/2021
Total governmental activities		<u>9,475</u>		
Total of annual lease payments		<u>\$ 9,475</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Government Center/Courthouse Refinance	\$ 1,022,000	\$ 422,652
Notes and loans payable	Highway Excavator	44,054	29,370
Notes and loans payable	Highway Loader	<u>75,656</u>	<u>50,437</u>
Total governmental activities		<u>1,141,710</u>	<u>502,459</u>
Totals		<u>\$ 1,141,710</u>	<u>\$ 502,459</u>

FRANKLIN COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2018

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 41,800
Infrastructure	258,926,790
Buildings	6,935,367
Improvements other than buildings	44,597
Machinery, equipment, and vehicles	<u>5,084,513</u>
Total governmental activities	<u>271,033,067</u>
Total capital assets	<u>\$ 271,033,067</u>

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF FRANKLIN COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Franklin County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

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

Report on Internal Control over Compliance

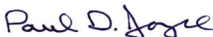
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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 items 2018-004 and 2018-005, that we consider to be material weaknesses.

The County's response to the internal control over compliance 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 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 30, 2019

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

FRANKLIN 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 SIRPC	Indiana Housing and Community Development Authority	14.228	HD-016-005	\$ -	\$ 199,105
Total - Department of Housing and Urban Development				-	199,105
Department of Justice					
Bulletproof Vest Partnership Program Bulletproof Vest Program	Direct Grant	16.607	FY2018	-	388
Total - Department of Justice				-	388
Department of Transportation					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205			
Bridge Inspections			DES # 1382110	-	69,906
Bridge Inspections			DES # 1383347	-	27,213
Bridge Inspections			DES # 1400857	-	28,053
Total - Highway Planning and Construction Cluster				-	125,172
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I Operaton Pullover	Indiana Criminal Justice Institute	20.601	D3-18-11855	-	8,644
Total - Highway Safety Cluster				-	8,644
Formula Grants for Rural Areas Public Transportation	Indiana Department of Transportation	20.509	1803619O	182,733	182,733
Federal Transit Cluster Bus and Bus Facilities Formula Program	Indiana Department of Transportation	20.526	1803619C	29,855	29,855
Total - Federal Transit Cluster				29,855	29,855
Total - Department of Transportation				212,588	346,404
Department of Health and Human Services					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements PHC Base/CRI Pub Hlth Coo 2018	Indiana State Department of Health	93.074	U90TP000521	-	22,267
Child Support Enforcement Clerk Direct Expenditures Clerk Incentive Prosecutors Incentive GEN Fund Collection Incentives Indirect Costs Prosecutor Direct Expenditures	Indiana Department of Child Services	93.563	FY2018 FY2018 FY2018 FY2018 FY2018 FY2018	- - - - - -	20,504 8,143 19,632 6,000 23,790 99,396
Total - Child Support Enforcement				-	177,465
Total - Department of Health and Human Services				-	199,732
Department of Homeland Security					
Hazard Mitigation Grant Hazard Mitigation Grant	Indiana Department of Homeland Security	97.039	FEMA-4173-DR	-	7,500
Total - Department of Homeland Security				-	7,500
Total federal awards expended				\$ 212,588	\$ 753,129

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

FRANKLIN 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.

FRANKLIN 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 weaknesses 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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
14.228	Highway Planning and Construction Cluster Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Unmodified Unmodified

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

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

Section II - Financial Statement Findings

FINDING 2018-001

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

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

The County had established internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the County's SEFA; however, the controls were not effective. The County Auditor prepared and entered federal award information into Gateway. This information was reviewed by the Deputy County Auditor prior to submission; however, material errors were undetected.

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The SEFA contained the following errors:

1. The Formula Grants for Rural Areas program expenditures were overstated by \$156,557.
2. The Federal Transit Cluster expenditures were omitted, resulting in an understatement of \$29,855.
3. The Highway Planning and Construction Cluster expenditures were understated by \$14,886.
4. Expenditures for one non-federal grant were included, resulting in an overstatement of \$33,352.
5. The Child Support Enforcement program expenditures were understated by \$4,015.
6. Some program titles were incorrect.

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

Criteria

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

Cause

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

Effect

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

Recommendation

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

FRANKLIN 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.

FINDING 2018-002

Subject: Financial Transactions and Reporting - County Treasurer
Audit Finding: Material Weakness

Condition

There were several deficiencies in the internal control system of the County Treasurer related to cash and investments and receipts.

The County Treasurer was solely responsible for performing monthly bank reconciliations. There were no documented controls in place to prevent, or detect and correct, errors in cash and investments, such as an oversight, review, or approval process.

The County Treasurer had not separated incompatible activities related to the receipt process. There were no documented controls in place such as an oversight, review, or approval process over the receipting, depositing, and posting of receipts.

Context

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

Criteria

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

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

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

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

Cause

Management of the County had not established a proper system of internal controls over financial transactions and reporting.

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

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

Recommendation

We recommended that the County's management establish a system of internal controls, including proper segregation of duties, over financial transactions and reporting.

Views of Responsible Officials

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

FINDING 2018-003

Subject: Financial Transactions and Reporting - Clerk of the Circuit Court
Audit Finding: Material Weakness

Condition

There were several deficiencies in the internal control system of the Clerk of the Circuit Court (Clerk) related to cash and investments and disbursements.

The Clerk was solely responsible for performing monthly bank reconciliations and for all aspects of disbursements. There were no documented controls in place, such as an oversight, review, or approval process, to prevent, or detect and correct, errors in cash and investments or disbursements.

Context

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

Criteria

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

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

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

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

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not established a proper system of internal controls over financial transactions and reporting.

Effect

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

Recommendation

We recommended that the County's management establish a system of internal controls, including segregation of duties, related to financial transactions and reporting.

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 2018-004

Subject: Community Development Block Grants/State's program and
Non-Entitlement Grants in Hawaii - Cash Management
Federal Agency: Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's program
and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): HD-016-005
Pass-Through Entity: Indiana Housing and Community Development Authority
Compliance Requirement: Cash Management
Audit Finding: Material Weakness

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 Cash Management compliance requirement.

The County Auditor was responsible for compliance with cash management requirements. There was no oversight, review, or approval process in place to ensure the County was in compliance.

Context

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

FRANKLIN 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). . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Cash Management compliance requirement.

Effect

The failure to establish internal controls could have enabled material noncompliance to go undetected.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls to ensure compliance with the grant agreement and the Cash Management compliance requirement.

Views of Responsible Officials

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

FINDING 2018-005

Subject: Highway Planning and Construction Cluster - Cash Management, Matching

Federal Agency: Department of Transportation

Federal Program: Highway Planning and Construction

CFDA Number: 20.205

Federal Award Numbers and Years (or Other Identifying Numbers): DES # 1382110,
DES # 1383347,
DES # 1400857

Pass-Through Entity: Indiana Department of Transportation

Compliance Requirements: Cash Management; Matching, Level of Effort, Earmarking

Audit Finding: Material Weakness

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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 Cash Management and Matching, Level of Effort, Earmarking compliance requirements.

Cash Management

One employee was primarily responsible for ensuring that program costs were paid by the entity prior to requesting reimbursement without an oversight, review, or approval process.

Matching

One employee was primarily responsible for ensuring that the required matching contributions were met without an oversight, review, or approval process.

Context

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

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). . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Cash Management and Matching, Level of Effort, Earmarking compliance requirements.

Effect

The failure to establish an effective internal control system, which include segregation of duties, placed the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

FRANKLIN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the County's management establish controls related to the grant agreement and the compliance requirements listed above.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENT

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

**KARLA J. BAUMAN
FRANKLIN COUNTY AUDITOR
1010 FRANKLIN AVENUE
BROOKVILLE, INDIANA 47012**

CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Karla Bauman
Contact Phone Number: 765-647-4631

Views of Responsible Official: We concur with the finding. Internal controls were established in regards to reviewing the data prior to SEFA submission, which included review by the department heads involved with the grants. The errors in reporting were due to not understanding what needed to be reported and lack of properly identifying federal grant money from state grant money in the receipting process established.

Description of Corrective Action Plan: Following this audit we now understand how the federal award information should be reported on the Schedule of Expenditures of Federal Awards. We will continue with the internal controls we have in place, including review by the department heads prior to submission. We have already implemented changes to how grant money is receipted in. We clearly identify if the funds or federal or state and if it is combined, it is broken down by source. We have also completed a "Grant Summary" sheet for each grant the county receives, listing the proper names, numbers, etc., as well as whether the grant is federal or state, advance, matching or reimbursement, etc. We are also working with the attorney on establishing written internal controls over grant administration and a general grant policy for use by department heads.

Anticipated Completion Date: Implementation of internal controls is effective immediately in the Auditor's office. Hoping the attorney/commissioners will have the proper written policies in place by December 31, 2019.



(Signature)

Franklin County Auditor

(Title)

7-24-2019

(Date)

Franklin County Treasurer

Veronica Voelker

1010 Franklin Ave.
Brookville, Indiana 47012
treasurer@franklincounty.in.gov
Work: 765-647-5121
Fax: 765-647-0437

CORRECTIVE ACTION PLAN

FINDING 2018-002

Contact Person Responsible for Corrective Action: Veronica Voelker
Contact Phone Number: (765) 647-5121

Views of Responsible Officials: We concur with the finding.

Description of Corrective Action Plan:

The procedures that are implemented in the Franklin County Treasurer's Office are the same procedures that have been in place for some time. There is a First Deputy and Treasurer that share the responsibility and duties of balancing, receipts and bank deposits. But have changed some procedures with initializing drawer balancing, cashbook, daily work, check register and etc.

Presently in our office one person balances the drawer and does the bank deposit. The second person verifies the bank deposit is correct before taking to the Financial Institution. When everything is balance it will be initialized by each person.

Cashbook is done by the First Deputy and Treasurer's Ledger is done by the Treasurer. We both have to balance to the penny. Once balanced, then make sure it balances to Auditor's Financial side. This is done daily. Once everything is balanced it will be initialized by each person.

Monthly Financial and Bank Recon is done between First Deputy and Treasurer. Once verified and balanced both will initialized.

Due to the limited staff, all office functions are shared until we have more staff.

Anticipated Completion Date: 7-30-19

Veronica Voelker
(Signature)

Treasurer
(Title)

7-30-19
(Date)

NEYSA R. RAIBLE
FRANKLIN CIRCUIT COURT CLERK
459 Main Street
Brookville, IN 47012
nraible@franklincounty.in.gov



PHONE 765-647-5111
FAX 765-647-3224

Corrective Action Plan

FINDING 2018-003

Contact Person Responsible for Corrective Action: Neysa R. Raible
Contact Phone Number: 765.647.5111

Views of the Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

The current internal control system in the Franklin Circuit Court Clerk's Office will remain in place. The Clerk and First Deputy are the only ones that have access to the financial manager in Odyssey. We have been performing and reviewing the monthly reconciliation and the daily and monthly disbursements. To improve our internal control system, we will continue to review and approve these documents. Our new policy is to review, approve and both sign off on the monthly reconciliation, daily and monthly disbursements to provide written documentation that will improve the internal control system in the Clerk's Office.

Anticipated Completion Date: July 29, 2019

Neysa R Raible
Signature
Clerk
Title
7/29/19
Date

**KARLA J. BAUMAN
FRANKLIN COUNTY AUDITOR
1010 FRANKLIN AVENUE
BROOKVILLE, INDIANA 47012**

CORRECTIVE ACTION PLAN

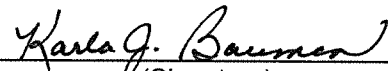
FINDING 2018-004

Contact Person Responsible for Corrective Action: Karla Bauman
Contact Phone Number: 765-647-4631

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Immediately upon receiving notice from the Treasurer that grant funds have been received, the chief deputy will promptly receipt the money in and prepare for disbursement of the funds. The deputy who disburses payments will then verify that the money was received and disbursed within the 5-day timeframe. Both deputies will initial the quietus and claim confirming this has been done.

Anticipated Completion Date: July 1, 2019



(Signature)

Franklin County Auditor

(Title)

7-24-2019

(Date)

**KARLA J. BAUMAN
FRANKLIN COUNTY AUDITOR
1010 FRANKLIN AVENUE
BROOKVILLE, INDIANA 47012**

CORRECTIVE ACTION PLAN

FINDING 2018-005

Contact Person Responsible for Corrective Action: Karla Bauman
Contact Phone Number: 765-647-4631

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The LPA Voucher is prepared by the County Engineer and submitted for reimbursement. Prior to submission, the Engineer will submit to the Commissioners for review and approval prior to submission for reimbursement.

Anticipated Completion Date: July 30, 2019



(Signature)

Franklin County Auditor

(Title)

7-24-2019

(Date)

OTHER REPORTS

In addition to this report, other reports may have been issued for the County. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.