

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

FINANCIAL STATEMENT AUDIT REPORT

OF

MARSHALL COUNTY, INDIANA

January 1, 2019 to December 31, 2019



**FILED**  
05/12/2020



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Julie A. Fox	01-01-19 to 12-31-22
County Treasurer	Angela C. Birchmeier	01-01-19 to 12-31-20
Clerk of the Circuit Court	Deborah P. VanDeMark	01-01-19 to 12-31-22
County Sheriff	Matthew K. Hassel	01-01-19 to 12-31-22
County Recorder	Janet Howard	01-01-19 to 12-31-22
President of the Board of County Commissioners	Kevin G. Overmyer	01-01-19 to 12-31-20
President of the County Council	Judith Stone	01-01-19 to 12-31-20



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

### **Report on the Financial Statement**

We have audited the accompanying financial statement of Marshall County (County), which comprises the financial position and results of operations for the year ended December 31, 2019, 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 the 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 opinions.

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, 2019.

***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, 2019, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.


***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the financial statement. It has not been subjected to the auditing procedures applied by us in the audit of the financial statement, and, accordingly, we express no opinion on it.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated May 4, 2020, 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

May 4, 2020

## 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.

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	General	Accident Report	Bid Deposits and Bonds Holding	Campaign Finance Enforcement - County	LIT Special Purpose	Child Advocacy
Cash and investments - beginning	\$ 7,540,897	\$ 8,103	\$ 6,500	\$ 842	\$ 7,825,349	\$ 2,279
Receipts:						
Taxes	6,560,320	-	-	-	-	-
Licenses and permits	153,562	-	-	-	-	-
Intergovernmental receipts	5,279,292	-	-	-	2,821,747	-
Charges for services	331,944	-	-	-	-	-
Fines and forfeits	193,444	-	-	-	-	6
Other receipts	982,360	8,346	22,400	-	664,968	-
Total receipts	13,500,922	8,346	22,400	-	3,486,715	6
Disbursements:						
Personal services	8,949,726	-	-	-	583,290	-
Supplies	372,270	-	-	-	318,032	-
Other services and charges	3,301,553	-	-	-	542,730	-
Debt service - principal and interest	-	-	-	-	1,128,500	-
Capital outlay	234,202	-	-	-	28,648	-
Other disbursements	187,251	1,597	23,000	-	-	-
Total disbursements	13,045,002	1,597	23,000	-	2,601,200	-
Excess (deficiency) of receipts over disbursements	455,920	6,749	(600)	-	885,515	6
Cash and investments - ending	\$ 7,996,817	\$ 14,852	\$ 5,900	\$ 842	\$ 8,710,864	\$ 2,285

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections FY2018	Community Transition Program	Congressional School Interest	Congressional School Principal
Cash and investments - beginning	\$ 1,457	\$ 214,243	\$ 31,959	\$ 59,115	\$ 18,053	\$ 21,223
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	44,550	-	-
Fines and forfeits	16,568	43,640	-	-	-	-
Other receipts	-	-	-	-	561	-
Total receipts	16,568	43,640	-	44,550	561	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	69	-	-	-	-
Other services and charges	-	150	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	16,866	-	8,804	-	6,791	-
Total disbursements	16,866	219	8,804	-	6,791	-
Excess (deficiency) of receipts over disbursements	(298)	43,421	(8,804)	44,550	(6,230)	-
Cash and investments - ending	\$ 1,159	\$ 257,664	\$ 23,155	\$ 103,665	\$ 11,823	\$ 21,223

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Sales Disclosure -	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right to Know	Enhanced Access
	County Share					
Cash and investments - beginning	\$ 37,738	\$ 1,997,839	\$ 676,609	\$ 95,622	\$ 23,345	\$ 1,041
Receipts:						
Taxes	-	1,292,108	816,198	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	114,046	72,040	-	-	-
Charges for services	6,118	377,417	-	-	-	-
Fines and forfeits	-	-	-	65,880	-	-
Other receipts	-	73,009	10,038	6,761	-	-
Total receipts	6,118	1,856,580	898,276	72,641	-	-
Disbursements:						
Personal services	-	120,316	-	-	-	-
Supplies	-	45,840	-	-	-	-
Other services and charges	2,203	247,011	769,614	73,799	21	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	1,186	267,387	194,208	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,389	680,554	963,822	73,799	21	-
Excess (deficiency) of receipts over disbursements	2,729	1,176,026	(65,546)	(1,158)	(21)	-
Cash and investments - ending	\$ 40,467	\$ 3,173,865	\$ 611,063	\$ 94,464	\$ 23,324	\$ 1,041

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Extradition and Sheriff's Assistance	Firearms Training	General Drain Improvement	Health	Identification Security Protection	Levy Excess
Cash and investments - beginning	\$ 69,717	\$ 37,665	\$ 477,683	\$ 801,396	\$ 40,389	\$ 46,754
Receipts:						
Taxes	-	-	-	276,176	-	-
Licenses and permits	-	-	-	47,820	-	-
Intergovernmental receipts	-	-	-	51,680	-	-
Charges for services	9,578	-	-	26,685	6,671	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	15,210	196,662	43,589	-	-
Total receipts	9,578	15,210	196,662	445,950	6,671	-
Disbursements:						
Personal services	-	-	-	386,448	-	-
Supplies	-	-	-	11,529	-	-
Other services and charges	16,365	-	-	85,800	8,000	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	37,000	-	-	13,188	-	-
Other disbursements	-	13,366	107,635	-	-	-
Total disbursements	53,365	13,366	107,635	496,965	8,000	-
Excess (deficiency) of receipts over disbursements	(43,787)	1,844	89,027	(51,015)	(1,329)	-
Cash and investments - ending	\$ 25,930	\$ 39,509	\$ 566,710	\$ 750,381	\$ 39,060	\$ 46,754

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Local Health Maintenance	Local Road and Street	LOIT Special Distribution	MVH Restricted	Misdemeanant	Motor Vehicle Highway
Cash and investments - beginning	\$ 57,885	\$ 487,171	\$ 26,226	\$ -	\$ 112,398	\$ 3,147,678
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	41,927
Intergovernmental receipts	33,139	762,034	-	2,097,513	-	2,097,513
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	91,885	500,000	40,979	372,421
Total receipts	33,139	762,034	91,885	2,597,513	40,979	2,511,861
Disbursements:						
Personal services	32,264	-	-	584,807	-	1,314,621
Supplies	-	841,340	-	1,713,852	-	631,472
Other services and charges	-	-	-	28,030	6,572	259,075
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	26,643	311,407
Other disbursements	-	-	-	-	-	500,000
Total disbursements	32,264	841,340	-	2,326,689	33,215	3,016,575
Excess (deficiency) of receipts over disbursements	875	(79,306)	91,885	270,824	7,764	(504,714)
Cash and investments - ending	\$ 58,760	\$ 407,865	\$ 118,111	\$ 270,824	\$ 120,162	\$ 2,642,964

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Plat Book	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Sheriff's Pension Trust
Cash and investments - beginning	\$ 50,509	\$ 4,813,962	\$ 909,876	\$ 218,131	\$ 13,277	\$ 14,609
Receipts:						
Taxes	-	-	276,176	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	24,376	-	-	-
Charges for services	16,981	79,962	-	115,145	-	63,371
Fines and forfeits	-	-	-	-	2,866	-
Other receipts	-	128,026	21,968	-	-	-
Total receipts	16,981	207,988	322,520	115,145	2,866	63,371
Disbursements:						
Personal services	41,579	-	226,247	-	5,988	-
Supplies	-	-	1,122	-	-	-
Other services and charges	1,572	-	17,637	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	120,528	-	-	-
Other disbursements	-	275,339	-	32,431	-	61,031
Total disbursements	43,151	275,339	365,534	32,431	5,988	61,031
Excess (deficiency) of receipts over disbursements	(26,170)	(67,351)	(43,014)	82,714	(3,122)	2,340
Cash and investments - ending	\$ 24,339	\$ 4,746,611	\$ 866,862	\$ 300,845	\$ 10,155	\$ 16,949

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account
Cash and investments - beginning	\$ 177,744	\$ 55,499	\$ 50,327	\$ -	\$ 250,979	\$ 122,711
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	25,094
Charges for services	-	-	32,945	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	18,817	25,028	350	55,259	244,533	-
Total receipts	18,817	25,028	33,295	55,259	244,533	25,094
Disbursements:						
Personal services	-	-	-	-	-	20,267
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	4,676
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	37,631	22,757	55,259	232,470	-
Total disbursements	-	37,631	22,757	55,259	232,470	24,943
Excess (deficiency) of receipts over disbursements	18,817	(12,603)	10,538	-	12,063	151
Cash and investments - ending	\$ 196,561	\$ 42,896	\$ 60,865	\$ -	\$ 263,042	\$ 122,862

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Victim Impact Program	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training	County Offender Transportation Fund	Statewide 911
Cash and investments - beginning	\$ 2,346	\$ 91,182	\$ 35,921	\$ 20,952	\$ 4,615	\$ 218,702
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	20,952	-	-	-	-
Charges for services	-	-	-	6,671	-	612,365
Fines and forfeits	-	-	-	-	530	-
Other receipts	-	14,522	-	-	-	4,743
Total receipts	-	35,474	-	6,671	530	617,108
Disbursements:						
Personal services	-	-	-	-	-	573,130
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	4,294	1,000	63,772
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	1,800	-	-	-
Other disbursements	-	42,172	-	-	-	-
Total disbursements	-	42,172	1,800	4,294	1,000	636,902
Excess (deficiency) of receipts over disbursements	-	(6,698)	(1,800)	2,377	(470)	(19,794)
Cash and investments - ending	\$ 2,346	\$ 84,484	\$ 34,121	\$ 23,329	\$ 4,145	\$ 198,908

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Central Dispatch	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	County User Fee
Cash and investments - beginning	\$ 70,334	\$ 40,369	\$ 3,309	\$ 520,049	\$ 39,366	\$ 42,893
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	208,269	-	-	-	-	-
Fines and forfeits	-	38,439	-	81,041	3,570	14,687
Other receipts	-	-	-	-	-	-
Total receipts	208,269	38,439	-	81,041	3,570	14,687
Disbursements:						
Personal services	137,773	-	-	3,172	-	-
Supplies	-	-	-	-	-	-
Other services and charges	4,655	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	1,620	-	-	-	-	-
Other disbursements	-	78,808	-	161,339	-	14,796
Total disbursements	144,048	78,808	-	164,511	-	14,796
Excess (deficiency) of receipts over disbursements	64,221	(40,369)	-	(83,470)	3,570	(109)
Cash and investments - ending	\$ 134,555	\$ -	\$ 3,309	\$ 436,579	\$ 42,936	\$ 42,784

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Drain Construction/Reconstruction	Drain Maintenance	Drug Task Force	DUI Task Force	K-9
Cash and investments - beginning	\$ 46,036	\$ 1,567,800	\$ -	\$ 1,332	\$ 3,628
Receipts:					
Taxes	13,133	489,805	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	11,911	19,981	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	68,264	81,398	15,442	-	-
Total receipts	81,397	571,203	27,353	19,981	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	25,731	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	1,622	-	-
Other disbursements	105,957	469,758	-	20,531	-
Total disbursements	105,957	469,758	27,353	20,531	-
Excess (deficiency) of receipts over disbursements	(24,560)	101,445	-	(550)	-
Cash and investments - ending	\$ 21,476	\$ 1,669,245	\$ -	\$ 782	\$ 3,628

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Payroll Clearing	CVET Agency	Sewage Collections	Financial Institution Tax	State Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ 152,150	\$ -	\$ -	\$ -	\$ 5,803	\$ 8,416
Receipts:						
Taxes	-	-	60,526	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	350,401	-	219,910	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	26,863	-
Other receipts	4,567,612	-	-	-	-	97,180
Total receipts	4,567,612	350,401	60,526	219,910	26,863	97,180
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	4,576,385	350,401	60,526	219,910	27,797	99,414
Total disbursements	4,576,385	350,401	60,526	219,910	27,797	99,414
Excess (deficiency) of receipts over disbursements	(8,773)	-	-	-	(934)	(2,234)
Cash and investments - ending	\$ 143,377	\$ -	\$ -	\$ -	\$ 4,869	\$ 6,182

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share
Cash and investments - beginning	\$ -	\$ 235	\$ 615	\$ 554	\$ 63	\$ 323
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	6,118	-	-	3,933
Fines and forfeits	32	-	-	-	530	-
Other receipts	-	3,380	-	5,954	-	-
Total receipts	32	3,380	6,118	5,954	530	3,933
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	32	3,400	6,103	5,974	530	3,893
Total disbursements	32	3,400	6,103	5,974	530	3,893
Excess (deficiency) of receipts over disbursements	-	(20)	15	(20)	-	40
Cash and investments - ending	\$ -	\$ 215	\$ 630	\$ 534	\$ 63	\$ 363

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Sex and Violent Offender Admin - State	Child Restraint Violation Fines	Forest Restoration	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections
Cash and investments - beginning	\$ 10	\$ 50	\$ -	\$ 94	\$ -	\$ 24,779
Receipts:						
Taxes	-	-	2,346	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	619	278,726	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	318	1,200	-	-	-	-
Other receipts	-	-	-	-	-	356,827
Total receipts	318	1,200	2,346	619	278,726	356,827
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	313	1,125	2,346	619	278,726	358,175
Total disbursements	313	1,125	2,346	619	278,726	358,175
Excess (deficiency) of receipts over disbursements	5	75	-	-	-	(1,348)
Cash and investments - ending	\$ 15	\$ 125	\$ -	\$ 94	\$ -	\$ 23,431

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Judgements Due Law Enforcement	93,563 Prosecutor IV-D Incentive-Post Oct '99	93,563 Clerk IV-D Incentive-Post Oct '99	Marshall County Police Equip	Settlement	90,404 HAVA Grant
Cash and investments - beginning	\$ 2,649	\$ 39,722	\$ 227,559	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	43,496,815	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	3,866
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	41,316	27,462	3,500	-	-
Total receipts	-	41,316	27,462	3,500	43,496,815	3,866
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	3,000	-	-
Other services and charges	-	-	35	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	500	-	3,866
Other disbursements	-	-	5,556	-	43,496,815	-
Total disbursements	-	-	5,591	3,500	43,496,815	3,866
Excess (deficiency) of receipts over disbursements	-	41,316	21,871	-	-	-
Cash and investments - ending	\$ 2,649	\$ 81,038	\$ 249,430	\$ -	\$ -	\$ -

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	After Settlement Collections	Clerk's Trust Account	Jail Commissary	Sheriff's Inmate Trust Account	Treasurer's Cash Fund	Clerk ISETS Account
Cash and investments - beginning	\$ 1,580,010	\$ 1,718,704	\$ 228,305	\$ 46,729	\$ 500	\$ 3,515
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,783,378	5,392,931	105,696	1,445,196	-	645,841
Total receipts	1,783,378	5,392,931	105,696	1,445,196	-	645,841
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,580,010	5,183,700	98,321	1,397,918	-	644,381
Total disbursements	1,580,010	5,183,700	98,321	1,397,918	-	644,381
Excess (deficiency) of receipts over disbursements	203,368	209,231	7,375	47,278	-	1,460
Cash and investments - ending	\$ 1,783,378	\$ 1,927,935	\$ 235,680	\$ 94,007	\$ 500	\$ 4,975

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Marshall County Tourism Committee	Petty Cash Fund	Prosecutor Pre-Trial Diversion	Sheriff Pre-Trial Diversion	Community Corrections Project Income	Commissioners Certificate Sale
Cash and investments - beginning	\$ 330,708	\$ 590	\$ 316,772	\$ 4,055	\$ 564,043	\$ 135
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	535,376	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	358,175	-	135,508	-	-	-
Total receipts	358,175	-	135,508	-	535,376	-
Disbursements:						
Personal services	-	-	60,710	-	213,778	-
Supplies	-	-	7,154	-	5,115	-
Other services and charges	-	-	67,870	-	226,235	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	3,883	-	10,842	-
Other disbursements	369,000	-	16,585	-	4,200	-
Total disbursements	369,000	-	156,202	-	460,170	-
Excess (deficiency) of receipts over disbursements	(10,825)	-	(20,694)	-	75,206	-
Cash and investments - ending	\$ 319,883	\$ 590	\$ 296,078	\$ 4,055	\$ 639,249	\$ 135

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Victim Assistance Donations	Road Cut Bonds	EPICS Fund	Governors Drug Free Indiana	DARE	Crossroads Museum Project
Cash and investments - beginning	\$ 1,195	\$ 26,200	\$ 122,690	\$ 953	\$ 14,834	\$ 10,661
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	2,500	-
Charges for services	-	5,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	14,400	-	4,635	-
Total receipts	-	5,000	14,400	-	7,135	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	6,391	-
Other services and charges	-	-	-	-	3,447	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	3,000	-	-	-	-
Total disbursements	-	3,000	-	-	9,838	-
Excess (deficiency) of receipts over disbursements	-	2,000	14,400	-	(2,703)	-
Cash and investments - ending	\$ 1,195	\$ 28,200	\$ 137,090	\$ 953	\$ 12,131	\$ 10,661

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	Historical Society	Personal Property Tax Judgement	Sheriff Continuing Education	Prosecutor Continuing Education	Supplemental Technology	DEA Forfeiture Fund
Cash and investments - beginning	\$ 55,259	\$ 3,063	\$ 20,529	\$ 476	\$ 3,270	\$ 44,548
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	2,168	-	-	-
Other receipts	54,000	-	-	-	-	1,806
Total receipts	54,000	-	2,168	-	-	1,806
Disbursements:						
Personal services	56,478	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	275
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	472
Other disbursements	-	-	4,048	-	-	-
Total disbursements	56,478	-	4,048	-	-	747
Excess (deficiency) of receipts over disbursements	(2,478)	-	(1,880)	-	-	1,059
Cash and investments - ending	\$ 52,781	\$ 3,063	\$ 18,649	\$ 476	\$ 3,270	\$ 45,607

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	LIT Certified Shares	MVH Distribution Fund	14.228 OCRA-4H Multi Purp Bldg	10.557 WIC FY2019	16.575 Victim Assistance	20.509 Older Adult Service Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (43,693)	\$ 5,163	\$ 7,889
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	11,286,988	2,116,264	500,000	200,292	-	263,030
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	160	-	-
Total receipts	11,286,988	2,116,264	500,000	200,452	-	263,030
Disbursements:						
Personal services	-	-	-	114,056	-	-
Supplies	-	-	-	4,524	-	-
Other services and charges	-	-	500,000	38,027	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	11,286,988	2,116,264	-	-	-	263,030
Total disbursements	11,286,988	2,116,264	500,000	156,607	-	263,030
Excess (deficiency) of receipts over disbursements	-	-	-	43,845	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 152	\$ 5,163	\$ 7,889

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	WIC	20,609 Operation Pull Over	CHIRP-ICJI Fed Grant	97,042 EMA Performance Grants	97,012 Lake Enforce DNR Grant	Broadband Planning Grant
Cash and investments - beginning	\$ (9,755)	\$ 163	\$ -	\$ 2,474	\$ 704	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	5,159	8,368	36,526	-	10,000	30,000
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,596	-	-	-	45,000	-
Total receipts	9,755	8,368	36,526	-	55,000	30,000
Disbursements:						
Personal services	27,891	-	-	-	42,961	-
Supplies	67	-	-	-	6,010	-
Other services and charges	13,435	-	-	-	297	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	8,368	36,526	-	-	30,000
Total disbursements	41,393	8,368	36,526	-	49,268	30,000
Excess (deficiency) of receipts over disbursements	(31,638)	-	-	-	5,732	-
Cash and investments - ending	\$ (41,393)	\$ 163	\$ -	\$ 2,474	\$ 6,436	\$ -

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	93.788 Indiana State Opioid Response	93.563 County IVD Incentive	Community Crossings Grant Fund	CCMG: S Michigan St to SR 110	OCRA-Stellar Reg RDP Grant	CCMG: Dogwood Rd US 6 to Co Line
Cash and investments - beginning	\$ -	\$ 250,464	\$ 91,885	\$ 650	\$ 7,311	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	60,000	-	-	-	-	250,661
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	33,018	-	-	109,000	83,554
Total receipts	60,000	33,018	-	-	109,000	334,215
Disbursements:						
Personal services	-	66,920	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	4,900	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	24,491	91,885	650	110,811	-
Total disbursements	-	96,311	91,885	650	110,811	-
Excess (deficiency) of receipts over disbursements	60,000	(63,293)	(91,885)	(650)	(1,811)	334,215
Cash and investments - ending	\$ 60,000	\$ 187,171	\$ -	\$ -	\$ 5,500	\$ 334,215

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

MARSHALL COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

	CCMG: 11th Rd US 31 to Michigan	CCMG: N Mich City Limits-Vet Pkwy	CCMG: Dogwood SR331 - US 6	CCMG: 9B Union-Co Line	Comm Corr Grant Fund	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 77,052	\$ 39,204,707
Receipts:						
Taxes	-	-	-	-	-	53,283,603
Licenses and permits	-	-	-	-	-	243,309
Intergovernmental receipts	95,378	186,857	91,988	196,500	352,713	29,978,064
Charges for services	-	-	-	-	-	2,489,099
Fines and forfeits	-	-	-	-	-	491,782
Other receipts	31,793	62,286	30,663	67,044	-	19,219,450
Total receipts	127,171	249,143	122,651	263,544	352,713	105,705,307
Disbursements:						
Personal services	-	-	-	-	352,755	13,915,177
Supplies	-	-	-	-	-	3,967,787
Other services and charges	-	-	-	-	41,419	6,360,200
Debt service - principal and interest	-	-	-	-	-	1,128,500
Capital outlay	-	219,381	113,469	-	-	1,591,852
Other disbursements	-	-	-	-	-	75,243,805
Total disbursements	-	219,381	113,469	-	394,174	102,207,321
Excess (deficiency) of receipts over disbursements	127,171	29,762	9,182	263,544	(41,461)	3,497,986
Cash and investments - ending	\$ 127,171	\$ 29,762	\$ 9,182	\$ 263,544	\$ 35,591	\$ 42,702,693

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

MARSHALL 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 by category as follows:

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

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

MARSHALL 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 by category as follows:

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

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

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

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

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

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

*H. Capital Assets*

Capital assets, which include land, construction in progress, buildings, improvements other than buildings, machinery, equipment, vehicles, books, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the capital asset schedule contained in the supplemental information. Items are capitalized when their value exceeds the threshold established by the County and its estimated useful life is greater than one year.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Donated assets, donated works of art, historical treasures, and similar assets and capital assets received in a service concession arrangement are reported at acquisition value. Renovations to buildings and other improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are considered an operating expense.

**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.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**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.

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, if established, would be included in the financial statement. Participation in a risk pool is an arrangement by which governments pool risks and funds and share in the cost of losses.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 6. Leases**

The County has entered into the following leases. The purpose, lease terms, and amounts due within one year as of December 31, 2019, are as follows:

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental Activities:				
Enterprise FM Trust	2 Maintenance Trucks	\$ 11,418	02-05-16	02-05-21
Enterprise FM Trust	Weights & Measures	3,196	08-04-16	08-04-20
Enterprise FM Trust	Health Dept.	3,507	09-23-16	09-23-20
Enterprise FM Trust	Coroner	4,923	01-27-17	01-27-21
Enterprise FM Trust	Building Inspector	5,121	02-04-16	02-04-21
Enterprise FM Trust	EMA	4,517	02-05-16	02-05-21
Enterprise FM Trust	Court Services	4,576	11-18-16	11-18-20
Enterprise FM Trust	4 Highway Trucks	21,820	02-05-16	02-05-21
Marshall County Holding Corporation	Pay bond issue for jail construction	1,132,000	01-09-06	03-18-28
Republic First National Corporation	Highway Dept. Trucks	231,422	10-21-16	01-01-22
Caterpillar Financial Services Corporation	Asphalt Paver	42,499	07-17-17	07-17-23
Republic First National Coporation	Distributor & Chipbox	<u>180,000</u>	04-19-19	04-19-22
Total		<u>\$ 1,644,999</u>		

**Note 7. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund Defined Benefit Account (PERF Hybrid DB) is a cost-sharing multiple-employer defined benefit fund and provides retirement, disability, and survivor benefits to plan members. PERF Hybrid DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and 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 fund.

PERF Hybrid consists of two components: PERF Hybrid DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account (see Defined Contribution Account section), the defined contribution component.

*Retirement Benefits*

The following table is a summary of the key information for this fund:

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

<b>Full Retirement Benefit</b>	
<b>Eligibility</b>	<b>Annual Pension Benefit</b>
Age 65 and 10 years (eight years for certain elected officials) of creditable service, Age 60 and 15 years of creditable service, and Age 55 if age and creditable service total at least 85, Age 55 and 20 years of creditable service and active as an elected official in the PERF-covered position, and Age 70 and 20 years of creditable service and still active in the PERF-covered position.	Equals 1.1 percent X Average Annual Compensation X Years of Creditable Service. Average annual compensation uses the 20 highest calendar quarters (or only four quarters for an elected official), in groups of four consecutive calendar quarters with no quarter used more than once (includes member contributions paid for by the employer and up to \$2,000 of severance).
<b>Early Retirement Benefit</b>	
Age 50 and minimum of 15 years of creditable service (44 percent of full benefit at age 50, increasing 5 percent per year up to 89 percent at age 59).	
<b>Disability Benefit</b>	
An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month).	
<b>Survivor Benefit</b>	
<b>While in Active Service</b>	<b>While Receiving a Benefit</b>
Minimum of 15 years of service or member was at least age 65 with 10 to 14 years of service. A spouse or dependent beneficiary immediately receives a benefit as if the member retired the later of age 50 or the age the day before the member's death.	If the member selected one of the following forms of payment: Five Year Guaranteed, Joint with Full, Joint with Two-Thirds, Joint with One-Half, a spouse or dependent receives the benefit associated with the select form of payment.
<b>Cost of Living Adjustment (COLA)</b>	
No COLA, but postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. Postretirement benefits were issued to members as a 13th check.	

*Financial Report*

INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplemental information for the plan as a whole. This report may be obtained by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs), or by writing the following:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204

*Contributions*

Contributions are determined by INPRS Board of Trustees based on actuarial valuation. As of the June 30, 2019, the County contributed 11.2 percent of covered payroll.

*Actuarial Assumptions*

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.75%
Future Salary Increases (including inflation)	2.50% - 4.25%
Inflation	2.25%
Cost of Living Increases	2019-2021 - 13 <sup>th</sup> check, 2022 - 0.4% compounded annually

Mortality rates for healthy and disabled members were based on the RP-2014 Total Data Set Mortality Tables, with Social Security Administration generational improvement scale from 2006 and RP-2014 Disability Mortality Tables, with Social Security Administration generational improvement scale from 2006, respectively.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The most recent comprehensive experience study was completed in 2015, and was based on member experience between June 30, 2010 and 2014. The demographic assumptions were updated as needed for the June 30, 2018 actuarial valuation.

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

<b>Asset Class</b>	<u>Geometric Basis</u>	
	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Asset Allocation</u>
Public Equity	4.4%	22.0%
Private Equity	5.4%	14.0%
Fixed Income - Ex Inflation-Linked	2.2%	20.0%
Fixed Income - Inflation-Linked	0.8%	7.0%
Commodities	2.3%	8.0%
Real Estate	6.5%	7.0%
Absolute Return	2.7%	10.0%
Risk Parity	5.2%	12.0%
<b>Total</b>		<b><u>100.0%</u></b>

*Discount Rate*

Total pension liability for each defined benefit pension plan was calculated using the discount rate of 6.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the non-employer contributing entity) would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the 6.75 percent long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

*Net Pension Liability*

As of June 30, 2019, the County reported \$4,991,638 as liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

MARSHALL COUNTY  
 NOTES TO FINANCIAL STATEMENT  
 (Continued)

*Public Employees Retirement Fund - Defined Contribution Account*

The Indiana Public Employees' Retirement Fund Defined Contribution Account (PERF DC) is a multiple-employer defined contribution fund. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and 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 fund. The fund provides supplemental retirement benefits to Indiana Public Employees' Retirement Fund Defined Benefit Account (PERF Hybrid DB) members as part of the Public Employees' Hybrid Plan (PERF Hybrid).

Member contributions are set by statute at three percent of compensation, and the employer may choose to make these contributions on behalf of the member. Members are 100 percent vested in their account balance, which includes all contributions and earnings.

*My Choice*

*Plan Description*

My Choice is a multiple-employer defined contribution fund. Administration of the account is generally in accordance with other Indiana pension law.

*Retirement Benefits and Contributions*

My Choice is for members who are full-time employees of the State of Indiana or a participating political subdivision that elected to become members of My Choice. Member contributions are set by statute at rate of up to 3.8 percent of compensation, plus these members may receive additional employer contributions. Members are 100 percent vested in all member contributions and are vested in employer contributions based on years of service as follows:

	<b>Years of Service</b>				
	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four</u>	<u>Five</u>
Percent Vested	20%	40%	60%	80%	100%

Members may withdraw their account balance upon retirement, termination, disability, or death. The My Choice retirement and termination benefit is that after a 30-day separation from employment, the member is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements). Upon providing proof of the member's qualification for social security disability benefits, the member is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

The survivor benefit is that the beneficiary is entitled to the sum total of vested contributions plus earnings. The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Investments in the members' accounts are self-directed as participants direct the investment of their account balances among several investment options of varying degrees of risk and return potential. Members may make changes to their investment directions daily, and investments of the plan are reported at fair value.

*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. 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.

*Retirement Benefits*

The plan provides the following benefits to plan members and beneficiaries: Retirement Income, Death Benefits, and Disability Benefits. Plan members are considered fully vested in the plan when 10 year cliff vesting.

The following shows the current number of plan participants at December 31, 2019:

Active Employees that are Vested	12
Active Employees that are Not Vested	7
Separated Employees that are Vested	1
Current Number of Retirees	18

*Contributions*

Contribution rates are established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2019, the employees' contribution was 3.00 percent calculated as a percentage of payroll; the County's contribution was 27.40 percent calculated as a percentage of payroll.

*Actuarial Assumptions*

The total pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.00%
Projected Future Salary Increases	4.00%
Cost of Living Adjustments	0.00%

Mortality rates were based on the RP-2014 adjusted to 2006; if applicable, with adjustments for mortality improvements based on MP-2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study dated January 1, 2019.

*Net Pension Liability*

As of December 31, 2018, the total pension liability of the County was \$7,979,881. The net pension liability was \$1,797,527.

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 36-8-10-17) for full-time police officers. 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.

*Benefits*

The plan provides the following benefits to plan members and beneficiaries: Death Benefits, Life Insurance, and Disability Benefits. Plan members are considered fully vested in the plan when terms are met.

The following shows the current number of plan participants at December 31, 2019:

Active Employees that are Vested	19
Active Employees that are Not Vested	0
Separated Employees that are Vested	0
Current Number of Retirees	3

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Contributions*

Contribution rates are established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2019, the employees' contribution was 0.00 percent calculated as a percentage of payroll; the County's contribution was 1.70 percent calculated as a percentage of payroll.

*Actuarial Assumptions*

The total pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	6.00%
Projected Future Salary Increases	4.00%
Cost of Living Adjustments	0.00%

Mortality rates were based on the RP-2014 adjusted to 2006; if applicable, with adjustments for mortality improvements based on MP-2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study dated January 1, 2019.

*Net Pension Liability*

As of December 31, 2018, the total pension liability of the County was \$269,944. The net pension liability was \$14,522.

**Note 8. Interfund Activity**

Interfund transfer activity for the year ended December 31, 2019, is as follows:

Transfer From	Transfer to						
	93.563 County IVD Incentive	General	Rainy Day	LOIT Public Safety - County Share	Drain Maintenance	GAL/CASA	WIC
93.563 Clerk IV-D Incentive-Post Oct '99	\$ 5,556	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adult Probation Administrative	-	78,808	-	-	-	-	-
CCMG: S Michigan St to SR 110	-	-	650	-	-	-	-
Community Crossings Grant Fund	-	-	-	91,885	-	-	-
Drain Construction/Reconstruction	-	-	-	-	5,241	-	-
General	-	-	-	-	-	12,114	4,596
Rainy Day	-	-	-	-	-	-	-
Supplemental Adult Probation Services	-	161,339	-	-	-	-	-
Totals	<u>\$ 5,556</u>	<u>\$ 240,147</u>	<u>\$ 650</u>	<u>\$ 91,885</u>	<u>\$ 5,241</u>	<u>\$ 12,114</u>	<u>\$ 4,596</u>

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Transfer From	Transfer to					Total
	CCMG: 11th Rd US 31 to Michigan	CCMG: 9B Union-Co Line	CCMG: Dogwood Rd US 6 to Co Line	CCMG: Dogwood SR331 - US 6	CCMG: N Mich City Limits- Vet Pkwy	
93.563 Clerk IV-D Incentive-Post Oct '99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,556
Adult Probation Administrative	-	-	-	-	-	78,808
CCMG: S Michigan St to SR 110	-	-	-	-	-	650
Community Crossings Grant Fund	-	-	-	-	-	91,885
Drain Construction/Reconstruction	-	-	-	-	-	5,241
General	-	-	-	-	-	16,711
Rainy Day	31,793	67,044	83,554	30,663	62,286	275,339
Supplemental Adult Probation Services	-	-	-	-	-	161,339
<b>Totals</b>	<b>\$ 31,793</b>	<b>\$ 67,044</b>	<b>\$ 83,554</b>	<b>\$ 30,663</b>	<b>\$ 62,286</b>	<b>\$ 635,528</b>

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted receipts collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers were made to pay the required local match of various grant programs and to reimburse various expenses

**Note 9. Deficit Fund Balances**

The following fund had a deficit fund balance at December 31, 2019:

Fund Name	Balance as of 12-31-19
WIC	\$ (41,393)
<b>Total deficit fund balance</b>	<b>\$ (41,393)</b>

This fund is a reimbursable federal grant fund. The deficit is the result of expenditures that were not reimbursed as of December 31, 2019.

**Note 10. Holding Corporation**

The County has entered into a capital lease with Marshall County Holding Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2019 totaled \$1,128,500.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 11. Subsequent Event**

The County is considering an expansion of the current jail facility. The estimated cost of this expansion is \$18,000,000; however, the Board of County Commissioners have currently tabled the request.

**Note 12. Other Postemployment Benefits**

*A. Dental*

*Plan Description*

The County offers postemployment dental benefits to its employees in a Single Employer Defined Benefit plan. The plan is administered by Dental Health Options. The eligible retiree pays 100 percent of the premium. The postemployment dental benefits pose a potential liability to the County.

*Benefits Provided*

Information regarding the dental benefits can be obtained by contacting the County.

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	13
Inactive Employees Entitled to but not Yet Receiving Benefits	0
Active Employees	204

*Contributions*

The retiree pays 100 percent of the premium. For the year ended 2019, the County's contribution rate was 0.00 percent, calculated as a percentage of payroll. The plan members' contribution rate was 0.00 percent as a percentage of payroll.

*B. Medical Benefits*

*Plan Description*

The County offers postemployment medical benefits to eligible employees in a Single Employer Defined Benefit plan. The plan is administered by the Anthem Blue Cross & Blue Shield. The eligible retiree pays 100 percent of the premium. The postemployment Medical Benefits could pose a potential liability to the County.

MARSHALL COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Benefits Provided*

Information regarding the medical and vision benefits can be obtained by contacting the County.

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	8
Inactive Employees Entitled to but not Yet Receiving Benefits	0
Active Employees	216

*Contributions*

The retiree pays 100 percent of the premium. For the year ended 2019, the County's contribution rate was 0.00 percent, calculated as a percentage of payroll. The plan members' contribution rate was 0.00 percent as a percentage of payroll.

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#### OTHER INFORMATION - UNAUDITED

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

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

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

MARSHALL COUNTY  
SCHEDULE OF CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance 01-01-19	Additions	Reductions	Ending Balance 12-31-19
Governmental Activities:				
Land	\$ 1,002,308	\$ -	\$ -	\$ 1,002,308
Building	22,763,176	25,836	-	22,789,012
Infrastructure	80,701,306	-	-	80,701,306
Machinery	10,174,321	1,092,230	593,163	10,673,388
Total Governmental Activities	<u>\$ 114,641,111</u>	<u>\$ 1,118,066</u>	<u>\$ 593,163</u>	<u>\$ 115,166,014</u>

## 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/>.