

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

FINANCIAL STATEMENT AUDIT REPORT

OF

JACKSON COUNTY, INDIANA

January 1, 2019 to December 31, 2019



FILED
05/14/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Kathy S. Hohenstreiter	01-01-17 to 12-31-20
County Treasurer	Roger D. Hurt	01-01-17 to 12-31-20
Clerk of the Circuit Court	Melissa J. Hayes	01-01-19 to 12-31-22
County Sheriff	Rick Meyer	01-01-19 to 12-31-22
County Recorder	Amanda L. Lowery	01-01-19 to 12-31-22
President of the Board of County Commissioners	Matt Reedy	01-01-19 to 12-31-20
President of the County Council	Dave A. Hall	01-01-19 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF JACKSON COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Jackson 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 required parts 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 12, 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 12, 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.

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

	County General	Accident Report	CEDIT Fund/98	Cities And Towns Clerk Rece	Clerk's Perpetuation	Comm.Corr. Project Income
Cash and investments - beginning	\$ 2,224,152	\$ 4,735	\$ 167,211	\$ 856	\$ 116,341	\$ 340,313
Receipts:						
Taxes	6,354,369	-	-	-	-	-
Licenses and permits	31,322	-	-	-	-	-
Intergovernmental receipts	4,850,262	-	1,244,353	-	-	-
Charges for services	205,307	2,381	-	629	709	-
Fines and forfeits	374,179	-	-	14,532	33,964	-
Other receipts	743,475	-	-	-	-	562,657
Total receipts	<u>12,558,914</u>	<u>2,381</u>	<u>1,244,353</u>	<u>15,161</u>	<u>34,673</u>	<u>562,657</u>
Disbursements:						
Personal services	9,052,649	-	-	-	-	494,799
Supplies	325,060	-	-	-	-	3,895
Other services and charges	2,419,668	-	-	-	-	161,572
Capital outlay	-	-	338,366	-	-	-
Other disbursements	242,494	1,429	796,000	6,614	5,365	102,352
Total disbursements	<u>12,039,871</u>	<u>1,429</u>	<u>1,134,366</u>	<u>6,614</u>	<u>5,365</u>	<u>762,618</u>
Excess (deficiency) of receipts over disbursements	<u>519,043</u>	<u>952</u>	<u>109,987</u>	<u>8,547</u>	<u>29,308</u>	<u>(199,961)</u>
Cash and investments - ending	<u>\$ 2,743,195</u>	<u>\$ 5,687</u>	<u>\$ 277,198</u>	<u>\$ 9,403</u>	<u>\$ 145,649</u>	<u>\$ 140,352</u>

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

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

	Community Transition Program	Conv. Visitor/ Innkeepers Tax	County Sales Disclosure Fund	Covered Bridge Maintenance	Cumulative Bridge	County Cumulative Capital Development
Cash and investments - beginning	\$ 42,489	\$ 848,835	\$ 58,396	\$ 29,180	\$ 2,002,012	\$ 749,222
Receipts:						
Taxes	-	532,142	-	-	419,419	669,818
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	16,900	-	-	3,700	115,018	8,855
Charges for services	-	-	5,505	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	75,785	-	-	-	-	750
Total receipts	92,685	532,142	5,505	3,700	534,437	679,423
Disbursements:						
Personal services	-	176,955	-	-	168,320	-
Supplies	-	5,357	-	-	-	19,303
Other services and charges	21,387	256,395	15,510	-	252,402	743,343
Capital outlay	-	-	-	-	332,665	-
Other disbursements	58,110	140,414	50	4,169	-	-
Total disbursements	79,497	579,121	15,560	4,169	753,387	762,646
Excess (deficiency) of receipts over disbursements	13,188	(46,979)	(10,055)	(469)	(218,950)	(83,223)
Cash and investments - ending	\$ 55,677	\$ 801,856	\$ 48,341	\$ 28,711	\$ 1,783,062	\$ 665,999

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

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

	Jackson County Drug Free Grant Fund	Electronic Map Fund	Jackson County Ambulance Authority Service	Local Emergency Planning and Right to Know	Enhanced Access Fund	County Health
Cash and investments - beginning	\$ 43,059	\$ 14,119	\$ 309,270	\$ 46,247	\$ -	\$ 33,317
Receipts:						
Taxes	-	-	15,905	-	-	318,797
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	115,000	5,387	-	4,210
Charges for services	-	875	2,071,257	-	25,248	279,557
Fines and forfeits	42,147	-	-	-	-	-
Other receipts	6,530	-	300	-	-	131
Total receipts	48,677	875	2,202,462	5,387	25,248	602,695
Disbursements:						
Personal services	-	-	2,190,630	296	-	438,081
Supplies	-	-	-	1,327	-	25,633
Other services and charges	-	-	-	797	12,273	41,938
Capital outlay	-	-	-	-	-	-
Other disbursements	53,383	-	11,068	-	-	-
Total disbursements	53,383	-	2,201,698	2,420	12,273	505,652
Excess (deficiency) of receipts over disbursements	(4,706)	875	764	2,967	12,975	97,043
Cash and investments - ending	\$ 38,353	\$ 14,994	\$ 310,034	\$ 49,214	\$ 12,975	\$ 130,360

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

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

	ID Security Protection	Local Health Maintenance	Local Road and Street	County Misdemeanant Fund	County Highway	Auditor's Plat Book Fund
Cash and investments - beginning	\$ 22,773	\$ 1,974	\$ 258,468	\$ 48,038	\$ 1,232,667	\$ 55,898
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	33,139	680,783	44,183	1,779,024	-
Charges for services	7,254	-	-	-	27,625	16,162
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	14,441	-	-	14,245	-
Total receipts	7,254	47,580	680,783	44,183	1,820,894	16,162
Disbursements:						
Personal services	-	11,175	-	-	1,114,005	-
Supplies	-	1,000	-	-	241,873	-
Other services and charges	-	20,156	616,151	45,417	594,739	48,975
Capital outlay	-	-	-	-	-	-
Other disbursements	-	1,974	200,000	-	42,881	15
Total disbursements	-	34,305	816,151	45,417	1,993,498	48,990
Excess (deficiency) of receipts over disbursements	7,254	13,275	(135,368)	(1,234)	(172,604)	(32,828)
Cash and investments - ending	\$ 30,027	\$ 15,249	\$ 123,100	\$ 46,804	\$ 1,060,063	\$ 23,070

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

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

	JCVC Gift Shop	Rainy Day Fund	Recorders Records Perpetuation	Sex and Violent Offender Admin	Police Pension Trust Fund	Supp. Public Defender Serv
Cash and investments - beginning	\$ 430	\$ 1,199,461	\$ 318,919	\$ -	\$ 110,794	\$ 259,368
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	2,904	-	150,336	1,913	14,822	75
Fines and forfeits	-	-	-	-	94,929	63,535
Other receipts	449	98,166	-	-	-	-
Total receipts	3,353	98,166	150,336	1,913	109,751	63,610
Disbursements:						
Personal services	-	-	447	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	206,443	-	-	-	47,101
Capital outlay	-	-	-	-	-	-
Other disbursements	3,029	-	71,019	163	134,377	-
Total disbursements	3,029	206,443	71,466	163	134,377	47,101
Excess (deficiency) of receipts over disbursements	324	(108,277)	78,870	1,750	(24,626)	16,509
Cash and investments - ending	\$ 754	\$ 1,091,184	\$ 397,789	\$ 1,750	\$ 86,168	\$ 275,877

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

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

	Surplus Tax	Surveyors Cornerstone Fund	Tax Sale Redemption	Tax Sale Surplus	Indiana Local Health Dept. Trust	Guardian Ad Litem CASA
Cash and investments - beginning	\$ 191,916	\$ 84,711	\$ 1,451	\$ 849,432	\$ 2,856	\$ 31,731
Receipts:						
Taxes	96,992	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	23,594	52,454
Charges for services	-	38,875	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	96,881	543,107	-	60,000
Total receipts	<u>96,992</u>	<u>38,875</u>	<u>96,881</u>	<u>543,107</u>	<u>23,594</u>	<u>112,454</u>
Disbursements:						
Personal services	-	-	-	-	1,782	-
Supplies	-	444	-	-	1,400	-
Other services and charges	-	65,514	-	-	9,189	-
Capital outlay	-	-	-	-	-	-
Other disbursements	85,403	-	98,331	749,636	2,856	121,731
Total disbursements	<u>85,403</u>	<u>65,958</u>	<u>98,331</u>	<u>749,636</u>	<u>15,227</u>	<u>121,731</u>
Excess (deficiency) of receipts over disbursements	<u>11,589</u>	<u>(27,083)</u>	<u>(1,450)</u>	<u>(206,529)</u>	<u>8,367</u>	<u>(9,277)</u>
Cash and investments - ending	<u>\$ 203,505</u>	<u>\$ 57,628</u>	<u>\$ 1</u>	<u>\$ 642,903</u>	<u>\$ 11,223</u>	<u>\$ 22,454</u>

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

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

	Elected Officials Training	County Offender Transportation	Statewide 911	Reassessment	Probation Adm Fee Adult	Probation Adm Fee Juvenile
Cash and investments - beginning	\$ 34,376	\$ 3,154	\$ 848,311	\$ 85,750	\$ 48,608	\$ 5,054
Receipts:						
Taxes	-	-	-	257,092	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	3,395	-	-
Charges for services	7,955	938	668,504	-	38,334	1,200
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	7,955	938	668,504	260,487	38,334	1,200
Disbursements:						
Personal services	-	-	321,689	1,349	34,041	-
Supplies	-	-	-	-	-	-
Other services and charges	2,419	-	314,832	250,668	4,438	731
Capital outlay	-	-	-	-	-	-
Other disbursements	-	3,654	-	-	-	-
Total disbursements	2,419	3,654	636,521	252,017	38,479	731
Excess (deficiency) of receipts over disbursements	5,536	(2,716)	31,983	8,470	(145)	469
Cash and investments - ending	\$ 39,912	\$ 438	\$ 880,294	\$ 94,220	\$ 48,463	\$ 5,523

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

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

	Probation Fee Adult	Probation Fee Juvenile	Alternative Dispute Resolution	Diversion/ Deferral fund	County General Drain Improvement	Drainage Maintenance
Cash and investments - beginning	\$ 146,749	\$ 11,904	\$ 14,939	\$ 346,565	\$ 10,730	\$ 451,017
Receipts:						
Taxes	-	-	-	-	-	105,499
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	172,889	2,492	-	-	250	-
Fines and forfeits	-	-	6,421	166,001	-	-
Other receipts	-	-	-	14,746	-	-
Total receipts	172,889	2,492	6,421	180,747	250	105,499
Disbursements:						
Personal services	100,325	1,319	-	157,961	-	-
Supplies	1,384	-	-	9,127	-	-
Other services and charges	10,839	1,110	-	9,162	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	17,219	-	86,364
Total disbursements	112,548	2,429	-	193,469	-	86,364
Excess (deficiency) of receipts over disbursements	60,341	63	6,421	(12,722)	250	19,135
Cash and investments - ending	\$ 207,090	\$ 11,967	\$ 21,360	\$ 333,843	\$ 10,980	\$ 470,152

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

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

	JCSD Education and Crime Prevention	Ordinance Violation Fund	Debt Pmt Bond Issue	United Fund	Siho Post-Tax	Pre-Paid Legal Services Inc.
Cash and investments - beginning	\$ 32,334	\$ 46,537	\$ 138,736	\$ 1	\$ 2,298	\$ 117
Receipts:						
Taxes	-	-	670,760	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	8,719	-	-	-
Charges for services	1,250	7,015	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,160	-	-	3,799	1,032,261	162
Total receipts	8,410	7,015	679,479	3,799	1,032,261	162
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	10,817	35,556	764,995	3,799	1,033,228	279
Total disbursements	10,817	35,556	764,995	3,799	1,033,228	279
Excess (deficiency) of receipts over disbursements	(2,407)	(28,541)	(85,516)	-	(967)	(117)
Cash and investments - ending	\$ 29,927	\$ 17,996	\$ 53,220	\$ 1	\$ 1,331	\$ -

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

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

	Federal Withholding	FICA and Medicare Withholding	CAGIT Withholding	PERF Voluntary	Sheriff/Jail 457B Retirement	State Withholding
Cash and investments - beginning	\$ -	\$ -	\$ 15,915	\$ -	\$ -	\$ 24,918
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	904,437	769,233	209,008	32,320	31,998	323,879
Total receipts	904,437	769,233	209,008	32,320	31,998	323,879
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	904,437	769,233	224,923	32,320	31,998	348,797
Total disbursements	904,437	769,233	224,923	32,320	31,998	348,797
Excess (deficiency) of receipts over disbursements	-	-	(15,915)	-	-	(24,918)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

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

	Garnishment Withholding	Settlement	CVET	Financial Institution Tax	Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 216	\$ 1,658
Receipts:						
Taxes	-	48,997,500	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	331,599	310,274	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	2,636	38,577
Other receipts	45,342	-	-	-	-	-
Total receipts	45,342	48,997,500	331,599	310,274	2,636	38,577
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	45,342	48,997,500	331,599	310,274	2,651	38,291
Total disbursements	45,342	48,997,500	331,599	310,274	2,651	38,291
Excess (deficiency) of receipts over disbursements	-	-	-	-	(15)	286
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 201	\$ 1,944

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

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

	Overweight Vehicles Fines	Death Benefit Fund	State Sales Disclosure Fee Fund	Coroners Continuing Education Fees Fund	Interstate Compact Fee-State	Mortgage Fee Fund
Cash and investments - beginning	\$ 2,995	\$ 205	\$ 295	\$ 119	\$ 63	\$ 310
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	3,710	5,505	5,274	937	3,918
Fines and forfeits	41,439	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	41,439	3,710	5,505	5,274	937	3,918
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	43,817	3,600	5,275	4,137	1,000	3,915
Total disbursements	43,817	3,600	5,275	4,137	1,000	3,915
Excess (deficiency) of receipts over disbursements	(2,378)	110	230	1,137	(63)	3
Cash and investments - ending	\$ 617	\$ 315	\$ 525	\$ 1,256	\$ -	\$ 313

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

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

	Sex Offender Fee-State Share	Child Restraint System Violation	Education Plate Fund	Riverboat Revenue	93.563 Prosecutor PCA	County General IV-D Funds
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 13,289	\$ 147,562
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	431	251,032	-	16,529
Charges for services	213	-	-	-	1,364	-
Fines and forfeits	-	725	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	213	725	431	251,032	1,364	16,529
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	206	625	375	251,032	802	10,556
Total disbursements	206	625	375	251,032	802	10,556
Excess (deficiency) of receipts over disbursements	7	100	56	-	562	5,973
Cash and investments - ending	\$ 7	\$ 100	\$ 56	\$ -	\$ 13,851	\$ 153,535

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

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

	Prosecutor's IV-D After 10/99	Clerk's IV-D After 10/99	L/R Payment	Juvenile Home- Supplemental	Visitor Center-Checking Acct	Visitor Center-Cash Fund Supplemental
Cash and investments - beginning	\$ 150,268	\$ 128,747	\$ 141,039	\$ 3,894	\$ 4,752	\$ 557
Receipts:						
Taxes	-	-	274,004	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	24,866	16,529	3,558	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	165	-	-	21,300	9,410	5,186
Total receipts	25,031	16,529	277,562	21,300	9,410	5,186
Disbursements:						
Personal services	9,804	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	20,518	-	273,000	18,701	8,688	5,203
Total disbursements	30,322	-	273,000	18,701	8,688	5,203
Excess (deficiency) of receipts over disbursements	(5,291)	16,529	4,562	2,599	722	(17)
Cash and investments - ending	\$ 144,977	\$ 145,276	\$ 145,601	\$ 6,493	\$ 5,474	\$ 540

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

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

	Clerk MHI <u>Acct/Issets-Supplemental</u>	Clerk's Trust	Sheriff's Inmate Trust	After Settlement Collections	Jail Commissary
Cash and investments - beginning	\$ 20,756	\$ 979,398	\$ 58,886	\$ 1,132,808	\$ 38,137
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	793,310	4,950,002	620,175	1,330,653	253,110
Total receipts	<u>793,310</u>	<u>4,950,002</u>	<u>620,175</u>	<u>1,330,653</u>	<u>253,110</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	779,902	4,463,900	643,283	1,132,808	211,303
Total disbursements	<u>779,902</u>	<u>4,463,900</u>	<u>643,283</u>	<u>1,132,808</u>	<u>211,303</u>
Excess (deficiency) of receipts over disbursements	<u>13,408</u>	<u>486,102</u>	<u>(23,108)</u>	<u>197,845</u>	<u>41,807</u>
Cash and investments - ending	<u>\$ 34,164</u>	<u>\$ 1,465,500</u>	<u>\$ 35,778</u>	<u>\$ 1,330,653</u>	<u>\$ 79,944</u>

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

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

	Sheriff Drug Buy Money-Supplemental	Prosecutor Check Deception Program	LIT-Special Purpose	LIT Public Safety-County Share	MVH-Restricted	Help America Vote Act
Cash and investments - beginning	\$ 7,988	\$ 1	\$ 78,530	\$ 406,163	\$ -	\$ 292
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	938,471	1,100,634	1,769,722	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	3,068	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	941,539	1,100,634	1,769,722	-
Disbursements:						
Personal services	-	-	862,623	117,102	284,308	-
Supplies	-	-	-	253,573	11,307	-
Other services and charges	-	-	64,833	804,948	1,356,101	-
Capital outlay	-	-	-	-	-	-
Other disbursements	500	-	-	-	118,006	-
Total disbursements	500	-	927,456	1,175,623	1,769,722	-
Excess (deficiency) of receipts over disbursements	(500)	-	14,083	(74,989)	-	-
Cash and investments - ending	\$ 7,488	\$ 1	\$ 92,613	\$ 331,174	\$ -	\$ 292

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

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

	Health Ins Fund-Employer Share	County Sheriff Law Enforcement Continuing Ed.	Handgun License Application	Jackson County 2013 GOB Series	JC Sheriff Forfeiture Fund	County Assessors Copy Fund
Cash and investments - beginning	\$ 2,145	\$ 2,061	\$ 25,581	\$ 413	\$ 8,028	\$ 2,083
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	1,347	-
Charges for services	2,386	-	11,260	-	-	-
Fines and forfeits	-	951	-	-	-	-
Other receipts	1,130,255	-	300	-	-	-
Total receipts	1,132,641	951	11,560	-	1,347	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	730,780	2,274	26,096	413	-	-
Total disbursements	730,780	2,274	26,096	413	-	-
Excess (deficiency) of receipts over disbursements	401,861	(1,323)	(14,536)	(413)	1,347	-
Cash and investments - ending	\$ 404,006	\$ 738	\$ 11,045	\$ -	\$ 9,375	\$ 2,083

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

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

	Juvenile Home Counseling Grant	Vallonia Storm Drain Grant	Asset Forfeiture Fund	Commissioner Sale Fund	Jackson County 2016 GOB Series A	Jackson County 2016 GOB Series B
Cash and investments - beginning	\$ 1,583	\$ 609	\$ 55,500	\$ -	\$ 173,535	\$ 301,986
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	372	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	15,750	14,089	143,982
Total receipts	-	-	372	15,750	14,089	143,982
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	115,135	368,139
Capital outlay	-	-	-	-	39,137	74,756
Other disbursements	1,583	-	22,382	15,750	-	3,073
Total disbursements	1,583	-	22,382	15,750	154,272	445,968
Excess (deficiency) of receipts over disbursements	(1,583)	-	(22,010)	-	(140,183)	(301,986)
Cash and investments - ending	\$ -	\$ 609	\$ 33,490	\$ -	\$ 33,352	\$ -

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

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

	Judicial Center FF&E	Jackson County Canine Shelter	Preservation Fund	Sheriff Truancy Check Fund	Jackson Co 2019 GOB	Work Release Center Fund
Cash and investments - beginning	\$ 86,012	\$ 29,146	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	107,000	25,000	3,000	1,500,000	39,138
Total receipts	-	107,000	25,000	3,000	1,500,000	39,138
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	318,314	-
Capital outlay	-	-	-	-	122,011	-
Other disbursements	85,940	100,664	-	3,000	242,325	-
Total disbursements	85,940	100,664	-	3,000	682,650	-
Excess (deficiency) of receipts over disbursements	(85,940)	6,336	25,000	-	817,350	39,138
Cash and investments - ending	\$ 72	\$ 35,482	\$ 25,000	\$ -	\$ 817,350	\$ 39,138

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

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

	Judicial Center Retainage	BPPE Late filing fee	Local Income Tax -Property Tax	LIT Certified Shares	LIT Public Safety	LIT Economic Development
Cash and investments - beginning	\$ -	\$ 5,100	\$ (56,766)	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	2,375	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	4,693,227	9,384,706	2,346,176	2,347,051
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	115,661	-	-	-	-	-
Total receipts	115,661	2,375	4,693,227	9,384,706	2,346,176	2,347,051
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	7,475	4,537,701	9,384,706	2,346,176	2,347,051
Total disbursements	-	7,475	4,537,701	9,384,706	2,346,176	2,347,051
Excess (deficiency) of receipts over disbursements	115,661	(5,100)	155,526	-	-	-
Cash and investments - ending	\$ 115,661	\$ -	\$ 98,760	\$ -	\$ -	\$ -

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

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

	Wildlife Refuge	Seatbelt Violations	Prosecutor Victim Assist Program	Emergency Management Special Appropriation	Jackson County Workforce Development	Joe Jackson Reno Project
Cash and investments - beginning	\$ -	\$ 450	\$ (8,412)	\$ (4,692)	\$ 19,608	\$ -
Receipts:						
Taxes	25,945	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	48,162	27,907	34,353	30,653
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	9,649	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	25,945	9,649	48,162	27,907	34,353	30,653
Disbursements:						
Personal services	-	-	61,788	-	-	-
Supplies	-	-	-	2,043	-	-
Other services and charges	-	-	223	-	-	30,653
Capital outlay	-	-	-	-	-	-
Other disbursements	25,945	9,849	-	105,341	53,961	-
Total disbursements	25,945	9,849	62,011	107,384	53,961	30,653
Excess (deficiency) of receipts over disbursements	-	(200)	(13,849)	(79,477)	(19,608)	-
Cash and investments - ending	\$ -	\$ 250	\$ (22,261)	\$ (84,169)	\$ -	\$ -

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

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

	Stop Arm Violation Enforcement	Immunization Grant 2018/2019	Clerk Odyssey Grant Fund	CHINS- Child In Need Of Service	Community Corrections	Interpreter Grant (Drug/Alch)
Cash and investments - beginning	\$ -	\$ (13,037)	\$ 4,780	\$ 691,532	\$ (73,058)	\$ 8,765
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	8,773	55,512	-	787,732	530,219	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	350	-	-
Total receipts	8,773	55,512	-	788,082	530,219	-
Disbursements:						
Personal services	8,773	30,566	-	394,800	277,354	5,297
Supplies	-	5,564	-	31,801	34,399	-
Other services and charges	-	6,345	-	125,257	145,408	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	5,292	-	-
Total disbursements	8,773	42,475	-	557,150	457,161	5,297
Excess (deficiency) of receipts over disbursements	-	13,037	-	230,932	73,058	(5,297)
Cash and investments - ending	\$ -	\$ -	\$ 4,780	\$ 922,464	\$ -	\$ 3,468

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

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

	ILHDTA- Excess Funds	Local Health Main Fund -EXCESS	Public Health Preparedness Base	Immunization Grant 2016	Problem Solving Court-Comm Cor
Cash and investments - beginning	\$ 16,300	\$ 21,659	\$ 274	\$ -	\$ 9,655
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	15,669	18,859	10,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	2,856	1,974	-	-	-
Total receipts	<u>2,856</u>	<u>1,974</u>	<u>15,669</u>	<u>18,859</u>	<u>10,000</u>
Disbursements:					
Personal services	-	-	-	32,302	-
Supplies	-	-	-	1,621	-
Other services and charges	-	-	15,669	2,904	9,655
Capital outlay	-	-	-	-	-
Other disbursements	-	14,000	-	-	-
Total disbursements	<u>-</u>	<u>14,000</u>	<u>15,669</u>	<u>36,827</u>	<u>9,655</u>
Excess (deficiency) of receipts over disbursements	<u>2,856</u>	<u>(12,026)</u>	<u>-</u>	<u>(17,968)</u>	<u>345</u>
Cash and investments - ending	<u>\$ 19,156</u>	<u>\$ 9,633</u>	<u>\$ 274</u>	<u>\$ (17,968)</u>	<u>\$ 10,000</u>

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

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

	EEDMA Grant-Prosecutor	Local Road and Bridge Matchin	Family Court Project Grant	Court Interpreter Grants 2017
Cash and investments - beginning	\$ 47,889	\$ 142,211	\$ 5,800	\$ 1
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	986,174	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	-	360,887	-	-
Total receipts	-	1,347,061	-	-
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	3,500	-
Capital outlay	-	1,484,799	-	-
Other disbursements	-	-	-	-
Total disbursements	-	1,484,799	3,500	-
Excess (deficiency) of receipts over disbursements	-	(137,738)	(3,500)	-
Cash and investments - ending	\$ 47,889	\$ 4,473	\$ 2,300	\$ 1

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

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

	IN SACCHO	Overdose Response Project	Justice Partners Addiction Res	Totals
Cash and investments - beginning	\$ 184	\$ -	\$ -	\$ 18,794,507
Receipts:				
Taxes	-	-	-	58,740,617
Licenses and permits	-	-	-	31,322
Intergovernmental receipts	-	25,246	60,000	35,164,759
Charges for services	-	-	-	3,786,828
Fines and forfeits	-	-	-	892,753
Other receipts	-	-	-	17,034,815
Total receipts	-	25,246	60,000	115,651,094
Disbursements:				
Personal services	-	12,474	-	16,363,014
Supplies	-	9,742	-	985,853
Other services and charges	80	3,030	-	9,543,363
Capital outlay	-	-	-	2,391,734
Other disbursements	-	-	-	84,999,068
Total disbursements	80	25,246	-	114,283,032
Excess (deficiency) of receipts over disbursements	(80)	-	60,000	1,368,062
Cash and investments - ending	\$ 104	\$ -	\$ 60,000	\$ 20,162,569

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

JACKSON 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.

JACKSON 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.

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.

JACKSON 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.

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.

JACKSON 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.

Note 6. Long-term Debt

A. Changes in Long-term Debt

Changes in long-term obligations for the year ended December 31, 2019, are as follows:

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Type	Description of Debt Purpose	Principal Balance 01-01-19	Principal Additions	Principal Reductions	Principal Balance 12-31-19	Interest Due Within One Year
Governmental Activities:						
General Obligation Bonds	General Obligation Bond Series 2016 A- capital improvements	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -
General Obligation Bonds	General Obligation Bond Series 2016 B- HVAC	620,000	-	150,000	470,000	78,478
General Obligation Bonds	General Obligation Bond Series 2019	-	1,500,000	-	1,500,000	253,600
Totals		<u>\$ 1,220,000</u>	<u>\$ 1,500,000</u>	<u>\$ 750,000</u>	<u>\$ 1,970,000</u>	<u>\$ 332,078</u>

B. Debt Service Requirements to Maturity

Debt service requirements on long-term debt at December 31, 2019, as are follows:

Years Ended December 31	General Obligation Bonds; Series 2016B		
	Principal	Interest	Total
2020	\$ 75,000	\$ 3,478	\$ 78,478
2021	155,000	5,291	160,291
2022	160,000	2,960	162,960
2023	80,000	592	80,592
Totals	<u>\$ 470,000</u>	<u>\$ 12,321</u>	<u>\$ 482,321</u>

Years Ended December 31	General Obligation Bonds; Series 2019		
	Principal	Interest	Total
2020	\$ 235,000	\$ 18,600	\$ 253,600
2021	490,000	28,396	518,396
2022	515,000	16,058	531,058
2023	260,000	3,224	263,224
Totals	<u>\$ 1,500,000</u>	<u>\$ 66,278</u>	<u>\$ 1,566,278</u>

Note 7. 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:				
Jackson County Building Corporation	Courthouse Lease/Rental Payment	\$ 277,000	07-01-03	01-01-22
Jackson County Building Corporation	Judicial Center Lease/Rental Payment	812,000	07-15-19	07-15-42
Total		<u>\$ 1,089,000</u>		

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. 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:

Full Retirement Benefit	
Eligibility	Annual Pension Benefit
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).
Early Retirement Benefit	
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).	
Disability Benefit	
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).	
Survivor Benefit	
While in Active Service	While Receiving a Benefit
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.
Cost of Living Adjustment (COLA)	
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, or by visiting www.in.gov/inprs, or by writing the following:

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

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 th 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.

The most recent comprehensive experience study was completed in 2015, and was based on member experience between June 30, 2010 and June 30, 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.

Asset Class	<u>Geometric Basis</u>	Target Asset Allocation
	<u>Long-Term Expected Real Rate of Return</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%
Total		100.0%

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 \$5,942,505 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.

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.

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.

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 they have 10 years of service (8 years for employees hired before April 1, 2015).

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Active Employees that are Vested	9
Active Employees that are Not Vested	6
Separated Employees that are Vested	0
Current Number of Retirees	12

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, 2018, the employees' contribution was 0.00 percent calculated as a percentage of payroll; the County's contribution was 41.50 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	6.75%
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, 2018.

Net Pension Liability

As of December 31, 2019, the total pension liability of the County was \$6,153,475. The net pension liability was \$2,324,318.

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.

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 they are active participants in the Jackson County Police Retirement Plan.

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

Active Employees that are Vested	15
Active Employees that are Not Vested	0
Separated Employees that are Vested	0
Current Number of Retirees	2

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, 2018, the employees' contribution was 0.00 percent calculated as a percentage of payroll; the County's contribution was .60 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	6.75%
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, 2018.

Net Pension Liability

As of December 31, 2019, the total pension liability of the County was \$503,086. The net pension liability was \$287,522.

JACKSON COUNTY
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Note 9. Deficit Fund Balances

The following funds have deficit fund balances at December 31, 2019:

Fund Name	Balance as of 12-31-19
Emergency Mgmt Spec Appropr	\$ (84,169)
Immunization Grant 2019-2020	(17,968)
Prosecutor Victim Assist Pr	(22,261)
Total	\$ (124,398)

The reason for the deficit fund balances was that the funds were established for reimbursable grants. The reimbursements for some expenditures were not received until after December 31, 2019.

Note 10. Holding Corporation

The County has entered into a capital lease with the Jackson County Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2019 totaled \$1,069,000.

Note 11. Other Postemployment Benefit

SIHO Insurance

Plan Description

The County offers SIHO Insurance to its retired employees which is a Single Employer Defined Benefit plan. The plan is administered by SIHO Insurance Services. The SIHO Insurance poses a liability to the County.

Benefits Provided

SIHO Insurance provides the following benefits: medical. Information regarding the 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	12
Inactive Employees Entitled to but not Yet Receiving Benefits	0
Active Employees	0

JACKSON COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Contributions

The cost method for funding purposes is the Individual Level Premium method. 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.

Note 12. Combined Funds

Funds related to jury, law enforcement, alcohol, and drug fees were reported individually in the prior financial statement, but were combined into one fund for the current financial statement.

Funds related to Clerk Ordinance and Ordinance Violation Fund were reported individually in the prior financial statement, but were combined into one fund for the current financial statement.

Funds related to payroll withholdings for health insurance, life insurance, deferred compensation, dental insurance, and vision insurance were reported individually in the prior financial statement, but were combined into one fund for the current financial statements.

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.

JACKSON 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	\$ 428,110	\$ -	\$ 127,734	\$ 300,376
Building	11,277,565	15,412,138	-	26,689,703
Infrastructure	70,094,311	24,140,523	1,997,971	92,236,863
Machinery	<u>6,928,812</u>	<u>118,704</u>	<u>1,258,771</u>	<u>5,788,745</u>
Total Governmental Activities	<u>\$ 88,728,798</u>	<u>\$ 39,671,365</u>	<u>\$ 3,384,476</u>	<u>\$ 125,015,687</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/>.