

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF  
NOBLE COUNTY, INDIANA  
January 1, 2012 to December 31, 2012



**FILED**  
08/09/2013



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With Government Auditing Standards .....	6-7
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	10-12
Notes to Financial Statement .....	13-18
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	20-40
Schedule of Payables and Receivables .....	41
Schedule of Leases and Debt .....	42
Schedule of Capital Assets.....	43
Other Reports.....	44
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.....	46-47
Schedule of Expenditures of Federal Awards .....	50
Notes to Schedule of Expenditures of Federal Awards.....	51
Schedule of Findings and Questioned Costs .....	52-54
Auditee Prepared Schedule:	
Corrective Action Plan.....	55
Exit Conference.....	56

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jacqueline Knafel	01-01-11 to 12-31-14
Treasurer	Diann Bortner Michele J. Bricker	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Clerk	Candy Myers Michelle Mawhorter	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Sheriff	Douglas A. Harp	01-01-11 to 12-31-14
Recorder	Michelle Mawhorter Candy Myers	01-01-11 to 12-31-12 01-01-13 to 12-31-14
President of the Board of County Commissioners	Joy LeCount Gary Leatherman	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	Donald Moore Wayne Clouse	01-01-12 to 01-13-13 01-14-13 to 12-31-13



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF NOBLE COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of Noble County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 of 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, 2012.

***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, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated July 15, 2013, 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 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 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.

***Accompanying Information***

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

*Other Information*

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual audit performed by the Indiana State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.



Bruce Hartman  
State Examiner

July 15, 2013



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF NOBLE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Noble County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated July 15, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2012-1 to 2012-2 to be material weaknesses.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Noble County's Response to Findings***

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bruce Hartman  
State Examiner

July 15, 2013

(This page intentionally left blank.)

## FINANCIAL STATEMENT

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.

NOBLE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 2,609,062	\$ 11,692,931	\$ 11,334,264	\$ 2,967,729
Sheriff's Accident Report	8,706	4,982	1,006	12,682
CEDIT	1,719,012	995,072	917,636	1,796,448
HEA 1001 State Homestead Credit Distribution	(2,778)	-	118	(2,896)
Municipal Court Cost	-	15,532	15,532	-
Clerk's Record Perpetuation	19,613	19,908	5,634	33,887
Special Operations Group	5,709	12,942	10,009	8,642
Sales Disclosure	25,811	5,225	1,574	29,462
Cumulative Capital Development - Bridges	3,228,824	688,410	681,878	3,235,356
Cumulative Building Courthouse	510,036	110,886	511,014	109,908
Drug Free Community	47,500	54,678	56,000	46,178
Emergency Planning-SARA	27,849	25,684	24,574	28,959
E - 911	359,779	201,387	561,166	-
Extradition	70,417	4,637	12,721	62,333
Firearms Training	49,831	15,370	15,005	50,196
General Drain Improvements	292,913	294,257	446,781	140,389
Health Department	135,863	295,759	301,068	130,554
Security Protection	27,922	4,278	28,502	3,698
Excess Levy	798	86,364	-	87,162
Health Maintenance	72,595	133,672	130,383	75,884
Local Road And Street	335,344	472,914	497,383	310,875
County Misdemeanants	48,904	28,547	14,738	62,713
Highway	456,028	2,781,539	2,611,846	625,721
Rainy Day	1,172,624	551	261,090	912,085
Reassessment	140,538	307	65,174	75,671
Reassessment 2015	149,767	144,570	-	294,337
Recorders Perpetuation	110,611	66,029	41,045	135,595
River Boat Revenue Sharing	-	281,599	281,599	-
Sex Offender Fees - State 10%	16	275	285	6
Sheriff Service Fee	1,990	29,788	-	31,778
Public Defender Fees	166,955	17,448	14,849	169,554
Surplus Tax	98,630	206,296	271,892	33,034
Surveyor's Perpetuation	7,230	20,543	9,970	17,803
Online Certificate Sale	-	129,396	109,694	19,702
Tax Sale Redemption	220	93,192	93,192	220
Tax Sale Surplus	46,548	469,843	149,293	367,098
Tobacco "Master" Settlement	73,197	94,549	80,007	87,739
Victim Witness	45,577	45,757	37,598	53,736
2007 Phase 1 E-911 Distribution	65,921	10,876	76,797	-
Guardian Ad Litem/CASA	54,295	51,621	42,531	63,385
County - Transportation	500	688	-	1,188
Statewide 9-1-1	-	637,175	247,118	390,057
Storm/Erosion	4,445	3,935	-	8,380
Adult Probation	1,305,127	493,032	515,469	1,282,690
Juvenile Probation	68,504	8,131	3,760	72,875
Transfer Fee - County	88,311	53,867	33,093	109,085
Work Crew - Drainage	108,700	78,400	108,151	78,949
Drain Maintenance	1,855,803	1,122,141	1,093,922	1,884,022
Sheriff Sale Fees	26,073	23,763	20,731	29,105
Federal Drug Task Force	440	-	413	27
DUI Grant - Ligonier & Kendallville	(2,464)	17,498	17,288	(2,254)
K-9 Donation	757	170	214	713
Health Maintenance #2/Tobacco	31,394	-	31,394	-
Demand Notice Fees 27%	202	280	482	-
Health Clinic Donations	5,024	3,828	1,250	7,602
Civil Service Fee	52,317	29,745	-	82,062
Debt Service - Jail	228,241	372,691	399,000	201,932
Self Funding Insurance	188,520	2,442,375	2,476,191	154,704
Landfill/Post Closure Trust	172	-	-	172
Payroll	-	5,862,992	5,862,992	-
INPRS - PERF	-	109,670	109,669	1
Pro-Claim Plus	-	331,543	331,543	-

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

NOBLE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2012  
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Withholding (Sheriff Benefit)	-	506,469	506,469	-
Deferred Compensation	-	54,943	54,943	-
Federal Withholdings	-	750,228	750,228	-
Flex Checks	2,800	2,860	1,820	3,840
Withholdings (County Tax)	-	108,703	108,703	-
Withholdings (Perf)	-	201,403	201,403	-
Pension Trust County Police	124,704	1,746	40,175	86,275
State Withholdings	-	257,734	257,734	-
Garnished Wages	-	24,476	24,476	-
Settlement	-	44,186,916	44,186,942	(26)
CAGIT	-	7,609,521	7,609,521	-
Noble County Wheel and Surtax	-	601,581	601,581	-
Commercial Vehicle Excise Tax	-	185,267	185,267	-
Financial Tax	-	137,704	137,704	-
VaxCare	-	1,689	-	1,689
Fines and Forfeitures	14,078	165,813	157,288	22,603
Infraction Judgement	3,632	51,170	51,252	3,550
Overweight Vehicle	-	590	590	-
Death Benefit	350	4,850	4,940	260
Disclosure/Treasurer of State	525	5,210	5,260	475
Coroner Continuing Education	229	2,663	2,777	115
Inner State Compact Application Fee-County	-	38	-	38
State Mortgage Fee	405	5,016	4,985	436
Child Restraint Violations	75	1,525	1,600	-
Inheritance Tax	122,246	407,777	477,243	52,780
Education Plate Fee	-	994	900	94
Innkeeper Tax	-	95,154	92,980	2,174
CEDIT Money for Distribution	-	1,811,092	1,811,092	-
CEDIT Homestead	41,596	-	-	41,596
Deer Lake Control	2,628	-	-	2,628
CFDA# 93.563 Prosecutor PCA	1,422	3,104	-	4,526
ARRA Funding for Prosecutor	57,936	-	30,398	27,538
Clerk's ARRA Funding	12,942	-	-	12,942
CFDA# 93.563 Title IV-D Incentive	405,502	30,693	305,284	130,911
Prosecutor IV-D	26	-	-	26
Prosecutor New IV-D	134,232	46,173	8,477	171,928
Clerk IV-D	13	-	12	1
Clerk New IV-D	133,374	31,076	23,643	140,807
Prosecutor's Equitable Sharing	6,249	-	-	6,249
Drug Confiscated	2,024	8,502	-	10,526
Sex Offender Fees - County 90%	1,331	2,471	360	3,442
WE CARE Clinic	15,815	13,599	22,176	7,238
Riverboat Money-County Portion	270,950	154,715	120,526	305,139
Juvenile Debt	6,624	-	-	6,624
Work Release Maintenance	27,325	9,930	894	36,361
Adult Vaccines	3,679	18,015	14,321	7,373
Certificate Sale	5,186	1,877	2,449	4,614
Certificate Surplus	43,519	9,003	43,454	9,068
Intrastate Transfer Fee County	38	-	-	38
CEDIT Homestead for Settlement	36,523	1,811,086	1,564,751	282,858
CFDA# 93.243 Federal Joint Grant	24,422	75,125	73,035	26,512
CFDA# 16.804 Recovery Act JAG	219	-	-	219
CFDA# 16.585 Fed Joint Grant Part 2	38,353	55,358	83,665	10,046
Homeland Security	2,557	-	-	2,557
OPO Equipment Grant	(2,000)	4,000	667	1,333
Race and Gender Interpreter	1,414	3,350	770	3,994
Prosecutor Stop Grant CFDA #16.588	834	29,698	27,876	2,656
Operating Grant Council on Aging	-	383,879	383,879	-
Dangerous Aggressive Driving	(178)	-	375	(553)
Court Services PRI Drug Free	-	3,600	3,600	-
2009 Polling Place Grant	594	-	-	594
CFDA# 97.042 EMPG Comp Grant	-	1,621	1,621	-

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

NOBLE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2012  
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Coroner Education Grant	1,450	298	-	1,748
Family Drug Court	2,495	3,500	1,649	4,346
Child Seat Safety Program	2,161	21	167	2,015
CFDA# 16.607 Bullet Proof Vest Grant	2,584	-	2,584	-
CFDA# 16.606 SCAAP	6,931	1,417	312	8,036
CFDA# 20.601 Operation Pull-Over	(4,637)	21,795	20,790	(3,632)
Bio-Terrorist	4,760	14,655	14,600	4,815
Photogrammetry Grant	-	1,360	1,241	119
PFS Citation Grant	-	500	500	-
Rural Demonstration Grant	-	12,660	12,570	90
Dangerous Driving	-	6,390	6,015	375
Data Sharing Agreement Grant	-	2,000	-	2,000
Parks and Recreation Grant	-	10,000	-	10,000
County Treasurer's After Settlement Collections	790,434	1,068,188	790,434	1,068,188
County Sheriff Cashbook	14,642	430,868	442,072	3,438
Commissary	46,853	95,404	77,798	64,459
Inmate Trust	12,346	637,851	630,591	19,606
County Clerk's Trust	343,918	2,352,598	2,309,014	387,502
Totals	<u>\$ 18,914,053</u>	<u>\$ 95,739,050</u>	<u>\$ 95,266,971</u>	<u>\$ 19,386,132</u>

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

NOBLE 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 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. Receipts are recorded when received and disbursements are recorded when paid.

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

*C. Cash and Investments*

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

*D. Receipts*

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

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers 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 which include 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: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

local road and street distribution 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 which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine 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 which include receipts derived 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 which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

*E. Disbursements*

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

Personal services include outflows 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 which include 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 office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are 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.

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*F. Interfund Transfers*

The County may, from time to time, transfer money 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 money 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 money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

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

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. 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.

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. County Police Retirement Plan*

*Plan Description*

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

*Funding Policy*

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

*C. County Police Benefit Plan*

*Plan Description*

The County Police Benefit Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

*Funding Policy*

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

**Note 7. Restatement of County Offices**

Certain funds that were included on the prior year financial statement have been omitted from the current year financial statement to more accurately reflect the financial activity of the County. These funds account for receipts and disbursements of County offices that are also eventually accounted for in the County's general ledger and financial statements.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2012.

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. *Holding Corporation***

The County has entered into a capital lease with Noble County Jail 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 2012 totaled \$399,000.

**Note 10. *Combined Funds***

Funds related to payroll withholdings were reported individually in the prior financial statement but were combined into four funds for the current financial statement. Funds related to court fees were reported individually in the prior financial statement but were combined into two funds for the current financial statement.

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's Annual Report information can be found on the Gateway 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 Annual Report of the County which is 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 supplementary information presented was approved by management of the County. It is presented as intended by the County.

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012

	General	Sheriff's Accident Report	CEDIT	HEA 1001 State Homestead Credit Distribution	Municipal Court Cost	Clerk's Record Perpetuation	Special Operations Group
Cash and investments - beginning	\$ 2,609,062	\$ 8,706	\$ 1,719,012	\$ (2,778)	\$ -	\$ 19,613	\$ 5,709
Receipts:							
Taxes	6,719,115	-	-	-	-	-	-
Licenses and permits	39,386	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,978,706	-	77,129	-	-	-	-
Fines and forfeits	228,865	-	-	-	-	-	-
Other receipts	726,859	4,982	917,943	-	15,532	19,908	12,942
Total receipts	<u>11,692,931</u>	<u>4,982</u>	<u>995,072</u>	<u>-</u>	<u>15,532</u>	<u>19,908</u>	<u>12,942</u>
Disbursements:							
Personal services	8,532,191	-	-	-	-	-	-
Supplies	529,913	-	-	-	-	3,342	-
Other services and charges	1,880,840	-	-	-	-	2,292	-
Capital outlay	119,944	-	917,636	-	-	-	-
Other disbursements	271,376	1,006	-	118	15,532	-	10,009
Total disbursements	<u>11,334,264</u>	<u>1,006</u>	<u>917,636</u>	<u>118</u>	<u>15,532</u>	<u>5,634</u>	<u>10,009</u>
Excess (deficiency) of receipts over disbursements	<u>358,667</u>	<u>3,976</u>	<u>77,436</u>	<u>(118)</u>	<u>-</u>	<u>14,274</u>	<u>2,933</u>
Cash and investments - ending	<u>\$ 2,967,729</u>	<u>\$ 12,682</u>	<u>\$ 1,796,448</u>	<u>\$ (2,896)</u>	<u>\$ -</u>	<u>\$ 33,887</u>	<u>\$ 8,642</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Sales Disclosure	Cumulative Capital Development - Bridges	Cumulative Building Courthouse	Drug Free Community	Emergency Planning-SARA	E - 911	Extradition
Cash and investments - beginning	\$ 25,811	\$ 3,228,824	\$ 510,036	\$ 47,500	\$ 27,849	\$ 359,779	\$ 70,417
Receipts:							
Taxes	-	509,890	110,579	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	5,225	86,743	-	-	-	201,387	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	91,777	307	54,678	25,684	-	4,637
Total receipts	<u>5,225</u>	<u>688,410</u>	<u>110,886</u>	<u>54,678</u>	<u>25,684</u>	<u>201,387</u>	<u>4,637</u>
Disbursements:							
Personal services	-	-	-	-	4,022	175,825	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	197,024	-	56,000	19,602	93,900	12,721
Capital outlay	-	431,704	511,014	-	950	4,413	-
Other disbursements	1,574	53,150	-	-	-	287,028	-
Total disbursements	<u>1,574</u>	<u>681,878</u>	<u>511,014</u>	<u>56,000</u>	<u>24,574</u>	<u>561,166</u>	<u>12,721</u>
Excess (deficiency) of receipts over disbursements	<u>3,651</u>	<u>6,532</u>	<u>(400,128)</u>	<u>(1,322)</u>	<u>1,110</u>	<u>(359,779)</u>	<u>(8,084)</u>
Cash and investments - ending	<u>\$ 29,462</u>	<u>\$ 3,235,356</u>	<u>\$ 109,908</u>	<u>\$ 46,178</u>	<u>\$ 28,959</u>	<u>\$ -</u>	<u>\$ 62,333</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Firearms Training	General Drain Improvements	Health Department	Security Protection	Excess Levy	Health Maintenance	Local Road And Street
Cash and investments - beginning	\$ 49,831	\$ 292,913	\$ 135,863	\$ 27,922	\$ 798	\$ 72,595	\$ 335,344
Receipts:							
Taxes	-	-	243,683	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	412,428
Charges for services	-	-	36,466	3,897	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	15,370	294,257	15,610	381	86,364	133,672	60,486
Total receipts	<u>15,370</u>	<u>294,257</u>	<u>295,759</u>	<u>4,278</u>	<u>86,364</u>	<u>133,672</u>	<u>472,914</u>
Disbursements:							
Personal services	-	-	283,645	-	-	9,487	-
Supplies	-	-	5,688	-	-	2,670	-
Other services and charges	-	-	11,735	4,360	-	2,118	-
Capital outlay	-	-	-	-	-	-	497,383
Other disbursements	15,005	446,781	-	24,142	-	116,108	-
Total disbursements	<u>15,005</u>	<u>446,781</u>	<u>301,068</u>	<u>28,502</u>	<u>-</u>	<u>130,383</u>	<u>497,383</u>
Excess (deficiency) of receipts over disbursements	<u>365</u>	<u>(152,524)</u>	<u>(5,309)</u>	<u>(24,224)</u>	<u>86,364</u>	<u>3,289</u>	<u>(24,469)</u>
Cash and investments - ending	<u>\$ 50,196</u>	<u>\$ 140,389</u>	<u>\$ 130,554</u>	<u>\$ 3,698</u>	<u>\$ 87,162</u>	<u>\$ 75,884</u>	<u>\$ 310,875</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	County Misdemeanants	Highway	Rainy Day	Reassessment	Reassessment 2015	Recorders Perpetuation	River Boat Revenue Sharing
Cash and investments - beginning	\$ 48,904	\$ 456,028	\$ 1,172,624	\$ 140,538	\$ 149,767	\$ 110,611	\$ -
Receipts:							
Taxes	-	1,128	-	-	143,343	-	-
Licenses and permits	-	1,990	-	-	-	-	-
Intergovernmental	-	2,222,123	-	-	-	-	-
Charges for services	-	503,359	-	29	-	59,041	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	28,547	52,939	551	278	1,227	6,988	281,599
Total receipts	<u>28,547</u>	<u>2,781,539</u>	<u>551</u>	<u>307</u>	<u>144,570</u>	<u>66,029</u>	<u>281,599</u>
Disbursements:							
Personal services	8,508	1,125,086	-	5,036	-	90	-
Supplies	-	921,988	-	597	-	-	-
Other services and charges	6,230	532,816	261,090	59,541	-	-	-
Capital outlay	-	31,956	-	-	-	-	-
Other disbursements	-	-	-	-	-	40,955	281,599
Total disbursements	<u>14,738</u>	<u>2,611,846</u>	<u>261,090</u>	<u>65,174</u>	<u>-</u>	<u>41,045</u>	<u>281,599</u>
Excess (deficiency) of receipts over disbursements	<u>13,809</u>	<u>169,693</u>	<u>(260,539)</u>	<u>(64,867)</u>	<u>144,570</u>	<u>24,984</u>	<u>-</u>
Cash and investments - ending	<u>\$ 62,713</u>	<u>\$ 625,721</u>	<u>\$ 912,085</u>	<u>\$ 75,671</u>	<u>\$ 294,337</u>	<u>\$ 135,595</u>	<u>\$ -</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Sex Offender Fees - State 10%	Sheriff Service Fee	Public Defender Fees	Surplus Tax	Surveyor's Perpetuation	Online Certificate Sale	Tax Sale Redemption
Cash and investments - beginning	\$ 16	\$ 1,990	\$ 166,955	\$ 98,630	\$ 7,230	\$ -	\$ 220
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	9,810	-	-
Fines and forfeits	-	-	17,448	-	-	-	-
Other receipts	275	29,788	-	206,296	10,733	129,396	93,192
Total receipts	<u>275</u>	<u>29,788</u>	<u>17,448</u>	<u>206,296</u>	<u>20,543</u>	<u>129,396</u>	<u>93,192</u>
Disbursements:							
Personal services	-	-	2,700	-	-	-	-
Supplies	-	-	4,776	-	8,000	-	-
Other services and charges	-	-	7,373	-	-	-	-
Capital outlay	-	-	-	-	1,970	-	-
Other disbursements	285	-	-	271,892	-	109,694	93,192
Total disbursements	<u>285</u>	<u>-</u>	<u>14,849</u>	<u>271,892</u>	<u>9,970</u>	<u>109,694</u>	<u>93,192</u>
Excess (deficiency) of receipts over disbursements	<u>(10)</u>	<u>29,788</u>	<u>2,599</u>	<u>(65,596)</u>	<u>10,573</u>	<u>19,702</u>	<u>-</u>
Cash and investments - ending	<u>\$ 6</u>	<u>\$ 31,778</u>	<u>\$ 169,554</u>	<u>\$ 33,034</u>	<u>\$ 17,803</u>	<u>\$ 19,702</u>	<u>\$ 220</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Tax Sale Surplus	Tobacco "Master" Settlement	Victim Witness	2007 Phase 1 E-911 Distribution	Guardian Ad Litem/CASA	County - Transportation	Statewide 9-1-1
Cash and investments - beginning	\$ 46,548	\$ 73,197	\$ 45,577	\$ 65,921	\$ 54,295	\$ 500	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	57,658
Fines and forfeits	-	-	45,757	-	-	-	-
Other receipts	469,843	94,549	-	10,876	51,621	688	579,517
Total receipts	<u>469,843</u>	<u>94,549</u>	<u>45,757</u>	<u>10,876</u>	<u>51,621</u>	<u>688</u>	<u>637,175</u>
Disbursements:							
Personal services	-	-	36,159	-	-	-	184,116
Supplies	-	10,707	-	-	-	-	-
Other services and charges	-	-	-	-	42,531	-	62,002
Capital outlay	-	-	-	-	-	-	1,000
Other disbursements	149,293	69,300	1,439	76,797	-	-	-
Total disbursements	<u>149,293</u>	<u>80,007</u>	<u>37,598</u>	<u>76,797</u>	<u>42,531</u>	<u>-</u>	<u>247,118</u>
Excess (deficiency) of receipts over disbursements	<u>320,550</u>	<u>14,542</u>	<u>8,159</u>	<u>(65,921)</u>	<u>9,090</u>	<u>688</u>	<u>390,057</u>
Cash and investments - ending	<u>\$ 367,098</u>	<u>\$ 87,739</u>	<u>\$ 53,736</u>	<u>\$ -</u>	<u>\$ 63,385</u>	<u>\$ 1,188</u>	<u>\$ 390,057</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Storm/Erosion	Adult Probation	Juvenile Probation	Transfer Fee - County	Work Crew - Drainage	Drain Maintenance	Sheriff Sale Fees
Cash and investments - beginning	\$ 4,445	\$ 1,305,127	\$ 68,504	\$ 88,311	\$ 108,700	\$ 1,855,803	\$ 26,073
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	23,485	-	-	-
Fines and forfeits	-	269,664	8,131	-	-	-	-
Other receipts	3,935	223,368	-	30,382	78,400	1,122,141	23,763
Total receipts	3,935	493,032	8,131	53,867	78,400	1,122,141	23,763
Disbursements:							
Personal services	-	257,856	3,760	-	-	-	-
Supplies	-	103,986	-	-	19,806	-	-
Other services and charges	-	111,355	-	15,104	79,074	-	-
Capital outlay	-	20,609	-	-	9,271	-	-
Other disbursements	-	21,663	-	17,989	-	1,093,922	20,731
Total disbursements	-	515,469	3,760	33,093	108,151	1,093,922	20,731
Excess (deficiency) of receipts over disbursements	3,935	(22,437)	4,371	20,774	(29,751)	28,219	3,032
Cash and investments - ending	\$ 8,380	\$ 1,282,690	\$ 72,875	\$ 109,085	\$ 78,949	\$ 1,884,022	\$ 29,105

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Federal Drug Task Force	DUI Grant - Ligonier & Kendallville	K-9 Donation	Health Maintenance #2/Tobacco	Demand Notice Fees 27%	Health Clinic Donations	Civil Service Fee
Cash and investments - beginning	\$ 440	\$ (2,464)	\$ 757	\$ 31,394	\$ 202	\$ 5,024	\$ 52,317
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	17,498	170	-	280	3,828	29,745
Total receipts	-	17,498	170	-	280	3,828	29,745
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	413	17,288	214	31,394	482	1,250	-
Total disbursements	413	17,288	214	31,394	482	1,250	-
Excess (deficiency) of receipts over disbursements	(413)	210	(44)	(31,394)	(202)	2,578	29,745
Cash and investments - ending	\$ 27	\$ (2,254)	\$ 713	\$ -	\$ -	\$ 7,602	\$ 82,062

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Debt Service - Jail	Self Funding Insurance	Landfill/Post Closure Trust	Payroll	INPRS - PERF	Pro-Claim Plus	Withholding (Sheriff Benefit)
Cash and investments - beginning	\$ 228,241	\$ 188,520	\$ 172	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	372,691	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	346	-	-	109,669	307,338	504,719
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	2,442,029	-	5,862,992	1	24,205	1,750
Total receipts	<u>372,691</u>	<u>2,442,375</u>	<u>-</u>	<u>5,862,992</u>	<u>109,670</u>	<u>331,543</u>	<u>506,469</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	399,000	-	-	-	-	-	-
Other disbursements	-	2,476,191	-	5,862,992	109,669	331,543	506,469
Total disbursements	<u>399,000</u>	<u>2,476,191</u>	<u>-</u>	<u>5,862,992</u>	<u>109,669</u>	<u>331,543</u>	<u>506,469</u>
Excess (deficiency) of receipts over disbursements	<u>(26,309)</u>	<u>(33,816)</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 201,932</u>	<u>\$ 154,704</u>	<u>\$ 172</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Deferred Compensation	Federal Withholdings	Flex Checks	Withholdings (County Tax)	Withholdings (Perf)	Pension Trust County Police	State Withholdings
Cash and investments - beginning	\$ -	\$ -	\$ 2,800	\$ -	\$ -	\$ 124,704	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	54,943	750,228	-	108,703	201,270	-	257,734
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	2,860	-	133	1,746	-
Total receipts	<u>54,943</u>	<u>750,228</u>	<u>2,860</u>	<u>108,703</u>	<u>201,403</u>	<u>1,746</u>	<u>257,734</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	54,943	750,228	1,820	108,703	201,403	40,175	257,734
Total disbursements	<u>54,943</u>	<u>750,228</u>	<u>1,820</u>	<u>108,703</u>	<u>201,403</u>	<u>40,175</u>	<u>257,734</u>
Excess (deficiency) of receipts over disbursements	-	-	1,040	-	-	(38,429)	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,840</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,275</u>	<u>\$ -</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Garnished Wages	Settlement	CAGIT	Noble County Wheel and Surtax	Commercial Vehicle Excise Tax	Financial Tax	VaxCare
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	24,476	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	44,186,916	7,609,521	601,581	185,267	137,704	1,689
Total receipts	<u>24,476</u>	<u>44,186,916</u>	<u>7,609,521</u>	<u>601,581</u>	<u>185,267</u>	<u>137,704</u>	<u>1,689</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	24,476	44,186,942	7,609,521	601,581	185,267	137,704	-
Total disbursements	<u>24,476</u>	<u>44,186,942</u>	<u>7,609,521</u>	<u>601,581</u>	<u>185,267</u>	<u>137,704</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	-	(26)	-	-	-	-	1,689
Cash and investments - ending	<u>\$ -</u>	<u>\$ (26)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,689</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Fines and Forfeitures	Infraction Judgement	Overweight Vehicle	Death Benefit	Disclosure/ Treasurer of State	Coroner Continuing Education	Inner State Compact Application Fee-County
Cash and investments - beginning	\$ 14,078	\$ 3,632	\$ -	\$ 350	\$ 525	\$ 229	\$ -
Receipts:							
Taxes	-	-	-	-	15	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	5,195	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	165,813	51,170	590	4,850	-	2,663	38
Total receipts	<u>165,813</u>	<u>51,170</u>	<u>590</u>	<u>4,850</u>	<u>5,210</u>	<u>2,663</u>	<u>38</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	157,288	51,252	590	4,940	5,260	2,777	-
Total disbursements	<u>157,288</u>	<u>51,252</u>	<u>590</u>	<u>4,940</u>	<u>5,260</u>	<u>2,777</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>8,525</u>	<u>(82)</u>	<u>-</u>	<u>(90)</u>	<u>(50)</u>	<u>(114)</u>	<u>38</u>
Cash and investments - ending	<u>\$ 22,603</u>	<u>\$ 3,550</u>	<u>\$ -</u>	<u>\$ 260</u>	<u>\$ 475</u>	<u>\$ 115</u>	<u>\$ 38</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	State Mortgage Fee	Child Restraint Violations	Inheritance Tax	Education Plate Fee	Innkeeper Tax	CEDIT Money for Distribution	CEDIT Homestead
Cash and investments - beginning	\$ 405	\$ 75	\$ 122,246	\$ -	\$ -	\$ -	\$ 41,596
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	4,518	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	498	1,525	407,777	994	95,154	1,811,092	-
Total receipts	<u>5,016</u>	<u>1,525</u>	<u>407,777</u>	<u>994</u>	<u>95,154</u>	<u>1,811,092</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,985	1,600	477,243	900	92,980	1,811,092	-
Total disbursements	<u>4,985</u>	<u>1,600</u>	<u>477,243</u>	<u>900</u>	<u>92,980</u>	<u>1,811,092</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>31</u>	<u>(75)</u>	<u>(69,466)</u>	<u>94</u>	<u>2,174</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 436</u>	<u>\$ -</u>	<u>\$ 52,780</u>	<u>\$ 94</u>	<u>\$ 2,174</u>	<u>\$ -</u>	<u>\$ 41,596</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Deer Lake Control	CFDA# 93.563 Prosecutor PCA	ARRA Funding for Prosecutor	Clerk's ARRA Funding	CFDA# 93.563 Title IV-D Incentive	Prosecutor IV-D	Prosecutor New IV-D
Cash and investments - beginning	\$ 2,628	\$ 1,422	\$ 57,936	\$ 12,942	\$ 405,502	\$ 26	\$ 134,232
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	3,104	-	-	30,693	-	46,173
Total receipts	-	3,104	-	-	30,693	-	46,173
Disbursements:							
Personal services	-	-	-	-	29,200	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	11,356	-	-
Other disbursements	-	-	30,398	-	264,728	-	8,477
Total disbursements	-	-	30,398	-	305,284	-	8,477
Excess (deficiency) of receipts over disbursements	-	3,104	(30,398)	-	(274,591)	-	37,696
Cash and investments - ending	<u>\$ 2,628</u>	<u>\$ 4,526</u>	<u>\$ 27,538</u>	<u>\$ 12,942</u>	<u>\$ 130,911</u>	<u>\$ 26</u>	<u>\$ 171,928</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Clerk IV-D	Clerk New IV-D	Prosecutor's Equitable Sharing	Drug Confiscated	Sex Offender Fees - County 90%	WE CARE Clinic	Riverboat Money-County Portion
Cash and investments - beginning	\$ 13	\$ 133,374	\$ 6,249	\$ 2,024	\$ 1,331	\$ 15,815	\$ 270,950
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	4	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	31,076	-	8,502	2,471	13,595	154,715
Total receipts	-	31,076	-	8,502	2,471	13,599	154,715
Disbursements:							
Personal services	-	15	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	12	23,628	-	-	360	22,176	120,526
Total disbursements	12	23,643	-	-	360	22,176	120,526
Excess (deficiency) of receipts over disbursements	(12)	7,433	-	8,502	2,111	(8,577)	34,189
Cash and investments - ending	<u>\$ 1</u>	<u>\$ 140,807</u>	<u>\$ 6,249</u>	<u>\$ 10,526</u>	<u>\$ 3,442</u>	<u>\$ 7,238</u>	<u>\$ 305,139</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Juvenile Debt	Work Release Maintenance	Adult Vaccines	Certificate Sale	Certificate Surplus	Intrastate Transfer Fee County	CEDIT Homestead for Settlement
Cash and investments - beginning	\$ 6,624	\$ 27,325	\$ 3,679	\$ 5,186	\$ 43,519	\$ 38	\$ 36,523
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	9,930	18,015	1,877	9,003	-	1,811,086
Total receipts	-	9,930	18,015	1,877	9,003	-	1,811,086
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	894	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	14,321	2,449	43,454	-	1,564,751
Total disbursements	-	894	14,321	2,449	43,454	-	1,564,751
Excess (deficiency) of receipts over disbursements	-	9,036	3,694	(572)	(34,451)	-	246,335
Cash and investments - ending	<u>\$ 6,624</u>	<u>\$ 36,361</u>	<u>\$ 7,373</u>	<u>\$ 4,614</u>	<u>\$ 9,068</u>	<u>\$ 38</u>	<u>\$ 282,858</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	CFDA# 93.243 Federal Joint Grant	CFDA# 16.804 Recovery Act JAG	CFDA# 16.585 Fed Joint Grant Part 2	Homeland Security	OPO Equipment Grant	Race and Gender Interpreter	Prosecutor Stop Grant CFDA #16.588
Cash and investments - beginning	\$ 24,422	\$ 219	\$ 38,353	\$ 2,557	\$ (2,000)	\$ 1,414	\$ 834
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	75,125	-	55,358	-	4,000	3,350	29,698
Total receipts	75,125	-	55,358	-	4,000	3,350	29,698
Disbursements:							
Personal services	45,964	-	4,261	-	-	-	27,876
Supplies	11,977	-	22,292	-	-	-	-
Other services and charges	15,094	-	45,328	-	-	-	-
Capital outlay	-	-	6,155	-	-	-	-
Other disbursements	-	-	5,629	-	667	770	-
Total disbursements	73,035	-	83,665	-	667	770	27,876
Excess (deficiency) of receipts over disbursements	2,090	-	(28,307)	-	3,333	2,580	1,822
Cash and investments - ending	\$ 26,512	\$ 219	\$ 10,046	\$ 2,557	\$ 1,333	\$ 3,994	\$ 2,656

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Operating Grant Council on Aging	Dangerous Aggressive Driving	Court Services PRI Drug Free	2009 Polling Place Grant	CFDA# 97.042 EMPG Comp Grant	Coroner Education Grant
Cash and investments - beginning	\$ -	\$ (178)	\$ -	\$ 594	\$ -	\$ 1,450
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	383,879	-	3,600	-	1,621	298
Total receipts	383,879	-	3,600	-	1,621	298
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	383,879	375	3,600	-	1,621	-
Total disbursements	383,879	375	3,600	-	1,621	-
Excess (deficiency) of receipts over disbursements	-	(375)	-	-	-	298
Cash and investments - ending	\$ -	\$ (553)	\$ -	\$ 594	\$ -	\$ 1,748

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Family Drug Court	Child Seat Safety Program	CFDA# 16.607 Bullet Proof Vest Grant	CFDA# 16.606 SCAAP	CFDA# 20.601 Operation Pull-Over	Bio-Terrorist
Cash and investments - beginning	\$ 2,495	\$ 2,161	\$ 2,584	\$ 6,931	\$ (4,637)	\$ 4,760
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,500	21	-	1,417	21,795	14,655
Total receipts	3,500	21	-	1,417	21,795	14,655
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,649	167	2,584	312	20,790	14,600
Total disbursements	1,649	167	2,584	312	20,790	14,600
Excess (deficiency) of receipts over disbursements	1,851	(146)	(2,584)	1,105	1,005	55
Cash and investments - ending	\$ 4,346	\$ 2,015	\$ -	\$ 8,036	\$ (3,632)	\$ 4,815

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Photogrammetry Grant	PFS Citation Grant	Rural Demonstration Grant	Dangerous Driving	Data Sharing Agreement Grant	Parks and Recreation Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,360	500	12,660	6,390	2,000	10,000
Total receipts	<u>1,360</u>	<u>500</u>	<u>12,660</u>	<u>6,390</u>	<u>2,000</u>	<u>10,000</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	1,241	500	12,570	6,015	-	-
Total disbursements	<u>1,241</u>	<u>500</u>	<u>12,570</u>	<u>6,015</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>119</u>	<u>-</u>	<u>90</u>	<u>375</u>	<u>2,000</u>	<u>10,000</u>
Cash and investments - ending	<u>\$ 119</u>	<u>\$ -</u>	<u>\$ 90</u>	<u>\$ 375</u>	<u>\$ 2,000</u>	<u>\$ 10,000</u>

NOBLE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	County Treasurer's After Settlement Collections	County Sheriff Cashbook	Commissary	Inmate Trust	County Clerk's Trust	Totals
Cash and investments - beginning	\$ 790,434	\$ 14,642	\$ 46,853	\$ 12,346	\$ 343,918	\$ 18,914,053
Receipts:						
Taxes	-	-	-	-	-	8,100,444
Licenses and permits	-	-	-	-	-	41,376
Intergovernmental	-	-	-	-	-	2,634,551
Charges for services	-	-	-	-	-	7,372,078
Fines and forfeits	-	-	-	-	-	569,865
Other receipts	1,068,188	430,868	95,404	637,851	2,352,598	77,020,736
Total receipts	1,068,188	430,868	95,404	637,851	2,352,598	95,739,050
Disbursements:						
Personal services	-	-	-	-	-	10,735,797
Supplies	-	-	-	-	-	1,646,636
Other services and charges	-	-	-	-	-	3,518,130
Capital outlay	-	-	-	-	-	2,964,361
Other disbursements	790,434	442,072	77,798	630,591	2,309,014	76,402,047
Total disbursements	790,434	442,072	77,798	630,591	2,309,014	95,266,971
Excess (deficiency) of receipts over disbursements	277,754	(11,204)	17,606	7,260	43,584	472,079
Cash and investments - ending	\$ 1,068,188	\$ 3,438	\$ 64,459	\$ 19,606	\$ 387,502	\$ 19,386,132

NOBLE COUNTY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 310,387</u>	<u>\$ 2,731,347</u>

NOBLE COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Noble County Jail Building Corporation	New Jail Facility	\$ 399,000	01-01-05	02-01-16
Total of annual lease payments		<u>\$ 399,000</u>		

NOBLE COUNTY  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2012

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

	Ending Balance
Governmental activities:	
Land	\$ 144,968
Infrastructure	143,676,180
Buildings	15,465,289
Machinery, equipment, and vehicles	6,635,190
Construction in progress	193,017
Total governmental activities	166,114,644
Total capital assets	\$ 166,114,644

NOBLE COUNTY  
OTHER REPORTS

The annual report presented herein was prepared in addition to the other official reports prepared for the individual County offices listed below:

County Auditor  
County Recorder  
County Sheriff  
Board of County Commissioners

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF NOBLE COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited Noble County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

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

***Report on Internal Control Over Compliance***

Management of the County is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Bruce Hartman  
State Examiner

July 15, 2013

(This page intentionally left blank.)

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

NOBLE COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2012

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Drug Court Discretionary Grant Program	Direct	16.585	2010-DC-BX-0072	\$ 83,665
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	11STPR060 11STPR072	18,781 <u>2,183</u>
Total - Violence Against Women Formula Grants				<u>20,964</u>
State Criminal Alien Assistance Program	Indiana Criminal Justice Institute	16.606	FY 2012	<u>312</u>
Total - U.S. Department of Justice				<u>104,941</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	Des # 0901268 Des # 005624 Des # 1006113 Des #0401214 Project #8000800232	12,351 35,200 45,437 7,670 <u>1,072</u>
Total - Highway Planning and Construction Cluster				<u>101,730</u>
Highway Safety Cluster State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	PT-2010-10-03-14 K4-2012-09-03-14 PT-12-11-04-18 EDS # D3-13-7210	2,000 2,000 20,475 <u>6,390</u>
Total - State and Community Highway Safety				<u>30,865</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	Indiana Criminal Justice Institute	20.601	K8-2012-03-03-25 FY 13 NHTSA 410	17,498 <u>1,320</u>
Total - Alcohol Impaired Driving Countermeasures Incentive Grants I				<u>18,818</u>
Occupant Protection Incentive Grants	Indiana Criminal Justice Institute	20.602	NHTSA FFY 2012 405	<u>12,660</u>
Total - Highway Safety Cluster				<u>62,343</u>
Formula Grants for Other Than Urbanized Areas	Indiana Department of Transportation	20.509	Operating Grant 2012	<u>256,004</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Transportation	20.703	FY 2012	<u>17,590</u>
Total - U.S. Department of Transportation				<u>437,667</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Substance Abuse and Mental Services - Projects of Regional and National Significance	Direct	93.243	5H79TI023390-02	<u>73,035</u>
Public Health Emergency Preparedness	Indiana Department of Health	93.069	BPRS 156-70	<u>9,450</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	BPRS 156-70	<u>1,705</u>
Child Support Enforcement	Indiana Family and Social Services	93.563	FY 2012	<u>304,612</u>
Total - U.S. Department of Health and Human Services				<u>388,802</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EDS# C44P-2-362A EDS# C44P-2-113A	19,710 <u>3,618</u>
Total - U.S. Department of Homeland Security				<u>23,328</u>
Total federal awards expended				<u>\$ 954,738</u>

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

NOBLE COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Noble County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

**Note 2. Subrecipients**

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2012:

Program Title	Federal CFDA Number	2012
Formula Grants for Other Than Urbanized Areas	20.509	\$ 256,004
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	17,288

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.509	Formula Grants for Other Than Urbanized Areas
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

**FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING - DISBURSEMENTS**

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. The County's claim processing is handled primarily by one staff person

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

within the County Auditor's office. This individual audits the claims, issues the payments for claims, and post the payments to the various funds. We found numerous claims paid without proper supporting documentation and claims paid from the wrong funds.

2. **Monitoring of Controls:** Effective internal control over financial reporting requires the Board of County Commissioners to monitor and assess the quality of the County's system of internal control. The Board of County Commissioners have not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

***FINDING 2012-2 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING - PAYROLL PROCESSING***

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. **Lack of Segregation of Duties:** Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to payroll and related liabilities. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. The County's payroll processing is handled primarily by one staff person in the County Auditor's office. This individual inputs the information from the departments payroll vouchers into the computerized payroll system, issues the payments for employee benefits and related payroll expenses, and reconciles the direct deposit listing to a detailed employee list.
2. **Monitoring of Controls:** Effective internal control over financial reporting requires the Board of County Commissioners to monitor and assess the quality of the County's system of internal control. The Board of County Commissioners has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

***Section III – Federal Award Findings and Questioned Costs***

No matters are reportable.

# NOBLE COUNTY AUDITOR

*Jacqueline L. Knafel*

Room 220 - Courthouse  
101 N. Orange Street  
Albion, Indiana 46701

Phone 260-636-2658  
Fax: 260-636-4001  
[jknafel@nobleco.org](mailto:jknafel@nobleco.org)

## Corrective Action Plan

Finding 2012 -1 Finding 2012 -2 Internal Controls over Financial Transactions & Reporting –  
Disbursements and Payroll Processing

Auditee Contact Person(s)

Jacqueline L. Knafel [jknafel@nobleco.org](mailto:jknafel@nobleco.org) 260-636-2658

## Corrective Action:

Currently each department has in place a person responsible for reviewing claims and payroll. This is then to be reviewed by the department head or elected official who then signs the claims and payroll.

This information is then sent to the Auditor's office for review by the Claims Administrator and payroll clerk. Any questionable issue by the claims administrator and payroll clerk are currently reviewed by the Auditor. After their review, a report is generated for review by the Noble County Commissioners. Claims are taken into their meetings and pulled for further review by them as requested.

To further execute another layer of review, ALL claims and payroll are reviewed by the Noble County Auditor and initialed after review by the Auditor or another deputy assigned to that responsibility.

Dated this 22<sup>nd</sup> day of July, 2013



\_\_\_\_\_  
Jacqueline L. Knafel, Noble County Auditor

NOBLE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 15, 2013, with Gary Leatherman, President of the Board of County Commissioners; David J. Dolezal, County Commissioner; and Jacqueline Knafel, Auditor.