

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, 2015 to December 31, 2015



FILED
01/27/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Tonya L. Marks	01-01-15 to 12-31-18
County Treasurer	Michele J. Bricker	01-01-13 to 12-31-16
Clerk of the Circuit Court	Michelle L. Mawhorter	01-01-13 to 12-31-16
County Sheriff	Douglas A. Harp	01-01-15 to 12-31-18
County Recorder	Candy B. Myers	01-01-13 to 12-31-18
County Prosecuting Attorney	Eric D. Blackman	01-01-15 to 12-31-18
President of the Board of County Commissioners	Gary D. Leatherman	01-01-15 to 12-31-16
President of the County Council	Michael C. Toles	01-01-15 to 12-31-16



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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, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free 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, 2015.

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, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 19, 2016, 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.


Paul D. Joyce, CPA
State Examiner

December 19, 2016



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

TO: THE OFFICIALS OF 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, 2015, and the related notes to the financial statement, and have issued our report thereon dated December 19, 2016, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001 and 2015-002 that we consider to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001 and 2015-002.

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.


Paul D. Joyce, CPA
State Examiner

December 19, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

NOBLE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
General	\$ 1,714,891	\$ 9,036,223	\$ 9,179,947	\$ 1,571,167
Sheriff's Accident Report	9,302	7,923	-	17,225
Bond Forfeitures	6,474	-	-	6,474
CAGIT Certified Shares	371,440	2,928,641	3,163,085	136,996
CEDIT	1,825,335	1,163,763	1,615,164	1,373,934
Municipal Court Cost	4,101	15,008	5,207	13,902
Clerk's Record Perpetuation	55,496	29,192	27,321	57,367
Community Corrections Grant	423,247	1,240,499	1,077,417	586,329
Special Operations Group	7,075	-	-	7,075
Sales Disclosure	32,766	5,355	3,903	34,218
Cumulative Capital Development- Bridges	2,514,424	677,578	756,072	2,435,930
Cumulative Building Courthouse	294,771	116,013	37,552	373,232
Highway Building New Construction	-	1,870,681	70,068	1,800,613
Drug Free Community	37,373	40,832	37,372	40,833
Emergency Planning-SARA	20,853	6,648	12,635	14,866
Extradition	49,132	2,820	7,308	44,644
Firearms Training	59,502	16,346	35,420	40,428
General Drain Improvements	381,000	260,003	237,960	403,043
Health Department	208,632	409,434	317,597	300,469
Security Protection	11,182	3,561	-	14,743
Excess Levy	87,162	-	87,162	-
Health Maintenance	110,742	33,224	25,241	118,725
Local Road and Street	426,993	545,076	528,741	443,328
County Misdemeanants	95,394	27,690	12,302	110,782
Highway	822,918	3,692,181	3,616,285	898,814
Rainy Day	1,240,694	63,719	300,989	1,003,424
Reassessment	46	-	-	46
Reassessment 2015	480,023	180,755	212,385	448,393
Recorders Perpetuation	119,054	78,444	67,351	130,147
River Boat Revenue Sharing	-	281,599	281,599	-
Sex Offender Fees-State 10%	15	364	344	35
Sheriff Service Fee	77,281	30,116	-	107,397
Public Defender Fees	188,307	15,027	4,764	198,570
Surplus Tax	69,907	95,435	139,619	25,723
Surveyor's Perpetuation	32,419	9,085	3,847	37,657
Online Certificate Sale	17,268	-	17,268	-
Tax Sale Redemption	5,928	113,233	112,625	6,536
Tax Sale Surplus	536,569	189,331	474,475	251,425
Tobacco "Master" Settlement	99,653	25,250	15,101	109,802
Victim Witness	51,680	70,400	50,087	71,993
Guardian Ad Litem/CASA	77,495	21,543	15,113	83,925
Family Preservation Court Fees	-	5,250	69	5,181
Elected Officials Training	12,932	3,561	60	16,433
County - Transportation	2,693	375	-	3,068
Statewide 9-1-1	339,393	550,619	533,071	356,941
Storm/Erosion	17,759	12,888	5,206	25,441
Adult Probation	1,089,895	273,509	552,282	811,122
Juvenile Probation	80,378	5,447	2,654	83,171
Transfer Fee-County	147,213	54,649	61,515	140,347
Work Crew-Drainage	98,792	70,985	106,689	63,088
Drain Maintenance	2,624,020	1,085,094	735,092	2,974,022
Sheriff Sale Fees	30,770	8,727	14,710	24,787
Federal Drug Task Force	28	69,510	27,747	41,791
DUI Grant-Ligonier & Kendallville	(4,019)	17,145	16,185	(3,059)
K-9 Donation	568	-	-	568
Public Health Vaccine	-	39,376	11,683	27,693

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, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Demand Notice Fees 27%	-	144	129	15
Health Clinic Donations	11,596	1,377	888	12,085
Civil Service Fee	33,200	18,289	-	51,489
TIF Orange Township	-	71	-	71
Noble County Dekko TIF	-	71	-	71
Debt Service-Jail	192,390	407,569	401,000	198,959
Self Funding Insurance	9,687	2,163,983	2,103,445	70,225
Landfill/Post Closure Trust	172	-	-	172
Payroll	-	6,307,539	6,307,539	-
INPRS-PERF	1	101,905	101,905	1
Pro-Claim Plus	12,123	363,901	376,024	-
Liberty National	-	774,048	774,048	-
Hoosier Start	-	64,263	64,263	-
Federal Withholdings	-	866,788	866,788	-
Flex Checks	2,828	2,846	2,846	2,828
Withholdings (County Tax)	-	122,755	122,755	-
Withholdings (Perf)	-	218,749	218,749	-
Pension Trust County Police	3,085	402	-	3,487
State Withholdings	-	274,044	274,044	-
Three Rivers HSA #9	-	39,665	39,665	-
Settlement	-	47,232,259	47,232,259	-
CAGIT	-	8,355,902	8,355,902	-
Noble Co. Wheel and Surtax Fund	341	690,117	689,402	1,056
Commercial Vehicle Excise Tax	-	195,220	195,220	-
Financial Tax	-	196,226	196,226	-
VaxCare	9,850	832	10,682	-
Fines and Forfeitures	18,560	120,479	127,450	11,589
Infraction Judgement	3,726	53,226	53,625	3,327
Death Benefit	300	4,590	4,570	320
Disclosure/Treasurer of State	665	5,335	5,320	680
Coroner Continuing Education	282	3,644	3,412	514
Inner State Compact Application Fee-County	-	375	375	-
State Mortgage Fee	303	4,023	3,995	331
HSGP Grant	-	15,723	16,033	(310)
DLGF Homestead Property Database	13,701	-	-	13,701
Child Restraint Violations	50	1,150	1,200	-
Education Plate Fee	-	394	375	19
Innkeeper Tax	4,458	134,945	132,335	7,068
CEDIT Money for Distribution	-	2,094,617	2,094,617	-
CEDIT Homestead	35,390	6,206	-	41,596
Deer Lake Control	2,628	-	-	2,628
93.563 Prosecutor PCA	5,553	4,529	-	10,082
ARRA Funding for Prosecutor	25,547	-	4,319	21,228
Clerk's ARRA Funding	909	-	794	115
93.563 Title IV-D Incentive	124,088	25,441	30,672	118,857
Prosecutor IV-D	26	-	88	(62)
Prosecutor New IV-D	247,281	38,285	-	285,566
Clerk New IV-D	99,903	25,441	45,674	79,670
Prosecutor's Equitable Sharing	7,257	-	-	7,257
Drug Confiscated	10,643	-	-	10,643
Sex Offender Fees - County 90%	7,829	3,276	360	10,745
WE CARE Clinic	19,847	14,736	5,237	29,346
Riverboat Money-County Portion	315,657	154,715	236,581	233,791
Work Release Maintenance	49,656	5,790	385	55,061
Adult Vaccines	17,297	1,237	18,534	-
Intrastate Transfer Fee County	1,600	860	-	2,460
CEDIT Homestead for Settlement	46,267	2,094,617	2,099,906	40,978

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, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Homeland Security	2,081	-	1,071	1,010
OPO Equipment Grant	1,333	-	-	1,333
Race and Gender Interpreter	6,035	2,241	3,359	4,917
Prosecutor Stop Grant CFDA #16.588	(5,976)	22,853	25,565	(8,688)
Operating Grant Council on Aging	-	533,980	533,980	-
Dangerous Aggressive Driving	(178)	-	-	(178)
Court Services PRI Drug Free	-	2,300	1,966	334
CFDA #97.042 GPS Upgrade Grant	-	100	-	100
2009 Polling Place Grant	594	-	-	594
97.042 EMPG Competitive Grant	(16)	8,388	8,388	(16)
Coroner Education Grant	1,748	-	-	1,748
Family Drug Court	3,811	-	-	3,811
Child Seat Safety Program	1,514	300	699	1,115
VET Court Supreme Grant	-	4,290	1,930	2,360
2015 Localbase EMPG Grant	-	7,521	12,632	(5,111)
16.607 Bullet Proof Vest Grant	-	4,844	-	4,844
16.606 SCAAP	8,898	3,246	3,110	9,034
20.601 Operation Pull-Over	4,988	18,525	20,670	2,843
Bio-Terrorist	2,747	29,970	24,093	8,624
Rural Demonstration Grant	90	-	-	90
Data Sharing Agreement Grant	3,630	-	-	3,630
Parks and Recreation Grant	18	-	-	18
After Settlement Collections	1,182,094	1,145,543	1,182,094	1,145,543
Clerk's Trust	493,773	3,296,950	3,423,950	366,773
Sheriff's Cashbook	-	725,091	725,091	-
Jail Commissary	42,094	70,315	68,952	43,457
Sheriff's Inmate Trust	18,037	575,876	575,873	18,040
Totals	<u>\$ 20,108,977</u>	<u>\$ 105,165,059</u>	<u>\$ 104,449,348</u>	<u>\$ 20,824,688</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 Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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

C. Cash and Investments

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

D. Receipts

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

Taxes, which can include 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, 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 the following: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

NOBLE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts, which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types of 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, 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 including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

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

Personal services, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay, which includes 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, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing 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
One North Capitol, 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. Cash Balance Deficits

The financial statement contains some funds with deficits in cash as a result of funds being set up for reimbursable grants and the reimbursement for expenditures made by the County not being received by December 31, 2015.

NOBLE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *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 2015 totaled \$401,000.

Note 9. *Subsequent Events*

The County awarded a contract for the construction of a new highway garage in July 2016. The estimated total cost of construction is \$1,374,000. Construction started in August of 2016 and is expected to be completed in February 2017.

Note 10. *Combined Funds*

Funds related to a Homeland Security Grant were reported individually in the prior financial statement, but were combined into one fund for the current financial statement.

OTHER INFORMATION - UNAUDITED

The County's Annual Financial 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 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.

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	General	Sheriff's Accident Report	Bond Forfeitures	CAGIT Certified Shares	CEDIT	Municipal Court Cost	Clerk's Record Perpetuation	Community Corrections Grant
Cash and investments - beginning	\$ 1,714,891	\$ 9,302	\$ 6,474	\$ 371,440	\$ 1,825,335	\$ 4,101	\$ 55,496	\$ 423,247
Receipts:								
Taxes	7,015,200	-	-	-	-	-	-	-
Licenses and permits	55,628	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	1,144,432	-	-	2,926,508	-	-	-	2,004
Fines and forfeits	197,649	-	-	-	-	-	3	-
Other receipts	623,314	7,923	-	2,133	1,163,763	15,008	29,189	1,238,495
Total receipts	<u>9,036,223</u>	<u>7,923</u>	<u>-</u>	<u>2,928,641</u>	<u>1,163,763</u>	<u>15,008</u>	<u>29,192</u>	<u>1,240,499</u>
Disbursements:								
Personal services	6,906,182	-	-	2,831,319	-	-	-	326,423
Supplies	393,761	-	-	40,296	-	-	744	27,317
Other services and charges	1,711,565	-	-	291,470	-	-	1,170	90,735
Capital outlay	92,268	-	-	-	1,581,164	-	-	11,335
Other disbursements	76,171	-	-	-	34,000	5,207	25,407	621,607
Total disbursements	<u>9,179,947</u>	<u>-</u>	<u>-</u>	<u>3,163,085</u>	<u>1,615,164</u>	<u>5,207</u>	<u>27,321</u>	<u>1,077,417</u>
Excess (deficiency) of receipts over disbursements	<u>(143,724)</u>	<u>7,923</u>	<u>-</u>	<u>(234,444)</u>	<u>(451,401)</u>	<u>9,801</u>	<u>1,871</u>	<u>163,082</u>
Cash and investments - ending	<u>\$ 1,571,167</u>	<u>\$ 17,225</u>	<u>\$ 6,474</u>	<u>\$ 136,996</u>	<u>\$ 1,373,934</u>	<u>\$ 13,902</u>	<u>\$ 57,367</u>	<u>\$ 586,329</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Special Operations Group	Sales Disclosure	Cumulative Capital Development- Bridges	Cumulative Building Courthouse	Highway Building New Construction	Drug Free Community	Emergency Planning-SARA
Cash and investments - beginning	\$ 7,075	\$ 32,766	\$ 2,514,424	\$ 294,771	\$ -	\$ 37,373	\$ 20,853
Receipts:							
Taxes	-	-	546,973	115,928	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	5,355	115,704	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	14,901	85	1,870,681	40,832	6,648
Total receipts	-	5,355	677,578	116,013	1,870,681	40,832	6,648
Disbursements:							
Personal services	-	-	-	-	-	-	1,960
Supplies	-	3,088	-	-	-	-	-
Other services and charges	-	815	102,732	-	-	37,372	4,087
Capital outlay	-	-	653,340	37,552	-	-	6,588
Other disbursements	-	-	-	-	70,068	-	-
Total disbursements	-	3,903	756,072	37,552	70,068	37,372	12,635
Excess (deficiency) of receipts over disbursements	-	1,452	(78,494)	78,461	1,800,613	3,460	(5,987)
Cash and investments - ending	\$ 7,075	\$ 34,218	\$ 2,435,930	\$ 373,232	\$ 1,800,613	\$ 40,833	\$ 14,866

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Extradition	Firearms Training	General Drain Improvements	Health Department	Security Protection	Excess Levy	Health Maintenance
Cash and investments - beginning	\$ 49,132	\$ 59,502	\$ 381,000	\$ 208,632	\$ 11,182	\$ 87,162	\$ 110,742
Receipts:							
Taxes	-	-	-	343,452	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	40,170	3,561	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,820	16,346	260,003	25,812	-	-	33,224
Total receipts	2,820	16,346	260,003	409,434	3,561	-	33,224
Disbursements:							
Personal services	-	-	-	296,050	-	-	17,814
Supplies	-	-	-	6,996	-	-	3,954
Other services and charges	7,308	-	-	12,599	-	-	3,473
Capital outlay	-	-	-	1,229	-	-	-
Other disbursements	-	35,420	237,960	723	-	87,162	-
Total disbursements	7,308	35,420	237,960	317,597	-	87,162	25,241
Excess (deficiency) of receipts over disbursements	(4,488)	(19,074)	22,043	91,837	3,561	(87,162)	7,983
Cash and investments - ending	\$ 44,644	\$ 40,428	\$ 403,043	\$ 300,469	\$ 14,743	\$ -	\$ 118,725

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Local Road and Street	County Misdemeanants	Highway	Rainy Day	Reassessment	Reassessment 2015	Recorders Perpetuation
Cash and investments - beginning	\$ 426,993	\$ 95,394	\$ 822,918	\$ 1,240,694	\$ 46	\$ 480,023	\$ 119,054
Receipts:							
Taxes	-	-	2,115	-	-	180,329	-
Licenses and permits	-	-	2,644	-	-	-	-
Intergovernmental receipts	476,265	-	2,779,204	-	-	-	-
Charges for services	-	-	590,432	-	-	-	78,359
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	68,811	27,690	317,786	63,719	-	426	85
Total receipts	545,076	27,690	3,692,181	63,719	-	180,755	78,444
Disbursements:							
Personal services	-	7,332	1,243,382	200,000	-	49,473	20,000
Supplies	-	-	1,138,785	-	-	-	103
Other services and charges	-	4,970	1,171,118	3,305	-	139,824	83
Capital outlay	528,741	-	63,000	97,684	-	23,088	-
Other disbursements	-	-	-	-	-	-	47,165
Total disbursements	528,741	12,302	3,616,285	300,989	-	212,385	67,351
Excess (deficiency) of receipts over disbursements	16,335	15,388	75,896	(237,270)	-	(31,630)	11,093
Cash and investments - ending	\$ 443,328	\$ 110,782	\$ 898,814	\$ 1,003,424	\$ 46	\$ 448,393	\$ 130,147

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	River Boat Revenue Sharing	Sex Offender Fees -State 10%	Sheriff Service Fee	Public Defender Fees	Surplus Tax	Surveyor's Perpetuation	Online Certificate Sale
Cash and investments - beginning	\$ -	\$ 15	\$ 77,281	\$ 188,307	\$ 69,907	\$ 32,419	\$ 17,268
Receipts:							
Taxes	-	-	-	-	66,441	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	8,835	-
Fines and forfeits	-	-	-	15,027	-	-	-
Other receipts	281,599	364	30,116	-	28,994	250	-
Total receipts	281,599	364	30,116	15,027	95,435	9,085	-
Disbursements:							
Personal services	-	-	-	900	-	-	-
Supplies	-	-	-	364	-	-	-
Other services and charges	-	-	-	3,500	-	-	-
Capital outlay	-	-	-	-	-	3,847	-
Other disbursements	281,599	344	-	-	139,619	-	17,268
Total disbursements	281,599	344	-	4,764	139,619	3,847	17,268
Excess (deficiency) of receipts over disbursements	-	20	30,116	10,263	(44,184)	5,238	(17,268)
Cash and investments - ending	\$ -	\$ 35	\$ 107,397	\$ 198,570	\$ 25,723	\$ 37,657	\$ -

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Tax Sale Redemption	Tax Sale Surplus	Tobacco "Master" Settlement	Victim Witness	Guardian Ad Litem/CASA	Family Preservation Court Fees	Elected Officials Training
Cash and investments - beginning	\$ 5,928	\$ 536,569	\$ 99,653	\$ 51,680	\$ 77,495	\$ -	\$ 12,932
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	3,561
Fines and forfeits	-	-	-	70,400	-	-	-
Other receipts	113,233	189,331	25,250	-	21,543	5,250	-
Total receipts	113,233	189,331	25,250	70,400	21,543	5,250	3,561
Disbursements:							
Personal services	-	-	-	44,061	-	-	-
Supplies	-	-	15,101	-	-	-	-
Other services and charges	-	-	-	-	15,113	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	112,625	474,475	-	6,026	-	69	60
Total disbursements	112,625	474,475	15,101	50,087	15,113	69	60
Excess (deficiency) of receipts over disbursements	608	(285,144)	10,149	20,313	6,430	5,181	3,501
Cash and investments - ending	\$ 6,536	\$ 251,425	\$ 109,802	\$ 71,993	\$ 83,925	\$ 5,181	\$ 16,433

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	County - Transportation	Statewide 9-1-1	Storm/Erosion	Adult Probation	Juvenile Probation	Transfer Fee -County	Work Crew- Drainage
Cash and investments - beginning	\$ 2,693	\$ 339,393	\$ 17,759	\$ 1,089,895	\$ 80,378	\$ 147,213	\$ 98,792
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	5	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	229,360	-	-	-	19,588	-
Fines and forfeits	-	-	-	237,847	5,447	-	-
Other receipts	375	321,259	12,888	35,662	-	35,056	70,985
Total receipts	<u>375</u>	<u>550,619</u>	<u>12,888</u>	<u>273,509</u>	<u>5,447</u>	<u>54,649</u>	<u>70,985</u>
Disbursements:							
Personal services	-	388,016	-	154,969	2,654	8,768	-
Supplies	-	-	-	61,603	-	-	22,370
Other services and charges	-	131,536	-	144,082	-	16,648	77,333
Capital outlay	-	13,519	5,206	39,014	-	-	6,986
Other disbursements	-	-	-	152,614	-	36,099	-
Total disbursements	<u>-</u>	<u>533,071</u>	<u>5,206</u>	<u>552,282</u>	<u>2,654</u>	<u>61,515</u>	<u>106,689</u>
Excess (deficiency) of receipts over disbursements	<u>375</u>	<u>17,548</u>	<u>7,682</u>	<u>(278,773)</u>	<u>2,793</u>	<u>(6,866)</u>	<u>(35,704)</u>
Cash and investments - ending	<u>\$ 3,068</u>	<u>\$ 356,941</u>	<u>\$ 25,441</u>	<u>\$ 811,122</u>	<u>\$ 83,171</u>	<u>\$ 140,347</u>	<u>\$ 63,088</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Drain Maintenance	Sheriff Sale Fees	Federal Drug Task Force	DUI Grant- Ligonier & Kendallville	K-9 Donation	Public Health Vaccine	Demand Notice Fees 27%
Cash and investments - beginning	\$ 2,624,020	\$ 30,770	\$ 28	\$ (4,019)	\$ 568	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,085,094	8,727	69,510	17,145	-	39,376	144
Total receipts	1,085,094	8,727	69,510	17,145	-	39,376	144
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	735,092	14,710	27,747	16,185	-	11,683	129
Total disbursements	735,092	14,710	27,747	16,185	-	11,683	129
Excess (deficiency) of receipts over disbursements	350,002	(5,983)	41,763	960	-	27,693	15
Cash and investments - ending	\$ 2,974,022	\$ 24,787	\$ 41,791	\$ (3,059)	\$ 568	\$ 27,693	\$ 15

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Health Clinic Donations	Civil Service Fee	TIF Orange Township	Noble County Dekko TIF	Debt Service- Jail	Self Funding Insurance	Landfill/Post Closure Trust
Cash and investments - beginning	\$ 11,596	\$ 33,200	\$ -	\$ -	\$ 192,390	\$ 9,687	\$ 172
Receipts:							
Taxes	-	-	-	71	407,569	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	146,740	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	1,377	18,289	71	-	-	2,017,243	-
Total receipts	<u>1,377</u>	<u>18,289</u>	<u>71</u>	<u>71</u>	<u>407,569</u>	<u>2,163,983</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	401,000	-	-
Other disbursements	888	-	-	-	-	2,103,445	-
Total disbursements	<u>888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,000</u>	<u>2,103,445</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>489</u>	<u>18,289</u>	<u>71</u>	<u>71</u>	<u>6,569</u>	<u>60,538</u>	<u>-</u>
Cash and investments - ending	<u>\$ 12,085</u>	<u>\$ 51,489</u>	<u>\$ 71</u>	<u>\$ 71</u>	<u>\$ 198,959</u>	<u>\$ 70,225</u>	<u>\$ 172</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Payroll	INPRS- PERF	Pro-Claim Plus	Liberty National	Hoosier Start	Federal Withholdings	Flex Checks
Cash and investments - beginning	\$ -	\$ 1	\$ 12,123	\$ -	\$ -	\$ -	\$ 2,828
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	101,905	363,882	773,970	64,263	866,788	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,307,539	-	19	78	-	-	2,846
Total receipts	<u>6,307,539</u>	<u>101,905</u>	<u>363,901</u>	<u>774,048</u>	<u>64,263</u>	<u>866,788</u>	<u>2,846</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	6,307,539	101,905	376,024	774,048	64,263	866,788	2,846
Total disbursements	<u>6,307,539</u>	<u>101,905</u>	<u>376,024</u>	<u>774,048</u>	<u>64,263</u>	<u>866,788</u>	<u>2,846</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(12,123)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,828</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Withholdings (County Tax)	Withholdings (Perf)	Pension Trust County Police	State Withholdings	Three Rivers HSA #9	Settlement	CAGIT
Cash and investments - beginning	\$ -	\$ -	\$ 3,085	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	122,755	218,749	-	274,044	39,665	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	402	-	-	47,232,259	8,355,902
Total receipts	122,755	218,749	402	274,044	39,665	47,232,259	8,355,902
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	122,755	218,749	-	274,044	39,665	47,232,259	8,355,902
Total disbursements	122,755	218,749	-	274,044	39,665	47,232,259	8,355,902
Excess (deficiency) of receipts over disbursements	-	-	402	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 3,487	\$ -	\$ -	\$ -	\$ -

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Noble Co. Wheel and Surtax Fund	Commercial Vehicle Excise Tax	Financial Tax	VaxCare	Fines and Forfeitures	Infraction Judgement	Death Benefit
Cash and investments - beginning	\$ 341	\$ -	\$ -	\$ 9,850	\$ 18,560	\$ 3,726	\$ 300
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	690,117	195,220	196,226	832	120,479	53,226	4,590
Total receipts	690,117	195,220	196,226	832	120,479	53,226	4,590
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	689,402	195,220	196,226	10,682	127,450	53,625	4,570
Total disbursements	689,402	195,220	196,226	10,682	127,450	53,625	4,570
Excess (deficiency) of receipts over disbursements	715	-	-	(9,850)	(6,971)	(399)	20
Cash and investments - ending	\$ 1,056	\$ -	\$ -	\$ -	\$ 11,589	\$ 3,327	\$ 320

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Disclosure/ Treasurer of State	Coroner Continuing Education	Inner State Compact Application Fee-County	State Mortgage Fee	HSGP Grant	DLGF Homestead Property Database	Child Restraint Violations
Cash and investments - beginning	\$ 665	\$ 282	\$ -	\$ 303	\$ -	\$ 13,701	\$ 50
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	5,325	-	-	4,023	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	10	3,644	375	-	15,723	-	1,150
Total receipts	5,335	3,644	375	4,023	15,723	-	1,150
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,320	3,412	375	3,995	16,033	-	1,200
Total disbursements	5,320	3,412	375	3,995	16,033	-	1,200
Excess (deficiency) of receipts over disbursements	15	232	-	28	(310)	-	(50)
Cash and investments - ending	\$ 680	\$ 514	\$ -	\$ 331	\$ (310)	\$ 13,701	\$ -

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Education Plate Fee	Innkeeper Tax	CEDIT Money for Distribution	CEDIT Homestead	Deer Lake Control	93.563 Prosecutor PCA	ARRA Funding for Prosecutor
Cash and investments - beginning	\$ -	\$ 4,458	\$ -	\$ 35,390	\$ 2,628	\$ 5,553	\$ 25,547
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	394	134,945	2,094,617	6,206	-	4,529	-
Total receipts	394	134,945	2,094,617	6,206	-	4,529	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	375	132,335	2,094,617	-	-	-	4,319
Total disbursements	375	132,335	2,094,617	-	-	-	4,319
Excess (deficiency) of receipts over disbursements	19	2,610	-	6,206	-	4,529	(4,319)
Cash and investments - ending	\$ 19	\$ 7,068	\$ -	\$ 41,596	\$ 2,628	\$ 10,082	\$ 21,228

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Clerk's ARRA Funding	93,563 Title IV-D Incentive	Prosecutor IV-D	Prosecutor New IV-D	Clerk New IV-D	Prosecutor's Equitable Sharing	Drug Confiscated
Cash and investments - beginning	\$ 909	\$ 124,088	\$ 26	\$ 247,281	\$ 99,903	\$ 7,257	\$ 10,643
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	25,441	-	38,285	25,441	-	-
Total receipts	-	25,441	-	38,285	25,441	-	-
Disbursements:							
Personal services	-	30,672	-	-	11,449	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	794	-	88	-	34,225	-	-
Total disbursements	794	30,672	88	-	45,674	-	-
Excess (deficiency) of receipts over disbursements	(794)	(5,231)	(88)	38,285	(20,233)	-	-
Cash and investments - ending	\$ 115	\$ 118,857	\$ (62)	\$ 285,566	\$ 79,670	\$ 7,257	\$ 10,643

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Sex Offender Fees - County 90%	WE CARE Clinic	Riverboat Money-County Portion	Work Release Maintenance	Adult Vaccines	Intrastate Transfer Fee County	CEDIT Homestead for Settlement
Cash and investments - beginning	\$ 7,829	\$ 19,847	\$ 315,657	\$ 49,656	\$ 17,297	\$ 1,600	\$ 46,267
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	98	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,276	14,638	154,715	5,790	1,237	860	2,094,617
Total receipts	<u>3,276</u>	<u>14,736</u>	<u>154,715</u>	<u>5,790</u>	<u>1,237</u>	<u>860</u>	<u>2,094,617</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	30	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	360	5,237	236,581	355	18,534	-	2,099,906
Total disbursements	<u>360</u>	<u>5,237</u>	<u>236,581</u>	<u>385</u>	<u>18,534</u>	<u>-</u>	<u>2,099,906</u>
Excess (deficiency) of receipts over disbursements	<u>2,916</u>	<u>9,499</u>	<u>(81,866)</u>	<u>5,405</u>	<u>(17,297)</u>	<u>860</u>	<u>(5,289)</u>
Cash and investments - ending	<u>\$ 10,745</u>	<u>\$ 29,346</u>	<u>\$ 233,791</u>	<u>\$ 55,061</u>	<u>\$ -</u>	<u>\$ 2,460</u>	<u>\$ 40,978</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Homeland Security	OPO Equipment Grant	Race and Gender Interpreter	Prosecutor Stop Grant CFDA #16.588	Operating Grant Council on Aging	Dangerous Aggressive Driving	Court Services PRI Drug Free
Cash and investments - beginning	\$ 2,081	\$ 1,333	\$ 6,035	\$ (5,976)	\$ -	\$ (178)	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	2,241	22,853	533,980	-	2,300
Total receipts	-	-	2,241	22,853	533,980	-	2,300
Disbursements:							
Personal services	-	-	-	25,565	-	-	1,471
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	495
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,071	-	3,359	-	533,980	-	-
Total disbursements	1,071	-	3,359	25,565	533,980	-	1,966
Excess (deficiency) of receipts over disbursements	(1,071)	-	(1,118)	(2,712)	-	-	334
Cash and investments - ending	<u>\$ 1,010</u>	<u>\$ 1,333</u>	<u>\$ 4,917</u>	<u>\$ (8,688)</u>	<u>\$ -</u>	<u>\$ (178)</u>	<u>\$ 334</u>

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CFDA #97.042 GPS Upgrade Grant	2009 Polling Place Grant	97.042 EMPG Competitive Grant	Coroner Education Grant	Family Drug Court	Child Seat Safety Program	VET Court Supreme Grant
Cash and investments - beginning	\$ -	\$ 594	\$ (16)	\$ 1,748	\$ 3,811	\$ 1,514	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	100	-	8,388	-	-	300	4,290
Total receipts	100	-	8,388	-	-	300	4,290
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	1,320
Other services and charges	-	-	-	-	-	-	610
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	8,388	-	-	699	-
Total disbursements	-	-	8,388	-	-	699	1,930
Excess (deficiency) of receipts over disbursements	100	-	-	-	-	(399)	2,360
Cash and investments - ending	\$ 100	\$ 594	\$ (16)	\$ 1,748	\$ 3,811	\$ 1,115	\$ 2,360

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	2015 Localbase EMPG Grant	16.607 Bullet Proof Vest Grant	16.606 SCAAP	20.601 Operation Pull-Over	Bio-Terrorist	Rural Demonstration Grant	Data Sharing Agreement Grant
Cash and investments - beginning	\$ -	\$ -	\$ 8,898	\$ 4,988	\$ 2,747	\$ 90	\$ 3,630
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	7,521	4,844	3,246	18,525	29,970	-	-
Total receipts	7,521	4,844	3,246	18,525	29,970	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	12,632	-	3,110	20,670	24,093	-	-
Total disbursements	12,632	-	3,110	20,670	24,093	-	-
Excess (deficiency) of receipts over disbursements	(5,111)	4,844	136	(2,145)	5,877	-	-
Cash and investments - ending	\$ (5,111)	\$ 4,844	\$ 9,034	\$ 2,843	\$ 8,624	\$ 90	\$ 3,630

NOBLE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Parks and Recreation Grant	After Settlement Collections	Clerk's Trust	Sheriff's Cashbook	Jail Commissary	Sheriff's Inmate Trust	Totals
Cash and investments - beginning	\$ 18	\$ 1,182,094	\$ 493,773	\$ -	\$ 42,094	\$ 18,037	\$ 20,108,977
Receipts:							
Taxes	-	-	-	-	-	-	8,678,078
Licenses and permits	-	-	-	-	-	-	58,277
Intergovernmental receipts	-	-	-	-	-	-	3,255,469
Charges for services	-	-	-	-	-	-	8,150,076
Fines and forfeits	-	-	-	-	-	-	526,373
Other receipts	-	1,145,543	3,296,950	725,091	70,315	575,876	84,496,786
Total receipts	-	1,145,543	3,296,950	725,091	70,315	575,876	105,165,059
Disbursements:							
Personal services	-	-	-	-	-	-	12,568,460
Supplies	-	-	-	-	-	-	1,715,832
Other services and charges	-	-	-	-	-	-	3,971,943
Capital outlay	-	-	-	-	-	-	3,565,561
Other disbursements	-	1,182,094	3,423,950	725,091	68,952	575,873	82,627,552
Total disbursements	-	1,182,094	3,423,950	725,091	68,952	575,873	104,449,348
Excess (deficiency) of receipts over disbursements	-	(36,551)	(127,000)	-	1,363	3	715,711
Cash and investments - ending	\$ 18	\$ 1,145,543	\$ 366,773	\$ -	\$ 43,457	\$ 18,040	\$ 20,824,688

NOBLE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Noble County Jail Building Corporation	Jail	\$ 401,000	01-20-05	02-01-16
Totals		<u>\$ 401,000</u>		

Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Type			
Governmental activities: General obligation bonds	2015 Highway Building Construction	\$ 1,880,000	\$ 189,729
Totals		<u>\$ 1,880,000</u>	<u>\$ 189,729</u>

NOBLE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2015

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	145,118,466
Buildings	15,465,289
Machinery, equipment, and vehicles	7,813,145
Construction in progress	104,774
Total capital assets	\$ 168,646,642

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
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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 *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

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


Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

December 19, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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, 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	4002 2933	\$ - -	\$ 8,734 14,119
Total - Violence Against Women Formula Grants				-	22,853
State Criminal Alien Assistance Program	Indiana Bureau of Justice Assistance	16.606	FY 2013 FY 2014 FY 2015	- - -	697 1,270 1,143
Total - State Criminal Alien Assistance Program				-	3,110
Second Chance Act Reentry Initiative	Direct Grant	16.812	2014-SM-BX-0004	-	90,343
Total - Department of Justice				-	116,306
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	1400829 1382111	- -	78,232 43,920
Total - Highway Planning and Construction Cluster				-	122,152
Formula Grants for Rural Areas	Indiana Department of Transportation	20.509	A249-14-320427 A249-15-320490	18,209 225,253	18,209 225,253
ARRA - Formula Grants for Rural Areas, Recovery Act	Indiana Department of Transportation	20.509	A249-14-320491	43,220	43,220
Total - Formula Grants for Rural Areas				286,682	286,682
Federal Transit Cluster Bus and Bus Facilities Formula Program	Indiana Department of Transportation	20.526	A249-15-320532	95,509	95,509
Total - Federal Transit Cluster				95,509	95,509
Highway Safety Cluster State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	D3-15-8962	15,060	18,525
Alcohol Impaired Driving Countermeasures Incentive Grants I	Indiana Criminal Justice Institute	20.601	3120	10,665	17,115
Total - Highway Safety Cluster				25,725	35,640
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Transportation	20.703	C44P-5-639B	-	857
Total - Department of Transportation				407,916	540,840
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana State Department of Health	93.074	A70-5-0532397 13729	- -	16,517 13,453
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	29,970
National Public Health Improvement Initiative	Indiana Department of Child Services	93.292	FY 2015	-	14,000
Child Support Enforcement	Indiana Department of Child Services	93.563	FY 2015	-	286,762
Total - Department of Health and Human Services				-	330,732
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-5-511B C44P-5-742B	- -	8,388 36,082
Total - Emergency Management Performance Grants				-	44,470
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	C44P-5-608B C44P-5-822B C44P-5-826B	- - -	15,723 6,550 971
Total - Homeland Security Grant Program				-	23,244
Total - Department of Homeland Security				-	67,714
Total federal awards expended				\$ 407,916	\$ 1,055,592

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 (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. *Summary of Significant Accounting Policies*

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The County has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

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?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Formula Grants for Rural Areas	Unqualified
93.563	Child Support Enforcement	Unqualified

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

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

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

Context

During the audit of the SEFA, there were several errors including seven programs which were omitted from the SEFA and eight programs were reported with errors. In total, the SEFA was understated by \$413,152. Audit adjustments were proposed, accepted by the County, and made to the SEFA.

NOBLE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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 County Auditors of Indiana, Chapter 14)

2 CFR section 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

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

NOBLE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

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

Effect

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

Views of Responsible Officials

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

FINDING 2015-002 - FINANCIAL TRANSACTIONS AND REPORTING

Condition

There were deficiencies in the internal control system of the County related to financial transactions and reporting. The County had not separated incompatible activities related to financial transactions and reporting. The County Auditor prepared and submitted the Annual Financial Report (AFR) which was used to generate the financial statement. The County did not have effective controls to verify the accuracy of the AFR prior to submission.

Context

The County is required to report all financial information in the AFR. This information is used to compile the financial statement. The County's financial statement (Gateway Report) contained numerous errors. Total receipts were overstated by \$26,186,225, total disbursements were overstated by \$27,524,040, and the ending balance was understated \$3,066,688. Audit adjustments were proposed, accepted by the County, and made to the financial statement.

Criteria

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 County Auditors of Indiana, Chapter 14)

Cause

Management of the County had not established a proper system of internal control that would have ensured accuracy in financial transactions and reporting.

NOBLE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

The failure to establish controls enabled material misstatements or irregularities to remain undetected. The financial statement contained errors as identified in the *Context*.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the County. The documents are presented as intended by the County.

NOBLE COUNTY AUDITOR

Tonya L. Marks

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

*Phone 260-636-2658
Fax: 260-636-4001
tmarks@nobleco.org*

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-001 ~ Preparation of the Schedule of Expenditures of Federal Awards

2014-002 ~ Financial Transactions and Reporting

Fiscal year in which the finding actually occurred: 2014

Contact Person Responsible for Corrective Action: Tonya L. Marks

Contact Phone Number: 260-636-2658

Status of Audit Finding:

2014-001 ~ Programs were omitted from the SEFA and adjustments were made. Proper measures are established to make reporting easier with a second person overseeing the spread sheet and receipts and disbursements of grants.

2014-002 ~ There were errors with the accuracy of the Annual Financial Reporting in Gateway. The necessary action has been reinforced with the importance of accuracy being stressed. A second and third person will be responsible for Gateway submission accuracy.

Tonya L Marks

Noble County Auditor

12/5/16

Eric D. Blackman, Prosecuting Attorney
33rd Judicial Circuit - Noble County, Indiana
Child Support Division
109 N. York Street, Albion, Indiana 46701
Telephone (260) 636-2494, Facsimile (260) 636-2093

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2014-003

Fiscal year in which the finding actually occurred: 2014

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Child Services

Contact Person Responsible for Corrective Action: Laura Stump

Contact Phone Number: 260-636-2494

Status of Audit Finding:

The finding has been addressed and we are having the Semi-Annual IV-D Time and Effort Certification for 100% IV-D employees executed semi-annually as required.



Eric D. Blackman
12/12/2016

NOBLE COUNTY AUDITOR

Tonya L. Marks

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Albion, Indiana 46701*

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tmarks@nobleco.org*

Corrective Action Plan

Finding 2015-001 Preparation of the Schedule of Expenditures of Federal Awards

Auditee Contact Person(s)

Tonya L. Marks tmarks@nobleco.org 260-636-2658

Corrective Action:

Status of Audit Finding:

Noble County Auditor implemented additional internal controls policies in 2016 to maintain and correct errors on the Schedule of Expenditures of Federal Awards. With the guidance given by the State Board of Accounts this process will be much more manageable for future reporting. Additionally all departments that are involved with the grant process will be notified and reminded of the importance of providing the necessary paperwork to the Auditor's office. Finally controls over recording and accounting for the financial activities are in place to avoid any further problems with reporting. A second person has been assigned to oversee the preparation of the spread sheet and receipting and disbursing of each grant.



Tonya L Marks

Noble County Auditor

12/2/16

NOBLE COUNTY AUDITOR

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Corrective Action Plan

Finding 2015-002 Financial Transactions and Reporting

Auditee Contact Person

Tonya L Marks tmarks@nobleco.org 260-636-2658

Corrective Action:

Status of Audit Finding:

There were errors with the reporting of the Annual Financial Report with comparison to the Gateway submission. Further internal control policies have been implemented to track the accuracy of this report. A second and even a third person will be required to check all data entered into the Gateway system. Further action will consist of the Auditor also checking entries and overseeing the receipts and disbursements process.



Tonya L. Marks

Noble County Auditor

12/5/16

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/>.