

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
LAKE COUNTY, INDIANA
January 1, 2017 to December 31, 2017



FILED
10/17/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	John Petalas	01-01-15 to 12-31-18
County Treasurer	Peggy Holinga Katona	01-01-15 to 12-31-18
Clerk of the Circuit Court	Michael A. Brown	01-01-15 to 12-31-18
County Sheriff	John Buncich Matt Eaton (acting) Oscar Martinez, Jr.	01-01-15 to 08-24-17 08-25-17 to 09-15-17 09-16-17 to 12-31-18
County Recorder	Michael B. Brown	01-01-17 to 12-31-20
President of the Board of County Commissioners	Michael C. Repay Kyle W. Allen, Sr.	01-01-17 to 12-31-17 01-01-18 to 12-31-18
President of the County Council	Ted F. Bilski, II David Hamm	01-01-17 to 12-31-17 01-01-18 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Lake County (County), which comprises the financial position and results of operations for the year ended December 31, 2017, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

As discussed in Note 1 to the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2017.

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, 2017, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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

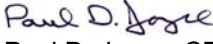
Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 11, 2018, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

September 11, 2018



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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 LAKE 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 Lake County (County), which comprises the financial position and results of operations for the year ended December 31, 2017, and the related notes to the financial statement, and have issued our report thereon dated September 11, 2018, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001 and 2017-002, 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

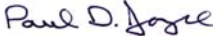
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Lake 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

September 11, 2018

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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.

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
General	\$ 10,294,142	\$ 146,654,484	\$ 136,434,019	\$ 20,514,607
Accident Report	19,107	19,987	28,505	10,589
Animal Control	24,252	24,063	41,034	7,281
Campaign Finance Enforcement - County	33,749	2,976	-	36,725
Child Advocacy	11,729	400	-	12,129
Clerk's Records Perpetuation	159,704	305,255	247,748	217,211
Community Corrections	1,462,942	4,717,967	4,730,903	1,450,006
Prisoner Reimbursement For Incarceration	921	-	-	921
Sales Disclosure - County Share	88,452	55,020	45,047	98,425
Cumulative Capital Development	712,109	2,089,432	2,170,340	631,201
Cumulative Capital Improvement	39,873	-	-	39,873
Cumulative Voting System	1,643,942	-	-	1,643,942
Drug Free Community	301,441	243,356	244,614	300,183
Electronic Map Generation	3,302	10,077	6,316	7,063
Emergency Planning/Right To Know	72,074	10,004	16,563	65,515
E911 Construction Fund	79,558	-	66,796	12,762
Extradition and Sheriff's Assistance	26,391	8,771	-	35,162
Firearms Training	10,100	20,635	15,932	14,803
General Drain Improvement	335,699	337,103	331,930	340,872
Health	2,673,466	2,545,196	2,578,740	2,639,922
Identification Security Protection	1,020,454	462,645	393,133	1,089,966
Levy Excess	1	-	-	1
Local Health Maintenance	241,424	56,553	44,510	253,467
Local Road and Street	1,587,958	965,306	1,768,389	784,875
Major Moves Construction	799,305	393,215	571,543	620,977
Medical Care for Inmates	25,343	10,202	-	35,545
Misdemeanant	163,195	489,013	528,859	123,349
Motor Vehicle Highway	5,257,068	7,513,066	9,799,186	2,970,948
Omitted Property Audits	551,312	660,743	561,300	650,755
Park Nonreverting Capital	213,508	1,166,599	896,425	483,682
Park Nonreverting Operating	247,109	4,214,300	4,237,407	224,002
Reassessment - 2009	122	111	-	233
Reassessment - 2015	2,757,890	2,447,920	3,320,209	1,885,601
Recorder's Records Perpetuation	445,609	773,600	757,558	461,651
Riverboat	2,484,740	11,232,449	9,138,983	4,578,206
Sheriff's Pension Trust	578,838	816,683	750,000	645,521
Storm Water Management Capital Projects	7,478	18,185	20,100	5,563
Storm Water Management Operating	1,464,853	739,956	756,958	1,447,851
Supplemental Public Defender Services	82,820	378,596	288,198	173,218
Surveyor's Corner Perpetuation	148,597	253,758	166,166	236,189
Tax Sale Fees	867,186	5,452,633	4,846,130	1,473,689
Tax Sale Redemption	491,758	5,623,435	5,312,308	802,885
Tax Sale Surplus	7,819,890	9,673,497	8,756,684	8,736,703
Unsafe Building	293,254	9,734	28,377	274,611
Vehicle Inspection	15,563	12,306	1,085	26,784
GAL/CASA	78,647	319,645	277,035	121,257
Auditors Ineligible Deductions	2,338,509	283,781	1,152,145	1,470,145
County Elected Officials Training	221,755	63,875	7,796	277,834
Park And Recreation	1,280,446	6,460,581	6,309,767	1,431,260
County Offender Transportation Fund	30,987	7,793	2,221	36,559
Statewide 911	7,208,375	12,386,908	11,778,974	7,816,309
Adult Probation Administrative	(16,946)	137,022	115,103	4,973
Juvenile Probation Administrative	9,221	99,773	56,319	52,675
Supplemental Adult Probation Services	948,022	733,448	980,406	701,064
Supplemental Juvenile Probation Services	24,804	12,891	3,762	33,933
Alternative Dispute Resolution	232,883	39,897	49,676	223,104
County User Fee	2,195,199	2,520,411	2,222,693	2,492,917
Convention Center Operating	428	1,340,261	1,340,261	428
Animal Shelter	4,437	39,692	40,205	3,924
Sheriff Sale Administration	(57,348)	364,200	80,706	226,146
Drug Task Force	243,212	245,895	221,490	267,617
DUI Task Force	2,485	738	1,230	1,993
Local Ordinance Violations Fines - County	3,620	-	1,215	2,405
Park Bond 2013	391,975	948,762	775,894	564,843
Insurance	(35,886)	467,411	90,853	340,672
Settlement	216,264	634,434,626	634,434,326	216,564
CVET Agency	-	3,504,670	3,504,670	-
Financial Institution Tax	-	2,785,497	2,785,497	-
Homestead Credit Rebate	12,870	-	-	12,870
State Fines and Forfeitures	64,930	313,494	246,594	131,830
Infraction Judgements	178,128	1,342,053	1,198,076	322,105
Overweight Vehicle Fines	277,960	140,282	156,785	261,457
Special Death Benefit	3,144	46,581	46,945	2,780
Sales Disclosure - State Share	148,744	164,615	139,787	173,572
Coroners Training & Con't Education	8,339	76,365	76,763	7,941
Interstate Compact - State Share	1,127	8,382	8,845	664
Mortgage Recording Fees - State Share	7,702	34,572	38,888	3,386
Sex and Violent Offender Admin - State	11,482	20,695	8,609	23,568
Child Restraint Violations Fines	348	1,860	2,083	125
Inheritance Tax	60,271	6,527	-	66,798
Sales Tax Collections	3,948	104,416	102,871	5,493
Education Plate Fees Agency	19,404	231,734	12,075	239,063
Public Safety CAGIT	977,384	9,418,625	9,006,731	1,389,278

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
CEDIT	3,898,883	10,262,420	8,354,178	5,807,125
City/Town Ordinance Violations Fines	448,810	261,587	457,960	252,437
93.563 Prosecutor PCA	734,167	46,869	39,875	741,161
Rainy Day	2,474,018	-	860,455	1,613,563
Juvenile Probation Administrative	17,335	23,499	27,335	13,499
Ordinance Violation Deferral	22,313	250	3,000	19,563
County Innkeepers Tax	(184,347)	184,347	-	-
Veteran Services Funds	250	-	-	250
1387-Exempt Park Revenue Bond	1,410,151	2,501,789	2,382,453	1,529,487
County Bond Redemption	4,686,713	14,366,129	14,238,891	4,813,951
Exempt Debt Service	973,491	846,979	1,658,340	162,130
Park & Recreation Self Insurance	234	-	-	234
Excess Internet Access Fee	4,065	-	-	4,065
Non-reverting Self Ins. Fund	1,247,889	2,568,100	2,806,513	1,009,476
Lake County Jail Construction	3,120	-	-	3,120
Construction Fund	532,790	-	86,075	446,715
Cumulative Bridge	1,089,265	363,794	545,763	907,296
Co Hwy Maint Garage Bond	25,321	-	-	25,321
Park Dist Bond 1982	2,309,642	112,811	429,700	1,992,753
Non-Sufficient Check Fund/LC	75,059	4,586	360	79,285
Park & Recreation Gift	22,170	6,031	3,101	25,100
Auditor's Tax Incentive	(50,435)	301,653	273,550	(22,332)
Doctor's Merchants	77,662	-	-	77,662
Division I LADOS	243,083	159,534	183,235	219,382
Division II LADOS	78,506	163,667	133,261	108,912
Ordinance Deferral Program	82,491	357,353	349,947	89,897
Disproportional Minority Contact Project Grant	2	-	-	2
Zoning Enforcement Fund	1,000	18,955	-	19,955
Non-Revert. Hwy. Deposit. Gamb.	156,707	559,705	482,446	233,966
Domestic Relation Counseling B	143,724	33,128	49,699	127,153
NON-REVERT DELINQ COLL FEES	47,934	7,322	29,397	25,859
Comm Incentive Fund	43,903	50,563	84,687	9,779
Coroner Facility Fee	59,987	36,000	19,544	76,443
Cum Helicopter Improvement Fnd	319	-	-	319
Lake County Community Development FMHA	45,238	-	-	45,238
Anti-Bioterrorism	7,341	-	-	7,341
LC Sheriff's Marine Unit	4,775	699	-	5,474
Sheriff's Towing & Franchise	12,961	72,470	85,431	-
Lake County Operating Fund	14,215	-	-	14,215
Reimbursement Fund	357,084	-	289,422	67,662
Commissary Payroll Pass-Thru	40	-	-	40
Violence Intervention Program	7,784	23,333	25,820	5,297
Treasurer's Incentive	137,200	240,000	292,899	84,301
Child Support Incentive	1,787,179	479,385	388,857	1,877,707
HAVA Title III Voting System	29,935	-	-	29,935
Subdivision Escrow Bonds	97,486	55,860	22,771	130,575
Jury Fees	197,122	95,214	86,239	206,097
Check Deception Collection Fee	153,472	17,237	46,675	124,034
Fingerprint Fee Fund	445	-	-	445
HAVA Sec 101 Voting Sys Fund	277,998	-	-	277,998
Prosecutor's Elderly Abuse	43,134	305,834	283,329	65,639
County Welfare Trusts	4,720	-	-	4,720
Interpreter Services Grant	8,763	12,600	12,891	8,472
U.S. Research Consultants/Personal Property	3,473	-	-	3,473
VOCA -Victims of Crime Act	15,119	93,662	85,296	23,485
Payroll Court Judgement	40,775	-	12,846	27,929
HUD-NSP-3 Grant	97,956	-	12,526	85,430
Commissioner's Sale Surplus Property Deposit	4,477	-	-	4,477
JAIBG Block Grant	113	-	-	113
Lake County CASA Program Grant	718	-	-	718
ARRA Grant	8,025	-	-	8,025
93.563 County IV-D Incentive	(29,076)	191,306	198,337	(36,107)
93.563 Prosecutor IV-D Incentive - Post Oct '99	1,054	20	983	91
State Drunk Driving Fees	21,862	7,485	8,837	20,510
LC Home Program	24,401	516,278	487,583	53,096
LC Comm. Dev. Cities & Towns	-	767,186	767,186	-
LC Dev. Rehabilitation	7,571	410,887	416,822	1,636
Sheriff's Therapy Dog Fund	2,524	-	-	2,524
LC Comm. Dev. Remp I.D.O.C.	361,271	82	-	361,353
HUD - NSP GRANT	115,853	-	22,048	93,805
CAGIT Pass Thru	-	26,338,242	26,338,242	-
LC Economic Rev. Loan	628,546	200,471	500,000	329,017
C. D. B. G. Recapture Loans	594,784	86,192	-	680,976
SHERIFF'S GRANTS FUND	47,550	15,000	25,710	36,840
Homeland Security Grant	18,265	10,365	27,152	1,478
Family Court Initiative Grant	23,543	20	5,456	18,107
CEDIT Pass Thru	251	27,787,863	27,788,114	-
Justice Assistance Grant	17,656	74,179	77,144	14,691
Sheriff's SIG Grant Fund	15,944	-	-	15,944
COPS INTEROPERABILITY GRANT	5,162	-	-	5,162
Detention Alternatives Grant	322	-	-	322
LC Dev. Admin. Budge	6,083	349,467	345,560	9,990
Substance of Use Testing	614	-	-	614

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
Payment Error (Refunds)	426,605	224,043	215,220	435,428
Adult Guardianship Svcs Grant	37,500	52,500	75,000	15,000
Community Supervision Grant	14,967	-	-	14,967
Lake County Comm Correction	24,937	42,241	49,991	17,187
CPHCP High Conflict	13,791	31,955	21,292	24,454
CAGIT-PTRC	4,175,194	105,384,883	105,854,479	3,705,598
LC RDF for Juveniles Fund	107,825	45,581	-	153,406
Juvenile Secured Detention	16,065	120,826	103,963	32,928
Parks - Outside Cash	19,360	49,110	48,354	20,116
Community Economic Development	3,803	60,799	62,301	2,301
Employee Benefit Accruals	6,133,264	80,303,867	75,102,033	11,335,098
Inmate Trust	535,944	1,661,243	1,726,674	470,513
Jail Commissary	18,902	1,176,272	1,174,721	20,453
Unfunded Money	16,728,924	19,094,299	16,728,924	19,094,299
Animal Control	54	-	-	54
Sheriff	762,463	23,799,127	23,868,187	693,403
Juvenile Division	-	3,991	3,991	-
Clerk	13,477,418	35,254,443	36,924,575	11,807,286
Community Corrections Commissary	58,733	235,237	220,180	73,790
LC GO Bonds Series 2014B	2,515,389	62,496	781,510	1,796,375
Building Construction Fund	755,381	-	655,840	99,541
Highway Project Fund	582,537	-	574,465	8,072
Commuter Rail Extension/Improv	6,260,402	3,639,914	-	9,900,316
Family Court Grant Fund	21,852	-	1,722	20,130
Sheriff Aviation Unit Grant Fund	2,150	-	1,500	650
Park District Bond 2016	10,295,058	297,486	4,786,041	5,806,503
Jail Inmate Med&Hosp Reserve	229,958	800,000	300,800	729,158
LOIT 2016 Special Distribution	4,686,473	495,555	2,989,811	2,192,217
Veterans Treatment Court Grant	38,579	56,034	38,107	56,506
LC CASA Capacity Building Grant	119,386	67,873	54,868	132,391
LC Local Road & Bridge Maint Grant	1,000,000	123,257	761,565	361,692
2017 Construction Fund	-	12,000,000	833,483	11,166,517
Community Corrections IDOC WR	-	11,966	9,598	2,368
Hermit's Lake Debt Reserve	45,945	-	-	45,945
Sewage Collections	15,369	316,322	197,065	134,626
Totals	<u>\$ 157,677,276</u>	<u>\$ 1,266,316,937</u>	<u>\$ 1,243,499,492</u>	<u>\$ 180,494,721</u>

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

Utility fees. Amounts received from charges for current services.

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

E. Disbursements

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

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

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

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

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

F. Interfund Transfers

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

G. Fund Accounting

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

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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

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

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund 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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

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. The Recorder's Incentive (combined with the activity of the County Recorder's Perpetuation fund and called Recorder's Records Perpetuation on the financial statement) is associated with payroll postings. It may be negative due to timing issues. The Auditor's Tax Incentive fund and the 93.563 County IV-D Incentive fund had a negative cash balance at December 31, 2017.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The County has entered into a capital lease with Lake County 2000 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 2017 totaled \$2,618,000. Payments continue through 2024.

Note 9. *Subsequent Events*

The County Council approved Ordinance 1415-B on December 12, 2017, approving the issuance of \$8,250,000 General Obligation Judgement Funding Bonds for the purpose of payments on judgments. The General Obligation Judgement Funding Bond proceeds were received by the County on February 6, 2018.

Note 10. *Other Postemployment Benefits*

The County provides life and health insurance to eligible retirees and their spouses. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

Note 11. *Contingent Liabilities*

The County has pending lawsuits of which outcomes cannot be reasonably determined; however, unfavorable outcomes could result in damages to the County approximating \$10,000,000.

The County has tax refund appeals of approximately \$10,000,000 for taxpayers, excluding casino boats.

Note 12. *Combined Funds*

Funds related to offender transportation were reported individually in the prior financial statement, but were combined into one fund for the current financial statement. The Juvenile Interstate Transportation fund was incorrectly reported as the COIT - Special Legislation fund in the prior financial statement. The Juvenile Interstate Transportation fund was combined with the County Offender Transportation Fund for the current financial statement.

OTHER INFORMATION - UNAUDITED

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

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

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

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	General	Accident Report	Animal Control	Campaign Finance Enforcement - County	Child Advocacy	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 10,294,142	\$ 19,107	\$ 24,252	\$ 33,749	\$ 11,729	\$ 159,704
Receipts:						
Taxes	124,111,657	-	-	-	-	-
Licenses and permits	109,540	-	-	-	-	-
Intergovernmental receipts	13,080,443	-	-	-	-	-
Charges for services	3,953,848	-	11,406	-	-	-
Fines and forfeits	1,606,549	-	-	2,976	400	-
Utility fees	-	-	-	-	-	-
Other receipts	3,792,447	19,987	12,657	-	-	305,255
Total receipts	<u>146,654,484</u>	<u>19,987</u>	<u>24,063</u>	<u>2,976</u>	<u>400</u>	<u>305,255</u>
Disbursements:						
Personal services	92,778,347	-	-	-	-	195,556
Supplies	3,306,625	-	-	-	-	21,635
Other services and charges	23,683,606	28,505	41,034	-	-	17,633
Capital outlay	1,511,321	-	-	-	-	12,924
Other disbursements	15,154,120	-	-	-	-	-
Total disbursements	<u>136,434,019</u>	<u>28,505</u>	<u>41,034</u>	<u>-</u>	<u>-</u>	<u>247,748</u>
Excess (deficiency) of receipts over disbursements	<u>10,220,465</u>	<u>(8,518)</u>	<u>(16,971)</u>	<u>2,976</u>	<u>400</u>	<u>57,507</u>
Cash and investments - ending	<u>\$ 20,514,607</u>	<u>\$ 10,589</u>	<u>\$ 7,281</u>	<u>\$ 36,725</u>	<u>\$ 12,129</u>	<u>\$ 217,211</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Community Corrections	Prisoner Reimbursement For Incarceration	Sales Disclosure - County Share	Cumulative Capital Development	Cumulative Capital Improvement	Cumulative Voting System
Cash and investments - beginning	\$ 1,462,942	\$ 921	\$ 88,452	\$ 712,109	\$ 39,873	\$ 1,643,942
Receipts:						
Taxes	-	-	-	1,956,823	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	3,586,188	-	-	123,088	-	-
Charges for services	465,320	-	-	-	-	-
Fines and forfeits	-	-	55,020	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	666,459	-	-	9,521	-	-
Total receipts	4,717,967	-	55,020	2,089,432	-	-
Disbursements:						
Personal services	3,787,588	-	22,466	-	-	-
Supplies	91,964	-	-	-	-	-
Other services and charges	491,673	-	19,947	-	-	-
Capital outlay	111,952	-	2,634	2,170,340	-	-
Other disbursements	247,726	-	-	-	-	-
Total disbursements	4,730,903	-	45,047	2,170,340	-	-
Excess (deficiency) of receipts over disbursements	(12,936)	-	9,973	(80,908)	-	-
Cash and investments - ending	\$ 1,450,006	\$ 921	\$ 98,425	\$ 631,201	\$ 39,873	\$ 1,643,942

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Drug Free Community	Electronic Map Generation	Emergency Planning/Right To Know	E911 Construction Fund	Extradition and Sheriff's Assistance	Firearms Training
Cash and investments - beginning	\$ 301,441	\$ 3,302	\$ 72,074	\$ 79,558	\$ 26,391	\$ 10,100
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	654	10,077	-	-	-	-
Fines and forfeits	239,353	-	-	-	8,771	-
Utility fees	-	-	-	-	-	-
Other receipts	3,349	-	10,004	-	-	20,635
Total receipts	243,356	10,077	10,004	-	8,771	20,635
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	1,485	238	-	-	-
Other services and charges	1,354	4,831	-	11,898	-	15,932
Capital outlay	-	-	16,325	54,898	-	-
Other disbursements	243,260	-	-	-	-	-
Total disbursements	244,614	6,316	16,563	66,796	-	15,932
Excess (deficiency) of receipts over disbursements	(1,258)	3,761	(6,559)	(66,796)	8,771	4,703
Cash and investments - ending	\$ 300,183	\$ 7,063	\$ 65,515	\$ 12,762	\$ 35,162	\$ 14,803

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	General Drain Improvement	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street
Cash and investments - beginning	\$ 335,699	\$ 2,673,466	\$ 1,020,454	\$ 1	\$ 241,424	\$ 1,587,958
Receipts:						
Taxes	284,324	1,140,936	-	-	-	-
Licenses and permits	-	468,249	-	-	-	-
Intergovernmental receipts	17,779	289,716	-	-	56,553	963,364
Charges for services	-	611,863	67,600	-	-	-
Fines and forfeits	35,000	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	34,432	395,045	-	-	1,942
Total receipts	<u>337,103</u>	<u>2,545,196</u>	<u>462,645</u>	<u>-</u>	<u>56,553</u>	<u>965,306</u>
Disbursements:						
Personal services	-	2,329,105	-	-	31,695	-
Supplies	-	39,773	-	-	-	347,642
Other services and charges	-	200,718	-	-	9,616	1,420,747
Capital outlay	331,930	4,144	-	-	3,199	-
Other disbursements	-	5,000	393,133	-	-	-
Total disbursements	<u>331,930</u>	<u>2,578,740</u>	<u>393,133</u>	<u>-</u>	<u>44,510</u>	<u>1,768,389</u>
Excess (deficiency) of receipts over disbursements	<u>5,173</u>	<u>(33,544)</u>	<u>69,512</u>	<u>-</u>	<u>12,043</u>	<u>(803,083)</u>
Cash and investments - ending	<u>\$ 340,872</u>	<u>\$ 2,639,922</u>	<u>\$ 1,089,966</u>	<u>\$ 1</u>	<u>\$ 253,467</u>	<u>\$ 784,875</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Major Moves Construction	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Omitted Property Audits	Park Nonreverting Capital
Cash and investments - beginning	\$ 799,305	\$ 25,343	\$ 163,195	\$ 5,257,068	\$ 551,312	\$ 213,508
Receipts:						
Taxes	-	-	-	-	660,743	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	393,215	-	444,248	7,486,982	-	522,149
Charges for services	-	10,202	-	7,200	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	44,765	18,884	-	644,450
Total receipts	<u>393,215</u>	<u>10,202</u>	<u>489,013</u>	<u>7,513,066</u>	<u>660,743</u>	<u>1,166,599</u>
Disbursements:						
Personal services	-	-	528,859	4,725,360	-	-
Supplies	-	-	-	433,547	-	-
Other services and charges	571,543	-	-	3,842,674	561,300	-
Capital outlay	-	-	-	797,605	-	896,425
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>571,543</u>	<u>-</u>	<u>528,859</u>	<u>9,799,186</u>	<u>561,300</u>	<u>896,425</u>
Excess (deficiency) of receipts over disbursements	<u>(178,328)</u>	<u>10,202</u>	<u>(39,846)</u>	<u>(2,286,120)</u>	<u>99,443</u>	<u>270,174</u>
Cash and investments - ending	<u>\$ 620,977</u>	<u>\$ 35,545</u>	<u>\$ 123,349</u>	<u>\$ 2,970,948</u>	<u>\$ 650,755</u>	<u>\$ 483,682</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Park Nonreverting Operating	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat	Sheriff's Pension Trust
Cash and investments - beginning	\$ 247,109	\$ 122	\$ 2,757,890	\$ 445,609	\$ 2,484,740	\$ 578,838
Receipts:						
Taxes	1,850	-	2,302,950	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	144,970	-	11,200,000	-
Charges for services	3,955,853	-	-	153,525	-	-
Fines and forfeits	-	-	-	-	-	816,683
Utility fees	-	-	-	-	-	-
Other receipts	256,597	111	-	620,075	32,449	-
Total receipts	4,214,300	111	2,447,920	773,600	11,232,449	816,683
Disbursements:						
Personal services	2,132,818	-	589,021	496,801	-	750,000
Supplies	689,153	-	44,586	-	93,310	-
Other services and charges	1,119,584	-	2,654,302	258,804	3,828,125	-
Capital outlay	45,112	-	32,300	1,953	3,657,843	-
Other disbursements	250,740	-	-	-	1,559,705	-
Total disbursements	4,237,407	-	3,320,209	757,558	9,138,983	750,000
Excess (deficiency) of receipts over disbursements	(23,107)	111	(872,289)	16,042	2,093,466	66,683
Cash and investments - ending	\$ 224,002	\$ 233	\$ 1,885,601	\$ 461,651	\$ 4,578,206	\$ 645,521

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Storm Water Management Capital Projects	Storm Water Management Operating	Supplemental Public Defender Services	Surveyor's Corner Perpetuation	Tax Sale Fees	Tax Sale Redemption
Cash and investments - beginning	\$ 7,478	\$ 1,464,853	\$ 82,820	\$ 148,597	\$ 867,186	\$ 491,758
Receipts:						
Taxes	-	739,796	294,675	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	13,452	-	-	253,758	645,909	-
Fines and forfeits	4,733	-	83,921	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	160	-	-	4,806,724	5,623,435
Total receipts	18,185	739,956	378,596	253,758	5,452,633	5,623,435
Disbursements:						
Personal services	-	264,667	213,688	55,179	-	-
Supplies	-	7,691	1,930	7,055	-	-
Other services and charges	20,100	93,880	68,588	27,169	1,058,732	-
Capital outlay	-	390,720	3,992	76,763	-	-
Other disbursements	-	-	-	-	3,787,398	5,312,308
Total disbursements	20,100	756,958	288,198	166,166	4,846,130	5,312,308
Excess (deficiency) of receipts over disbursements	(1,915)	(17,002)	90,398	87,592	606,503	311,127
Cash and investments - ending	\$ 5,563	\$ 1,447,851	\$ 173,218	\$ 236,189	\$ 1,473,689	\$ 802,885

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Tax Sale Surplus	Unsafe Building	Vehicle Inspection	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training
Cash and investments - beginning	\$ 7,819,890	\$ 293,254	\$ 15,563	\$ 78,647	\$ 2,338,509	\$ 221,755
Receipts:						
Taxes	1,293,892	-	-	319,645	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	10,651	-	-	63,768
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	8,379,605	9,734	1,655	-	283,781	107
Total receipts	9,673,497	9,734	12,306	319,645	283,781	63,875
Disbursements:						
Personal services	-	11,848	-	277,035	128,546	-
Supplies	-	-	-	-	-	-
Other services and charges	-	16,529	-	-	290,415	7,796
Capital outlay	-	-	1,085	-	1,085	-
Other disbursements	8,756,684	-	-	-	732,099	-
Total disbursements	8,756,684	28,377	1,085	277,035	1,152,145	7,796
Excess (deficiency) of receipts over disbursements	916,813	(18,643)	11,221	42,610	(868,364)	56,079
Cash and investments - ending	\$ 8,736,703	\$ 274,611	\$ 26,784	\$ 121,257	\$ 1,470,145	\$ 277,834

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Park And Recreation	County Offender Transportation Fund	Statewide 911	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services
Cash and investments - beginning	\$ 1,280,446	\$ 30,987	\$ 7,208,375	\$ (16,946)	\$ 9,221	\$ 948,022
Receipts:						
Taxes	4,263,874	-	9,096,775	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	1,468,069	-	548,577	-	49,773	-
Charges for services	620,244	7,793	2,733,022	-	-	-
Fines and forfeits	-	-	-	137,022	-	724,802
Utility fees	-	-	-	-	-	-
Other receipts	108,394	-	8,534	-	50,000	8,646
Total receipts	6,460,581	7,793	12,386,908	137,022	99,773	733,448
Disbursements:						
Personal services	4,167,404	-	8,951,770	115,103	11,859	859,033
Supplies	486,644	-	29,693	-	762	28,535
Other services and charges	1,203,033	2,221	2,695,708	-	43,698	76,837
Capital outlay	348,381	-	-	-	-	15,711
Other disbursements	104,305	-	101,803	-	-	290
Total disbursements	6,309,767	2,221	11,778,974	115,103	56,319	980,406
Excess (deficiency) of receipts over disbursements	150,814	5,572	607,934	21,919	43,454	(246,958)
Cash and investments - ending	\$ 1,431,260	\$ 36,559	\$ 7,816,309	\$ 4,973	\$ 52,675	\$ 701,064

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Supplemental Juvenile Probation Services	Alternative Dispute Resolution	County User Fee	Convention Center Operating	Animal Shelter	Sheriff Sale Administration
Cash and investments - beginning	\$ 24,804	\$ 232,883	\$ 2,195,199	\$ 428	\$ 4,437	\$ (57,348)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	1,340,261	-	-
Charges for services	-	-	524,414	-	4,174	364,200
Fines and forfeits	12,891	6,737	1,622,208	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	33,160	373,789	-	35,518	-
Total receipts	<u>12,891</u>	<u>39,897</u>	<u>2,520,411</u>	<u>1,340,261</u>	<u>39,692</u>	<u>364,200</u>
Disbursements:						
Personal services	-	25,062	601,503	-	30,664	80,706
Supplies	-	-	16,219	-	958	-
Other services and charges	900	24,614	235,587	1,340,261	8,583	-
Capital outlay	2,862	-	20,934	-	-	-
Other disbursements	-	-	1,348,450	-	-	-
Total disbursements	<u>3,762</u>	<u>49,676</u>	<u>2,222,693</u>	<u>1,340,261</u>	<u>40,205</u>	<u>80,706</u>
Excess (deficiency) of receipts over disbursements	<u>9,129</u>	<u>(9,779)</u>	<u>297,718</u>	<u>-</u>	<u>(513)</u>	<u>283,494</u>
Cash and investments - ending	<u>\$ 33,933</u>	<u>\$ 223,104</u>	<u>\$ 2,492,917</u>	<u>\$ 428</u>	<u>\$ 3,924</u>	<u>\$ 226,146</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Drug Task Force	DUI Task Force	Local Ordinance Violations Fines - County	Park Bond 2013	Insurance	Settlement
Cash and investments - beginning	\$ 243,212	\$ 2,485	\$ 3,620	\$ 391,975	\$ (35,886)	\$ 216,264
Receipts:						
Taxes	155,181	-	-	894,590	-	588,157,567
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	78,089	738	-	53,338	-	45,846,109
Charges for services	1,450	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	11,175	-	-	834	467,411	430,950
Total receipts	245,895	738	-	948,762	467,411	634,434,626
Disbursements:						
Personal services	107,012	1,230	-	-	90,853	-
Supplies	30,918	-	-	-	-	-
Other services and charges	35,428	-	1,215	-	-	-
Capital outlay	48,132	-	-	775,894	-	-
Other disbursements	-	-	-	-	-	634,434,326
Total disbursements	221,490	1,230	1,215	775,894	90,853	634,434,326
Excess (deficiency) of receipts over disbursements	24,405	(492)	(1,215)	172,868	376,558	300
Cash and investments - ending	\$ 267,617	\$ 1,993	\$ 2,405	\$ 564,843	\$ 340,672	\$ 216,564

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CVET Agency	Financial Institution Tax	Homestead Credit Rebate	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines
Cash and investments - beginning	\$ -	\$ -	\$ 12,870	\$ 64,930	\$ 178,128	\$ 277,960
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	109,060
Intergovernmental receipts	3,504,670	2,785,497	-	62,023	-	-
Charges for services	-	-	-	-	-	2,475
Fines and forfeits	-	-	-	93,247	921,938	28,747
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	158,224	420,115	-
Total receipts	<u>3,504,670</u>	<u>2,785,497</u>	<u>-</u>	<u>313,494</u>	<u>1,342,053</u>	<u>140,282</u>
Disbursements:						
Personal services	-	-	-	-	515,713	92,788
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	47	5,070
Capital outlay	-	-	-	67,414	-	30,880
Other disbursements	<u>3,504,670</u>	<u>2,785,497</u>	<u>-</u>	<u>179,180</u>	<u>682,316</u>	<u>28,047</u>
Total disbursements	<u>3,504,670</u>	<u>2,785,497</u>	<u>-</u>	<u>246,594</u>	<u>1,198,076</u>	<u>156,785</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,900</u>	<u>143,977</u>	<u>(16,503)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,870</u>	<u>\$ 131,830</u>	<u>\$ 322,105</u>	<u>\$ 261,457</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State
Cash and investments - beginning	\$ 3,144	\$ 148,744	\$ 8,339	\$ 1,127	\$ 7,702	\$ 11,482
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	109,595	-	8,382	34,572	20,695
Fines and forfeits	46,581	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	55,020	76,365	-	-	-
Total receipts	<u>46,581</u>	<u>164,615</u>	<u>76,365</u>	<u>8,382</u>	<u>34,572</u>	<u>20,695</u>
Disbursements:						
Personal services	-	67,063	-	-	-	1,835
Supplies	-	4,188	-	-	-	-
Other services and charges	-	8,061	-	-	-	-
Capital outlay	-	5,855	-	-	-	4,731
Other disbursements	46,945	54,620	76,763	8,845	38,888	2,043
Total disbursements	<u>46,945</u>	<u>139,787</u>	<u>76,763</u>	<u>8,845</u>	<u>38,888</u>	<u>8,609</u>
Excess (deficiency) of receipts over disbursements	<u>(364)</u>	<u>24,828</u>	<u>(398)</u>	<u>(463)</u>	<u>(4,316)</u>	<u>12,086</u>
Cash and investments - ending	<u>\$ 2,780</u>	<u>\$ 173,572</u>	<u>\$ 7,941</u>	<u>\$ 664</u>	<u>\$ 3,386</u>	<u>\$ 23,568</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Child Restraint Violations Fines	Inheritance Tax	Sales Tax Collections	Education Plate Fees Agency	Public Safety CAGIT	CEDIT
Cash and investments - beginning	\$ 348	\$ 60,271	\$ 3,948	\$ 19,404	\$ 977,384	\$ 3,898,883
Receipts:						
Taxes	-	-	-	231,621	9,418,625	10,252,470
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	6,527	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	1,860	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	104,416	113	-	9,950
Total receipts	1,860	6,527	104,416	231,734	9,418,625	10,262,420
Disbursements:						
Personal services	-	-	-	-	3,875,156	2,041,594
Supplies	-	-	-	-	354,651	-
Other services and charges	-	-	102,871	-	3,065,035	1,682,314
Capital outlay	-	-	-	-	1,667,069	2,067,152
Other disbursements	2,083	-	-	12,075	44,820	2,563,118
Total disbursements	2,083	-	102,871	12,075	9,006,731	8,354,178
Excess (deficiency) of receipts over disbursements	(223)	6,527	1,545	219,659	411,894	1,908,242
Cash and investments - ending	\$ 125	\$ 66,798	\$ 5,493	\$ 239,063	\$ 1,389,278	\$ 5,807,125

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	City/Town Ordinance Violations Fines	93.563 Prosecutor PCA	Rainy Day	Juvenile Probation Administrative	Ordinance Violation Deferral	County Innkeepers Tax
Cash and investments - beginning	\$ 448,810	\$ 734,167	\$ 2,474,018	\$ 17,335	\$ 22,313	\$ (184,347)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	46,666	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	104,389	-	-	23,499	-	-
Utility fees	-	-	-	-	-	-
Other receipts	157,198	203	-	-	250	184,347
Total receipts	261,587	46,869	-	23,499	250	184,347
Disbursements:						
Personal services	445,761	-	-	27,335	-	-
Supplies	7,180	3,012	-	-	-	-
Other services and charges	5,019	36,863	157,944	-	3,000	-
Capital outlay	-	-	702,511	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	457,960	39,875	860,455	27,335	3,000	-
Excess (deficiency) of receipts over disbursements	(196,373)	6,994	(860,455)	(3,836)	(2,750)	184,347
Cash and investments - ending	\$ 252,437	\$ 741,161	\$ 1,613,563	\$ 13,499	\$ 19,563	\$ -

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Veteran Services Funds	1387-Exempt Park Revenue Bond	County Bond Redemption	Exempt Debt Service	Park & Recreation Self Insurance	Excess Internet Access Fee
Cash and investments - beginning	\$ 250	\$ 1,410,151	\$ 4,686,713	\$ 973,491	\$ 234	\$ 4,065
Receipts:						
Taxes	-	2,357,952	13,556,483	799,111	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	136,765	809,646	47,868	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	7,072	-	-	-	-
Total receipts	-	2,501,789	14,366,129	846,979	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	3,582,643	-	-	-
Capital outlay	-	2,382,453	10,656,248	1,658,340	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	2,382,453	14,238,891	1,658,340	-	-
Excess (deficiency) of receipts over disbursements	-	119,336	127,238	(811,361)	-	-
Cash and investments - ending	\$ 250	\$ 1,529,487	\$ 4,813,951	\$ 162,130	\$ 234	\$ 4,065

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Non-reverting Self Ins. Fund	Lake County Jail Construction	Construction Fund	Cumulative Bridge	Co Hwy Maint Garage Bond	Park Dist Bond 1982
Cash and investments - beginning	\$ 1,247,889	\$ 3,120	\$ 532,790	\$ 1,089,265	\$ 25,321	\$ 2,309,642
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	360,352	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,568,100	-	-	3,442	-	112,811
Total receipts	2,568,100	-	-	363,794	-	112,811
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	51,189	-	-
Other services and charges	2,806,513	-	-	84,881	-	-
Capital outlay	-	-	86,075	409,693	-	329,700
Other disbursements	-	-	-	-	-	100,000
Total disbursements	2,806,513	-	86,075	545,763	-	429,700
Excess (deficiency) of receipts over disbursements	(238,413)	-	(86,075)	(181,969)	-	(316,889)
Cash and investments - ending	\$ 1,009,476	\$ 3,120	\$ 446,715	\$ 907,296	\$ 25,321	\$ 1,992,753

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Non-Sufficient Check Fund/LC	Park & Recreation Gift	Auditor's Tax Incentive	Doctor's Merchants	Division I LADOS	Division II LADOS
Cash and investments - beginning	\$ 75,059	\$ 22,170	\$ (50,435)	\$ 77,662	\$ 243,083	\$ 78,506
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	3,234	6,000
Charges for services	-	-	-	-	-	-
Fines and forfeits	4,586	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	6,031	301,653	-	156,300	157,667
Total receipts	4,586	6,031	301,653	-	159,534	163,667
Disbursements:						
Personal services	-	-	273,550	-	171,303	119,387
Supplies	-	-	-	-	3,703	4,850
Other services and charges	360	3,101	-	-	5,581	5,675
Capital outlay	-	-	-	-	2,648	3,349
Other disbursements	-	-	-	-	-	-
Total disbursements	360	3,101	273,550	-	183,235	133,261
Excess (deficiency) of receipts over disbursements	4,226	2,930	28,103	-	(23,701)	30,406
Cash and investments - ending	\$ 79,285	\$ 25,100	\$ (22,332)	\$ 77,662	\$ 219,382	\$ 108,912

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Ordinance Deferral Program	Disproportional Minority Contact Project Grant	Zoning Enforcement Fund	Non-Revert. Hwy. Deposit. Gambl.	Domestic Relation Counceling B	NON-REVERT DELINQ COLL FEES
Cash and investments - beginning	\$ 82,491	\$ 2	\$ 1,000	\$ 156,707	\$ 143,724	\$ 47,934
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	2,810	-	-	-
Intergovernmental receipts	-	-	-	559,705	-	-
Charges for services	-	-	16,145	-	-	7,322
Fines and forfeits	357,353	-	-	-	32,828	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	300	-
Total receipts	<u>357,353</u>	<u>-</u>	<u>18,955</u>	<u>559,705</u>	<u>33,128</u>	<u>7,322</u>
Disbursements:						
Personal services	-	-	-	-	44,632	-
Supplies	-	-	-	203,322	2,871	-
Other services and charges	349,947	-	-	279,124	2,196	29,397
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>349,947</u>	<u>-</u>	<u>-</u>	<u>482,446</u>	<u>49,699</u>	<u>29,397</u>
Excess (deficiency) of receipts over disbursements	<u>7,406</u>	<u>-</u>	<u>18,955</u>	<u>77,259</u>	<u>(16,571)</u>	<u>(22,075)</u>
Cash and investments - ending	<u>\$ 89,897</u>	<u>\$ 2</u>	<u>\$ 19,955</u>	<u>\$ 233,966</u>	<u>\$ 127,153</u>	<u>\$ 25,859</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Comm Incentive Fund	Coroner Facility Fee	Cum Helicopter Improvement Fnd	Lake County Community Development FMHA	Anti-Bioterrorism	LC Sheriff's Marine Unit
Cash and investments - beginning	\$ 43,903	\$ 59,987	\$ 319	\$ 45,238	\$ 7,341	\$ 4,775
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	699
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	50,563	36,000	-	-	-	-
Total receipts	50,563	36,000	-	-	-	699
Disbursements:						
Personal services	84,687	10,431	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	9,113	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	84,687	19,544	-	-	-	-
Excess (deficiency) of receipts over disbursements	(34,124)	16,456	-	-	-	699
Cash and investments - ending	\$ 9,779	\$ 76,443	\$ 319	\$ 45,238	\$ 7,341	\$ 5,474

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Sheriff's Towing & Franchise	Lake County Operating Fund	Reimbursement Fund	Commissary Payroll Pass-Thru	Violence Intervention Program	Treasurer's Incentive
Cash and investments - beginning	\$ 12,961	\$ 14,215	\$ 357,084	\$ 40	\$ 7,784	\$ 137,200
Receipts:						
Taxes	-	-	-	-	23,333	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	27,650	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	44,820	-	-	-	-	240,000
Total receipts	<u>72,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,333</u>	<u>240,000</u>
Disbursements:						
Personal services	24,431	-	-	-	25,820	240,956
Supplies	-	-	116,993	-	-	-
Other services and charges	-	-	37,360	-	-	45,000
Capital outlay	-	-	135,069	-	-	6,943
Other disbursements	61,000	-	-	-	-	-
Total disbursements	<u>85,431</u>	<u>-</u>	<u>289,422</u>	<u>-</u>	<u>25,820</u>	<u>292,899</u>
Excess (deficiency) of receipts over disbursements	<u>(12,961)</u>	<u>-</u>	<u>(289,422)</u>	<u>-</u>	<u>(2,487)</u>	<u>(52,899)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 14,215</u>	<u>\$ 67,662</u>	<u>\$ 40</u>	<u>\$ 5,297</u>	<u>\$ 84,301</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Child Support Incentive	HAVA Title III Voting System	Subdivision Escrow Bonds	Jury Fees	Check Deception Collection Fee	Fingerprint Fee Fund
Cash and investments - beginning	\$ 1,787,179	\$ 29,935	\$ 97,486	\$ 197,122	\$ 153,472	\$ 445
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	479,119	-	-	-	-	-
Charges for services	-	-	-	-	17,237	-
Fines and forfeits	-	-	-	46,488	-	-
Utility fees	-	-	-	-	-	-
Other receipts	266	-	55,860	48,726	-	-
Total receipts	479,385	-	55,860	95,214	17,237	-
Disbursements:						
Personal services	318,537	-	-	85,600	20,702	-
Supplies	16,864	-	-	-	-	-
Other services and charges	12,340	-	-	-	25,973	-
Capital outlay	41,116	-	-	639	-	-
Other disbursements	-	-	22,771	-	-	-
Total disbursements	388,857	-	22,771	86,239	46,675	-
Excess (deficiency) of receipts over disbursements	90,528	-	33,089	8,975	(29,438)	-
Cash and investments - ending	\$ 1,877,707	\$ 29,935	\$ 130,575	\$ 206,097	\$ 124,034	\$ 445

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	HAVA Sec 101 Voting Sys Fund	Prosecutor's Elderly Abuse	County Welfare Trusts	Interpreter Services Grant	U.S. Research Consultants/ Personal Property	VOCA -Victims of Crime Act
Cash and investments - beginning	\$ 277,998	\$ 43,134	\$ 4,720	\$ 8,763	\$ 3,473	\$ 15,119
Receipts:						
Taxes	-	-	-	12,600	-	58,643
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	305,834	-	-	-	35,019
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	305,834	-	12,600	-	93,662
Disbursements:						
Personal services	-	271,678	-	-	-	85,296
Supplies	-	2,209	-	-	-	-
Other services and charges	-	5,417	-	12,891	-	-
Capital outlay	-	4,025	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	283,329	-	12,891	-	85,296
Excess (deficiency) of receipts over disbursements	-	22,505	-	(291)	-	8,366
Cash and investments - ending	\$ 277,998	\$ 65,639	\$ 4,720	\$ 8,472	\$ 3,473	\$ 23,485

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Payroll Court Judgement	HUD-NSP-3 Grant	Commissioner's Sale Surplus Property Deposit	JAIBG Block Grant	Lake County CASA Program Grant	ARRA Grant
Cash and investments - beginning	\$ 40,775	\$ 97,956	\$ 4,477	\$ 113	\$ 718	\$ 8,025
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-
Disbursements:						
Personal services	1,885	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	10,961	-	-	-	-	-
Capital outlay	-	12,526	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	12,846	12,526	-	-	-	-
Excess (deficiency) of receipts over disbursements	(12,846)	(12,526)	-	-	-	-
Cash and investments - ending	\$ 27,929	\$ 85,430	\$ 4,477	\$ 113	\$ 718	\$ 8,025

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	93.563 County IV-D Incentive	93.563 Prosecutor IV-D Incentive - Post Oct '99	State Drunk Driving Fees	LC Home Program	LC Comm. Dev. Cities & Towns	LC Dev. Rehabilitation
Cash and investments - beginning	\$ (29,076)	\$ 1,054	\$ 21,862	\$ 24,401	\$ -	\$ 7,571
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	191,306	-	7,485	379,928	767,186	398,303
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	20	-	136,350	-	12,584
Total receipts	191,306	20	7,485	516,278	767,186	410,887
Disbursements:						
Personal services	198,337	983	8,837	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	3,949	-	720
Capital outlay	-	-	-	483,634	767,186	416,102
Other disbursements	-	-	-	-	-	-
Total disbursements	198,337	983	8,837	487,583	767,186	416,822
Excess (deficiency) of receipts over disbursements	(7,031)	(963)	(1,352)	28,695	-	(5,935)
Cash and investments - ending	\$ (36,107)	\$ 91	\$ 20,510	\$ 53,096	\$ -	\$ 1,636

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Sheriff's Therapy Dog Fund	LC Comm. Dev. Remp I.D.O.C.	HUD - NSP GRANT	CAGIT Pass Thru	LC Economic Rev. Loan	C.D.B.G. Recapture Loans
Cash and investments - beginning	\$ 2,524	\$ 361,271	\$ 115,853	\$ -	\$ 628,546	\$ 594,784
Receipts:						
Taxes	-	-	-	26,338,242	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	82	-	-	200,471	86,192
Total receipts	-	82	-	26,338,242	200,471	86,192
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	22,048	-	500,000	-
Other disbursements	-	-	-	26,338,242	-	-
Total disbursements	-	-	22,048	26,338,242	500,000	-
Excess (deficiency) of receipts over disbursements	-	82	(22,048)	-	(299,529)	86,192
Cash and investments - ending	<u>\$ 2,524</u>	<u>\$ 361,353</u>	<u>\$ 93,805</u>	<u>\$ -</u>	<u>\$ 329,017</u>	<u>\$ 680,976</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	SHERIFF'S GRANTS FUND	Homeland Security Grant	Family Court Initiative Grant	CEDIT Pass Thru	Justice Assistance Grant	Sheriff's SIG Grant Fund
Cash and investments - beginning	\$ 47,550	\$ 18,265	\$ 23,543	\$ 251	\$ 17,656	\$ 15,944
Receipts:						
Taxes	-	-	-	27,787,863	74,179	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	15,000	10,365	20	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	15,000	10,365	20	27,787,863	74,179	-
Disbursements:						
Personal services	-	-	-	-	7,719	-
Supplies	3,438	-	-	-	-	-
Other services and charges	16,844	-	5,456	-	20,061	-
Capital outlay	5,428	27,152	-	-	49,364	-
Other disbursements	-	-	-	27,788,114	-	-
Total disbursements	25,710	27,152	5,456	27,788,114	77,144	-
Excess (deficiency) of receipts over disbursements	(10,710)	(16,787)	(5,436)	(251)	(2,965)	-
Cash and investments - ending	\$ 36,840	\$ 1,478	\$ 18,107	\$ -	\$ 14,691	\$ 15,944

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	COPS INTEROPERABILITY GRANT	Detention Alternatives Grant	LC Dev. Admin. Budge	Substance of Use Testing	Payment Error (Refunds)	Adult Guardianship Svcs Grant
Cash and investments - beginning	\$ 5,162	\$ 322	\$ 6,083	\$ 614	\$ 426,605	\$ 37,500
Receipts:						
Taxes	-	-	-	-	-	52,500
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	298,660	-	-	-
Charges for services	-	-	550	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	50,257	-	224,043	-
Total receipts	-	-	349,467	-	224,043	52,500
Disbursements:						
Personal services	-	-	329,311	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	16,249	-	-	75,000
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	215,220	-
Total disbursements	-	-	345,560	-	215,220	75,000
Excess (deficiency) of receipts over disbursements	-	-	3,907	-	8,823	(22,500)
Cash and investments - ending	\$ 5,162	\$ 322	\$ 9,990	\$ 614	\$ 435,428	\$ 15,000

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Community Supervision Grant	Lake County Comm Correction	CPHCP High Conflict	CAGIT-PTRC	LC RDF for Juveniles Fund	Juvenile Secured Detention
Cash and investments - beginning	\$ 14,967	\$ 24,937	\$ 13,791	\$ 4,175,194	\$ 107,825	\$ 16,065
Receipts:						
Taxes	-	42,241	31,955	105,384,883	-	120,826
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	45,581	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	42,241	31,955	105,384,883	45,581	120,826
Disbursements:						
Personal services	-	17,154	3,967	-	-	98,968
Supplies	-	-	-	-	-	-
Other services and charges	-	27,116	17,325	-	-	4,995
Capital outlay	-	-	-	-	-	-
Other disbursements	-	5,721	-	105,854,479	-	-
Total disbursements	-	49,991	21,292	105,854,479	-	103,963
Excess (deficiency) of receipts over disbursements	-	(7,750)	10,663	(469,596)	45,581	16,863
Cash and investments - ending	\$ 14,967	\$ 17,187	\$ 24,454	\$ 3,705,598	\$ 153,406	\$ 32,928

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Parks - Outside Cash	Community Economic Development	Employee Benefit Accruals	Inmate Trust	Jail Commissary	Unfunded Money
Cash and investments - beginning	\$ 19,360	\$ 3,803	\$ 6,133,264	\$ 535,944	\$ 18,902	\$ 16,728,924
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	49,110	60,799	80,303,867	1,661,243	1,176,272	19,094,299
Total receipts	49,110	60,799	80,303,867	1,661,243	1,176,272	19,094,299
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	48,354	62,301	75,102,033	1,726,674	1,174,721	16,728,924
Total disbursements	48,354	62,301	75,102,033	1,726,674	1,174,721	16,728,924
Excess (deficiency) of receipts over disbursements	756	(1,502)	5,201,834	(65,431)	1,551	2,365,375
Cash and investments - ending	\$ 20,116	\$ 2,301	\$ 11,335,098	\$ 470,513	\$ 20,453	\$ 19,094,299

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Animal Control	Sheriff	Juvenile Division	Clerk	Community Corrections Commissary	LC GO Bonds Series 2014B
Cash and investments - beginning	\$ 54	\$ 762,463	\$ -	\$ 13,477,418	\$ 58,733	\$ 2,515,389
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	23,799,127	3,991	35,254,443	235,237	62,496
Total receipts	-	23,799,127	3,991	35,254,443	235,237	62,496
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	157,540
Capital outlay	-	-	-	-	-	623,970
Other disbursements	-	23,868,187	3,991	36,924,575	220,180	-
Total disbursements	-	23,868,187	3,991	36,924,575	220,180	781,510
Excess (deficiency) of receipts over disbursements	-	(69,060)	-	(1,670,132)	15,057	(719,014)
Cash and investments - ending	\$ 54	\$ 693,403	\$ -	\$ 11,807,286	\$ 73,790	\$ 1,796,375

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Building Construction Fund	Highway Project Fund	Commuter Rail Extension/ Improv	Family Court Grant Fund	Sheriff Aviation Unit Grant Fund	Park District Bond 2016
Cash and investments - beginning	\$ 755,381	\$ 582,537	\$ 6,260,402	\$ 21,852	\$ 2,150	\$ 10,295,058
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	3,639,914	-	-	297,486
Total receipts	-	-	3,639,914	-	-	297,486
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	248,348	-	-	-	-
Other services and charges	25,847	326,117	-	1,722	1,500	-
Capital outlay	629,993	-	-	-	-	4,536,041
Other disbursements	-	-	-	-	-	250,000
Total disbursements	655,840	574,465	-	1,722	1,500	4,786,041
Excess (deficiency) of receipts over disbursements	(655,840)	(574,465)	3,639,914	(1,722)	(1,500)	(4,488,555)
Cash and investments - ending	<u>\$ 99,541</u>	<u>\$ 8,072</u>	<u>\$ 9,900,316</u>	<u>\$ 20,130</u>	<u>\$ 650</u>	<u>\$ 5,806,503</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	Jail Inmate Med&Hosp Reserve	LOIT 2016 Special Distribution	Veterans Treatment Court Grant	LC CASA Capacity Building Grant	LC Local Road & Bridge Maint Grant
Cash and investments - beginning	\$ 229,958	\$ 4,686,473	\$ 38,579	\$ 119,386	\$ 1,000,000
Receipts:					
Taxes	-	-	-	67,873	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	56,034	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	800,000	495,555	-	-	123,257
Total receipts	800,000	495,555	56,034	67,873	123,257
Disbursements:					
Personal services	-	-	38,107	52,213	-
Supplies	-	-	-	-	-
Other services and charges	262,900	2,366,620	-	2,655	266,010
Capital outlay	-	499,934	-	-	-
Other disbursements	37,900	123,257	-	-	495,555
Total disbursements	300,800	2,989,811	38,107	54,868	761,565
Excess (deficiency) of receipts over disbursements	499,200	(2,494,256)	17,927	13,005	(638,308)
Cash and investments - ending	\$ 729,158	\$ 2,192,217	\$ 56,506	\$ 132,391	\$ 361,692

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	2017 Construction Fund	Community Corrections IDOC WR	Hermit's Lake Debt Reserve	Sewage Collections	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 45,945	\$ 15,369	\$ 157,677,276
Receipts:					
Taxes	-	-	-	-	932,286,678
Licenses and permits	-	-	-	-	689,659
Intergovernmental receipts	-	-	-	-	98,966,861
Charges for services	-	-	-	-	14,781,286
Fines and forfeits	-	-	-	-	7,018,582
Utility fees	-	-	-	250,018	250,018
Other receipts	12,000,000	11,966	-	66,304	212,323,853
Total receipts	<u>12,000,000</u>	<u>11,966</u>	<u>-</u>	<u>316,322</u>	<u>1,266,316,937</u>
Disbursements:					
Personal services	-	-	-	-	133,962,514
Supplies	-	-	-	-	6,703,181
Other services and charges	164,874	-	-	-	62,164,204
Capital outlay	668,609	-	-	-	40,849,474
Other disbursements	-	9,598	-	197,065	999,820,119
Total disbursements	<u>833,483</u>	<u>9,598</u>	<u>-</u>	<u>197,065</u>	<u>1,243,499,492</u>
Excess (deficiency) of receipts over disbursements	<u>11,166,517</u>	<u>2,368</u>	<u>-</u>	<u>119,257</u>	<u>22,817,445</u>
Cash and investments - ending	<u>\$ 11,166,517</u>	<u>\$ 2,368</u>	<u>\$ 45,945</u>	<u>\$ 134,626</u>	<u>\$ 180,494,721</u>

LAKE COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2017

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Hermit's Lake Sewer User Fee	\$ 62,347	\$ -
Governmental activities	<u>15,057,151</u>	<u>-</u>
Totals	<u>\$ 15,119,498</u>	<u>\$ -</u>

LAKE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
PNC Equip Finance	Various Highway Equipment	\$ 248,771	09/16/2016	09/16/2021
PNC Equip Finance	Highway Snow Plow Truck Lease	63,845	03/03/2013	03/03/2018
PNC Equip Finance	Highway Mower Decks	43,178	06/18/2015	06/18/2018
Lake County 2000 Building Corporation	Capital Improvements	<u>2,618,000</u>	08/01/2013	02/01/2024
Total of annual lease payments		<u>\$ 2,973,794</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Energy Savings Phase II		\$ 3,570,000	\$ 1,540,219
General obligation bonds	General Obligation Bond 2015A Improvements to County Buildings, Parking Areas, and Bridges		10,420,000	1,394,500
General obligation bonds	General Obligation Bond 2015B Highway Projects		6,075,000	817,525
General obligation bonds	General Obligation Bond 2015C Pay Outstanding Judgments		5,065,000	1,027,250
General obligation bonds	General Obligation Bond 2017A Improvements		12,000,000	680,863
General obligation bonds	General Obligation Bonds of 2018 Judgments		8,250,000	75,167
General obligation bonds	Highway Improvements		2,950,000	580,588
General obligation bonds	GO Bonds Series 2014B Building/Jail Improvements & Paving		9,250,000	1,363,856
General obligation bonds	Park District Bond of 2016 Capital Improvement Projects and Land Acquisition		12,000,000	265,288
General obligation bonds	Park District Bonds Of 2013 Improvements		615,000	633,500
General obligation bonds	Park District Bonds of 2014 Refinance 2005 Series		21,685,000	2,399,533
General obligation bonds	Public Safety Tax Bonds-Series 2014A - E911 Improvements		17,140,000	1,663,669
General obligation bonds	Series 2012B - Lake County Jail Construction		2,020,000	840,563
General obligation bonds	Series 2012C - Lake County Operating Fund		580,000	585,800
General obligation bonds	Series 2012D-1 - Construction Fund		3,500,000	1,281,709
General obligation bonds	Series 2012D-2 - Reimbursement Fund		285,000	288,377
Notes and loans payable	Ad Valorem Property Tax Series 2012 Lake County 2000 Bldg Corp Improvements		14,430,000	2,618,000
Claims and judgments	Judgment Funding General Obligation Bonds of 2012		<u>2,055,000</u>	<u>1,387,270</u>
Total governmental activities			<u>131,890,000</u>	<u>19,443,677</u>
Hermit's Lake Sewer User Fee: Notes and loans payable			<u>114,297</u>	<u>40,796</u>
Totals			<u>\$ 132,004,297</u>	<u>\$ 19,484,473</u>

LAKE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2017

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 17,354,253
Infrastructure	290,810,297
Buildings	135,181,972
Machinery, equipment, and vehicles	61,578,343
Construction in progress	<u>12,268,137</u>
Total governmental activities	<u>517,193,002</u>
Hermit's Lake Sewer User Fee:	
Infrastructure	21,040
Buildings	<u>969,251</u>
Total Hermit's Lake Sewer User Fee	<u>990,291</u>
Total capital assets	<u><u>\$ 518,183,293</u></u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Lake 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, 2017. 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, 2017.

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

Report on Internal Control over Compliance


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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2017-003, that we consider to be a material weakness.

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

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


Paul D. Joyce, CPA
State Examiner

September 11, 2018

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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 approved by management of the County. The schedule and notes are presented as intended by the County.

LAKE COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Department of Agriculture					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY2017	\$ -	\$ 20,710
Juvenile Center Breakfast Program					
National School Lunch Program	Indiana Department of Education	10.555	FY2017	-	34,104
Juvenile Center Lunch Program					
Total - Child Nutrition Cluster				-	54,814
Total - Department of Agriculture				-	54,814
Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	Direct Grant	14.218			
CDBG			B-14-UC-18-0016	-	694,932
CDBG			B-15-UC-18-0016	-	213,142
CDBG			B-16-UC-18-0016	-	404,041
CDBG			B-17-UC-18-0016	-	152,034
Total - Community Development Block Grants/Entitlement Grants				-	1,464,149
Total - CDBG - Entitlement Grants Cluster				-	1,464,149
Home Investment Partnerships Program	Direct Grant	14.239			
LC Home Program			M-13-UC-18-0207	-	39,452
LC Home Program			M-14-UC-18-0207	-	50,516
LC Home Program			M-15-UC-18-0207	-	192,185
LC Home Program			M-16-UC-18-0207	-	97,526
Total - Home Investment Partnerships Program				-	379,679
Total - Department of Housing and Urban Development				-	1,843,828
Department of the Interior					
Outdoor Recreation Acquisition, Development and Planning	Indiana Department of Natural Resources	15.916			
Oak Ridge Prairie Land Acquisition & Trail			E10-4JK1800580	-	132,900
Total - Department of the Interior				-	132,900
Department of Justice					
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575			
Sheriff's Office-2016 VOCA Grant			D3-17-11467	-	58,643
Prosecutor's Office-VOCA 2017-2018 Grant			D3-17-11489	-	35,019
Total - Crime Victim Assistance				-	93,662
Edward Byrne Memorial Justice Assistance Grant Program	Direct Grant	16.738			
2014 Justice Assistance Grant			2014-DJ-BX-0682	-	21,985
2015 Justice Assistance Grant			2015-DJ-BX-0646	-	2,497
2016 Justice Assistance Grant			2016-DJ-BX-0800	-	52,663
2016 NICHE JAG Grant			D3-16-10860	-	59,316
2017 NICHE JAG Grant			D3-17-11716	-	95,020
Total - Edward Byrne Memorial Justice Assistance Grant Program				-	231,481
Equitable Sharing Program	Direct Grant	16.922			
Equitable Sharing - DEA Forfeitures			IND450000	-	67,414
Total - Department of Justice				-	298,895
Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
Bridge 306			DES #0600752	-	3,771
45th Avenue-Whitcomb to Chase			DES #1172007	-	393,215
Bridge 102			DES #1297288	-	28,258
Bridge 241			DES #1400568	-	73,152
Bridge 61			DES #1400843	-	97,571
Bridge Inspection			DES #1382090	-	157,150
Veterans Memorial Trail			DES #9981680	-	86,762
Total - Highway Planning and Construction				-	839,879
Total - Highway Planning and Construction Cluster				-	839,879

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Highway Safety Cluster National Priority Safety Programs FY 2017 Operation Pullover	Indiana Criminal Justice Institute	20.616	D3-17-11092	-	7,585
Total - Highway Safety Cluster				-	7,585
Total - Department of Transportation				-	847,464
Environmental Protection Agency					
Great Lakes Program Gibson Woods Restoration	Indiana Department of Environmental Management	66.469	A305-6-186	-	302,487
Total - Environmental Protection Agency				-	302,487
Department of Health and Human Services					
TANF Cluster Temporary Assistance for Needy Families Community Corrections - TANF Grant	Indiana Department of Corrections	93.558	D12-17-199-TANF	-	6,257
Total - TANF Cluster				-	6,257
Child Support Enforcement Circuit Court Title IV-D FFP County Clerk Title IV-D FFP County Clerk Title IV-D Incentive Juvenile Court Title IV-D FFP Juvenile Court Title IV-D Incentive County Title IV-D Indirect Costs Prosecutor's Title IV-D FFP Prosecutor's Title IV-D Incentive	Indiana Department of Child Services	93.563	Circuit Court County Clerk County Clerk County Court County Court County Court Indirect Costs County Prosecutor County Prosecutor	- - - - - - - - -	10,691 200,942 102,301 218,307 198,337 1,232,177 2,054,431 281,275
Total - Child Support Enforcement				-	4,298,461
ARRA - Child Support Enforcement Prosecutor's Title IV-D ARRA Incentive	Indiana Department of Child Services	93.563	County Prosecutor	-	5,281
Total - ARRA - Child Support Enforcement				-	4,303,742
Social Services Block Grant Adult Protective Services Grant	Indiana Family and Social Services Administration	93.667	45-17-PV-1222-01	-	3,917
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance HIV/AIDS Surveillance	Indiana Department of Health	93.944	5U62PS003967	-	72,103
Total - Department of Health and Human Services				-	4,386,019
Department of Homeland Security					
Emergency Management Performance Grants EMPG - Salary Grant EMPG - Competitive Grant	Indiana Department of Homeland Security	97.042	EMC-2016-EP-00006 EMC-2016-EP-00006-S01	- -	35,674 10,365
Total - Emergency Management Performance Grants				-	46,039
Total - Department of Homeland Security				-	46,039
Total federal awards expended				\$ -	\$ 8,006,108

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

LAKE 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, 2017. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. Summary of Significant Accounting Policies

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

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Any audit finding disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
14.239	Home Investment Partnerships Program	Unmodified
	Highway Planning and Construction Cluster	Unmodified
93.563	Child Support Enforcement	Unmodified

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

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

Section II - Financial Statement Findings

FINDING 2017-001

Subject: Treasurer's Daily Balance of Cash and Depositories and Auditor's Funds Ledger
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2016-002.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

The County Treasurer's office maintained the Treasurer's Daily Balance of Cash and Depositories (Cash Book). The Cash Book reflected the daily receipts and disbursements, the total amount of cash and investments, and a proof of the financial condition of the office at the close of each day. The County Treasurer's office did not have an effective system of controls in place designed to prevent, or detect and correct, errors associated with the cash reconciliation.

As part of the monthly reconciliation process, the County Auditor's office compared the County Auditor's funds ledger balance to the County Treasurer's calculated Funds Ledger line per the Cash Book. Effective procedures had not been established to ensure that reconciling items between the County Auditor's and County Treasurer's offices were corrected timely. Variances between the County Auditor and County Treasurer's records dated back to 2011 remained unresolved as of July 2018.

Context

This was a systemic issue throughout the audit period.

Criteria

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

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

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

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

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities. . . .

- Accurate and timely recording of transactions. . . ."

Cause

Management of the County had not established an effective system of internal controls.

Effect

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

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the County Auditor's and Treasurer's offices work together to resolve the variance in the County Treasurer's Cash Book "Funds Ledger - Cash" and establish an effective system of controls to prevent, or detect and correct, future errors.

Views of Responsible Officials

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

FINDING 2017-002

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2016-003.

Condition

Internal controls over disbursing, recording, and accounting for the financial activities of the Clerk of the Circuit Court were insufficient. There were several deficiencies in the internal control system of the Clerk of the Circuit Court's office related to financial transactions and reporting that constituted material weaknesses:

1. Lack of Segregation of Duties: The Clerk of the Circuit Court's office had not separated incompatible activities related to disbursements and cash and investment balances.

The Clerk of the Circuit Court's office had multiple offices and divisions. The divisions generally had a Division Manager, a bookkeeper, and clerks. Monthly, the Division Manager's prepared bank reconciliements were sent to the main (Crown Point) Clerk of the Circuit Court's office. No documented review of the bank reconciliements were performed. The checks were prepared, posted, signed, and mailed by one individual without an oversight or review process.

2. Monitoring of Controls: The Clerk of the Circuit Court had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting would have required the Clerk of the Circuit Court to monitor and assess the quality of the system of internal control.
3. Preparing Financial Statement: Effective internal control over financial reporting would have involved the identification and analysis of the risks of material misstatement to the County's audited financial statement and a determination of how those identified risks should be managed.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The Clerk of the Circuit Court did not have adequate internal controls over financial reporting to facilitate the preparation of accurate and complete financial reports to be included in the County's Annual Financial Report (AFR) and financial statement. The Clerk fund included in the financial statement included all receipts and disbursements of the Clerk of the Circuit Court's office, cash balances due to other governmental entities, and items held in trust for others.

One individual was responsible for the collection and calculation of the total receipts, disbursements, and balances from the Clerk of the Circuit Court's multiple offices and divisions. A proper system of oversight or review was not in place to ensure the financial information gathered was accurate and supported by the Clerk of the Circuit Court's records.

Context

The lack of internal controls over financial transactions and reporting for the Clerk of the Circuit Court was a systemic problem throughout the audit period.

Criteria

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

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

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

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

Cause

Management of the Clerk of the Circuit Court had not established a proper system of internal control. Management also had not conducted a risk assessment related to the Clerk of the Circuit Court's financial transactions and reporting.

Effect

The failure to establish controls could have enabled misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the Clerk of the Circuit Court at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the Clerk of the Circuit Court establish a system of internal controls related to financial transactions and reporting.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2017-003

Subject: HOME Investment Partnerships Program - Reporting
Federal Agency: Department of Housing and Urban Development
Federal Program: HOME Investment Partnerships Program
CFDA Number: 14.239
Federal Award Numbers and Years (or Other Identifying Numbers): M-13-UC-18-0207,
M-14-UC-18-0207,
M-15-UC-18-0207,
M-16-UC-18-0207

Compliance Requirement: Reporting
Audit Finding: Material Weakness

Condition

An effective internal control system was not in place at the County's Community Economic Development Department in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The Department had not developed, nor documented, a system of internal controls for the HUD 60002, Section 3 Summary Report reporting requirements.

Context

The lack of controls was a systemic issue throughout the audit period, as there was not a proper system of oversight or review for the only required HUD 6002 report.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

Management had not developed a system of internal controls to ensure compliance with the Reporting compliance requirement.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls to ensure compliance and comply with the Reporting compliance requirement.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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

JOHN E. PETALAS
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-001

Fiscal year in which the finding initially occurred: 2015
Contact Person Responsible for Corrective Action: Michael Wieser
Contact Phone Number: (219) 755-3129

Status of Audit Finding:

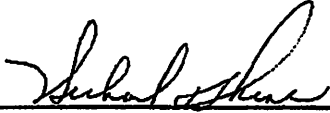
As previously stated in the corrective action plan, there were 3 separate control issues that were to be addressed.

On September 20 three directives were issued by the Director of Finance indicating new procedures.

The First was for segregation of duties concerning information that was to be entered into the Gateway system. There was the clerk that gathered the information and then presented the information to the Director of Finance who reviewed and documented the review prior to submission.

The Second was a letter to all elected officials and their department heads concerning financial information submitted to the Auditor's office for inclusion in the financial report to ensure all information was complete and accurate prior to submission. As of the writing of this response it would seem that this request was successful in that no errors were detected prior to gateway submission.

The Third was a directive to those people responsible for Quietus accuracy which required a person other than the preparer to initial the quietus after checking the accuracy of the pre-printed numbers.



(Signature)

FINANCE DIRECTOR

(Title)

6-25-2016

(Date)

JOHN E. PETALAS
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

© REGISTRATION 1049-M

SUMMARY SCHEDULE OF PRIOR AUDIT FINANCE

FINDINGS 2016-002

Fiscal year in which the finding initially occurred: 2011
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action:
Contact Phone Number: 219-755-3901

Status of Audit Findings:

The Auditor's Office has completed its portion of the Corrective Action Plan however, after discussions with the Treasures Office the correction was denied by the Treasurer Office. The Auditors Finance Department has completed their duties as previously requested.

John E. Petalas

August 7, 2018

PEGGY HOLINGA KATONA
TREASURER



CITY BRANCH OFFICES
HAMMOND
GARY

Treasurer Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-002

Fiscal year in which the finding initially occurred: 2011
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Peggy Holinga Katona
Contact Phone Number: 219-755-3769

Status of Audit Finding:

We are still waiting on the Auditor's Finance Department to make a correcting entry into the Lawson accounting system since there is actually **no cash missing**.

A handwritten signature in black ink, appearing to read "Peggy Holinga Katona" with a stylized flourish at the end.

July 19, 2018
(Date)



MICHAEL A. BROWN

CLERK LAKE CIRCUIT/SUPERIOR COURT
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

PHONE: (219) 755-3480

FAX: (219) 755-3520



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 30, 2018

FINDING 2016-003

Fiscal year in which the finding initially occurred: 2016

Contact Person Responsible for Corrective Action: Rebecca Dowling

Contact Phone Number: 219-755-3067

Status of Audit Finding:

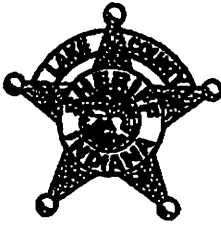
The Clerk's main office in Crown Point has fully implemented and will continue to enforce the procedures daily per the State Board of Accounts manual on segregation of duties.

The satellite offices in Hammond, Gary, and East Chicago are still working on a proper procedure to be in compliance with the segregation of duties finding.

The corrective plan for the Preparing Financial Statement (Annual Carr/ Supplemental Report) has been monitored so that the correct dollar amounts have been reported by the County Auditor in the Gateway program. We have an open line of communication with the Auditors Department on the checks and balances of this report.

Sincerely,


Michael A. Brown
Lake County Clerk



OSCAR MARTINEZ LAKE COUNTY SHERIFF

LAKE COUNTY, INDIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-004

Contact Person Responsible for Corrective Action: Commander Ron Ladd

Contact Telephone: 219-755-3191 / 219-545-1405

Status of Audit Finding

1. Lack of Segregation of Duties:

The Civil Division has implemented the segregation of duties plan previously outlined. As part of the segregation of duties and enhanced oversight, the Commander reviews daily reports and verifies the accuracy of the prepared bank deposit. No one person is allowed to take in funds, record the receipt of funds into the accounting system, and make the deposit of receipted funds. This was difficult in 2017, as one of the two bookkeepers was gone for several months on sick leave, but the Commander stepped in for oversight. A delay was created, in some aspects, as job duties were shifted, issues were investigated, and best practices were adjusted.

The staff is now using only the SBOA approved Lieberman Software to complete all Civil accounting duties. Last year we acknowledged that the 2016 software bank reconciliations were not provided at the time of the audit, as those reconciliations were in the process of being brought up to date. This was a very time-consuming process as the staff was unfamiliar with the software and several electronic glitches with the system made the action more difficult. Each issue had to be investigated and corrected with the assistance of Lieberman software personnel. The Division is in the process of seeking additional training for the Civil employees utilizing the Lieberman Software. In 2016 and the beginning of 2017 several State of Indiana electronic deposits had not been recorded into the software system and therefore had not been paid out to the County General Fund. Those deposits were recorded, and as of 2018, have been distributed. As of today, all bank reconciliations for the Civil Division are up to date. The department handbook is being edited to include precise money handling procedures for employee reference and accountability.

In addition, the Civil Division staff has been receiving on-going bookkeeping education from an outside, independent Certified Public Accounting firm. The staff is being taught not just the how, but also the why, of bookkeeping procedures to increase accuracy, reduce errors, and assist in the timely completion of required Civil Division tasks and accounting. As a final oversight, the Civil Division contracts the services of the CPA firm to prepare bank reconciliations as part of required segregation of duties and oversight. It was through the utilization of the CPA firm to prepare monthly bank reconciliations, that missing funds were first discovered and reported. The Civil Division has worked with the CPA staff to implement procedures to reduce the possibility of defalcations and asset misappropriation in the future.



Consequently, as of 2018, the Civil Division has further tightened cash received controls. The Commander is now responsible for taking the daily deposit to the bank. Deposits are no longer allowed to remain in an unsecured location overnight. As cash is now received it is placed into a lock-box located in the Commander's office. The Commander's office is kept locked to protect the cash assets. The lock-box is later opened and counted by two people. New Civil Division office door locks were installed to increase asset security, with only four supervisory persons receiving keys. Also, doors that were formerly left open 24/7 are kept closed and locked with all staff and county employees required to use the main office door to conduct business.

2. Lack of Supporting Documentation

The Civil Division command believes all requests for documentation to the State Board of Accounts were fully complied with this year. The department will continue to cooperate with document requests from the State Board of Accounts. The Civil Division retains three (3) years of records in the office. Older records are turned over to the Sheriff's Department Property Management Division who then accepts the records into their care and custody, and places those records into storage. If the Board requires more information we ask that specific requests be made so that the Civil Department employees can comply with full transparency.

Donald L. Hill
(Signature)

DEPUTY COMMANDER
(Title)

7/10/18
(Date)



Bellaboo's
219-963-2070

Buckley Homestead
219-696-0769

Cedar Creek
219-365-2902

Deep River
219-947-1958

Deep River Waterpark
219-947-7850

Gibson Woods
219-844-3188

Grand Kankakee Marsh
219-552-0033

Lake Etta
219-944-9601
Banquets - 219-949-6533

Lemon Lake
219-663-7627

Oak Ridge Prairie
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Stoney Run
219-996-6500

Three Rivers
219-962-7810

Turkey Creek G.C.
219-980-8101
Pro Shop - 219-980-5170
Banquets - 219-887-3550

Reservations - 219-769-7275

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2016-005

Fiscal year in which the finding initially occurred: **2016**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Lake County Parks and Recreation Department (LCPRD)
Contact Person Responsible for Corrective Action: **Mindy Gallo and Jim Basala**
Contact Phone Number: **219-945-0543**

Status of Audit Finding:

In response to 2016-005, the LCPRD Board adopted Resolution 2018-01 at their February 8, 2018 Board meeting.

Additionally, staff created internal control procedures and tracking forms.

These procedures were not implemented in 2017, but are currently being implemented.

Attached are copies of Board minutes, Resolution 2018-01 and new form.

Jim Basala, CEO
and Secretary to the Board

August 2, 2018

Established: June 1, 1968


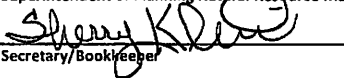
"A Natural Place For Fun"

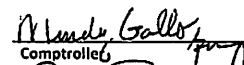
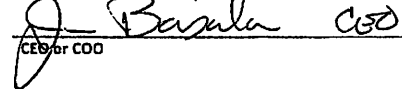


**LAKE COUNTY PARKS AND RECREATION DEPARTMENT
GRANT INFORMATION FOR YEAR ENDING 2018**

GRANTING AGENCY	IDENTIFICATION #	AMOUNT AWARDED	Year	AMOUNT REIMBURSED	Quietus#	Park Site	
IDNR / Land Water Conservation Fund	18-00590 EDS# E10-61800590	200,000.00				Deep River / Thomas Acquisition / Big Maple Lake Amenities	Open
(LWCF Land Acquisistion \$7000.00 / Big Maple Construction)							
IDNR / Bicentennial Nature Trust	Project # 201	300,000.00				Cedar Lake Marsh / Roberts Acquisition	Open
The Conservation Fund / Nipsco / USFWS		400,000.00				Cedar Lake Marsh / Roberts Acquisition	
IDNR / Bicentennial Nature Trust	Project # 202	300,000.00				Oak Ridge Prairie / Vereb Acquisition	Closed
INDOT / Transportation Enhancement	Project Des# 9981680	1,449,000.00	2012			Veteran's Memorial Trail / Acquisition	Open
			2013	178,000.00			
			2014	25,384.10	65780		
			2014	41,099.72	65781		
			2015	56,720.00	71206		
			2016	4,160.00	84146		
			2016	4,000.00	84146		
			2016	1,360.00	81457		
			2016	5,440.00	82979		
			2017	3,040.00	84630		
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			2017	8,000.00	85297		
			2017	33,049.17	86695		
			2017	36,560.00	87073		
			2017	4,428.00	90597		
			2018	17,440.00	90901		
			2018	8,624.00	91907		
				428,989.79			
INDOT / Transportation Enhancement	Project # 9981680	70,000.00				Veteran's Memorial Trail / Acquisition / ROW Services	Open
INDOT / Transportation Enhancement	Project # 9502430	161,000.00				Veteran's Memorial Trail / Construction / Acquisition	Open
IDNR / Bicentennial Nature Trust	Project #162 EDS# 15D45089	29,875.00	2018	29,875.00	101513392 CHK	Veteran's Memorial Trail / Acquisition Krieter	Closed
IDEM / EPA / Grand Calumet Area GLRI Project	48715506 EDS# A305-6-186	1,037,500.00	2016	65,205.27	79996	Gibson Woods Restoration	Open
			2016	242,959.73	83037		
			2016	78,832.00	83521		

GRANTING AGENCY	IDENTIFICATION #	AMOUNT		Year	AMOUNT REIMBURSED	Quietus#	Park Site
		AWARDED					
				2017	140,778.00	85503	
				2017	47,000.00	86133	
				2017	33,255.00	89019	
				2017	81,454.00	89980	
				2018	98,436.00	91604	
					787,520.00		
IDEM / EPA / Grand Calumet Area GLRI Project	ID# GLOOE01506-0	570,500.00					Gibson Woods / Restoration Open
USFW/ Cooperative Agreement	Award # F16AC00863	1,600.00					Monarch Prairie / Lake Edge Planting / Big Maple Lake Open
USFW/ Cooperative Agreement	Award # F16AC00863	9,000.00					Monarch Prairie / Wetland Edge Planting / Beaver Dam Open
Little Calumet River Basin Development Commission		23,899.00	2018	23,899.00	16424 Check		Deep River, Oak Ridge Prairie, Turkey Creek, EL / Tree Planting Closed
IDNR / LMCP / Lake Michigan Coastal Program	C2731 Contract #25750	5,925.00					Oak Ridge Prairie / Costakis Acquisition Open
The Nature Conservancy		1,500.00					Oak Ridge Prairie / Costakis Acquisition Open
Little Calumet River Basin Development Commission	2018-010525	4,300.00	2018	4,300.00	16497 Check		Oak Ridge Prairie / Costakis Acquisition Closed
IDNR / LMCP / Lake Michigan Coastal Program	C2735 Contract #25916	150,000.00					Deep River County Park / Tsirtsis Acquisition Open
Little Calumet River Basin Development Commission	2018-010526	82,250.00	2018	82,250.00	16497 Check		Deep River County Park / Tsirtsis Acquisition Closed
Little Calumet River Basin Development Commission	2018-010525	7,325.00	2018	7,325.00	16497 Check		Oak Ridge Prairie / Curtis Acquisition Closed
IDNR / LMCP / Lake Michigan Coastal Program		11,000.00					Oak Ridge Prairie / Curtis Acquisition Open
The Nature Conservancy		1,500.00					Oak Ridge Prairie / Curtis Acquisition Open

Signatures:

 Superintendent of Planning Natural Resource Management

 Secretary/Bookkeeper


 Comptroller

 CEO or COO

Resolution Number 2018- 01

WHEREAS, the Lake County Park and Recreation Board ("BOARD") utilizes federal grant funds in the form of direct federal grants and/or cooperative agreements ("Federal Funds") on numerous projects including, but not limited to, land and property acquisitions and construction projects (hereinafter "PROJECTS"); and,

WHEREAS, the BOARD desires to comply with current federal government regulations and statutes pertaining to the receipt and use of said Federal Funds by implementing the procedures contained herein.

NOW THEREFORE, it is hereby Resolved as follows:

- 1. When dealing with BOARD PROJECTS which are either wholly or partially funded by Federal Funds, the Chief Executive Officer ("CEO") of the BOARD shall verify that entity or person with which the BOARD intends to do business with has not been suspended or debarred from federal contracts by:
 - (a) checking the System for Award and Management Exclusions ("SAM") maintained by the General Services Administration of the Federal Government to ensure that said entity or person has not been suspended or debarred from participating in federally funded projects; or,**
 - (b) Requiring and collecting certification or certificate from the person or entity that it is not suspended or debarred from participating in federally****

funded projects; or,

(c) Adding a clause or condition in its contract with said person or entity certifying that it is not suspended or debarred from participation on federally funded projects.

2. That all disbursement made to a person or entity receiving Federal Funds from participation in a BOARD PROJECT shall be reviewed and approved by the BOARD'S Project Manager for accuracy, authenticity and compliance with the guidelines for expenditure of Federal Funds, and reviewed and approved by the Chief Operating Officer (COO) or the CEO of the BOARD before submission to the BOARD of a claim that requisitions the payment of funds to said person or entity.

Resolved this 8th day of FEBRUARY, 2018.

Lake County Park and
Recreation Board

By: Chris Dilts
Chris Dilts, President

Attest: James Basala
James Basala, Secretary and CEO

Internal Control procedures relating to awarding a bid for a Federal Grant program

Prior to awarding a contract to the successful bidder for a Federal grant project the successful bidder will be vetted for its ability to participate in federally funded projects. This will be done by any one or all three of the following methods.

1. The Project Manager will check for exclusions by referencing the System for Award and Management Exclusions maintained by the General Services Administration.
2. Requiring and collecting a certification that the entity or person is not debarred from this project.
3. The addition of a clause in the contract certifying that the entity or person is not debarred or suspended from participation in federally funded projects.
4. The Project Manager will complete the appropriate form and have their actions verified by the Park Department comptroller. This form and any pertinent documents will be placed in the file for the grant project in question

**Lake County Parks and Recreation Department
Federal Debarment Verification Form**

Form 80118-2

I have verified that _____ has not been debarred from working on or participating in federally funded projects. This verification has been made by:

___ Referencing SAM

___ Obtained Certificate

___ Contractual Clause

Project Title _____

Grant Number _____

Date _____

Signature

Print

MINUTES

LAKE COUNTY PARKS AND RECREATION BOARD MEETING

FEBRUARY 8, 2018

I. CALL MEETING TO ORDER

Board President, Christopher Dilts, called the Lake County Parks and Recreation Board Meeting to order at 7:00 p.m. in the large meeting room of the Purdue Cooperative Extension Office, 2291 North Main Street, Crown Point, Indiana.

II. ROLL CALL

Secretary to the Board, Jim Basala, called the roll and the following Board members were present: Christopher Dilts, Carl Ploense, Janet Reed, Ryan Reithel, John Salzeider and David Uzelac. Board Attorney, Louis Casale, was also in attendance.

Staff members present: Jim Basala, Chris Landgrave, Craig Zandstra, Sasha Mateer, Chris Cioroianu, Emily Trisler, Carol Spires and Wendy Loggins.

Also in attendance: Jill Murr.

III. PLEDGE OF ALLEGIANCE

IV. APPROVAL OF FEBRUARY 8, 2018 BOARD AGENDA

In a motion by Mr. Uzelac, seconded by Mr. Reithel, the Board voted unanimously to approve the Board Agenda of February 8, 2018.

V. APPROVAL OF JANUARY 11, 2018 BOARD MINUTES

In a motion by Mr. Salzeider, seconded by Mr. Reithel, the Board voted unanimously to approve the Board Minutes of January 11, 2018.

VI. OLD BUSINESS

None

VII. NEW BUSINESS

A. Consider Resolution Establishing Debarment Policy

Mr. Landgrave, Chief Operating Officer, reported to the Board that the Department was audited this year by the State Board of Accounts (SBA). There were two minor items that the SBA has asked the Department to implement. When utilizing federal government funds, a policy must be in place stating that Department staff will log on to the System for Award and Management Exclusions (SAM) website, maintained by the General Services Administration of the federal government, to review the people doing work for the Parks Department to make sure that they have not been disbarred from doing federal government work. Staff has been doing this, but did not have a written policy in place for the procedure. The other item has to do with how the federal funds are spent and oversight. Once costs are determined and itemized on a spreadsheet for a project utilizing federal funds, the chief executive officer or the chief operating officer must sign off on it, to make sure that no mistakes have been made. This requirement will also be part of the policy, which is in the form of the following resolution.

RESOLUTION NO. 2018-01

WHEREAS, the Lake County Parks and Recreation Board ("BOARD") utilizes federal grant funds in the form of direct federal grants and/or cooperative agreements ("Federal Funds") on numerous projects including, but not limited to, land and property acquisitions and construction projects (hereinafter "Projects"); and,

WHEREAS, the BOARD desires to comply with current federal government regulations and statutes pertaining to the receipt and use of said Federal Funds by implementing the procedures contained herein.

NOW THEREFORE, it is hereby Resolved as follows:

1. When dealing with BOARD PROJECTS which are either wholly or partially funded by Federal Funds, the Chief Executive Officer ("CEO") of the BOARD shall verify that entity or person with which the Board intends to do business with has not been suspended or debarred from federal contracts by:
 - (a) checking the System for Award and Management Exclusions ("SAM") maintained by the General Services Administration of the Federal Government to ensure that said entity or person has not been suspended or debarred from participating in federally funded projects; or,
 - (b) requiring and collecting certification or certificate from the person or entity that it is not suspended or debarred from participating in federally funded projects; or,
2. That all disbursement made to a person or entity receiving Federal Funds from participation in a BOARD PROJECT shall be reviewed and approved by the BOARD'S Project Manager for accuracy, authenticity and compliance with the guidelines for expenditure of Federal Funds, and reviewed and approved by the Chief Operating Officer (COO) or the CEO of the BOARD before submission to the BOARD of a claim that requisitions the payment of funds to said person or entity.

Resolved this 8th day of February, 2018 by the Lake County Park and Recreation Board.

By: _____
Christopher Dilts, President

Attest: _____
James Basala, CEO and Secretary to the Board

Mr. Salzeider made a motion to approve Resolution No. 2018-01. Mr. Reithel seconded the motion. There being no further discussion, Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented. Mr. Dilts announced that the Department now has a Debarment Policy.

B. Consider Quotes for Lake Etta Painting

Mr. Landgrave reported to the Board that staff had sent out a request for quotes to several contractors in the area for the painting of the interior of the Lake Etta banquet hall. One quote was received and is as follows:

S. Charles Decorating, LLC
Gary, Indiana
Cost: **\$8,715.00**

There are several websites available from companies that put out averages of what things should cost. Since there were no other quotes received, Mr. Landgrave went to one of the websites to determine what the average cost of a commercial painting job of this type should be. Based on those numbers, the quote from S. Charles Decorating falls within the average range, with a cost of about \$1.58 per square foot for the painting of 5500 square feet of interior space. Mr. Landgrave asked the Board to approve the paint quote from S. Charles Decorating.

Mr. Uzelac made a motion to approve the quote of \$8,715.00 from S. Charles Decorating for the painting of the Lake Etta banquet hall. Mr. Reithel seconded the motion. Discussion followed. Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented.

VIII. REPORTS

A. Committee Reports

1. Policy and Personnel/Budget and Finance

Mrs. Reed, Committee Chair, reported to the Board that the committee has been discussing the need to amend the farm management contract with the Lake Heritage Parks Foundation. She asked Mr. Basala to tell the Board more about amending the contract.

Mr. Basala, CEO and Secretary to the Board, reported that, as the Board is aware, the Lake Heritage Parks Foundation manages farm operations for the Parks Department at Buckley Homestead and

Grand Kankakee Marsh. They act as the Department’s farm managers and do not own any of the property being farmed at these sites. The Parks Department would like to add all farm grounds at Deep River County Park, the former Vereb property at Oak Ridge Prairie and a rental property at Deep River to the farm management contract. The contract will then include essentially all of the Department’s farm properties. The property at Oak Ridge Prairie will eventually be turned into a wetland mitigation bank and some of the properties at Deep River will be restored to forested uplands, as per agreements with The Conservation Fund and Enbridge. Mr. Basala asked the Board to pass the following resolution, which would add these properties to the farm management contract with the Lake Heritage Parks Foundation.

RESOLUTION NO. 2018-02

WHEREAS, the Lake County Park and Recreation Board (“BOARD”) presently has a Management Agreement (“AGREEMENT”) with the Lake Heritage Parks Foundation (“FOUNDATION”) to manage certain farmland owned by the BOARD; and,

WHEREAS, the Board desires to add additional properties to be managed by the FOUNDATION under the terms and conditions set out in the AGREEMENT, these properties being described as follows:

1. All farm rental properties at the Deep River County Park.
2. Property rented at 8548 E. 89th Avenue, Crown Point, IN 46307.
3. Farm property rented at the Oak Ridge Prairie Mitigation Bank located at 6120 Hendrick’s Street, Merrillville, IN 46410.

All of which to be referred to as (“ADDITIONAL PROPERTIES”).

NOW, THEREFORE, it is hereby resolved that the ADDITIONAL PROPERTIES shall be managed by the FOUNDATION under the terms and conditions of the AGREEMENT.

Resolved this 8th day of February, 2018.

By: _____
Christopher Dilts, President
Lake County Parks and Recreation Board

Attest: _____
James Basala, CEO and Secretary to the Board

Mr. Uzelac made a motion to approve Resolution No. 2018-02. Mrs. Reed seconded the motion. There being no further discussion, Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented.

2. Goals and Objectives/Land Acquisition
No Report.

B. Division Reports

1. Planning and Natural Resource Management

Mr. Zandstra, Division Superintendent, reported to the Board that the recent weather conditions have allowed the contractors at Gibson Woods to get a lot of work done. The contractors should finish their work for the winter, although Tallgrass Restoration may have a small amount of work to complete next winter.

The greenhouses at Oak Ridge Prairie are up and running. Volunteers from the *Wild Ones*, an organization that promotes the use of native plants, use the greenhouses to grow a variety of plants, shrubs and trees for sale at the annual *Native Plant Sale* held at Gibson Woods each May. With the recent snow, this weekend should be good for sledding at Oak Ridge Prairie.

The Army Corp of Engineers gave Lake County Parks approval this week to do a forced wetland restoration at Grand Kankakee Marsh. The Lake County Surveyor’s office requested that the Parks Department do this project with them. They had some issues with one of their ditch-cleaning operations at the Brown Levee ditch, which goes through Grand Kankakee Marsh, causing one of the wetland areas in the park to be filled in with soil. The surveyor’s office will pay all of the project costs. Parks staff will be doing some weed control work, removing brush and undesirable trees. Once that work is done, new trees will be planted by contractors. The surveyor’s office will also provide funds for seasonal part-time help in the summer to assist with watering and weed control.

Staff members attended the Indiana Park and Recreation Conference in Fort Wayne last week. Staff from the Eppley Institute at Indiana University were at the conference and provided an update on trail usage in the state of Indiana. The Erie Lackawanna Trail is the 3rd most heavily-used trail in the state. The 1st most heavily-used trail in the state is a lighted trail in Bloomington near the university. The 2nd is the Monon Trail which runs from Hamilton County to Marion County in Indianapolis. With the Erie Lackawanna's recent trail connection to the Oak Savannah Trail, Mr. Zandstra anticipates the Oak Savannah Trail getting more use in the future. Mr. Dilts asked how trail users are counted. Mr. Zandstra explained that there are digital trail counters installed along certain locations on the trails, similar to the game cameras that hunters use. As people go by, the waterproof trail counter takes a digital reading and tallies up the results. A report from the Eppley Institute will be coming out this year, identifying not only trail counts but also a general update on the trail system in Indiana.

2. Recreation and Special Facilities

Ms. Mateer, Division Superintendent, reported to the Board that she had mentioned at last month's Board meeting that the Ice Plaza would be hosting a *Skate the Eighties* night for the first time. The themed program was a success, with about two hundred people in attendance. The Ice Plaza will be hosting another 80's night this Saturday from 5:00 to 10:00 p.m. There will be a D. J. and trivia questions. Staff will dress appropriately. The ice-skating season will wrap up on February 25.

Season pass sales for Deep River Waterpark are still going strong. It is the second-best year for season pass sales since 2010. A better comparison report for yearly season pass sales will be in next month's Board packets.

At Deep River County Park, staff is gearing up for its annual *Maple Syrup Time* program. It is a great program, and a favorite program for many staff members. The weather has to be just right for the sap to flow in the maple trees, with temperatures above freezing during the day and below freezing at night. The program will take place March 5 through the 9 and March 12 through the 15 for school groups. The public program takes place March 10, 11, 17 and 18.

3. Park Operations

Mr. Cioroianu, Division Superintendent, reported to the Board that staff at Lemon Lake and Stoney Run are gearing up for the snow. Both parks will be open for cross-country skiing tomorrow. With many schools closed for the day, it will provide a good opportunity for kids and parents to get out in the parks. Cross-country skiing is being offered on the weekends and during school holidays through February, weather permitting.

A few weeks ago, when the weather was milder and there was no snow on the ground, there were about 100 golfers at Turkey Creek. When it is too warm for ice-skating, there will usually be golfers at Turkey Creek.

The construction crew just finished remodeling the kitchen in the basement of the Deep River County Park visitor center. They installed new cabinets, a sink and flooring and also painted the interior walls. They are currently installing additional flooring at the main business office and should finish this week.

The maintenance crew continues its annual work of servicing all of the Department's equipment and getting it ready for the upcoming season.

4. Administrative Services

Mr. Landgrave, Chief Operating Officer, reported to the Board that the end of year report for 2017 is in their Board packets. The year ended with a strong cash balance in the Department's operating fund.

Edge Adventures at Deep River Waterpark ended their first season with a total attendance of about 10,000. The adventure park started off slow, but picked up during June and July. The Department's share of their total revenue for the season came to about \$300.00 an acre, which is about \$100.00 more per acre than what the Department would get in farm rent. Edge Adventures encompasses five acres of Parks property. Staff is hopeful that they will have a better season next year. Those that visited Edge Adventures last season had good things to say about it.

The bid process is ongoing for the Bellaboo's expansion project. A pre-bid meeting was held last Friday. There was a lot of interest showed, with four different general contractors and quite a few



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Banquets - 219-887-3550

Reservations - 219-769-7275

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2016-006

Fiscal year in which the finding initially occurred: **2016**
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Lake County Parks and Recreation Department (LCPRD)
Contact Person Responsible for Corrective Action: **Mindy Gallo and Jim Basala**
Contact Phone Number: **219-945-0543**

Status of Audit Finding:

In response to 2016-006, the LCPRD Board adopted Resolution 2018-01 at their February 8, 2018 Board meeting.

Additionally, staff created internal control procedures and tracking forms.

These procedures were not implemented in 2017 but are currently being implemented.

Attached are copies of Board minutes, Resolution 2018-01 and new form.

Jim Basala, CEO
and Secretary to the Board

August 2, 2018

Established: June 1, 1968

"A Natural Place For Fun"



**LAKE COUNTY PARKS AND RECREATION DEPARTMENT
GRANT INFORMATION FOR YEAR ENDING 2018**

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<i>(LWCF Land Acquisition \$7000.00 / Big Maple Construction)</i>							
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The Conservation Fund / NipSCO / USFWS		400,000.00				Cedar Lake Marsh / Roberts Acquisition	
IDNR / Bicentennial Nature Trust	Project # 202	300,000.00				Oak Ridge Prairie / Vereb Acquisition	Closed
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IDEM / EPA / Grand Calumet Area GLRI Project	48715506 EDS# A305-6-186	1,037,500.00	2016	65,205.27	79996	Gibson Woods Restoration	Open
			2016	242,959.73	83037		
			2016	78,832.00	83521		

GRANTING AGENCY	IDENTIFICATION #	AMOUNT AWARDED		AMOUNT REIMBURSED		Quietus#	Park Site
			Year				
			2017	140,778.00		85503	
			2017	47,000.00		86133	
			2017	33,255.00		89019	
			2017	81,454.00		89980	
			2018	98,436.00		91604	
				787,920.00			
IDEM / EPA / Grand Calumet Area GLRI Project	ID# GLOOE01506-0	570,500.00					Gibson Woods / Restoration Open
USFW/ Cooperative Agreement	Award # F16AC00863	1,600.00					Monarch Prairie / Lake Edge Planting / Big Maple Lake Open
USFW/ Cooperative Agreement	Award # F16AC00863	9,000.00					Monarch Prairie / Wetland Edge Planting / Beaver Dam Open
Little Calumet River Basin Development Commission		23,899.00	2018	23,899.00	16424 Check		Deep River, Oak Ridge Prairie, Turkey Creek, EL / Tree Planting Closed
IDNR / LMCP / Lake Michigan Coastal Program	CZ731 Contract #25750	5,925.00					Oak Ridge Prairie / Costakis Acquisition Open
The Nature Conservancy		1,500.00					Oak Ridge Prairie / Costakis Acquisition Open
Little Calumet River Basin Development Commission	2018-010525	4,300.00	2018	4,300.00	16497 Check		Oak Ridge Prairie / Costakis Acquisition Closed
IDNR / LMCP / Lake Michigan Coastal Program	CZ735 Contract #25916	150,000.00					Deep River County Park / Tsirtsis Acquisition Open
Little Calumet River Basin Development Commission	2018-010526	82,250.00	2018	82,250.00	16497 Check		Deep River County Park / Tsirtsis Acquisition Closed
Little Calumet River Basin Development Commission	2018-010525	7,325.00	2018	7,325.00	16497 Check		Oak Ridge Prairie / Curtis Acquisition Closed
IDNR / LMCP / Lake Michigan Coastal Program		11,000.00					Oak Ridge Prairie / Curtis Acquisition Open
The Nature Conservancy		1,500.00					Oak Ridge Prairie / Curtis Acquisition Open

Signatures:

Superintendent of Planning Natural Resource Management

Sherry Klein
Secretary/Bookkeeper

Mandy Gallo
Comptroller
J. Barala CEO

Internal Control procedures for processing grant claims

The following steps will be followed to ensure that the Lake County Parks and Recreation Department maintains adequate oversight and internal controls with respect to the administration of Federal grant projects.

1. Upon receipt of an invoice from a contractor or supplier a Purchase Order Request will be generated by the project manager and submitted to the Finance Department of the Lake County Parks and Recreation Department.
2. The Finance Department will issue a Purchase Order for payment following current County procedures. They will also request a copy of a cancelled check from the vendor upon their receiving payment.
3. Upon receipt of a cancelled check, the Project Manager will file a claim on the granting agency's form. The claim submission will also include a copy of the cancelled check, purchase order, invoice and any supporting materials.
4. Prior to issuing the claim the Project Manager will verify that all payments to a vendor meet the requirements of the grant. The Project Manager will complete a form attesting to validity of the claim.
5. The Chief Executive Officer will verify the claims submission and sign where appropriate on the claim form.
6. Upon receipt of a check or wire transfer confirmation from the granting agency the division secretary will record the claim on the Park Department's internal grant log. The project manager will initial in the appropriate space the accuracy of the claim listed.
7. The Chief Executive Officer or the Chief Operating Officer will review grant reports generated by the project manager before they are shared. The CEO or COO will then complete and sign form 80118-3 and attach it to the report.
8. All materials will be kept in a folder specific to each grant.

Lake County Parks and Recreation Department
Federal Grant Claim Submission Control Form

Form 80118-1

I verify that the claims submitted for grant known as _____
meet the federal requirements and standards as put forth by the grant listed on this
sheet.

Claim # _____

Grant # _____

Date _____

By _____
signature

print

Lake County Parks and Recreation Department
Federal Grant Reporting Review Form
Form 80118-3

I have reviewed the attached report titled _____ for accuracy and compliance as it relates to the grant being reported on. I have found everything to be satisfactory.

Grant # _____

Date _____

By _____
sign

_____ print

Title _____

Resolution Number 2018- 01

WHEREAS, the Lake County Park and Recreation Board ("BOARD") utilizes federal grant funds in the form of direct federal grants and/or cooperative agreements ("Federal Funds") on numerous projects including, but not limited to, land and property acquisitions and construction projects (hereinafter "PROJECTS"); and,

WHEREAS, the BOARD desires to comply with current federal government regulations and statutes pertaining to the receipt and use of said Federal Funds by implementing the procedures contained herein.

NOW THEREFORE, it is hereby Resolved as follows:

- 1. When dealing with BOARD PROJECTS which are either wholly or partially funded by Federal Funds, the Chief Executive Officer ("CEO") of the BOARD shall verify that entity or person with which the BOARD intends to do business with has not been suspended or debarred from federal contracts by:
 - (a) checking the System for Award and Management Exclusions ("SAM") maintained by the General Services Administration of the Federal Government to ensure that said entity or person has not been suspended or debarred from participating in federally funded projects; or,**
 - (b) Requiring and collecting certification or certificate from the person or entity that it is not suspended or debarred from participating in federally****

funded projects; or,
(c) Adding a clause or condition in its contract with said person or entity certifying that it is not suspended or debarred from participation on federally funded projects.

2. That all disbursement made to a person or entity receiving Federal Funds from participation in a BOARD PROJECT shall be reviewed and approved by the BOARD'S Project Manager for accuracy, authenticity and compliance with the guidelines for expenditure of Federal Funds, and reviewed and approved by the Chief Operating Officer (COO) or the CEO of the BOARD before submission to the BOARD of a claim that requisitions the payment of funds to said person or entity.

Resolved this 8th day of FEBRUARY, 2018.

Lake County Park and
Recreation Board

By: Chris Dilts
Chris Dilts, President

Attest: James Basala
James Basala, Secretary and CEO

MINUTES

LAKE COUNTY PARKS AND RECREATION BOARD MEETING

FEBRUARY 8, 2018

I. CALL MEETING TO ORDER

Board President, Christopher Dilts, called the Lake County Parks and Recreation Board Meeting to order at 7:00 p.m. in the large meeting room of the Purdue Cooperative Extension Office, 2291 North Main Street, Crown Point, Indiana.

II. ROLL CALL

Secretary to the Board, Jim Basala, called the roll and the following Board members were present: Christopher Dilts, Carl Ploense, Janet Reed, Ryan Reithel, John Salzeider and David Uzelac. Board Attorney, Louis Casale, was also in attendance.

Staff members present: Jim Basala, Chris Landgrave, Craig Zandstra, Sasha Mateer, Chris Cioroianu, Emily Trisler, Carol Spires and Wendy Loggins.

Also in attendance: Jill Murr.

III. PLEDGE OF ALLEGIANCE

IV. APPROVAL OF FEBRUARY 8, 2018 BOARD AGENDA

In a motion by Mr. Uzelac, seconded by Mr. Reithel, the Board voted unanimously to approve the Board Agenda of February 8, 2018.

V. APPROVAL OF JANUARY 11, 2018 BOARD MINUTES

In a motion by Mr. Salzeider, seconded by Mr. Reithel, the Board voted unanimously to approve the Board Minutes of January 11, 2018.

VI. OLD BUSINESS

None

VII. NEW BUSINESS

A. Consider Resolution Establishing Debarment Policy

Mr. Landgrave, Chief Operating Officer, reported to the Board that the Department was audited this year by the State Board of Accounts (SBA). There were two minor items that the SBA has asked the Department to implement. When utilizing federal government funds, a policy must be in place stating that Department staff will log on to the System for Award and Management Exclusions (SAM) website, maintained by the General Services Administration of the federal government, to review the people doing work for the Parks Department to make sure that they have not been disbarred from doing federal government work. Staff has been doing this, but did not have a written policy in place for the procedure. The other item has to do with how the federal funds are spent and oversight. Once costs are determined and itemized on a spreadsheet for a project utilizing federal funds, the chief executive officer or the chief operating officer must sign off on it, to make sure that no mistakes have been made. This requirement will also be part of the policy, which is in the form of the following resolution.

RESOLUTION NO. 2018-01

WHEREAS, the Lake County Parks and Recreation Board ("BOARD") utilizes federal grant funds in the form of direct federal grants and/or cooperative agreements ("Federal Funds") on numerous projects including, but not limited to, land and property acquisitions and construction projects (hereinafter "Projects"); and,

WHEREAS, the BOARD desires to comply with current federal government regulations and statutes pertaining to the receipt and use of said Federal Funds by implementing the procedures contained herein.

NOW THEREFORE, it is hereby Resolved as follows:

1. When dealing with BOARD PROJECTS which are either wholly or partially funded by Federal Funds, the Chief Executive Officer (“CEO”) of the BOARD shall verify that entity or person with which the Board intends to do business with has not been suspended or debarred from federal contracts by:
 - (a) checking the System for Award and Management Exclusions (“SAM”) maintained by the General Services Administration of the Federal Government to ensure that said entity or person has not been suspended or debarred from participating in federally funded projects; or,
 - (b) requiring and collecting certification or certificate from the person or entity that it is not suspended or debarred from participating in federally funded projects; or,
2. That all disbursement made to a person or entity receiving Federal Funds from participation in a BOARD PROJECT shall be reviewed and approved by the BOARD’S Project Manager for accuracy, authenticity and compliance with the guidelines for expenditure of Federal Funds, and reviewed and approved by the Chief Operating Officer (COO) or the CEO of the BOARD before submission to the BOARD of a claim that requisitions the payment of funds to said person or entity.

Resolved this 8th day of February, 2018 by the Lake County Park and Recreation Board.

By: _____
Christopher Dilts, President

Attest: _____
James Basala, CEO and Secretary to the Board

Mr. Salzeider made a motion to approve Resolution No. 2018-01. Mr. Reithel seconded the motion. There being no further discussion, Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented. Mr. Dilts announced that the Department now has a Debarment Policy.

B. Consider Quotes for Lake Etta Painting

Mr. Landgrave reported to the Board that staff had sent out a request for quotes to several contractors in the area for the painting of the interior of the Lake Etta banquet hall. One quote was received and is as follows:

S. Charles Decorating, LLC
Gary, Indiana
Cost: **\$8,715.00**

There are several websites available from companies that put out averages of what things should cost. Since there were no other quotes received, Mr. Landgrave went to one of the websites to determine what the average cost of a commercial painting job of this type should be. Based on those numbers, the quote from S. Charles Decorating falls within the average range, with a cost of about \$1.58 per square foot for the painting of 5500 square feet of interior space. Mr. Landgrave asked the Board to approve the paint quote from S. Charles Decorating.

Mr. Uzelac made a motion to approve the quote of \$8,715.00 from S. Charles Decorating for the painting of the Lake Etta banquet hall. Mr. Reithel seconded the motion. Discussion followed. Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented.

VIII. REPORTS

A. Committee Reports

1. Policy and Personnel/Budget and Finance

Mrs. Reed, Committee Chair, reported to the Board that the committee has been discussing the need to amend the farm management contract with the Lake Heritage Parks Foundation. She asked Mr. Basala to tell the Board more about amending the contract.

Mr. Basala, CEO and Secretary to the Board, reported that, as the Board is aware, the Lake Heritage Parks Foundation manages farm operations for the Parks Department at Buckley Homestead and

Grand Kankakee Marsh. They act as the Department’s farm managers and do not own any of the property being farmed at these sites. The Parks Department would like to add all farm grounds at Deep River County Park, the former Vereb property at Oak Ridge Prairie and a rental property at Deep River to the farm management contract. The contract will then include essentially all of the Department’s farm properties. The property at Oak Ridge Prairie will eventually be turned into a wetland mitigation bank and some of the properties at Deep River will be restored to forested uplands, as per agreements with The Conservation Fund and Enbridge. Mr. Basala asked the Board to pass the following resolution, which would add these properties to the farm management contract with the Lake Heritage Parks Foundation.

RESOLUTION NO. 2018-02

WHEREAS, the Lake County Park and Recreation Board (“BOARD”) presently has a Management Agreement (“AGREEMENT”) with the Lake Heritage Parks Foundation (“FOUNDATION”) to manage certain farmland owned by the BOARD; and,

WHEREAS, the Board desires to add additional properties to be managed by the FOUNDATION under the terms and conditions set out in the AGREEMENT, these properties being described as follows:

1. All farm rental properties at the Deep River County Park.
2. Property rented at 8548 E. 89th Avenue, Crown Point, IN 46307.
3. Farm property rented at the Oak Ridge Prairie Mitigation Bank located at 6120 Hendrick’s Street, Merrillville, IN 46410.

All of which to be referred to as (“ADDITIONAL PROPERTIES”).

NOW, THEREFORE, it is hereby resolved that the ADDITIONAL PROPERTIES shall be managed by the FOUNDATION under the terms and conditions of the AGREEMENT.

Resolved this 8th day of February, 2018.

By: _____
Christopher Dilts, President
Lake County Parks and Recreation Board

Attest: _____
James Basala, CEO and Secretary to the Board

Mr. Uzelac made a motion to approve Resolution No. 2018-02. Mrs. Reed seconded the motion. There being no further discussion, Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented.

2. Goals and Objectives/Land Acquisition
No Report.

B. Division Reports

1. Planning and Natural Resource Management

Mr. Zandstra, Division Superintendent, reported to the Board that the recent weather conditions have allowed the contractors at Gibson Woods to get a lot of work done. The contractors should finish their work for the winter, although Tallgrass Restoration may have a small amount of work to complete next winter.

The greenhouses at Oak Ridge Prairie are up and running. Volunteers from the *Wild Ones*, an organization that promotes the use of native plants, use the greenhouses to grow a variety of plants, shrubs and trees for sale at the annual *Native Plant Sale* held at Gibson Woods each May. With the recent snow, this weekend should be good for sledding at Oak Ridge Prairie.

The Army Corp of Engineers gave Lake County Parks approval this week to do a forced wetland restoration at Grand Kankakee Marsh. The Lake County Surveyor’s office requested that the Parks Department do this project with them. They had some issues with one of their ditch-cleaning operations at the Brown Levee ditch, which goes through Grand Kankakee Marsh, causing one of the wetland areas in the park to be filled in with soil. The surveyor’s office will pay all of the project costs. Parks staff will be doing some weed control work, removing brush and undesirable trees. Once that work is done, new trees will be planted by contractors. The surveyor’s office will also provide funds for seasonal part-time help in the summer to assist with watering and weed control.

Staff members attended the Indiana Park and Recreation Conference in Fort Wayne last week. Staff from the Eppley Institute at Indiana University were at the conference and provided an update on trail usage in the state of Indiana. The Erie Lackawanna Trail is the 3rd most heavily-used trail in the state. The 1st most heavily-used trail in the state is a lighted trail in Bloomington near the university. The 2nd is the Monon Trail which runs from Hamilton County to Marion County in Indianapolis. With the Erie Lackawanna's recent trail connection to the Oak Savannah Trail, Mr. Zandstra anticipates the Oak Savannah Trail getting more use in the future. Mr. Dilts asked how trail users are counted. Mr. Zandstra explained that there are digital trail counters installed along certain locations on the trails, similar to the game cameras that hunters use. As people go by, the waterproof trail counter takes a digital reading and tallies up the results. A report from the Eppley Institute will be coming out this year, identifying not only trail counts but also a general update on the trail system in Indiana.

2. Recreation and Special Facilities

Ms. Mateer, Division Superintendent, reported to the Board that she had mentioned at last month's Board meeting that the Ice Plaza would be hosting a *Skate the Eighties* night for the first time. The themed program was a success, with about two hundred people in attendance. The Ice Plaza will be hosting another 80's night this Saturday from 5:00 to 10:00 p.m. There will be a D. J. and trivia questions. Staff will dress appropriately. The ice-skating season will wrap up on February 25.

Season pass sales for Deep River Waterpark are still going strong. It is the second-best year for season pass sales since 2010. A better comparison report for yearly season pass sales will be in next month's Board packets.

At Deep River County Park, staff is gearing up for its annual *Maple Syrup Time* program. It is a great program, and a favorite program for many staff members. The weather has to be just right for the sap to flow in the maple trees, with temperatures above freezing during the day and below freezing at night. The program will take place March 5 through the 9 and March 12 through the 15 for school groups. The public program takes place March 10, 11, 17 and 18.

3. Park Operations

Mr. Cioroianu, Division Superintendent, reported to the Board that staff at Lemon Lake and Stoney Run are gearing up for the snow. Both parks will be open for cross-country skiing tomorrow. With many schools closed for the day, it will provide a good opportunity for kids and parents to get out in the parks. Cross-country skiing is being offered on the weekends and during school holidays through February, weather permitting.

A few weeks ago, when the weather was milder and there was no snow on the ground, there were about 100 golfers at Turkey Creek. When it is too warm for ice-skating, there will usually be golfers at Turkey Creek.

The construction crew just finished remodeling the kitchen in the basement of the Deep River County Park visitor center. They installed new cabinets, a sink and flooring and also painted the interior walls. They are currently installing additional flooring at the main business office and should finish this week.

The maintenance crew continues its annual work of servicing all of the Department's equipment and getting it ready for the upcoming season.

4. Administrative Services

Mr. Landgrave, Chief Operating Officer, reported to the Board that the end of year report for 2017 is in their Board packets. The year ended with a strong cash balance in the Department's operating fund.

Edge Adventures at Deep River Waterpark ended their first season with a total attendance of about 10,000. The adventure park started off slow, but picked up during June and July. The Department's share of their total revenue for the season came to about \$300.00 an acre, which is about \$100.00 more per acre than what the Department would get in farm rent. Edge Adventures encompasses five acres of Parks property. Staff is hopeful that they will have a better season next year. Those that visited Edge Adventures last season had good things to say about it.

The bid process is ongoing for the Bellaboo's expansion project. A pre-bid meeting was held last Friday. There was a lot of interest showed, with four different general contractors and quite a few

subcontractors in attendance.

Mr. Landgrave was notified by the Department of Workforce Development that the Park Department's rate for its unemployment insurance payments has been reduced from 6.4% to 1.2%, now that they are confident in Lake County Parks' ability to pay and to pay on time. Some discussion followed, with Mr. Landgrave and Mr. Basala answering questions from the Board.

Mr. Basala told the Board that he included some items of general information in their Board packets. One of the items is a resolution that state senator, Rick Niemeyer, introduced into the state senate that recognizes the Lake County Parks Board on the occasion of its 50th anniversary and the many improvements it has brought to Lake County and its residents. On June 1 of this year, the Parks Department will be fifty years old. Senator Niemeyer's father, Ernest Niemeyer, served as the Park Board's first president in 1968. Senator Niemeyer's brother, Doyle Niemeyer, also worked for the Department for a number of years as a park manager.

Other items of general information in the Board packets include two flyers with color photographs of different park sites and facilities. One of these will be used as the inside cover of the *Pathfinder* magazine, and the other is a smaller version of a poster that was made for the 2018 Indiana Park and Recreation Association (IPRA) State Conference, recently attended by staff members. Emily Trisler, Communications Specialist, made both. The last item is a written nomination for an Outstanding Agency Award with the IPRA, for which staff applied, with the winner announced at the state conference. The award was won by the Indy (Indianapolis) Parks and Recreation Department. However, staff was told at the conference that Lake County Parks lost by only one point and was strongly encouraged to apply again next year. Mr. Basala wanted to include this nomination in the Board packets because it includes a lot of history about Lake County Parks, even though it is just a portion of what Lake County Parks has done over the years.

The new Lake County Parks website will be launched at the end of the month. It will be a big step forward for the Department.

IX. ACCEPTANCE OF CLAIMS

Claims to be accepted:

107 Operating Fund	\$ 114,571.42
116 Non Reverting Land	4,004.00
117 Non Reverting Operating	134,268.43
353 Bond Fund	19,958.17
354 Park Bond Fund 2016	<u>87,291.40</u>

Total: \$ 360,093.42

Mr. Uzelac made a motion to approve the claims. Mr. Reithel seconded the motion. Mr. Dilts asked if there were any questions. Mrs. Reed had a question about one of the claims, which Ms. Matcra answered. Mr. Dilts asked if there were any more questions. There being none, Mr. Dilts called for the vote, and the Board voted unanimously to approve the motion as presented.

X. GENERAL DISCUSSION

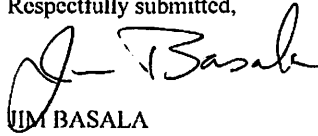
Mr. Basala introduced Jill Murr to the Park Board. Ms. Murr is the town administrator for Cedar Lake. The town of Cedar Lake is building a new water tower to serve the Robin's Nest subdivision and some new developments on the east side of the town. It will abut Lemon Lake in the northwest corner of the park. The town may need additional land for the water tower site because of fencing and homeland security requirements. The town of Cedar Lake approached the Parks Department about the possibility of utilizing 1.6 acres of parkland. Ms. Murr stated that the town has just approved the contractor to do the soil borings. Mr. Basala said that staff does not have an issue with their request and once more information is received about the site, they will bring something before the Park Board for their approval. However, Land and Water Conservation Fund monies were used for this property, which puts outdoor recreation easements on it. If outdoor recreation property is put to use for something else, such as fencing for the water tower, then it has to be replaced with the same amount of acreage elsewhere. Ms. Murr said that the town is looking at all of the properties that they may have that abut Lake County Parks and Recreation properties. The town has also been working on the Founder's Creek area to try and develop a trail that will go into the downtown area of Cedar Lake by the town hall. There might be a way to tie that trail into Lemon Lake Park. Mr.

Basala explained to the Board that the Founder's Creek area is on 133rd Avenue, west of Lemon Lake. Ms. Murr has been a strong advocate of getting a bike trail from Lowell to Cedar Lake and then through Lemon Lake Park and up to Crown Point. Parks staff is happy to work with the town of Cedar Lake on an agreement, which will be brought before the Park Board sometime in the future for approval.

XI. ADJOURNMENT

In a motion by Mr. Uzelac, seconded by Mr. Reithel, the Lake County Parks and Recreation Board meeting adjourned at 7:31 p.m.

Respectfully submitted,



JIM BASALA
Secretary to the Board

JB/wl

JOHN E. PETALAS
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



CORRECTIVE ACTION PLAN

FINDING 2017--001

John E. Petalas
petaljx@lakecountyin.org
219.755.3901


We agree with the repeat finding identified.

Description of Corrective Action Plan:

The County Auditors' Office will continue to work with the Treasurers' Office to resolve the discrepancies that have been unresolved since 2011.

Anticipated Completion Date:

We expect to resolve the issues within the next six months.


John E. Petalas

Lake County Auditor

09-11-18
(Date)



Treasurer Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Peggy Holinga Katona
Contact Phone Number: 219-755-3769

Description of Corrective Action Plan:

Our Corrective Action Plan is that the Treasurer's Bookkeeping Dept. will email the Auditor's Finance Dept. to remind them that they **MUST** submit the Settlement Quietus' to us so that we will make sure they are in balance with our cash. At that point, we will give them permission to print the Settlement checks. We have used this procedure for many decades and it was 100% perfect until the Auditor's Finance Dept. omitted the Treasurer's Bookkeeping Dept. in balancing out Settlement monies for 2011.

A handwritten signature in black ink, reading "Peggy Holinga Katona", written over a horizontal line.

Lake County Treasurer

September 11, 2018



MICHAEL A. BROWN
CLERK LAKE CIRCUIT/SUPERIOR COURT
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

PHONE: (219) 755-3460

FAX: (219) 755-3520



CORRECTIVE ACTION PLAN

August 30, 2018

FINDING 2017-002

Contact Person Responsible for Corrective Action: Rebecca Dowling

Contact Phone Number: 219-755-3067

Views of Responsible Official: We concur with the finding.

The corrective plan for the Lack of Segregation of Duties has been addressed and these controls were put into place in late 2014. We have necessary documentation when the segregation of duties is not feasible due to the staff's situation. We will continue to identify and correct all areas where control is lacking.

We will have a process in place for monitoring and reviewing all financial reports that are prepared in the Clerk's Office.

We will continue to monitor and enforce that these procedures are followed daily per the State Board of Accounts manual.

The corrective plan for the Preparing Financial Statement (Annual Carr/ Supplemental Report) will be to monitor that the correct dollar amounts are reported by the County Auditor in the Gateway program. This will also include a review documentation. We will have an open line of communication with the Auditors Department on the checks and balances of this report.

Anticipated Completion Date: August 30, 2018

Sincerely,


Michael A. Brown *RS*



**LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT**

2293 N. Main Street • Crown Point, In 46307

Tel. (219) 755-3225 • Fax (219) 736-5925

www.lakecountyin.org

Executive Director
Timothy A. Brown

August 30th, 2018

Corrective Action Plan

Finding: 2017-003

Fiscal year in which the finding initially occurred: 2017

Federal Agency: HUD

Contact Person Responsible for Corrective Action: Timothy A. Brown

Title of Contact Person: Executive Director

Phone Number: (219) 755-3225

Condition:

The Department (LCCEDD) had not developed nor documented a system of internal controls for the HUD 60002, Section 3 Summary Report reporting requirements.

Context:

The lack of controls was a systemic issues throughout the audit period as there was not a proper system of oversight or review for the only required HUD 60002 report.

Views of Responsible Official:

The department concurs with the finding, however, wishes to make the following statement: The finding, on its face, is correct, but due solely of the inadequacy of the HUD required SPEARS computer program.

Corrective Action Plan:

The HUD 60002, Section 3 Summary Report is required to be inputted into the HUD SPEARS provided computer program once per year. The Program does NOT allow any format to approve the information inputted nor does the program allow for the typical printout of information inputted.

The Department (LCCEDD) will institute for the next annual report in the Fall of 2018 a process to print-screen each page once inputted to retrieve data so that a signature page can be created to review and sign off on the report.

A handwritten signature in black ink, appearing to read "Timothy A. Brown", written over a horizontal line.

Timothy A. Brown
Executive Director

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/>.