

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

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



**FILED**  
01/11/2019



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Tonya L. Jones	01-01-15 to 12-31-18
County Treasurer	Michele J. Bricker	01-01-17 to 12-31-20
Clerk of the Circuit Court	Michelle L. Mawhorter	01-01-17 to 12-31-20
County Sheriff	Douglas A. Harp	01-01-15 to 12-31-18
County Recorder	Candy B. Myers	01-01-15 to 12-31-18
President of the Board of County Commissioners	Gary D. Leatherman	01-01-17 to 12-31-18
President of the County Council	Michael C. Toles Denise Lemmon	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 NOBLE COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of Noble County (County), which comprises the financial position and results of operations for the year ended December 31, 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 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 November 26, 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

November 26, 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 NOBLE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Noble County (County), which comprises the financial position and results of operations for the year ended December 31, 2017, and the related notes to the financial statement, and have issued our report thereon dated November 26, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001 and 2017-002.

**Noble County's Response to Findings**

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

**Purpose of This Report**

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

  
Paul D. Joyce, CPA  
State Examiner

November 26, 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.

NOBLE 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 Fund	\$ 1,552,024	\$ 13,025,646	\$ 12,533,791	\$ 2,043,879
Sheriff's Accident Report	19,292	6,735	3,410	22,617
Bond Forfeitures	7,071	-	-	7,071
CAGIT Certified Shares	211,340	-	211,216	124
CEDIT	1,368,413	1,329,234	1,171,555	1,526,092
Municipal Court Cost	6,770	14,136	14,051	6,855
Clerk's Record Perpetuation	72,591	43,240	40,678	75,153
Community Corrections Grant	672,568	709,213	1,376,201	5,580
Special Operations Group	7,075	-	-	7,075
Sales Disclosure Fund	36,312	6,100	3,714	38,698
Cumulative Capital Development - Bridges	2,544,426	797,842	1,062,206	2,280,062
Cumulative Building Courthouse	458,000	123,632	40,598	541,034
Highway Building New Construction	1,200,832	743	1,201,575	-
Drug Free Community Fund	37,476	36,667	37,476	36,667
LIT Econ Development	-	2,360,817	2,360,817	-
Emergency Planning-SARA	13,346	6,831	7,002	13,175
Extradition	35,025	4,815	22,213	17,627
Firearms Training	56,500	12,203	20,260	48,443
Drain Improvements	534,734	173,843	118,533	590,044
Health Department	251,174	508,786	457,377	302,583
Security Protection Fund	18,464	5,343	-	23,807
Health Maintenance	148,492	16,709	18,358	146,843
Local Road And Street	706,115	570,191	983,121	293,185
LIT Public Safety County Share	-	1,261,907	125,000	1,136,907
County Misdemeanants Fund	125,222	27,690	16,069	136,843
Highway	972,168	4,251,053	4,623,923	599,298
Rainy Day Fund	847,122	145,523	348,689	643,956
Reassessment	46	-	-	46
Reassessment 2015	492,742	549,668	210,883	831,527
Recorders Perpetuation	140,871	116,471	67,741	189,601
River Boat Revenue Sharing	-	281,600	281,600	-
Sex Offender Fees - State 10%	5	340	327	18
Sheriff Service Fee	152,098	43,133	-	195,231
Public Defender Fees	206,028	21,308	6,269	221,067
Surplus Tax	76,726	79,808	103,879	52,655
Surveyor's Perpetuation	46,134	21,015	-	67,149
Tax Sale Redemption	2,567	114,441	116,483	525
Tax Sale Surplus	554,124	732,051	602,724	683,451
Tobacco "Master" Settlement	142,032	12,625	3,620	151,037
Victim Witness	70,014	95,621	117,239	48,396
Guardian Ad Litem/CASA	93,835	40,133	33,633	100,335
Family Preservation Court Fees	5,515	7,125	3,935	8,705
Elected Officials Training	19,868	5,344	1,578	23,634
County - Transportation Fund	3,381	34,831	2,194	36,018
Statewide 9-1-1	387,637	591,046	631,634	347,049
Project Income	(30,263)	897,358	317,947	549,148
Storm/Erosion Fund	31,249	12,650	69	43,830
Adult Probation	775,083	183,951	246,872	712,162
Juvenile Probation	87,237	4,225	-	91,462

NOBLE 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
Transfer Fee - County	151,905	45,294	36,796	160,403
Work Crew - Drainage Fund	41,451	129,793	125,757	45,487
Drain Maintenance	3,216,295	840,008	767,946	3,288,357
Sheriff Sale Fees	84,594	131,752	189,781	26,565
Federal Drug Task Force	47,002	52,474	26,196	73,280
DUI Grant - Ligonier & Kendallville	1,106	16,929	17,238	797
K-9 Donation	2	-	-	2
Public Health Vaccine	43,794	51,474	19,651	75,617
Demand Notice Fees 27%	15	337	337	15
Health Clinic Donations	9,377	99	49	9,427
Small Claim Service Fee	70,416	13,445	-	83,861
TIF Orange Twp	71	-	-	71
Noble County Dekko TIF	71	-	-	71
Debt Service - Jail	79,356	404,662	391,203	92,815
Self Funding Insurance	45,652	566,528	581,336	30,844
Landfill/Post Closure Trust	172	-	-	172
Payroll Fund	-	6,438,381	6,438,381	-
INPRS - PERF	1	127,777	127,777	1
Unified Group Services	250,338	2,075,814	2,312,339	13,813
Liberty National	-	820,789	820,789	-
United Ed Credit Union HSA12	-	741	741	-
Hoosier Start	-	68,499	68,499	-
Federal Withholdings	-	916,407	916,407	-
Flex Checks #2	1	-	1	-
Withholdings (County Tax)	-	147,412	147,412	-
Withholdings (PERF)	-	225,614	225,606	8
Pension Trust County Police	446	-	-	446
State Withholdings	-	281,018	281,018	-
Three Rivers HSA #9	-	52,646	52,646	-
Settlement Fund	-	49,260,663	49,255,629	5,034
LOIT Special Distribution	417,587	-	417,587	-
Rainy Day - Wheel & SurTax	650,000	448,092	617,157	480,935
Noble Co Wheel & Surtax Fund	1,061	984,330	982,772	2,619
Commercial Vehicle Excise Tax	-	168,614	168,614	-
Sewer Lien Surplus	3,996	-	-	3,996
Financial Tax	-	190,346	190,346	-
Local Income Tx/Prop Tx Relief	-	2,402,367	2,318,633	83,734
Fines & Forfeitures	9,936	68,693	69,622	9,007
Infraction Judgement	3,754	45,654	46,393	3,015
Death Benefit	460	4,280	4,480	260
Disclosure/Treasurer of State	635	6,085	6,115	605
Coroner Continuing Education	332	3,572	3,651	253
Inner State Compact App Fee-Co	-	375	375	-
State Mortgage Fee	361	4,315	4,308	368
HSGP Grant	(310)	-	-	(310)
DLGF Homestead Property Database	13,701	-	-	13,701
Child Restraint Violations	100	4,055	3,980	175
Education Plate Fee Fund	75	431	506	-
Innkeeper Tax	-	121,939	111,401	10,538

NOBLE 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
Deer Lake Control	2,628	-	-	2,628
93.563 Prosecutor PCA	13,151	2,404	-	15,555
ARRA Funding for Prosecutor	14,095	-	14,095	-
Clerk's ARRA Funding	115	-	-	115
93.563 Title IV-D Incentive	103,344	28,384	44,133	87,595
Prosecutor IV-D	(62)	-	-	(62)
Prosecutor New IV-D Fund	324,674	147,249	144,065	327,858
Clerk New IV-D Fund	86,497	55,984	50,843	91,638
After Settlement Collections	1,187,506	1,582,874	1,187,506	1,582,874
Clerk's Trust	466,538	4,301,029	4,019,469	748,098
Sheriff's Inmate Trust	18,714	692,582	689,854	21,442
Jail Commissary	44,874	82,467	67,588	59,753
Prosecutor's Equitable Sharing	7,257	-	-	7,257
Drug Confiscated	10,643	1,349	535	11,457
Sex Offender Fees - County 90%	12,977	3,060	364	15,673
WE CARE Clinic	39,813	16,801	3,907	52,707
Riverboat Money-County Portion	154,709	154,715	154,274	155,150
Work Release Maintenance	66,052	11,793	1,404	76,441
Intrastate Transfer Fee County	3,245	1,440	-	4,685
CEDIT Homestead for Settlement	41,549	-	41,549	-
Homeland Security	950	1,608	-	2,558
OPO Equipment Grant	1,333	-	-	1,333
Race & Gender Interpreter	2,801	1,000	1,093	2,708
Prosecutor Stop Grant CFDA #16.588	(8,688)	26,200	26,200	(8,688)
Operating Grant Council Aging	-	444,006	444,006	-
Dangerous Aggressive Driving	(178)	-	-	(178)
LIT Public Safety	-	2,354,662	2,354,662	-
LIT Cert Shares	-	9,418,650	9,418,650	-
GIS Redaction Fees	100	-	-	100
2009 Polling Place Grant	594	-	-	594
CFDA 97.042 EMPG Competitive Grant	(16)	-	-	(16)
Coroner Education Grant	1,748	-	-	1,748
Family Drug Court	3,811	-	-	3,811
Child Seat Safety Program	1,115	-	-	1,115
2015 EMPG De-Obligated Funds	-	7,736	118,144	(110,408)
16.607 Bullet Proof Vest Grant	119	-	-	119
16.606 SCAAP	8,018	-	-	8,018
20.601 Operation Pull-Over	1,453	19,481	19,891	1,043
Bio-Terrorist Fund	22,519	12,033	22,804	11,748
Rural Demonstration Grant	90	-	-	90
Data Sharing Agreement Grant	3,630	-	-	3,630
Parks & Recreation Grant	18	-	-	18
2016 Immunization Grant	(7,367)	32,983	27,281	(1,665)
<b>Totals</b>	<b>\$ 22,975,199</b>	<b>\$ 115,805,837</b>	<b>\$ 116,148,252</b>	<b>\$ 22,632,784</b>

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

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

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

**E. Disbursements**

Disbursements are presented 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.

*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.

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**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.

**Note 4. Deposits and Investments**

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

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

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

NOBLE COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. County Police Retirement Plan*

*Plan Description*

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

*Funding Policy*

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

*C. County Police Benefit Plan*

*Plan Description*

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

*Funding Policy*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants and the reimbursement for expenditures made by the County not being received by December 31, 2017.

**Note 8. Subsequent Event**

On July 9, 2018, Noble County Commissioners awarded a bid, in the amount of \$1,678,490, to Pulver's Asphalt Paving for the Highway Overlay project.

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#### OTHER INFORMATION - UNAUDITED

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

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

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

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

	General Fund	Sheriff's Accident Report	Bond Forfeitures	CAGIT Certified Shares	CEDIT	Municipal Court Cost
Cash and investments - beginning	\$ 1,552,024	\$ 19,292	\$ 7,071	\$ 211,340	\$ 1,368,413	\$ 6,770
Receipts:						
Taxes	7,588,334	-	-	-	-	-
Licenses and permits	79,525	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	4,336,246	-	-	-	-	-
Fines and forfeits	167,524	-	-	-	-	-
Other receipts	854,017	6,735	-	-	1,329,234	14,136
Total receipts	<u>13,025,646</u>	<u>6,735</u>	<u>-</u>	<u>-</u>	<u>1,329,234</u>	<u>14,136</u>
Disbursements:						
Personal services	9,732,754	-	-	-	-	-
Supplies	440,043	-	-	-	-	-
Other services and charges	2,204,549	3,410	-	211,216	9,168	14,051
Capital outlay	156,445	-	-	-	1,162,387	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>12,533,791</u>	<u>3,410</u>	<u>-</u>	<u>211,216</u>	<u>1,171,555</u>	<u>14,051</u>
Excess (deficiency) of receipts over disbursements	<u>491,855</u>	<u>3,325</u>	<u>-</u>	<u>(211,216)</u>	<u>157,679</u>	<u>85</u>
Cash and investments - ending	\$ 2,043,879	\$ 22,617	\$ 7,071	\$ 124	\$ 1,526,092	\$ 6,855

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

	Clerk's Record Perpetuation	Community Corrections Grant	Special Operations Group	Sales Disclosure Fund	Cumulative Capital Development - Bridges	Cumulative Building Courthouse
Cash and investments - beginning	\$ 72,591	\$ 672,568	\$ 7,075	\$ 36,312	\$ 2,544,426	\$ 458,000
Receipts:						
Taxes	-	-	-	-	574,498	123,632
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	6,095	66,786	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	43,240	709,213	-	5	156,558	-
Total receipts	43,240	709,213	-	6,100	797,842	123,632
Disbursements:						
Personal services	-	283,661	-	-	-	-
Supplies	109	21,243	-	2,922	7,446	-
Other services and charges	40,569	1,068,311	-	792	65,897	-
Capital outlay	-	2,986	-	-	988,863	40,598
Other disbursements	-	-	-	-	-	-
Total disbursements	40,678	1,376,201	-	3,714	1,062,206	40,598
Excess (deficiency) of receipts over disbursements	2,562	(666,988)	-	2,386	(264,364)	83,034
Cash and investments - ending	\$ 75,153	\$ 5,580	\$ 7,075	\$ 38,698	\$ 2,280,062	\$ 541,034

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

	Highway Building New Construction	Drug Free Community Fund	LIT Econ Development	Emergency Planning-SARA	Extradition	Firearms Training
Cash and investments - beginning	\$ 1,200,832	\$ 37,476	\$ -	\$ 13,346	\$ 35,025	\$ 56,500
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	743	36,667	2,360,817	6,831	4,815	12,203
Total receipts	743	36,667	2,360,817	6,831	4,815	12,203
Disbursements:						
Personal services	-	-	-	1,840	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1,201,575	37,476	2,360,817	4,227	22,213	20,260
Capital outlay	-	-	-	935	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,201,575	37,476	2,360,817	7,002	22,213	20,260
Excess (deficiency) of receipts over disbursements	(1,200,832)	(809)	-	(171)	(17,398)	(8,057)
Cash and investments - ending	\$ -	\$ 36,667	\$ -	\$ 13,175	\$ 17,627	\$ 48,443

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

	Drain Improvements	Health Department	Security Protection Fund	Health Maintenance	Local Road And Street	LIT Public Safety County Share
Cash and investments - beginning	\$ 534,734	\$ 251,174	\$ 18,464	\$ 148,492	\$ 706,115	\$ -
Receipts:						
Taxes	2,073	331,981	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	436,219	-
Charges for services	-	9,132	5,343	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	171,770	167,673	-	16,709	133,972	1,261,907
Total receipts	<u>173,843</u>	<u>508,786</u>	<u>5,343</u>	<u>16,709</u>	<u>570,191</u>	<u>1,261,907</u>
Disbursements:						
Personal services	-	296,228	-	14,441	-	125,000
Supplies	-	4,401	-	-	-	-
Other services and charges	118,533	156,748	-	3,917	362,690	-
Capital outlay	-	-	-	-	620,431	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>118,533</u>	<u>457,377</u>	<u>-</u>	<u>18,358</u>	<u>983,121</u>	<u>125,000</u>
Excess (deficiency) of receipts over disbursements	<u>55,310</u>	<u>51,409</u>	<u>5,343</u>	<u>(1,649)</u>	<u>(412,930)</u>	<u>1,136,907</u>
Cash and investments - ending	\$ <u>590,044</u>	\$ <u>302,583</u>	\$ <u>23,807</u>	\$ <u>146,843</u>	\$ <u>293,185</u>	\$ <u>1,136,907</u>

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

	County Misdemeanants Fund	Highway	Rainy Day Fund	Reassessment	Reassessment 2015	Recorders Perpetuation
Cash and investments - beginning	\$ 125,222	\$ 972,168	\$ 847,122	\$ 46	\$ 492,742	\$ 140,871
Receipts:						
Taxes	-	5,724	-	-	222,078	-
Licenses and permits	-	3,570	-	-	-	-
Intergovernmental receipts	-	3,369,361	-	-	-	-
Charges for services	-	798,116	-	-	-	116,466
Fines and forfeits	-	-	-	-	-	-
Other receipts	27,690	74,282	145,523	-	327,590	5
Total receipts	27,690	4,251,053	145,523	-	549,668	116,471
Disbursements:						
Personal services	9,804	1,422,613	210,290	-	61,662	20,000
Supplies	-	1,161,130	-	-	40	-
Other services and charges	6,265	1,662,937	138,399	-	149,181	47,741
Capital outlay	-	377,243	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	16,069	4,623,923	348,689	-	210,883	67,741
Excess (deficiency) of receipts over disbursements	11,621	(372,870)	(203,166)	-	338,785	48,730
Cash and investments - ending	\$ 136,843	\$ 599,298	\$ 643,956	\$ 46	\$ 831,527	\$ 189,601

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

	River Boat Revenue Sharing	Sex Offender Fees - State 10%	Sheriff Service Fee	Public Defender Fees	Surplus Tax	Surveyor's Perpetuation
Cash and investments - beginning	\$ -	\$ 5	\$ 152,098	\$ 206,028	\$ 76,726	\$ 46,134
Receipts:						
Taxes	-	-	-	-	31,180	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	20,345
Fines and forfeits	-	-	-	21,205	-	-
Other receipts	281,600	340	43,133	103	48,628	670
Total receipts	281,600	340	43,133	21,308	79,808	21,015
Disbursements:						
Personal services	-	-	-	650	-	-
Supplies	-	-	-	3,619	-	-
Other services and charges	281,600	327	-	2,000	103,879	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	281,600	327	-	6,269	103,879	-
Excess (deficiency) of receipts over disbursements	-	13	43,133	15,039	(24,071)	21,015
Cash and investments - ending	\$ -	\$ 18	\$ 195,231	\$ 221,067	\$ 52,655	\$ 67,149

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

	Tax Sale Redemption	Tax Sale Surplus	Tobacco "Master" Settlement	Victim Witness	Guardian Ad Litem/CASA	Family Preservation Court Fees
Cash and investments - beginning	\$ 2,567	\$ 554,124	\$ 142,032	\$ 70,014	\$ 93,835	\$ 5,515
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	90,563	-	-
Other receipts	114,441	732,051	12,625	5,058	40,133	7,125
Total receipts	114,441	732,051	12,625	95,621	40,133	7,125
Disbursements:						
Personal services	-	-	-	42,241	-	-
Supplies	-	-	917	-	-	-
Other services and charges	116,483	602,724	-	74,998	33,633	3,935
Capital outlay	-	-	2,703	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	116,483	602,724	3,620	117,239	33,633	3,935
Excess (deficiency) of receipts over disbursements	(2,042)	129,327	9,005	(21,618)	6,500	3,190
Cash and investments - ending	\$ 525	\$ 683,451	\$ 151,037	\$ 48,396	\$ 100,335	\$ 8,705

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

	Elected Officials Training	County - Transportation Fund	Statewide 9-1-1	Project Income	Storm/Erosion Fund	Adult Probation
Cash and investments - beginning	\$ 19,868	\$ 3,381	\$ 387,637	\$ (30,263)	\$ 31,249	\$ 775,083
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	5,049	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	160,398
Other receipts	295	34,831	591,046	897,358	12,650	23,553
Total receipts	5,344	34,831	591,046	897,358	12,650	183,951
Disbursements:						
Personal services	-	-	424,539	141,652	-	107,160
Supplies	-	-	-	8,516	-	57,000
Other services and charges	1,578	2,194	172,714	161,779	-	61,707
Capital outlay	-	-	34,381	6,000	69	21,005
Other disbursements	-	-	-	-	-	-
Total disbursements	1,578	2,194	631,634	317,947	69	246,872
Excess (deficiency) of receipts over disbursements	3,766	32,637	(40,588)	579,411	12,581	(62,921)
Cash and investments - ending	\$ 23,634	\$ 36,018	\$ 347,049	\$ 549,148	\$ 43,830	\$ 712,162

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

	Juvenile Probation	Transfer Fee - County	Work Crew - Drainage Fund	Drain Maintenance	Sheriff Sale Fees	Federal Drug Task Force
Cash and investments - beginning	\$ 87,237	\$ 151,905	\$ 41,451	\$ 3,216,295	\$ 84,594	\$ 47,002
Receipts:						
Taxes	-	-	-	521,343	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	20,908	-	-	-	-
Fines and forfeits	4,225	-	-	-	-	-
Other receipts	-	24,386	129,793	318,665	131,752	52,474
Total receipts	4,225	45,294	129,793	840,008	131,752	52,474
Disbursements:						
Personal services	-	7,500	33,478	-	-	-
Supplies	-	-	20,970	-	-	-
Other services and charges	-	29,296	67,824	767,946	189,781	26,196
Capital outlay	-	-	3,485	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	36,796	125,757	767,946	189,781	26,196
Excess (deficiency) of receipts over disbursements	4,225	8,498	4,036	72,062	(58,029)	26,278
Cash and investments - ending	\$ 91,462	\$ 160,403	\$ 45,487	\$ 3,288,357	\$ 26,565	\$ 73,280

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

	DUI Grant - Ligonier & Kendallville	K-9 Donation	Public Health Vaccine	Demand Notice Fees 27%	Health Clinic Donations	Small Claim Service Fee
Cash and investments - beginning	\$ 1,106	\$ 2	\$ 43,794	\$ 15	\$ 9,377	\$ 70,416
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	16,929	-	51,474	337	99	13,445
Total receipts	16,929	-	51,474	337	99	13,445
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	17,238	-	19,651	337	49	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	17,238	-	19,651	337	49	-
Excess (deficiency) of receipts over disbursements	(309)	-	31,823	-	50	13,445
Cash and investments - ending	\$ 797	\$ 2	\$ 75,617	\$ 15	\$ 9,427	\$ 83,861

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

	TIF Orange Twp	Noble County Dekko TIF	Debt Service - Jail	Self Funding Insurance	Landfill/Post Closure Trust	Payroll Fund
Cash and investments - beginning	\$ 71	\$ 71	\$ 79,356	\$ 45,652	\$ 172	\$ -
Receipts:						
Taxes	-	-	403,596	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	1,066	566,528	-	6,438,381
Total receipts	-	-	404,662	566,528	-	6,438,381
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	1,745	581,336	-	6,438,381
Capital outlay	-	-	389,458	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	391,203	581,336	-	6,438,381
Excess (deficiency) of receipts over disbursements	-	-	13,459	(14,808)	-	-
Cash and investments - ending	\$ 71	\$ 71	\$ 92,815	\$ 30,844	\$ 172	\$ -

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

	INPRS - PERF	Unified Group Services	Liberty National	United Ed Credit Union HSA12	Hoosier Start	Federal Withholdings
Cash and investments - beginning	\$ 1	\$ 250,338	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	127,777	483,516	820,789	741	68,499	916,407
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	1,592,298	-	-	-	-
Total receipts	<u>127,777</u>	<u>2,075,814</u>	<u>820,789</u>	<u>741</u>	<u>68,499</u>	<u>916,407</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	127,777	2,312,339	820,789	741	68,499	916,407
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>127,777</u>	<u>2,312,339</u>	<u>820,789</u>	<u>741</u>	<u>68,499</u>	<u>916,407</u>
Excess (deficiency) of receipts over disbursements	-	(236,525)	-	-	-	-
Cash and investments - ending	\$ 1	\$ 13,813	\$ -	\$ -	\$ -	\$ -

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

	Flex Checks #2	Withholdings (County Tax)	Withholdings (PERF)	Pension Trust County Police	State Withholdings	Three Rivers HSA #9
Cash and investments - beginning	\$ 1	\$ -	\$ -	\$ 446	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	147,412	225,614	-	281,018	52,646
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	147,412	225,614	-	281,018	52,646
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1	147,412	225,606	-	281,018	52,646
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1	147,412	225,606	-	281,018	52,646
Excess (deficiency) of receipts over disbursements	(1)	-	8	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 8	\$ 446	\$ -	\$ -

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

	Settlement Fund	LOIT Special Distribution	Rainy Day - Wheel & SurTax	Noble Co Wheel & Surtax Fund	Commercial Vehicle Excise Tax	Sewer Lien Surplus
Cash and investments - beginning	\$ -	\$ 417,587	\$ 650,000	\$ 1,061	\$ -	\$ 3,996
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	49,260,663	-	448,092	984,330	168,614	-
Total receipts	49,260,663	-	448,092	984,330	168,614	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	49,255,629	417,587	617,157	982,772	168,614	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	49,255,629	417,587	617,157	982,772	168,614	-
Excess (deficiency) of receipts over disbursements	5,034	(417,587)	(169,065)	1,558	-	-
Cash and investments - ending	\$ 5,034	\$ -	\$ 480,935	\$ 2,619	\$ -	\$ 3,996

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

	Financial Tax	Local Income Tx/Prop Tx Relief	Fines & Forfeitures	Infraction Judgement	Death Benefit	Disclosure/Treasurer of State
Cash and investments - beginning	\$ -	\$ -	\$ 9,936	\$ 3,754	\$ 460	\$ 635
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	10
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	6,060
Fines and forfeits	-	-	-	-	-	-
Other receipts	190,346	2,402,367	68,693	45,654	4,280	15
Total receipts	190,346	2,402,367	68,693	45,654	4,280	6,085
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	190,346	2,318,633	69,622	46,393	4,480	6,115
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	190,346	2,318,633	69,622	46,393	4,480	6,115
Excess (deficiency) of receipts over disbursements	-	83,734	(929)	(739)	(200)	(30)
Cash and investments - ending	\$ -	\$ 83,734	\$ 9,007	\$ 3,015	\$ 260	\$ 605

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

	Coroner Continuing Education	Inner State Compact App Fee-Co	State Mortgage Fee	HSGP Grant	DLGF Homestead Property Database	Child Restraint Violations
Cash and investments - beginning	\$ 332	\$ -	\$ 361	\$ (310)	\$ 13,701	\$ 100
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	4,005	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	3,572	375	310	-	-	4,055
Total receipts	3,572	375	4,315	-	-	4,055
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	3,651	375	4,308	-	-	3,980
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,651	375	4,308	-	-	3,980
Excess (deficiency) of receipts over disbursements	(79)	-	7	-	-	75
Cash and investments - ending	\$ 253	\$ -	\$ 368	\$ (310)	\$ 13,701	\$ 175

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

	Education Plate Fee Fund	Innkeeper Tax	CEDIT Homestead	Deer Lake Control	93.563 Prosecutor PCA	ARRA Funding for Prosecutor
Cash and investments - beginning	\$ 75	\$ -	\$ 41,596	\$ 2,628	\$ 13,151	\$ 14,095
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	431	121,939	-	-	2,404	-
Total receipts	431	121,939	-	-	2,404	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	506	111,401	-	-	-	14,095
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	506	111,401	-	-	-	14,095
Excess (deficiency) of receipts over disbursements	(75)	10,538	-	-	2,404	(14,095)
Cash and investments - ending	\$ -	\$ 10,538	\$ 41,596	\$ 2,628	\$ 15,555	\$ -

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

	Clerk's ARRA Funding	93.563 Title IV-D Incentive	Prosecutor IV-D	Prosecutor New IV-D Fund	Clerk New IV-D Fund	After Settlement Collections
Cash and investments - beginning	\$ 115	\$ 103,344	\$ (62)	\$ 324,674	\$ 86,497	\$ 1,187,506
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	28,384	-	147,249	55,984	1,582,874
Total receipts	-	28,384	-	147,249	55,984	1,582,874
Disbursements:						
Personal services	-	43,658	-	38,425	12,812	-
Supplies	-	-	-	-	-	-
Other services and charges	-	475	-	105,640	38,031	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,187,506
Total disbursements	-	44,133	-	144,065	50,843	1,187,506
Excess (deficiency) of receipts over disbursements	-	(15,749)	-	3,184	5,141	395,368
Cash and investments - ending	\$ 115	\$ 87,595	\$ (62)	\$ 327,858	\$ 91,638	\$ 1,582,874

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

	Clerk's Trust	Sheriff's Inmate Trust	Jail Commissary	Prosecutor's Equitable Sharing	Drug Confiscated	Sex Offender Fees - County 90%
Cash and investments - beginning	\$ 466,538	\$ 18,714	\$ 44,874	\$ 7,257	\$ 10,643	\$ 12,977
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,301,029	692,582	82,467	-	1,349	3,060
Total receipts	<u>4,301,029</u>	<u>692,582</u>	<u>82,467</u>	<u>-</u>	<u>1,349</u>	<u>3,060</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	535	364
Capital outlay	-	-	-	-	-	-
Other disbursements	4,019,469	689,854	67,588	-	-	-
Total disbursements	<u>4,019,469</u>	<u>689,854</u>	<u>67,588</u>	<u>-</u>	<u>535</u>	<u>364</u>
Excess (deficiency) of receipts over disbursements	<u>281,560</u>	<u>2,728</u>	<u>14,879</u>	<u>-</u>	<u>814</u>	<u>2,696</u>
Cash and investments - ending	\$ <u>748,098</u>	\$ <u>21,442</u>	\$ <u>59,753</u>	\$ <u>7,257</u>	\$ <u>11,457</u>	\$ <u>15,673</u>

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

	WE CARE Clinic	Riverboat Money-County Portion	Work Release Maintenance	Intrastate Transfer Fee County	CEDIT Homestead for Settlement	Homeland Security
Cash and investments - beginning	\$ 39,813	\$ 154,709	\$ 66,052	\$ 3,245	\$ 41,549	\$ 950
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	54	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	16,747	154,715	11,793	1,440	-	1,608
Total receipts	16,801	154,715	11,793	1,440	-	1,608
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	693	-	-	-
Other services and charges	3,907	154,274	711	-	41,549	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,907	154,274	1,404	-	41,549	-
Excess (deficiency) of receipts over disbursements	12,894	441	10,389	1,440	(41,549)	1,608
Cash and investments - ending	\$ 52,707	\$ 155,150	\$ 76,441	\$ 4,685	\$ -	\$ 2,558

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

	OPO Equipment Grant	Race & Gender Interpreter	Prosecutor Stop Grant CFDA #16.588	Operating Grant Council Aging	Dangerous Aggressive Driving	LIT Public Safety
Cash and investments - beginning	\$ 1,333	\$ 2,801	\$ (8,688)	\$ -	\$ (178)	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	1,000	26,200	444,006	-	2,354,662
Total receipts	-	1,000	26,200	444,006	-	2,354,662
Disbursements:						
Personal services	-	-	26,200	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,093	-	444,006	-	2,354,662
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	1,093	26,200	444,006	-	2,354,662
Excess (deficiency) of receipts over disbursements	-	(93)	-	-	-	-
Cash and investments - ending	\$ 1,333	\$ 2,708	\$ (8,688)	\$ -	\$ (178)	\$ -

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

	LIT Cert Shares	GIS Redaction Fees	2009 Polling Place Grant	CFDA 97.042 EMPG Competitive Grant	Coroner Education Grant	Family Drug Court
Cash and investments - beginning	\$ -	\$ 100	\$ 594	\$ (16)	\$ 1,748	\$ 3,811
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	9,418,650	-	-	-	-	-
Total receipts	9,418,650	-	-	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	9,418,650	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	9,418,650	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 100	\$ 594	\$ (16)	\$ 1,748	\$ 3,811

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

	Child Seat Safety Program	2015 EMPG De-Obligated Funds	16.607 Bullet Proof Vest Grant	16.606 SCAAP	20.601 Operation Pull-Over	Bio-Terrorist Fund
Cash and investments - beginning	\$ 1,115	\$ -	\$ 119	\$ 8,018	\$ 1,453	\$ 22,519
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	7,736	-	-	19,481	12,033
Total receipts	-	7,736	-	-	19,481	12,033
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	118,144	-	-	19,891	22,804
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	118,144	-	-	19,891	22,804
Excess (deficiency) of receipts over disbursements	-	(110,408)	-	-	(410)	(10,771)
Cash and investments - ending	\$ 1,115	\$ (110,408)	\$ 119	\$ 8,018	\$ 1,043	\$ 11,748

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

	Rural Demonstration Grant	Data Sharing Agreement Grant	Parks & Recreation Grant	2016 Immunization Grant	Totals
Cash and investments - beginning	\$ 90	\$ 3,630	\$ 18	\$ (7,367)	\$ 22,975,199
Receipts:					
Taxes	-	-	-	-	9,804,439
Licenses and permits	-	-	-	-	83,105
Intergovernmental receipts	-	-	-	-	3,805,580
Charges for services	-	-	-	-	8,519,024
Fines and forfeits	-	-	-	-	443,915
Other receipts	-	-	-	32,983	93,149,774
Total receipts	-	-	-	32,983	115,805,837
Disbursements:					
Personal services	-	-	-	1,103	13,057,711
Supplies	-	-	-	13,793	1,742,842
Other services and charges	-	-	-	12,385	91,576,293
Capital outlay	-	-	-	-	3,806,989
Other disbursements	-	-	-	-	5,964,417
Total disbursements	-	-	-	27,281	116,148,252
Excess (deficiency) of receipts over disbursements	-	-	-	5,702	(342,415)
Cash and investments - ending	\$ 90	\$ 3,630	\$ 18	\$ (1,665)	\$ 22,632,784

NOBLE COUNTY  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2017

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	Highway	\$ 1,155,000	\$ 198,388
Totals		\$ 1,155,000	\$ 198,388

NOBLE 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.

	Ending Balance
Governmental activities:	
Land	\$ 418,509
Infrastructure	146,213,607
Buildings	17,128,914
Machinery, equipment, and vehicles	9,089,907
Construction in progress	<u>468,640</u>
Total capital assets	<u>\$ 173,319,577</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF NOBLE COUNTY, INDIANA

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

We have audited Noble County's (County) compliance with the types of compliance requirements described in the *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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

  
Paul D. Joyce, CPA  
State Examiner

November 26, 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.

NOBLE 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
<b>Department of Justice</b>					
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	D3-17-11312	\$ -	\$ 26,200
Second Chance Act Reentry Initiative	Direct Grant	16.812	2014-SM-BX-0004	-	50,000
Equitable Sharing Program	Direct Grant	16.922	FY 2017	-	25,806
Total - Department of Justice				-	102,006
<b>Department of Transportation</b>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205	A249-14-321265 A249-15-320240	- -	53,760 98,897
Total - Highway Planning and Construction Cluster				-	152,657
Highway Safety Cluster					
State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	D3-17-11113	13,935	19,455
Alcohol Impaired Driving Countermeasures Incentive Grants I	Indiana Criminal Justice Institute	20.601	D3-17-11185	8,173	16,929
Total - Highway Safety Cluster				22,108	36,384
Formula Grants for Rural Areas	Indiana Department of Transportation	20.509	A249-16-G150063 A249-17-G160263 A249-17-G160025	29,455 246,236 27,549	29,455 246,236 27,549
Total - Formula Grants for Rural Areas				303,240	303,240
Total - Department of Transportation				325,348	492,281
<b>Department of Health and Human Services</b>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	U90TP000521	-	11,890
Immunization Cooperative Agreements	Indiana Department of Health	93.268	H23IP000723	-	27,768
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	Indiana Department of Health	93.539	PPHF017	-	5,357
Child Support Enforcement	Indiana Department of Child Services	93.563	FY 2017	-	358,462
Total - Department of Health and Human Services				-	403,477
<b>Department of Homeland Security</b>					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EMC-2016-EP-00006 EMC-2017-EP-00002	- -	7,736 42,651
Total - Emergency Management Performance Grants				-	50,387
Total - Department of Homeland Security				-	50,387
Total federal awards expended				\$ 325,348	\$ 1,048,151

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

NOBLE COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 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.

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

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

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Highway Planning and Construction Cluster Formula Grants for Rural Areas	Unmodified Unmodified

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

Auditee qualified as low-risk auditee?	no
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**Section II - Financial Statement Findings**

**FINDING 2017-001**

Subject: Financial Transactions and Reporting  
Audit Findings: Material Weakness, Noncompliance

*Repeat Finding*

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

*Condition*

There were several deficiencies in the internal control system of the County related to financial transactions and reporting.

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

1. Lack of Segregation of Duties: The County had not separated incompatible activities related to financial transactions and reporting. The County Auditor prepared and submitted the financial information into the Indiana Gateway for Government Units financial system, which was the source of the Annual Financial Report (AFR) and financial statement. The County did not have effective controls to verify the accuracy of the financial information prior to submission.
2. Monitoring of Controls: The County had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting would have required the County to monitor and assess the quality of the system of internal control.
3. The County's AFR and financial statement contained numerous errors and the County Auditor did not report the After Settlement Collections fund, the Clerk's Trust fund, the Sheriff's Inmate Trust fund, or the Jail Commissary fund. As a result, the beginning balance, receipts, disbursements, and ending balance were understated by \$1,689,656, \$6,985,134, \$6,262,209, and \$2,412,581, respectively.

Audit adjustments were proposed, accepted by the County, and made to the financial statement.

*Context*

The lack of internal controls allowed material errors to occur and not be detected.

*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. . . ."

"Evaluations are used to determine whether each of the five components of internal control is present and functioning. These evaluations may be conducted on an ongoing or periodic basis. . . ."

All documents and entries to records must be made in a timely manner to ensure that accurate financial information is available to allow the unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1. (Accounting and Uniform Guidelines Manual for Counties of Indiana, Chapter 2)

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

Management of the County had not established a proper system of internal control.

*Effect*

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

*Recommendation*

We recommended that the County's management establish 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.

**FINDING 2017-002**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness, Noncompliance

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-001.

*Condition*

The County did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). No evidence was presented for audit that indicated someone other than the person entering the federal grant information into the Indiana Gateway for Government Units financial reporting system, which was the source of the SEFA, was reviewing the information for accuracy.

The SEFA presented for audit contained the following errors:

1. Five grants were omitted, resulting in an understatement of federal expenditures in the amount of \$159,318.
2. Two grants were incorrectly reported, resulting in an understatement of federal expenditures in the amount of \$400,191.
3. Three grants were incorrectly reported, resulting in an overstatement of federal expenditures in the amount of \$140,935.
4. The Pass Through to Subrecipient amount was understated in the amount of \$325,348.

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The net amount of errors resulted in federal expenditures being understated by \$418,574.

Audit adjustments were proposed, accepted by the County, and made to the SEFA.

*Context*

The lack of internal controls allowed material errors to occur and not be detected.

*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. . . ."

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

2 CFR 200.510(b) states:

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

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

NOBLE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

*Cause*

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

*Effect*

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

*Recommendation*

We recommended that the County's management establish controls related to the preparation of the SEFA.

*Views of Responsible Officials*

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

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

No matters are reportable.

#### AUDITEE-PREPARED DOCUMENTS

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

# NOBLE COUNTY AUDITOR

*Tonya L. Jones*

*Room 220 – Courthouse*

*101 N Orange Street*

*Albion, Indiana 46701*

*Phone 260-636-2658*

*Fax: 260-636-4001*

*tjones@nobleco.us*

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2016-001**

Fiscal year in which the finding initially occurred: 2016

Contact Person Responsible for Corrective Action: Tonya Jones

Contact Phone Number: 260-636-2658

#### Status of Audit Finding:

We now understand the process that needs fulfilled when new grants are obtained. Other than the Highway grant we haven't had any new grants, just the ones that renew. We still struggle with other departments fulfilling their requirements by letting us know when new grants are awarded. We have communicated with them the importance of informing our office.

### **FINDING 2016-002**

Fiscal year in which the finding initially occurred: 2016

Contact Person Responsible for Corrective Action: Tonya Jones

Contact Phone Number: 260-636-2658

#### Status of Audit Finding:

We have continued to enforce the importance of other employees overseeing the work done. We now have two eyes on all financial transactions and continue to try and make all efforts to place internal controls of all processes related to the financial aspect. Something that we need to enforce for upcoming years is documenting help with the Gateway annual report.

*Tonya Jones*  
*Auditor*  
*10-18-18*

# NOBLE COUNTY AUDITOR

*Tonya L. Jones*

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*Albion, Indiana 46701*

*Phone 260-636-2658*

*Fax: 260-636-4001*

*tjones@nobleco.us*

## CORRECTIVE ACTION PLAN

### FINDING 2017-001

Tonya Jones, Noble County Auditor

260-636-2658

We concur with the findings of lack of segregation of duties, monitoring of controls and the lack of information from other offices to complete financial report.

The corrective action plan moving forward will be to document any individual that oversees the financial aspect of the Auditor's office. When the financial statement is prepared on Gateway the second or third set of eyes that view it will document their findings or simply sign a form saying they have confirmed what has been stated. We will also continue to ask other offices for the prescribed State Board of Accounts form that needs to be submitted to the Auditor's office to complete the Gateway submission of the financial report. We will now document any emails that are sent to those said offices for proof that we did in fact request the information.

### FINDING 2017-002

Tonya Jones, Noble County Auditor

260-636-2658

We concur with the findings of the lack of reporting for the Schedule of Expenditures of Federal Awards.

As a result of not always being informed of new grants or the reoccurrence of existing grants information has been omitted from the schedule. We will continue to try and express the importance of grant information to be submitted to the Auditor's office. Instead of trying to do this all on my own I will segregate duties to another deputy in the office. We will work together to try and become by efficient in the reporting process for the grant schedule. Again, documenting all eyes on the process from beginning to end.

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*Tonya L. Jones - Auditor*

#### 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/>.