

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, 2018 to December 31, 2018



FILED
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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	John Petalas	01-01-15 to 12-31-22
County Treasurer	Peggy Holinga Katona	01-01-15 to 12-31-22
Clerk of the Circuit Court	Michael A. Brown Lorenzo Arredondo	01-01-15 to 12-04-18 12-05-18 to 12-31-22
County Sheriff	Oscar Martinez, Jr.	09-16-17 to 12-31-22
County Recorder	Michael B. Brown	01-01-17 to 12-31-20
President of the Board of County Commissioners	Kyle W. Allen, Sr. Michael C. Repay	01-01-18 to 12-31-18 01-01-19 to 12-31-19
President of the County Council	David Hamm Ted F. Bilski, II	01-01-18 to 12-31-18 01-01-19 to 12-31-19



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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, 2018, 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, 2018.

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, 2018, 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 June 18, 2019, 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

June 18, 2019



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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, 2018, and the related notes to the financial statement, and have issued our report thereon dated June 18, 2019, 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 item 2018-001, that we consider to be a material weakness.

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 item 2018-001.

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

June 18, 2019

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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, 2018

Fund	Cash and Investments		Cash and Investments	
	01-01-18	Receipts	Disbursements	12-31-18
General	\$ 20,514,607	\$ 142,494,367	\$ 136,066,563	\$ 26,942,411
Accident Report	10,589	17,034	22,223	5,400
Animal Control	7,281	23,835	16,510	14,606
Campaign Finance Enforcement - County	36,725	23,615	-	60,340
Child Advocacy	12,129	200	-	12,329
Clerk's Records Perpetuation	217,211	334,961	242,999	309,173
Community Corrections	1,450,006	4,725,938	4,420,508	1,755,436
Prisoner Reimbursement For Incarceration	921	-	-	921
Sales Disclosure - County Share	98,425	58,996	47,110	110,311
Cumulative Capital Development	631,201	7,964,171	6,383,019	2,212,353
Cumulative Capital Improvement	39,873	-	-	39,873
Cumulative Voting System	1,643,942	-	-	1,643,942
Drug Free Community	300,183	202,958	242,427	260,714
Electronic Map Generation	7,063	15,099	13,973	8,189
Emergency Planning/Right To Know	65,515	-	-	65,515
E911 Construction Fund	12,762	15,000	-	27,762
Extradition and Sheriff's Assistance	35,162	9,784	-	44,946
Firearms Training	14,803	22,899	28,003	9,699
General Drain Improvement	340,872	1,742,945	607,205	1,476,612
Health	2,639,922	2,599,181	2,641,578	2,597,525
Identification Security Protection	1,089,966	606,506	481,296	1,215,176
Levy Excess	1	-	-	1
Local Health Maintenance	253,467	56,553	37,974	272,046
Local Road and Street	784,875	1,305,367	907,077	1,183,165
Major Moves Construction	620,977	91,881	332,671	380,187
Medical Care for Inmates	35,545	15,418	-	50,963
Misdemeanant	123,349	438,648	299,339	262,658
Motor Vehicle Highway	2,970,948	9,267,388	10,803,128	1,435,208
Omitted Property Audits	650,755	904,616	240,500	1,314,871
Park Nonreverting Capital	483,682	494,731	500,077	478,336
Park Nonreverting Operating	224,002	4,123,971	4,232,050	115,923
Reassessment - 2009	233	1,050	-	1,283
Reassessment - 2015	1,885,601	2,772,218	2,658,942	1,998,877
Recorder's Records Perpetuation	461,651	1,327,443	911,272	877,822
Riverboat	4,578,206	6,932,849	7,425,293	4,085,762
Sheriff's Pension Trust	645,521	765,513	650,472	760,562
Storm Water Management Capital Projects	5,563	36,935	27,316	15,182
Storm Water Management Operating	1,447,851	736,492	701,973	1,482,370
Supplemental Public Defender Services	173,218	239,988	255,609	157,597
Surveyor's Corner Perpetuation	236,189	413,645	100,403	549,431
Tax Sale Fees	1,473,689	6,953,505	7,153,442	1,273,752
Tax Sale Redemption	802,885	5,113,007	5,144,389	771,503
Tax Sale Surplus	8,736,703	10,188,222	9,570,625	9,354,300
Unsafe Building	274,611	1,656	920	275,347
Vehicle Inspection	26,784	4,475	27,879	3,380
GAL/CASA	121,257	242,277	302,206	61,328
Auditors Ineligible Deductions	1,470,145	559,603	1,481,516	548,232
County Elected Officials Training	277,834	83,164	6,204	354,794
Park And Recreation	1,431,260	6,317,542	6,342,587	1,406,215
County Offender Transportation Fund	36,559	9,541	-	46,100
Statewide 911	7,816,309	13,219,166	13,051,170	7,984,305
Adult Probation Administrative	4,973	157,759	104,415	58,317
Juvenile Probation Administrative	52,675	20,000	21,590	51,085
Supplemental Adult Probation Services	701,064	634,949	837,926	498,087
Supplemental Juvenile Probation Services	33,933	11,553	2,239	43,247
Alternative Dispute Resolution	223,104	50,294	38,916	234,482
County User Fee	2,492,917	1,911,152	2,479,465	1,924,604
Convention Center Operating	428	1,290,265	1,290,265	428
Animal Shelter	3,924	23,186	11,683	15,427
Sheriff Sale Administration	226,146	237,200	92,583	370,763
Drug Task Force	267,617	288,330	226,820	329,127
DUI Task Force	1,993	-	-	1,993
Local Ordinance Violations Fines - County	2,405	-	-	2,405
Park Bond 2013	564,843	736,735	898,787	402,791
Insurance	340,672	46,821	109,822	277,671
Settlement	96,162	672,501,041	672,597,203	-
CVET Agency	-	3,399,450	3,399,450	-
Financial Institution Tax	-	2,632,748	2,632,748	-
Homestead Credit Rebate	12,870	-	-	12,870
State Fines and Forfeitures	131,830	421,798	463,262	90,366

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments			Cash and Investments 12-31-18
	01-01-18	Receipts	Disbursements	
Infraction Judgements	322,105	1,121,370	1,101,768	341,707
Overweight Vehicle Fines	261,457	140,705	109,340	292,822
Special Death Benefit	2,780	42,684	42,159	3,305
Sales Disclosure - State Share	173,572	174,330	151,144	196,758
Coroners Training & Con't Education	7,941	76,370	71,278	13,033
Interstate Compact - State Share	664	10,741	10,580	825
Mortgage Recording Fees - State Share	3,386	35,549	38,935	-
Sex and Violent Offender Admin - State	23,568	15,801	8,984	30,385
Child Restraint Violations Fines	125	4,070	2,665	1,530
Inheritance Tax	66,798	2,879	-	69,677
Sales Tax Collections	5,493	103,546	102,011	7,028
Education Plate Fees Agency	239,063	10,950	230,329	19,684
Public Safety CAGIT	1,389,278	9,922,851	10,114,021	1,198,108
CEDIT	5,807,125	10,643,738	11,132,879	5,317,984
City/Town Ordinance Violations Fines	252,437	242,249	392,182	102,504
93.563 Prosecutor PCA	741,161	110,129	45,362	805,928
Rainy Day	1,613,563	-	140,696	1,472,867
Juvenile Probation Administrative	13,499	18,465	27,374	4,590
Ordinance Violation Deferral	19,563	990	18,000	2,553
Veteran Services Funds	250	20	-	270
1387-Exempt Park Revenue Bond	1,529,487	2,437,195	2,399,532	1,567,150
County Bond Redemption	4,813,951	15,091,106	14,406,445	5,498,612
Exempt Debt Service	162,130	-	-	162,130
Park & Recreation Self Insurance	234	2,150	-	2,384
Excess Internet Access Fee	4,065	-	3,244	821
Non-reverting Self Ins. Fund	1,009,476	10,986,665	11,674,758	321,383
Lake County Jail Construction	3,120	-	-	3,120
Construction Fund	446,715	-	436,715	10,000
Cumulative Bridge	907,296	2,652,107	878,214	2,681,189
Co Hwy Maint Garage Bond	25,321	-	-	25,321
Park Dist Bond 1982	1,992,753	227,197	713,677	1,506,273
Non-Sufficient Check Fund/LC	79,285	5,175	134	84,326
Park & Recreation Gift	25,100	8,691	3,019	30,772
Auditor's Tax Incentive	(22,332)	276,000	249,285	4,383
Doctor's Merchants	77,662	54	-	77,716
Division I LADOS	219,382	110,145	178,964	150,563
Division II LADOS	108,912	133,681	138,043	104,550
Ordinance Deferral Program	89,897	138,553	140,353	88,097
Disproportional Minority Contact Project Grant	2	-	-	2
Zoning Enforcement Fund	19,955	128,328	-	148,283
Non-Revert. Hwy. Deposit. GambL.	233,966	338,310	111,986	460,290
Domestic Relation Counseling B	127,153	32,385	70,742	88,796
Non-Revert Delinq Coll Fees	25,859	7,884	7,885	25,858
Comm Incentive Fund	9,779	64,698	57,706	16,771
Coroner Facility Fee	76,443	46,000	27,061	95,382
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	5,474	925	-	6,399
Lake County Operating Fund	14,215	-	13,590	625
Reimbursement Fund	67,662	-	67,262	400
Commissary Payroll Pass-Thru	40	-	-	40
Violence Intervention Program	5,297	-	-	5,297
Treasurer's Incentive	84,301	240,000	282,898	41,403
Child Support Incentive	1,877,707	492,260	473,347	1,896,620
HAVA Title III Voting System	29,935	-	-	29,935
Subdivision Escrow Bonds	130,575	-	56,975	73,600
Jury Fees	206,097	82,645	96,403	192,339
Check Deception Collection Fee	124,034	5,424	55,116	74,342
Fingerprint Fee Fund	445	-	-	445
HAVA Sec 101 Voting Sys Fund	277,998	-	-	277,998
Prosecutor's Elderly Abuse	65,639	332,038	366,797	30,880
County Welfare Trusts	4,720	-	-	4,720
Interpreter Services Grant	8,472	-	8,414	58
U.S. Research Consultants/Personal Property	3,473	-	-	3,473
VOCA -Victims of Crime Act	23,485	96,385	79,330	40,540
Payroll Court Judgement	27,929	-	13,846	14,083
HUD-NSP-3 Grant	85,430	104	2,728	82,806
Commissioner's Sale Surplus Property Deposit	4,477	-	-	4,477

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and	Receipts	Disbursements	Cash and
	Investments			Investments
	01-01-18			12-31-18
JAIBG Block Grant	113	-	-	113
Lake County CASA Program Grant	718	-	-	718
ARRA Grant	8,025	-	-	8,025
93.563 County IV-D Incentive	(36,107)	287,799	236,530	15,162
93.563 Prosecutor IV-D Incentive - Post Oct '99	91	-	91	-
State Drunk Driving Fees	20,510	4,119	2,797	21,832
LC Home Program	53,096	573,320	471,952	154,464
LC Comm. Dev. Cities & Towns	-	947,996	947,996	-
LC Dev. Rehabilitation	1,636	474,899	474,025	2,510
Sheriff's Therapy Dog Fund	2,524	311	-	2,835
LC Comm. Dev. Remp I.D.O.C.	361,353	62	260,000	101,415
HUD - NSP Grant	93,805	-	59,893	33,912
CAGIT Pass Thru	-	27,369,865	27,369,865	-
LC Economic Rev. Loan	329,017	822,972	240,885	911,104
C.D.B.G. Recapture Loans	680,976	60,535	700,930	40,581
Sheriff's Grants Fund	36,840	7,500	18,456	25,884
Homeland Security Grant	1,478	143,456	19,358	125,576
Family Court Initiative Grant	18,107	-	5,640	12,467
CEDIT Pass Thru	-	28,902,847	28,905,847	(3,000)
Justice Assistance Grant	14,691	158,902	126,400	47,193
Sheriff's SIG Grant Fund	15,944	-	-	15,944
COPS Interoperability Grant	5,162	-	-	5,162
Detention Alternatives Grant	322	60	-	382
LC Dev. Admin. Budge	9,990	287,717	280,537	17,170
Substance of Use Testing	614	-	-	614
Payment Error (Refunds)	435,428	278,282	259,282	454,428
Adult Guardianship Svcs Grant	15,000	60,000	37,500	37,500
Community Supervision Grant	14,967	-	-	14,967
Lake County Comm Correction	17,187	19,757	23,565	13,379
CPHCP High Conflict	24,454	28,089	21,177	31,366
CAGIT-PTRC	3,705,598	109,494,556	108,775,733	4,424,421
LC RDF for Juveniles Fund	153,406	18,654	-	172,060
Juvenile Secured Detention	32,928	113,719	112,953	33,694
Parks - Outside Cash	20,116	153,377	167,926	5,567
Community Economic Development	2,301	76,146	74,504	3,943
Employee Benefit Accruals	11,335,098	77,779,277	80,075,893	9,038,482
Inmate Trust	470,513	1,899,388	1,837,041	532,860
Jail Commissary	20,453	793,045	766,253	47,245
Unfunded Money	19,094,299	18,781,217	19,094,299	18,781,217
Animal Control	54	-	54	-
Sheriff	693,403	24,487,059	23,819,755	1,360,707
Juvenile Division	-	4,510	4,510	-
Clerk	11,807,286	34,748,889	31,746,147	14,810,028
Community Corrections Commissary	73,790	270,054	289,969	53,875
LC GO Bonds Series 2014B	1,796,375	64,432	8,048	1,852,759
Building Construction Fund	99,541	-	18,570	80,971
Highway Project Fund	8,072	-	-	8,072
Commuter Rail Extension/Improv	9,900,316	3,986,703	-	13,887,019
Family Court Grant Fund	20,130	-	-	20,130
Sheriff Aviation Unit Grant Fund	650	-	-	650
Park District Bond 2016	5,806,503	517,686	3,397,483	2,926,706
Jail Inmate Med&Hosp Reserve	729,158	400,444	300,800	828,802
LOIT 2016 Special Distribution	2,192,217	-	828,459	1,363,758
Veterans Treatment Court Grant	56,506	70,522	39,171	87,857
LC CASA Capacity Building Grant	132,391	125,786	60,502	197,675
LC Local Road & Bridge Maint Grant	361,692	1,215,101	1,576,793	-
2017 Construction Fund	11,166,517	100,000	5,238,961	6,027,556
Community Corrections IDOC WR	2,368	18,782	19,782	1,368
Weed/Misc Lien Barret Law	45	191,962	192,007	-
Sewage Collections	4,980	1,556,473	1,561,453	-
HEA 1001 State Homestead Credit	-	1,788	-	1,788
Unidentified Wires	115,377	-	115,377	-
Hermit's Lake Debt Reserve	45,945	-	-	45,945
Sewage Collections	134,626	341,213	344,931	130,908
Totals	<u>\$ 180,494,721</u>	<u>\$ 1,312,090,447</u>	<u>\$ 1,307,269,898</u>	<u>\$ 185,315,270</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 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.

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

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

LAKE 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 December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

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

LAKE 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) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

My Choice: Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

New employees hired have a one-time election to join either the Public Employees' Hybrid Plan (PERF Hybrid) or the My Choice: Retirement Savings Plan for Public Employees (My Choice), which is a multiple-employer defined contribution plan. PERF Hybrid consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

Financial Report

INPRS 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:

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

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.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficit

The financial statement contains a deficit cash balance of \$3,000 in the CEDIT Pass Thru fund. This is a result of an over distribution that was reimbursed to the County in January 2019.

Note 8. Combined Funds

Funds related to the Settlement, Weed/Misc Lien Barret Law, Sewage Collections, and Unidentified Wires funds were incorrectly combined into one fund for the prior financial statement, but were reported individually in the current financial statement.

Note 9. Holding Corporation

The County has entered into a capital lease with the 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 2018 totaled \$2,618,000. Payments continue through 2024.

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, settled lawsuits resulted in approximately \$4,078,000 of damages to be paid from the County in 2019. The County is considering issuing a judgment bond in 2019 to settle these liabilities.

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, 2018

	General	Accident Report	Animal Control	Campaign Finance Enforcement - County	Child Advocacy	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 20,514,607	\$ 10,589	\$ 7,281	\$ 36,725	\$ 12,129	\$ 217,211
Receipts:						
Taxes	119,746,289	-	-	-	-	-
Licenses and permits	84,540	-	-	-	-	-
Intergovernmental receipts	12,745,297	-	-	-	-	-
Charges for services	4,519,404	-	18,113	-	-	-
Fines and forfeits	1,566,311	-	-	3,615	200	-
Utility fees	-	-	-	-	-	-
Other receipts	3,832,526	17,034	5,722	20,000	-	334,961
Total receipts	142,494,367	17,034	23,835	23,615	200	334,961
Disbursements:						
Personal services	102,137,179	-	-	-	-	206,336
Supplies	3,736,882	-	-	-	-	20,355
Other services and charges	18,059,197	4,685	16,510	-	-	15,925
Capital outlay	762,603	17,538	-	-	-	383
Other disbursements	11,370,702	-	-	-	-	-
Total disbursements	136,066,563	22,223	16,510	-	-	242,999
Excess (deficiency) of receipts over disbursements	6,427,804	(5,189)	7,325	23,615	200	91,962
Cash and investments - ending	\$ 26,942,411	\$ 5,400	\$ 14,606	\$ 60,340	\$ 12,329	\$ 309,173

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Community Corrections	Prisoner Reimbursement For Incarceration	Sales Disclosure - County Share	Cumulative Capital Development	Cumulative Capital Improvement	Cumulative Voting System
Cash and investments - beginning	\$ 1,450,006	\$ 921	\$ 98,425	\$ 631,201	\$ 39,873	\$ 1,643,942
Receipts:						
Taxes	-	-	-	7,483,615	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	3,683,450	-	-	475,066	-	-
Charges for services	481,099	-	-	-	-	-
Fines and forfeits	-	-	58,996	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	561,389	-	-	5,490	-	-
Total receipts	<u>4,725,938</u>	<u>-</u>	<u>58,996</u>	<u>7,964,171</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	3,706,065	-	30,436	-	-	-
Supplies	82,934	-	-	-	-	-
Other services and charges	532,277	-	14,973	4,553,693	-	-
Capital outlay	60,752	-	1,701	1,829,326	-	-
Other disbursements	38,480	-	-	-	-	-
Total disbursements	<u>4,420,508</u>	<u>-</u>	<u>47,110</u>	<u>6,383,019</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>305,430</u>	<u>-</u>	<u>11,886</u>	<u>1,581,152</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,755,436</u>	<u>\$ 921</u>	<u>\$ 110,311</u>	<u>\$ 2,212,353</u>	<u>\$ 39,873</u>	<u>\$ 1,643,942</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	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	\$ 300,183	\$ 7,063	\$ 65,515	\$ 12,762	\$ 35,162	\$ 14,803
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	264	15,099	-	-	-	-
Fines and forfeits	201,814	-	-	-	9,784	-
Utility fees	-	-	-	-	-	-
Other receipts	880	-	-	15,000	-	22,899
Total receipts	202,958	15,099	-	15,000	9,784	22,899
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	3,433	-	-	-	-
Other services and charges	3,074	10,540	-	-	-	28,003
Capital outlay	-	-	-	-	-	-
Other disbursements	239,353	-	-	-	-	-
Total disbursements	242,427	13,973	-	-	-	28,003
Excess (deficiency) of receipts over disbursements	(39,469)	1,126	-	15,000	9,784	(5,104)
Cash and investments - ending	\$ 260,714	\$ 8,189	\$ 65,515	\$ 27,762	\$ 44,946	\$ 9,699

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	General Drain Improvement	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street
Cash and investments - beginning	\$ 340,872	\$ 2,639,922	\$ 1,089,966	\$ 1	\$ 253,467	\$ 784,875
Receipts:						
Taxes	1,638,801	1,189,930	-	-	-	-
Licenses and permits	-	453,952	-	-	-	-
Intergovernmental receipts	104,144	286,157	-	-	56,553	1,303,069
Charges for services	-	636,475	83,164	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	32,667	523,342	-	-	2,298
Total receipts	1,742,945	2,599,181	606,506	-	56,553	1,305,367
Disbursements:						
Personal services	-	2,430,944	-	-	31,028	-
Supplies	-	39,548	-	-	-	111,870
Other services and charges	-	161,713	-	-	6,946	795,207
Capital outlay	607,205	9,373	-	-	-	-
Other disbursements	-	-	481,296	-	-	-
Total disbursements	607,205	2,641,578	481,296	-	37,974	907,077
Excess (deficiency) of receipts over disbursements	1,135,740	(42,397)	125,210	-	18,579	398,290
Cash and investments - ending	\$ 1,476,612	\$ 2,597,525	\$ 1,215,176	\$ 1	\$ 272,046	\$ 1,183,165

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Major Moves Construction	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Omitted Property Audits	Park Nonreverting Capital
Cash and investments - beginning	\$ 620,977	\$ 35,545	\$ 123,349	\$ 2,970,948	\$ 650,755	\$ 483,682
Receipts:						
Taxes	-	-	-	-	904,616	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	90,881	-	438,648	9,162,110	-	434,726
Charges for services	-	15,418	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,000	-	-	105,278	-	60,005
Total receipts	91,881	15,418	438,648	9,267,388	904,616	494,731
Disbursements:						
Personal services	-	-	299,339	3,085,250	-	-
Supplies	-	-	-	430,040	-	-
Other services and charges	332,671	-	-	1,089,338	240,500	-
Capital outlay	-	-	-	6,198,500	-	500,077
Other disbursements	-	-	-	-	-	-
Total disbursements	332,671	-	299,339	10,803,128	240,500	500,077
Excess (deficiency) of receipts over disbursements	(240,790)	15,418	139,309	(1,535,740)	664,116	(5,346)
Cash and investments - ending	\$ 380,187	\$ 50,963	\$ 262,658	\$ 1,435,208	\$ 1,314,871	\$ 478,336

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Park Nonreverting Operating	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat	Sheriff's Pension Trust
Cash and investments - beginning	\$ 224,002	\$ 233	\$ 1,885,601	\$ 461,651	\$ 4,578,206	\$ 645,521
Receipts:						
Taxes	1,850	-	2,606,663	-	130,092	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	27,496	-	165,489	-	6,772,384	-
Charges for services	3,940,155	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	765,513
Utility fees	-	-	-	-	-	-
Other receipts	154,470	1,050	66	1,327,443	30,373	-
Total receipts	4,123,971	1,050	2,772,218	1,327,443	6,932,849	765,513
Disbursements:						
Personal services	2,112,630	-	574,970	506,834	32,623	650,472
Supplies	717,446	-	28,772	2,615	25,514	-
Other services and charges	1,230,811	-	2,030,726	249,586	3,569,246	-
Capital outlay	16,088	-	24,474	4,084	2,959,600	-
Other disbursements	155,075	-	-	148,153	838,310	-
Total disbursements	4,232,050	-	2,658,942	911,272	7,425,293	650,472
Excess (deficiency) of receipts over disbursements	(108,079)	1,050	113,276	416,171	(492,444)	115,041
Cash and investments - ending	\$ 115,923	\$ 1,283	\$ 1,998,877	\$ 877,822	\$ 4,085,762	\$ 760,562

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	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	\$ 5,563	\$ 1,447,851	\$ 173,218	\$ 236,189	\$ 1,473,689	\$ 802,885
Receipts:						
Taxes	-	736,492	159,834	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	12,856	-	-	413,645	745,798	-
Fines and forfeits	24,079	-	80,154	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	6,207,707	5,113,007
Total receipts	36,935	736,492	239,988	413,645	6,953,505	5,113,007
Disbursements:						
Personal services	-	279,003	250,925	34,625	-	-
Supplies	-	12,616	2,345	6,302	-	-
Other services and charges	27,316	205,667	778	28,690	964,161	-
Capital outlay	-	204,687	1,561	30,786	-	-
Other disbursements	-	-	-	-	6,189,281	5,144,389
Total disbursements	27,316	701,973	255,609	100,403	7,153,442	5,144,389
Excess (deficiency) of receipts over disbursements	9,619	34,519	(15,621)	313,242	(199,937)	(31,382)
Cash and investments - ending	\$ 15,182	\$ 1,482,370	\$ 157,597	\$ 549,431	\$ 1,273,752	\$ 771,503

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Tax Sale Surplus	Unsafe Building	Vehicle Inspection	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training
Cash and investments - beginning	\$ 8,736,703	\$ 274,611	\$ 26,784	\$ 121,257	\$ 1,470,145	\$ 277,834
Receipts:						
Taxes	1,381,443	-	-	242,277	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	3,300	-	-	83,164
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	8,806,779	1,656	1,175	-	559,603	-
Total receipts	10,188,222	1,656	4,475	242,277	559,603	83,164
Disbursements:						
Personal services	-	-	-	302,206	117,837	-
Supplies	-	-	-	-	-	-
Other services and charges	-	920	79	-	256,072	6,204
Capital outlay	-	-	27,800	-	8,815	-
Other disbursements	9,570,625	-	-	-	1,098,792	-
Total disbursements	9,570,625	920	27,879	302,206	1,481,516	6,204
Excess (deficiency) of receipts over disbursements	617,597	736	(23,404)	(59,929)	(921,913)	76,960
Cash and investments - ending	\$ 9,354,300	\$ 275,347	\$ 3,380	\$ 61,328	\$ 548,232	\$ 354,794

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Park And Recreation	County Offender Transportation Fund	Statewide 911	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services
Cash and investments - beginning	\$ 1,431,260	\$ 36,559	\$ 7,816,309	\$ 4,973	\$ 52,675	\$ 701,064
Receipts:						
Taxes	4,244,349	-	9,001,425	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	1,506,905	-	570,029	-	20,000	-
Charges for services	558,237	9,541	3,407,459	-	-	-
Fines and forfeits	-	-	-	157,759	-	634,949
Utility fees	-	-	-	-	-	-
Other receipts	8,051	-	240,253	-	-	-
Total receipts	6,317,542	9,541	13,219,166	157,759	20,000	634,949
Disbursements:						
Personal services	4,413,601	-	9,403,227	104,415	8,127	733,395
Supplies	506,003	-	38,332	-	4,704	25,005
Other services and charges	1,091,722	-	3,262,602	-	8,759	72,856
Capital outlay	326,191	-	239,771	-	-	6,500
Other disbursements	5,070	-	107,238	-	-	170
Total disbursements	6,342,587	-	13,051,170	104,415	21,590	837,926
Excess (deficiency) of receipts over disbursements	(25,045)	9,541	167,996	53,344	(1,590)	(202,977)
Cash and investments - ending	\$ 1,406,215	\$ 46,100	\$ 7,984,305	\$ 58,317	\$ 51,085	\$ 498,087

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Supplemental Juvenile Probation Services	Alternative Dispute Resolution	County User Fee	Convention Center Operating	Animal Shelter	Sheriff Sale Administration
Cash and investments - beginning	\$ 33,933	\$ 223,104	\$ 2,492,917	\$ 428	\$ 3,924	\$ 226,146
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	1,290,265	-	-
Charges for services	-	-	270,869	-	2,227	237,200
Fines and forfeits	11,553	19,135	1,214,200	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	31,159	426,083	-	20,959	-
Total receipts	11,553	50,294	1,911,152	1,290,265	23,186	237,200
Disbursements:						
Personal services	-	10,631	850,683	-	-	92,583
Supplies	-	-	14,639	-	-	-
Other services and charges	875	28,285	349,978	1,290,265	11,683	-
Capital outlay	1,364	-	4,512	-	-	-
Other disbursements	-	-	1,259,653	-	-	-
Total disbursements	2,239	38,916	2,479,465	1,290,265	11,683	92,583
Excess (deficiency) of receipts over disbursements	9,314	11,378	(568,313)	-	11,503	144,617
Cash and investments - ending	\$ 43,247	\$ 234,482	\$ 1,924,604	\$ 428	\$ 15,427	\$ 370,763

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Drug Task Force	DUI Task Force	Local Ordinance Violations Fines - County	Park Bond 2013	Insurance	Settlement
Cash and investments - beginning	\$ 267,617	\$ 1,993	\$ 2,405	\$ 564,843	\$ 340,672	\$ 96,162
Receipts:						
Taxes	102,457	-	-	695,363	-	623,101,971
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	165,296	-	-	41,372	-	49,235,542
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	20,577	-	-	-	46,821	163,528
Total receipts	288,330	-	-	736,735	46,821	672,501,041
Disbursements:						
Personal services	130,585	-	-	-	-	-
Supplies	15,847	-	-	-	-	-
Other services and charges	41,989	-	-	-	-	-
Capital outlay	38,399	-	-	898,787	-	-
Other disbursements	-	-	-	-	109,822	672,597,203
Total disbursements	226,820	-	-	898,787	109,822	672,597,203
Excess (deficiency) of receipts over disbursements	61,510	-	-	(162,052)	(63,001)	(96,162)
Cash and investments - ending	\$ 329,127	\$ 1,993	\$ 2,405	\$ 402,791	\$ 277,671	\$ -

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	CVET Agency	Financial Institution Tax	Homestead Credit Rebate	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines
Cash and investments - beginning	\$ -	\$ -	\$ 12,870	\$ 131,830	\$ 322,105	\$ 261,457
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	104,050
Intergovernmental receipts	3,399,450	2,632,748	-	190,553	-	-
Charges for services	-	-	-	-	-	9,800
Fines and forfeits	-	-	-	123,970	779,145	26,855
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	107,275	342,225	-
Total receipts	3,399,450	2,632,748	-	421,798	1,121,370	140,705
Disbursements:						
Personal services	-	-	-	-	480,463	70,501
Supplies	-	-	-	-	-	1,446
Other services and charges	-	-	-	-	931	4,448
Capital outlay	-	-	-	237,261	-	1,050
Other disbursements	3,399,450	2,632,748	-	226,001	620,374	31,895
Total disbursements	3,399,450	2,632,748	-	463,262	1,101,768	109,340
Excess (deficiency) of receipts over disbursements	-	-	-	(41,464)	19,602	31,365
Cash and investments - ending	\$ -	\$ -	\$ 12,870	\$ 90,366	\$ 341,707	\$ 292,822

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	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	\$ 2,780	\$ 173,572	\$ 7,941	\$ 664	\$ 3,386	\$ 23,568
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	115,335	-	10,741	35,549	15,345
Fines and forfeits	42,684	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	58,995	76,370	-	-	456
Total receipts	42,684	174,330	76,370	10,741	35,549	15,801
Disbursements:						
Personal services	-	79,019	-	-	-	7,397
Supplies	-	4,193	-	-	-	-
Other services and charges	-	5,937	-	-	-	-
Capital outlay	-	2,755	-	-	-	-
Other disbursements	42,159	59,240	71,278	10,580	38,935	1,587
Total disbursements	42,159	151,144	71,278	10,580	38,935	8,984
Excess (deficiency) of receipts over disbursements	525	23,186	5,092	161	(3,386)	6,817
Cash and investments - ending	\$ 3,305	\$ 196,758	\$ 13,033	\$ 825	\$ -	\$ 30,385

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Child Restraint Violations Fines	Inheritance Tax	Sales Tax Collections	Education Plate Fees Agency	Public Safety CAGIT	CEDIT
Cash and investments - beginning	\$ 125	\$ 66,798	\$ 5,493	\$ 239,063	\$ 1,389,278	\$ 5,807,125
Receipts:						
Taxes	-	-	-	10,781	9,921,085	10,643,738
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	2,879	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	4,070	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	103,546	169	1,766	-
Total receipts	4,070	2,879	103,546	10,950	9,922,851	10,643,738
Disbursements:						
Personal services	-	-	-	-	2,620,000	-
Supplies	-	-	-	-	2,303	-
Other services and charges	-	-	102,011	-	5,828,049	161,306
Capital outlay	-	-	-	-	1,663,669	8,310,639
Other disbursements	2,665	-	-	230,329	-	2,660,934
Total disbursements	2,665	-	102,011	230,329	10,114,021	11,132,879
Excess (deficiency) of receipts over disbursements	1,405	2,879	1,535	(219,379)	(191,170)	(489,141)
Cash and investments - ending	\$ 1,530	\$ 69,677	\$ 7,028	\$ 19,684	\$ 1,198,108	\$ 5,317,984

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	City/Town Ordinance Violations Fines	93.563 Prosecutor PCA	Rainy Day	Juvenile Probation Administrative	Ordinance Violation Deferral	Veteran Services Funds
Cash and investments - beginning	\$ 252,437	\$ 741,161	\$ 1,613,563	\$ 13,499	\$ 19,563	\$ 250
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	82,188	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	79,657	-	-	18,465	-	-
Utility fees	-	-	-	-	-	-
Other receipts	162,592	27,941	-	-	990	20
Total receipts	242,249	110,129	-	18,465	990	20
Disbursements:						
Personal services	390,989	-	-	27,374	-	-
Supplies	-	3,323	-	-	-	-
Other services and charges	1,193	42,039	63,546	-	18,000	-
Capital outlay	-	-	77,150	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	392,182	45,362	140,696	27,374	18,000	-
Excess (deficiency) of receipts over disbursements	(149,933)	64,767	(140,696)	(8,909)	(17,010)	20
Cash and investments - ending	\$ 102,504	\$ 805,928	\$ 1,472,867	\$ 4,590	\$ 2,553	\$ 270

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	1387-Exempt Park Revenue Bond	County Bond Redemption	Exempt Debt Service	Park & Recreation Self Insurance	Excess Internet Access Fee	Non-reverting Self Ins. Fund
Cash and investments - beginning	\$ 1,529,487	\$ 4,813,951	\$ 162,130	\$ 234	\$ 4,065	\$ 1,009,476
Receipts:						
Taxes	2,300,239	14,243,690	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	136,956	847,416	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	2,150	-	10,986,665
Total receipts	2,437,195	15,091,106	-	2,150	-	10,986,665
Disbursements:						
Personal services	-	-	-	-	-	27,000
Supplies	-	-	-	-	-	-
Other services and charges	-	3,000,247	-	-	-	11,647,758
Capital outlay	2,399,532	11,406,198	-	-	3,244	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,399,532	14,406,445	-	-	3,244	11,674,758
Excess (deficiency) of receipts over disbursements	37,663	684,661	-	2,150	(3,244)	(688,093)
Cash and investments - ending	\$ 1,567,150	\$ 5,498,612	\$ 162,130	\$ 2,384	\$ 821	\$ 321,383

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Lake County Jail Construction	Construction Fund	Cumulative Bridge	Co Hwy Maint Garage Bond	Park Dist Bond 1982	Non-Sufficient Check Fund/LC
Cash and investments - beginning	\$ 3,120	\$ 446,715	\$ 907,296	\$ 25,321	\$ 1,992,753	\$ 79,285
Receipts:						
Taxes	-	-	2,246,720	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	303,078	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	5,175
Utility fees	-	-	-	-	-	-
Other receipts	-	-	102,309	-	227,197	-
Total receipts	-	-	2,652,107	-	227,197	5,175
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	62,215	-	-	-
Other services and charges	-	32,836	210	-	-	99
Capital outlay	-	403,879	815,789	-	713,677	-
Other disbursements	-	-	-	-	-	35
Total disbursements	-	436,715	878,214	-	713,677	134
Excess (deficiency) of receipts over disbursements	-	(436,715)	1,773,893	-	(486,480)	5,041
Cash and investments - ending	\$ 3,120	\$ 10,000	\$ 2,681,189	\$ 25,321	\$ 1,506,273	\$ 84,326

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Park & Recreation Gift	Auditor's Tax Incentive	Doctor's Merchants	Division I LADOS	Division II LADOS	Ordinance Deferral Program
Cash and investments - beginning	\$ 25,100	\$ (22,332)	\$ 77,662	\$ 219,382	\$ 108,912	\$ 89,897
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	130,713
Utility fees	-	-	-	-	-	-
Other receipts	8,691	276,000	54	110,145	133,681	7,840
Total receipts	8,691	276,000	54	110,145	133,681	138,553
Disbursements:						
Personal services	-	249,285	-	170,332	116,918	-
Supplies	-	-	-	1,932	5,890	-
Other services and charges	3,019	-	-	6,700	14,985	140,353
Capital outlay	-	-	-	-	250	-
Other disbursements	-	-	-	-	-	-
Total disbursements	3,019	249,285	-	178,964	138,043	140,353
Excess (deficiency) of receipts over disbursements	5,672	26,715	54	(68,819)	(4,362)	(1,800)
Cash and investments - ending	\$ 30,772	\$ 4,383	\$ 77,716	\$ 150,563	\$ 104,550	\$ 88,097

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Disproportional Minority Contact Project Grant	Zoning Enforcement Fund	Non-Revert. Hwy. Deposit. Gambl.	Domestic Relation Counseling B	Non-Revert Delinq Coll Fees	Comm Incentive Fund
Cash and investments - beginning	\$ 2	\$ 19,955	\$ 233,966	\$ 127,153	\$ 25,859	\$ 9,779
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	21,135	-	-	-	-
Intergovernmental receipts	-	-	338,310	-	-	-
Charges for services	-	-	-	-	7,884	-
Fines and forfeits	-	-	-	32,085	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	107,193	-	300	-	64,698
Total receipts	-	128,328	338,310	32,385	7,884	64,698
Disbursements:						
Personal services	-	-	-	70,742	-	57,706
Supplies	-	-	13,663	-	-	-
Other services and charges	-	-	98,323	-	7,885	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	111,986	70,742	7,885	57,706
Excess (deficiency) of receipts over disbursements	-	128,328	226,324	(38,357)	(1)	6,992
Cash and investments - ending	\$ 2	\$ 148,283	\$ 460,290	\$ 88,796	\$ 25,858	\$ 16,771

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Coroner Facility Fee	Cum Helicopter Improvement Fnd	Lake County Community Development FMHA	Anti-Bioterrorism	LC Sheriff's Marine Unit	Lake County Operating Fund
Cash and investments - beginning	\$ 76,443	\$ 319	\$ 45,238	\$ 7,341	\$ 5,474	\$ 14,215
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	925	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	46,000	-	-	-	-	-
Total receipts	46,000	-	-	-	925	-
Disbursements:						
Personal services	22,205	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	13,590
Capital outlay	4,856	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	27,061	-	-	-	-	13,590
Excess (deficiency) of receipts over disbursements	18,939	-	-	-	925	(13,590)
Cash and investments - ending	\$ 95,382	\$ 319	\$ 45,238	\$ 7,341	\$ 6,399	\$ 625

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Reimbursement Fund	Commissary Payroll Pass-Thru	Violence Intervention Program	Treasurer's Incentive	Child Support Incentive	HAVA Title III Voting System
Cash and investments - beginning	\$ 67,662	\$ 40	\$ 5,297	\$ 84,301	\$ 1,877,707	\$ 29,935
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	487,543	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	240,000	4,717	-
Total receipts	-	-	-	240,000	492,260	-
Disbursements:						
Personal services	-	-	-	202,039	339,355	-
Supplies	-	-	-	-	7,900	-
Other services and charges	67,262	-	-	77,000	1,074	-
Capital outlay	-	-	-	3,859	6,833	-
Other disbursements	-	-	-	-	118,185	-
Total disbursements	67,262	-	-	282,898	473,347	-
Excess (deficiency) of receipts over disbursements	(67,262)	-	-	(42,898)	18,913	-
Cash and investments - ending	\$ 400	\$ 40	\$ 5,297	\$ 41,403	\$ 1,896,620	\$ 29,935

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Subdivision Escrow Bonds	Jury Fees	Check Deception Collection Fee	Fingerprint Fee Fund	HAVA Sec 101 Voting Sys Fund	Prosecutor's Elderly Abuse
Cash and investments - beginning	<u>\$ 130,575</u>	<u>\$ 206,097</u>	<u>\$ 124,034</u>	<u>\$ 445</u>	<u>\$ 277,998</u>	<u>\$ 65,639</u>
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	332,038
Charges for services	-	-	5,424	-	-	-
Fines and forfeits	-	35,090	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	47,555	-	-	-	-
Total receipts	<u>-</u>	<u>82,645</u>	<u>5,424</u>	<u>-</u>	<u>-</u>	<u>332,038</u>
Disbursements:						
Personal services	-	90,793	37,038	-	-	323,159
Supplies	-	-	-	-	-	2,978
Other services and charges	-	5,610	13,361	-	-	18,164
Capital outlay	-	-	-	-	-	22,496
Other disbursements	<u>56,975</u>	<u>-</u>	<u>4,717</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>56,975</u>	<u>96,403</u>	<u>55,116</u>	<u>-</u>	<u>-</u>	<u>366,797</u>
Excess (deficiency) of receipts over disbursements	<u>(56,975)</u>	<u>(13,758)</u>	<u>(49,692)</u>	<u>-</u>	<u>-</u>	<u>(34,759)</u>
Cash and investments - ending	<u>\$ 73,600</u>	<u>\$ 192,339</u>	<u>\$ 74,342</u>	<u>\$ 445</u>	<u>\$ 277,998</u>	<u>\$ 30,880</u>

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	County Welfare Trusts	Interpreter Services Grant	U.S. Research Consultants/Personal Property	VOCA -Victims of Crime Act	Payroll Court Judgement	HUD-NSP-3 Grant
Cash and investments - beginning	\$ 4,720	\$ 8,472	\$ 3,473	\$ 23,485	\$ 27,929	\$ 85,430
Receipts:						
Taxes	-	-	-	58,420	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	37,965	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	104
Total receipts	-	-	-	96,385	-	104
Disbursements:						
Personal services	-	-	-	71,497	1,722	-
Supplies	-	-	-	-	-	-
Other services and charges	-	8,414	-	7,833	12,124	-
Capital outlay	-	-	-	-	-	2,728
Other disbursements	-	-	-	-	-	-
Total disbursements	-	8,414	-	79,330	13,846	2,728
Excess (deficiency) of receipts over disbursements	-	(8,414)	-	17,055	(13,846)	(2,624)
Cash and investments - ending	\$ 4,720	\$ 58	\$ 3,473	\$ 40,540	\$ 14,083	\$ 82,806

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Commissioner's Sale Surplus Property Deposit	JAIBG Block Grant	Lake County CASA Program Grant	ARRA Grant	93.563 County IV-D Incentive	93.563 Prosecutor IV-D Incentive - Post Oct '99
Cash and investments - beginning	\$ 4,477	\$ 113	\$ 718	\$ 8,025	\$ (36,107)	\$ 91
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	187,799	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	100,000	-
Total receipts	-	-	-	-	287,799	-
Disbursements:						
Personal services	-	-	-	-	236,135	-
Supplies	-	-	-	-	-	91
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	395	-
Total disbursements	-	-	-	-	236,530	91
Excess (deficiency) of receipts over disbursements	-	-	-	-	51,269	(91)
Cash and investments - ending	\$ 4,477	\$ 113	\$ 718	\$ 8,025	\$ 15,162	\$ -

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	State Drunk Driving Fees	LC Home Program	LC Comm. Dev. Cities & Towns	LC Dev. Rehabilitation	Sheriff's Therapy Dog Fund	LC Comm. Dev. Remp I.D.O.C.
Cash and investments - beginning	\$ 20,510	\$ 53,096	\$ -	\$ 1,636	\$ 2,524	\$ 361,353
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	4,119	389,795	947,996	468,793	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	183,525	-	6,106	311	62
Total receipts	4,119	573,320	947,996	474,899	311	62
Disbursements:						
Personal services	2,797	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	4,925	-	530	-	-
Capital outlay	-	467,027	947,996	473,495	-	260,000
Other disbursements	-	-	-	-	-	-
Total disbursements	2,797	471,952	947,996	474,025	-	260,000
Excess (deficiency) of receipts over disbursements	1,322	101,368	-	874	311	(259,938)
Cash and investments - ending	\$ 21,832	\$ 154,464	\$ -	\$ 2,510	\$ 2,835	\$ 101,415

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	HUD - NSP Grant	CAGIT Pass Thru	LC Economic Rev. Loan	C.D.B.G. Recapture Loans	Sheriff's Grants Fund	Homeland Security Grant
Cash and investments - beginning	\$ 93,805	\$ -	\$ 329,017	\$ 680,976	\$ 36,840	\$ 1,478
Receipts:						
Taxes	-	27,369,865	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	7,500	33,385
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	822,972	60,535	-	110,071
Total receipts	-	27,369,865	822,972	60,535	7,500	143,456
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	3,466	-
Other services and charges	-	-	-	-	14,990	-
Capital outlay	59,893	-	240,885	700,930	-	19,358
Other disbursements	-	27,369,865	-	-	-	-
Total disbursements	59,893	27,369,865	240,885	700,930	18,456	19,358
Excess (deficiency) of receipts over disbursements	(59,893)	-	582,087	(640,395)	(10,956)	124,098
Cash and investments - ending	\$ 33,912	\$ -	\$ 911,104	\$ 40,581	\$ 25,884	\$ 125,576

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Family Court Initiative Grant	CEDIT Pass Thru	Justice Assistance Grant	Sheriff's SIG Grant Fund	COPS Interoperability Grant	Detention Alternatives Grant
Cash and investments - beginning	\$ 18,107	\$ -	\$ 14,691	\$ 15,944	\$ 5,162	\$ 322
Receipts:						
Taxes	-	28,902,847	125,701	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	33,201	-	-	60
Total receipts	-	28,902,847	158,902	-	-	60
Disbursements:						
Personal services	3,334	-	16,808	-	-	-
Supplies	-	-	9,600	-	-	-
Other services and charges	2,306	-	685	-	-	-
Capital outlay	-	-	99,307	-	-	-
Other disbursements	-	28,905,847	-	-	-	-
Total disbursements	5,640	28,905,847	126,400	-	-	-
Excess (deficiency) of receipts over disbursements	(5,640)	(3,000)	32,502	-	-	60
Cash and investments - ending	\$ 12,467	\$ (3,000)	\$ 47,193	\$ 15,944	\$ 5,162	\$ 382

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	LC Dev. Admin. Budge	Substance of Use Testing	Payment Error (Refunds)	Adult Guardianship Svcs Grant	Community Supervision Grant	Lake County Comm Correction
Cash and investments - beginning	\$ 9,990	\$ 614	\$ 435,428	\$ 15,000	\$ 14,967	\$ 17,187
Receipts:						
Taxes	-	-	-	60,000	-	19,757
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	243,244	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	44,473	-	278,282	-	-	-
Total receipts	287,717	-	278,282	60,000	-	19,757
Disbursements:						
Personal services	278,687	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1,850	-	-	37,500	-	23,565
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	259,282	-	-	-
Total disbursements	280,537	-	259,282	37,500	-	23,565
Excess (deficiency) of receipts over disbursements	7,180	-	19,000	22,500	-	(3,808)
Cash and investments - ending	\$ 17,170	\$ 614	\$ 454,428	\$ 37,500	\$ 14,967	\$ 13,379

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	CPHCP High Conflict	CAGIT-PTRC	LC RDF for Juveniles Fund	Juvenile Secured Detention	Parks - Outside Cash	Community Economic Development
Cash and investments - beginning	\$ 24,454	\$ 3,705,598	\$ 153,406	\$ 32,928	\$ 20,116	\$ 2,301
Receipts:						
Taxes	28,089	109,291,751	-	113,719	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	18,654	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	202,805	-	-	153,377	76,146
Total receipts	28,089	109,494,556	18,654	113,719	153,377	76,146
Disbursements:						
Personal services	3,652	-	-	79,874	-	-
Supplies	-	-	-	-	-	-
Other services and charges	17,525	-	-	33,079	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	108,775,733	-	-	167,926	74,504
Total disbursements	21,177	108,775,733	-	112,953	167,926	74,504
Excess (deficiency) of receipts over disbursements	6,912	718,823	18,654	766	(14,549)	1,642
Cash and investments - ending	\$ 31,366	\$ 4,424,421	\$ 172,060	\$ 33,694	\$ 5,567	\$ 3,943

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Employee Benefit Accruals	Inmate Trust	Jail Commissary	Unfunded Money	Animal Control	Sheriff
Cash and investments - beginning	\$ 11,335,098	\$ 470,513	\$ 20,453	\$ 19,094,299	\$ 54	\$ 693,403
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	77,779,277	1,899,388	793,045	18,781,217	-	24,487,059
Total receipts	77,779,277	1,899,388	793,045	18,781,217	-	24,487,059
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	80,075,893	1,837,041	766,253	19,094,299	54	23,819,755
Total disbursements	80,075,893	1,837,041	766,253	19,094,299	54	23,819,755
Excess (deficiency) of receipts over disbursements	(2,296,616)	62,347	26,792	(313,082)	(54)	667,304
Cash and investments - ending	\$ 9,038,482	\$ 532,860	\$ 47,245	\$ 18,781,217	\$ -	\$ 1,360,707

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Juvenile Division	Clerk	Community Corrections Commissary	LC GO Bonds Series 2014B	Building Construction Fund	Highway Project Fund
Cash and investments - beginning	\$ -	\$ 11,807,286	\$ 73,790	\$ 1,796,375	\$ 99,541	\$ 8,072
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	4,510	34,748,889	270,054	64,432	-	-
Total receipts	4,510	34,748,889	270,054	64,432	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	8,048	18,570	-
Capital outlay	-	-	-	-	-	-
Other disbursements	4,510	31,746,147	289,969	-	-	-
Total disbursements	4,510	31,746,147	289,969	8,048	18,570	-
Excess (deficiency) of receipts over disbursements	-	3,002,742	(19,915)	56,384	(18,570)	-
Cash and investments - ending	\$ -	\$ 14,810,028	\$ 53,875	\$ 1,852,759	\$ 80,971	\$ 8,072

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Commuter Rail Extension/Improv	Family Court Grant Fund	Sheriff Aviation Unit Grant Fund	Park District Bond 2016	Jail Inmate Med&Hosp Reserve	LOIT 2016 Special Distribution
Cash and investments - beginning	\$ 9,900,316	\$ 20,130	\$ 650	\$ 5,806,503	\$ 729,158	\$ 2,192,217
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,986,703	-	-	517,686	400,444	-
Total receipts	3,986,703	-	-	517,686	400,444	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	300,800	32,841
Capital outlay	-	-	-	3,247,483	-	277,263
Other disbursements	-	-	-	150,000	-	518,355
Total disbursements	-	-	-	3,397,483	300,800	828,459
Excess (deficiency) of receipts over disbursements	3,986,703	-	-	(2,879,797)	99,644	(828,459)
Cash and investments - ending	\$ 13,887,019	\$ 20,130	\$ 650	\$ 2,926,706	\$ 828,802	\$ 1,363,758

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Veterans Treatment Court Grant	LC CASA Capacity Building Grant	LC Local Road & Bridge Maint Grant	2017 Construction Fund	Community Corrections IDOC WR	Weed/Misc Lien Barret Law
Cash and investments - beginning	\$ 56,506	\$ 132,391	\$ 361,692	\$ 11,166,517	\$ 2,368	\$ 45
Receipts:						
Taxes	-	125,786	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	70,522	-	696,747	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	518,354	100,000	18,782	191,962
Total receipts	70,522	125,786	1,215,101	100,000	18,782	191,962
Disbursements:						
Personal services	39,171	55,932	-	-	-	-
Supplies	-	234	-	-	-	-
Other services and charges	-	4,336	1,017,214	436,964	-	-
Capital outlay	-	-	-	4,801,997	-	-
Other disbursements	-	-	559,579	-	19,782	192,007
Total disbursements	39,171	60,502	1,576,793	5,238,961	19,782	192,007
Excess (deficiency) of receipts over disbursements	31,351	65,284	(361,692)	(5,138,961)	(1,000)	(45)
Cash and investments - ending	\$ 87,857	\$ 197,675	\$ -	\$ 6,027,556	\$ 1,368	\$ -

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Sewage Collections	HEA 1001 State Homestead Credit	Unidentified Wires	Hermit's Lake Debt Reserve	Sewage Collections	Totals
Cash and investments - beginning	\$ 4,980	\$ -	\$ 115,377	\$ 45,945	\$ 134,626	\$ 180,494,721
Receipts:						
Taxes	1,551,493	-	-	-	-	980,381,148
Licenses and permits	-	-	-	-	-	663,677
Intergovernmental receipts	-	-	-	-	-	100,415,903
Charges for services	-	-	-	-	-	15,673,144
Fines and forfeits	-	-	-	-	-	6,025,971
Utility fees	-	-	-	-	341,213	341,213
Other receipts	4,980	1,788	-	-	-	208,589,391
Total receipts	1,556,473	1,788	-	-	341,213	1,312,090,447
Disbursements:						
Personal services	-	-	-	-	-	138,707,873
Supplies	-	-	-	-	-	5,944,436
Other services and charges	-	-	-	-	-	63,954,557
Capital outlay	-	-	-	-	-	52,452,376
Other disbursements	1,561,453	-	115,377	-	344,931	1,046,210,656
Total disbursements	1,561,453	-	115,377	-	344,931	1,307,269,898
Excess (deficiency) of receipts over disbursements	(4,980)	1,788	(115,377)	-	(3,718)	4,820,549
Cash and investments - ending	\$ -	\$ 1,788	\$ -	\$ 45,945	\$ 130,908	\$ 185,315,270

LAKE COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Hermit's Lake Sewer User Fee	\$ 57,781	\$ -
Governmental activities	<u>20,542,058</u>	<u>-</u>
Totals	<u>\$ 20,599,839</u>	<u>\$ -</u>

LAKE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Government Leasing and Financing Inc.	Sheriff's Vehicles	\$ 142,111	07/20/2018	04/20/2022
Government Leasing and Financing Inc.	Trucks - Highway Dept	78,877	12/15/2018	06/15/2022
PNC Equip Finance	Various Highway Equipment	248,771	09/16/2016	09/16/2021
Lake County 2000 Building Corporation	Capital Improvements	<u>2,618,000</u>	08/01/2013	02/01/2024
Total of annual lease payments		<u>\$ 3,087,759</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Public Safety Tax Bonds-Series 2014A - E911 Improvements	\$ 15,955,000	\$ 1,664,869
General obligation bonds	Park District Bonds of 2014 - Refinance 2005 Series	19,955,000	2,409,565
General obligation bonds	General Obligation Bonds Series 2014B Building/Jail Improvements & Paving	8,105,000	1,360,856
General obligation bonds	General Obligation Bond 2015A Improvements to County Buildings, Parking Areas, and Bridges	9,330,000	1,396,500
General obligation bonds	General Obligation Bond 2015B Highway Projects	5,345,000	813,175
General obligation bonds	General Obligation Bond 2015C Pay Outstanding Judgments	4,210,000	1,028,575
General obligation bonds	Park District Bond of 2016 Capital Improvement Projects and Land Acquisition	12,000,000	1,071,288
General obligation bonds	General Obligation Bond 2017A Improvements	11,555,000	1,358,638
General obligation bonds	General Obligation Bonds of 2018 Judgments	8,250,000	820,000
General obligation bonds	Energy Savings Phase II	2,205,000	1,546,613
General obligation bonds	Highway Improvements	2,465,000	585,888
General obligation bonds	Series 2012B - Lake County Jail Construction	1,225,000	835,625
General obligation bonds	Series 2012D-1 - Construction Fund	2,280,000	1,551,005
Claims and judgments	Judgment Funding General Obligation Bonds of 2012	<u>690,000</u>	<u>694,436</u>
Total governmental activities		<u>103,570,000</u>	<u>17,137,033</u>
Hermit's Lake Sewer User Fee: Notes and loans payable	Improvements at Hermits Lake Sewage Treatment Plant	<u>38,084</u>	<u>40,106</u>
Totals		<u>\$ 103,608,084</u>	<u>\$ 17,177,139</u>

LAKE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2018

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	\$ 19,550,653
Infrastructure	295,587,167
Buildings	138,570,473
Machinery, equipment, and vehicles	52,984,466
Construction in progress	<u>9,921,267</u>
Total governmental activities	<u>516,614,026</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>\$ 517,604,317</u>

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

TO: THE OFFICIALS OF 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, 2018. 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, 2018.

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

June 18, 2019

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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, 2018

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
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553			
Juvenile Center Breakfast Program			FY2018	\$ -	\$ 3,308
National School Lunch Program	Indiana Department of Education	10.555			
Juvenile Center Lunch Program			FY2018	-	5,271
Total - Child Nutrition Cluster				-	8,579
Total - Department of Agriculture				-	8,579
<u>Department of Commerce</u>					
Coastal Zone Management Administration Awards	Indiana Department of Natural Resources	11.419			
Milroy Covered Bridge Historic Restoration			CZ-519	-	100,000
Oak Ridge Prairie-Costakis/Curtis Acquisition			CZ-731	-	5,925
Deep River-Tsirtsis Acquisition			CZ-732	-	127,500
Total - Coastal Zone Management Administration Awards				-	233,425
Total - Department of Commerce				-	233,425
<u>Department of Housing and Urban Development</u>					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	Direct Grant	14.218			
CDBG			B-14-UC-18-0016	-	121,304
CDBG			B-15-UC-18-0016	-	22,225
CDBG			B-16-UC-18-0016	-	720,987
CDBG			B-17-UC-18-0016	-	735,357
CDBG			B-18-UC-18-0016	-	59,680
Total - Community Development Block Grants/Entitlement Grants				-	1,659,553
Total - CDBG - Entitlement Grants Cluster				-	1,659,553
Home Investment Partnerships Program	Direct Grant	14.239			
Lake County Home Program			M-14-UC-18-0207	-	49,946
LC Home Program			M-15-UC-18-0207	-	18,987
LC Home Program			M-16-UC-18-0207	-	314,364
LC Home Program			M-17-UC-18-0207	-	6,497
Total - Home Investment Partnerships Program				-	389,794
Total - Department of Housing and Urban Development				-	2,049,347
<u>Department of the Interior</u>					
Outdoor Recreation Acquisition, Development and Planning	Indiana Department of Natural Resources	15.916			
Deep River Park Thomas Acquisition & Big Maple Lake			E10-6-1800590	-	40,467
Total - Department of the Interior				-	40,467
<u>Department of Justice</u>					
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575			
Sheriff's Office-2016 VOCA Grant			D3-17-11467/Subgrant 5514	-	58,420
Prosecutor's Office-VOCA 2017-2018 Grant			D3-17-11489/Subgrant 5691	-	37,965
Total - Crime Victim Assistance				-	96,385
Edward Byrne Memorial Justice Assistance Grant Program	Direct Grant	16.738			
2014 Justice Assistance Grant			2014-DJ-BX-0682	-	18,714
2015 Justice Assistance Grant			2015-DJ-BX-0646	-	84,191
2016 Justice Assistance Grant			2016-DJ-BX-0800	-	23,495
2017 JAG - NICHE Grant			D3-17-11716	-	40,660
2018 JAG - NICHE Grant			D3-18-12358	-	53,622
Total - Edward Byrne Memorial Justice Assistance Grant Program				-	220,682
Equitable Sharing Program	Direct Grant	16.922			
Equitable Sharing - DEA Forfeitures			IND450000	-	237,261
Total - Department of Justice				-	554,328

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

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
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
45th Avenue-Whitcomb to Chase			DES #1172007	-	51,507
Bridge 241			DES #1400568	-	17,214
Bridge 61			DES #1400843	-	60,026
Bridge 65			DES #1600930	-	58,830
45th Avenue & Colfax Traffic Signals			DES #9707970	-	39,374
Bridge Inspection			DES #1382090	-	26,304
Veterans Memorial Trail			DES #9981680	-	190,997
Total - Highway Planning and Construction				-	444,252
Total - Highway Planning and Construction Cluster				-	444,252
Highway Safety Cluster					
State and Community Highway Safety FY 2018 - Operation Pullover	Indiana Criminal Justice Institute	20.600	D3-18-11895	-	4,119
Total - Highway Safety Cluster				-	4,119
Total - Department of Transportation				-	448,371
<u>Environmental Protection Agency</u>					
Great Lakes Program	Indiana Department of Environmental Management	66.469			
Gibson Woods Restoration			A305-6-186	-	251,564
Total - Environmental Protection Agency				-	251,564
<u>Department of Health and Human Services</u>					
Child Support Enforcement	Indiana Department of Child Services	93.563			
Circuit Court Title IV-D FFP			Circuit Court	-	12,423
County Clerk Title IV-D FFP			County Clerk	-	219,132
County Clerk Title IV-D Incentive			County Clerk	-	107,144
Juvenile Court Title IV-D FFP			County Court	-	251,724
Juvenile Court Title IV-D Incentive			County Court	-	236,135
Prosecutor's Title IV-D FFP			County Prosecutor	-	2,216,876
Prosecutor's Title IV-D Incentive			County Prosecutor	-	248,018
County Title IV-D Indirect Costs			Indirect Costs	-	976,880
Total - Child Support Enforcement				-	4,268,332
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance HIV/AIDS Surveillance	Indiana Department of Health	93.944	Contract No: 23623	-	64,950
Total - Department of Health and Human Services				-	4,333,282
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance	Indiana Department of Natural Resources	97.012	Contract No: 25173	-	7,500
Hazard Mitigation Grant	Indiana Department of Homeland Security	97.039			
Hazard Mitigation Plan Update			Contract No: 15991	-	16,770
Homeland Security Grant Program 2016 SHSP Grant	Indiana Department of Homeland Security	97.067	EMW-2016-SS-00078	-	16,615
Total - Department of Homeland Security				-	40,885
Total federal awards expended				\$ -	\$ 7,960,248

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, 2018. 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 weakness identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding 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
93.563	Highway Planning and Construction Cluster Child Support Enforcement	Unmodified 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 2018-001

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

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2017-002.

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 and are as follows:

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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. Each month, the Division Manager's prepared bank reconciliations were sent to the main Clerk of the Circuit Court's office (Crown Point). No documented review of the bank reconciliations were performed. The checks were prepared, posted, signed, and mailed by one individual without an oversight or review process. In May 2018, the Clerk of the Circuit Court's office migrated to a new software system and began to use one combined bank reconciliation.

The Clerk of the Circuit Court did not have a proper system of internal controls in place to ensure that the accounting record balances were reconciled with the bank depository balances at least monthly as required by Indiana Code. The Clerk of the Circuit Court's combined bank account had not been reconciled since July 2018 due to various issues with the new software system. Additional audit procedures were performed and determined that the cash and investment balance reported in the financial statement was materially correct.

2. Control Activities - Receipts: A system of internal controls was in place for the receipting process; however, the control was not effective in detecting the new software system's use of duplicate receipt numbers. Through inquiry with the new software system company, unique identifiers for receipt pools by location were not set up for the Clerk of the Circuit Court, which resulted in the issuance of the duplicated receipt numbers across the various offices and divisions. Therefore, the Clerk of the Circuit Court could potentially have up to four receipts with the same number that were issued on different dates.
3. 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 required the Clerk of the Circuit Court to monitor and assess the quality of the system of internal control.
4. Preparing Financial Statement: An effective system of internal controls 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.

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 and financial statement. The Clerk fund 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 offices and divisions. A proper system of oversight or review was not documented to ensure the financial information gathered was accurate and supported by the Clerk of the Circuit Court's records.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The lack of internal controls over financial transactions and reporting for the Clerk of the Circuit Court was a systemic issue throughout the audit period. Reconciliation of the combined bank account and new software system ledger were completed for May, June, and July 2018, but were not completed from August through December 2018.

Due to the lack of effective controls, the Clerk fund's receipts and disbursements were overstated by \$12,391,702 and \$12,398,465, respectively, in the County's financial statement.

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

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; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

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

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 1)

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management of the Clerk of the Circuit Court had not established a proper system of internal control that segregated key functions and would have ensured accurate monthly bank reconciliements. 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 provide accurate and complete bank reconciliements could have prevented the determination of whether or not the Cash and Investment balance (financial position) of the Clerk fund for the County was fairly presented. The failure to establish controls 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.

Recommendation

We recommended that the Clerk of the Circuit Court establish a system of internal controls related to financial transactions and reporting, as well as to ensure that depository reconciliements will be accurately performed on a timely basis.

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.

JOHN E. PETALAS
AUDITOR



Auditor Lake County

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

© SECURUS 1049-M

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-001

Fiscal year in which the finding initially occurred: 2017
Contact Person Responsible for Corrective Action: Michael Wieser
Contact Phone Number: 219-755-3129

Status of Audit Finding:

The Auditor's Office has created a Journal-voucher which the Treasurers' Office can utilize to make the necessary correction to their ledger. The Voucher has already been prepared and presented to the ledger. The County implemented using the Auditor/Treasurer quietus worksheet provided by the Auditor of State and has had no issue for the last 7 years. Proper procedures will be defined in the implementation of any new process determined by the review.

**Please see attached.



(Signature)

Finance Director

5-16-19

(Date)

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MONTHLY CASH BALANCING

Balances, Reconcilements to
December 31, 2018 Record Balances
Differences

Document Source:

TREASURER'S RECORDS:

Treasurer's Cash Book, Line 92 134,843,225.20
Timing Adjustments

Stop Pmt #819068 Trs shown twice (407.15)
Sick Pay not in Lawson 733.30
NSF Trs doesn't show 70.00
Trs to adjust (0.01)

Cash Balance per Treasurer

134,843,621.34

AUDITOR'S RECORDS:

AC473 125,804,845.88
+ Accrued Expenses 9,038,775.46
+/- Timing Adjustments

-

Cash Balance per Auditor, Activities

134,843,621.34

Balance Sheet, Total Equity 125,804,861.34
+ Accrued Expenses 9,038,775.46
- Investment Equity
+/- Timing Adjustments

(15.46)

15.46

(0.00)

Cash Balance per Auditor, General Ledger

134,843,636.80



HON. LORENZO ARREDONDO

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

PHONE: (219) 755-3460

FAX: (219) 755-3520



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

May 20, 2019

FINDING 2017-002

Fiscal year in which the finding initially occurred: 2017-2

Contact Person Responsible for Corrective Action: Joseph A. Gomeztagle/Rebecca Dowling

Contact Phone Number: 219-755-3067

The corrective plan for the Lack of Segregation of Duties is currently being addressed and these controls will be put into place in 2019. We will have necessary documentation, Standard Operating Procedures (SOP), to address the segregation of duties. The SOP will compensate controls to mitigate the risk.

The satellite offices in Hammond, Gary, and East Chicago will be incorporated in the SOP to be in compliance with the segregation of duties findings.

The corrective plan for the Preparing Financial Statement (Annual Carr/Supplemental Report) will also be incorporated into the SOP in the Crown Point Office.

Sincerely,

A handwritten signature in black ink that reads "Lorenzo Arredondo".

Hon. Lorenzo Arredondo
Clerk Lake Circuit /Superior Court
2293 North Main Street
Crown Point, Indiana 46307



**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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-003

Fiscal year in which the finding initially occurred: 2017

Federal Grantor Agency: HUD:

Contact Person Responsible for Corrective Action: Timothy A. Brown

Contact Phone Number: (219) 755-3225

Status of Audit Finding:

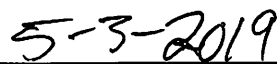
Pursuant to the Corrective Action Plan filed on August 30th, 2018 the Department Staff instituted a process of printing each page of the HUD 60002, Section 3 Summary Report for my review and signature on an added signature page. Please see attached.



Timothy A. Brown



Executive Director



May 3rd, 2019



Section 3 Summary Report

Economic Opportunities for Low- and Very Low-Income Persons

U.S. Department of Housing and Urban Development

Office of Fair Housing and Equal Opportunity

OMB Approval No. 2529-0043
(exp. 11/30/2018)

Disbursement Agency
LAKE COUNTY BOCC
2293 NORTH MAIN STREET, CROWN POINT, IN 46307
35-6000168

Reporting Entity
LAKE COUNTY BOCC
2293 NORTH MAIN STREET, CROWN POINT, IN 46307

Dollar Amount:	\$1,153,221.78
Contact Person:	Timothy A. Brown
Date Report Submitted:	10/15/2018

Timothy A. Brown

Reporting Period		Program Area Code	Program Area Name
From	To		
9/1/17	8/31/18	CDB1	Community Devel Block Grants

The expenditure of these funds did not result in any covered contracts or new hires during the 12-month period selected.

AB



HON. LORENZO ARREDONDO

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

PHONE: (219) 755-3460

FAX: (219) 755-3520



CORRECTIVE ACTION PLAN

SECTION II – FINANCIAL FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: 2017-2

Contact Person Responsible for Corrective Action: Joseph A. Gomeztagle, Rebecca Dowling
Contact Phone Number: 219-755-3067

We concur with the findings in-part.

Views of Responsible Official: Hon. Lorenzo Arredondo

In January 2019, the newly elected Lake County Clerk's, first order of business was to review the State Board Of Accounts (SBOA) of the Lake County Clerks' Office past audits and the most current audits' findings with corrective actions. The second order of business was to request an immediate audit from SBOA.

Description of Corrective Action Plan:

Condition: In response to the insufficiencies which created several weaknesses in internal controls over disbursing, recording, and accounting for the financial activities of the Clerk of the Circuit Court, we concur with the findings and agree to immediately take corrective actions.

1. Lack of Segregation of Duties: The Clerk of the Circuit Courts office has 12 divisions. Each division is comprised of division manager, a bookkeeper, and clerks.

RESPONSE AND CORRECTIVE ACTION PLAN: The Lack of Segregation of Duties is currently being addressed and these controls will be put into place in 2019. We will have necessary documentation, Standard Operating Procedures (SOP), to address the segregation of duties for each of the 12 Divisions including Crown Point. The SOP will compensate controls to mitigate the risk. The SOP will be incorporated into the satellite offices in Hammond, Gary, and East Chicago to be in compliance.

2. Control Activities – Receipts: Although a system of control was in place for the receipting process the controls were not effective in detecting the new software system's (Odyssey) use of

duplicating receipt numbers. Per, The Lake County Clerk of the Circuit Court, Odyssey addressed the issue; In May 5, 2019

RESPONSE AND CORRECTIVE ACTION PLAN: Attach is an e-mail from the new system Odyssey to address this issue.

All of the receipt pools will now be YYYY-SSSS-XX. The YYYY will be the year, the SSSS is the sequential counter that will restart at 1 each year and the XX is the suffix. The suffix will now be as follows:

CP = Crown Point

EC = East Chicago

EF = E Filing

E Pay = E Pay

G = Gary

H = Hammond

So, if you see receipt 2019-12345-CP and 2019-13245-EC, you'll know one was issued by a cashiering station at Crown Point and the other from East Chicago.

3. Monitoring of Controls: The Clerk of the Circuit Court had no process to identify or communicate corrective action to improve controls. Effective internal controls over financial reporting required the Clerk of the Circuit Court to monitor and assess the quality of the system of internal control.

RESPONSE AND CORRECTIVE ACTION PLAN: In May 2019, the corrective plan for the Lack of Segregation of Duties is currently being addressed and these controls will be put into place in 2019. We will have necessary documentation, Standard Operating Procedures (SOP), to address the segregation of duties and provide effective internal controls over financial reporting, and for the Preparation of Financial Statement (Annual Carr/Supplemental Report), by the Clerk of the Circuit Court to monitor and assess the quality of the system. In addition to the satellite offices in Hammond, Gary, and East Chicago will be incorporated in the SOP to be in compliance with the segregation of duties.

4. Preparing Financial Statement: Effective internal control over financial reporting would involve the identification and analysis of the risks of material misstatement to the County's audited financial statement and a determination how those identified risk should be managed.

RESPONSE AND CORRECTIVE ACTION PLAN: After further review with the SBOA and the Clerks' Office it was determined that the change from Court View System to Odyssey caused a onetime discrepancy that was corrected thru the system. Application of Odyssey will address the majority of these issues.

Corrective Action Plan. In May 2019, the corrective plan for the Lack of Segregation of Duties is currently being addressed and these controls will be put into place in 2019. We will have necessary documentation, Standard Operating Procedures (SOP), to address the segregation of duties and provide effective internal controls over financial reporting, and for the Preparation of Financial Statement (Annual Carr/Supplemental Report), by the Clerk of the Circuit Court to monitor and assess the quality of the system. In addition to the satellite offices

in Hammond, Gary, and East Chicago will be incorporated in the SOP to be in compliance with the segregation of duties.

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 Country'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.

Context

The lack of internal controls over financial transactions and reporting for the Clerk of the Circuit Court was a systemic issue throughout the audit period. Reconciliation of the combined bank account and through December 2018 were attempted, but not complete.

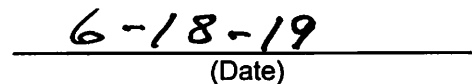
RESPONSE AND CORRECTIVE ACTION PLAN: In May of 2019, the initiative was to reconcile the Lake County Clerks combined bank account, which was not reconciled since July 2018. As of June 2019, Bank reconciliation from July 2018 to November 2018 is complete and December to be completed in July 2019 to assure that the cash and investment balance report in the financial statement meet the SBOA performance to be materially correct.

The Lake County Clerk of the Circuit Court

Anticipated Completion Date: On or before December 2019.


(Signature)


(Title)


(Date)

Rebecca Dowling

From: Strickland, Gaye Lynn
Sent: Tuesday, May 28, 2019 1:23 PM
To: Gomeztagle, Joseph A; Rebecca Dowling; Anastasia Koutouvas
Subject: Receipt Pools

FYI... When you were here you asked me to change your receipt pools so that there was not a duplication of receipt numbers.

All of the receipt pools will now be YYYY-SSSS-XX. The YYYY will be the year, the SSSS is the sequential counter that will restart at 1 each year and the XX is the suffix. The suffix will now be as follows:

CP = Crown Point
EC = East Chicago
EF = E Filing
EPay = E Pay
G = Gary
H = Hammond

So if you see receipt 2019-12345-CP and 2019-13245-EC, you'll know one was issued by a cashiering station at Crown Point and the other from East Chicago.

Sorry for the delay in making this update. I hadn't made a good note of it and it just hit me talking about another county!

Gaye Lynn

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/>.