

**NOBLE COUNTY, OKLAHOMA
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2003**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

April 11, 2005

TO THE CITIZENS OF
NOBLE COUNTY, OKLAHOMA

Transmitted herewith is the audit of Noble County, Oklahoma, for the fiscal year ended June 30, 2003. A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our audit.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the state to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in black ink that reads "Jeff A. McMahan".

JEFF A. McMAHAN
State Auditor and Inspector

**NOBLE COUNTY, OKLAHOMA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

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**NOBLE COUNTY, OKLAHOMA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

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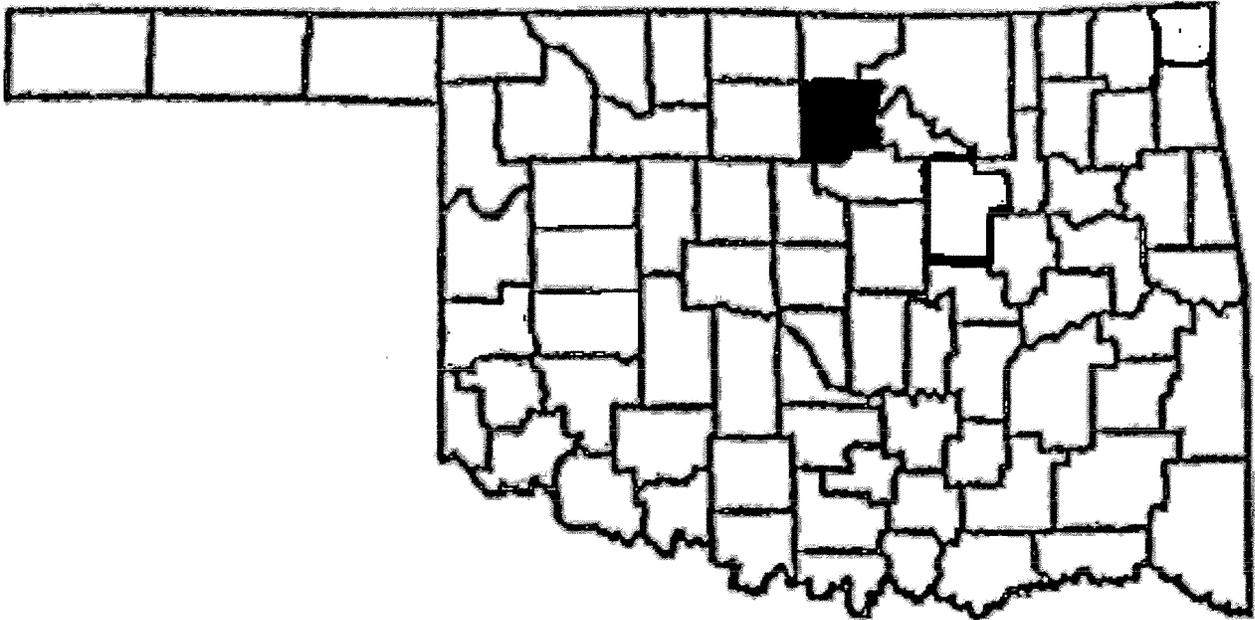
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REPORT TO THE CITIZENS
OF
NOBLE COUNTY, OKLAHOMA



Originally known as County "P" Noble County was part of the original Cherokee Outlet. It was opened for settlement by the Land Run of September 16, 1893. The main source of income in Noble County is derived from agriculture. Industry consists of the Charles Machine Works, Inc., the world's largest manufacturer of service line trenchers, located in Perry, the county seat. Also located in Perry are: the Cherokee Strip Museum, the Stage Coach Community Theater, the Perry Memorial Hospital and the YMCA.

County Seat – Perry

Area – 732 Square Miles

County Population – 11,411
(2000 est.)

Farms – 739

Land in Farms – 412,829 Acres

Source: Oklahoma Almanac – 2003-2004

See independent auditor's report.

**NOBLE COUNTY OFFICIALS
AND RESPONSIBILITIES**

COUNTY ASSESSOR
Mary Moore
(D) Perry

The County Assessor has the responsibility to appraise and assess the real and personal property within the county for the purpose of ad valorem taxation. Also, the County Assessor is required to compute the ad valorem taxes due on all taxable property. The County Assessor appraises all the taxable real and personal property according to its fair cash value for which the property is actually being used as of January 1 of the taxable year at the percentages provided for in Article 10, § 8 of the Oklahoma Constitution.

The County Assessor is required to build and maintain permanent records of the taxable real property and tax exempt real property within the county. Information entered on each record includes the property's legal description, owner's name and address, and the homestead exemption status of the owner.

COUNTY CLERK
Ronita Coldiron
(D) Perry

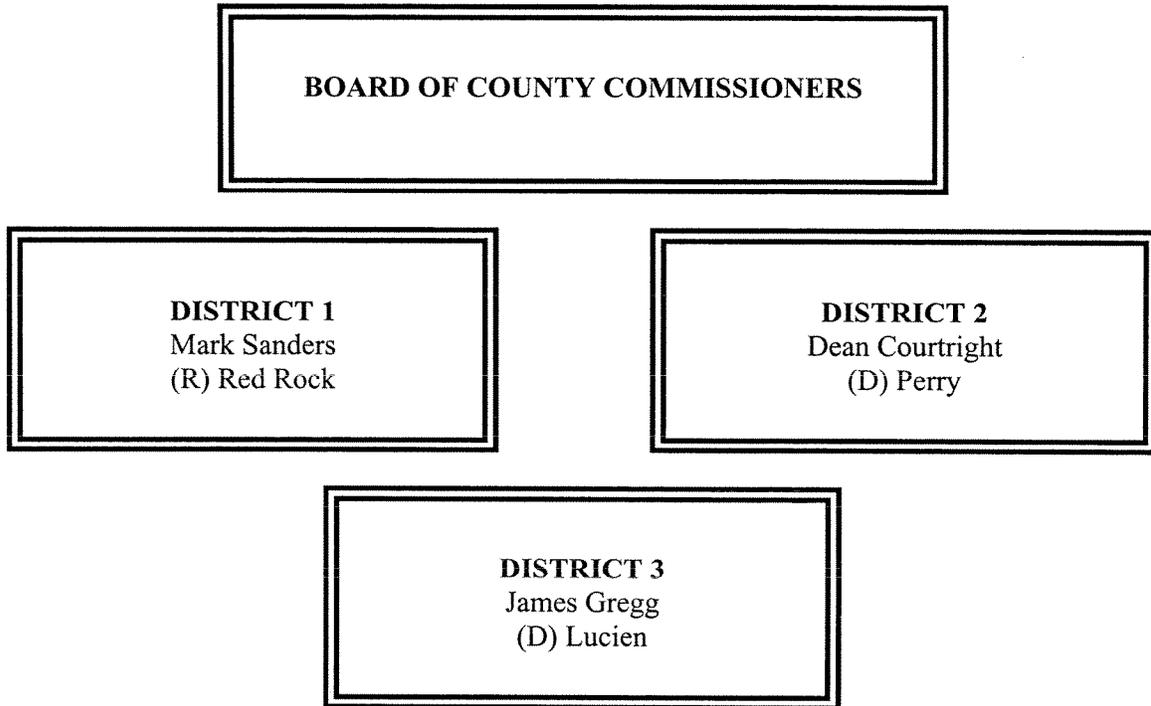
The County Clerk serves as the register of deeds and custodian of records for the county. The County Clerk also serves as the secretary to several boards, including the Board of County Commissioners, the County Excise Board, the County Board of Equalization, and the Board of Tax Roll Corrections.

The County Clerk reviews all the claims for payment of goods and services purchased or contracted by the county, and prepares the proper warrants for payment of those goods and services and the county payroll. The County Clerk, or his or her designated deputy, serves as the purchasing agent for the county. This system is a means to ensure the public that tax dollars are being spent appropriately.

Various records within the different county offices are classified as "open records." As such, they can be reviewed and mechanically copied by the public.

See independent auditor's report.

**NOBLE COUNTY OFFICIALS
AND RESPONSIBILITIES**



The Board of County Commissioners is the chief administrative body for the county. County Commissioners are also responsible for maintaining and constructing the county roads and bridges.

The Commissioners must act as a Board when entering into contracts or other agreements affecting the county's welfare. Thus, actions taken by the Board are voted on and approved by a majority of the Commissioners. The Board of County Commissioners' business meetings are open to the public.

As the county's chief administrative body, the three County Commissioners must make major financial decisions and transactions. The Board has the official duty to ensure the fiscal responsibility of the other county officers who handle county funds. The review and approval procedures empowered to the Board of County Commissioners are a means to provide the public with a fiscally efficient system of county government.

See independent auditor's report.

**NOBLE COUNTY OFFICIALS
AND RESPONSIBILITIES**

COUNTY SHERIFF
Jerry Cook
(D) Perry

The County Sheriff is responsible for preserving the peace and protecting life and property within the county's jurisdiction. As the county's chief law enforcement officer, the Sheriff has the power and authority to suppress all unlawful disturbances, to apprehend and secure persons charged with felony or breach of peace, and to operate the county jail.

The County Sheriff has the responsibility of serving warrants and processing papers ordered by the District Court.

COUNTY TREASURER
Rita Howry
(R) Perry

All collections by county government from ad valorem taxes and other sources are deposited with the County Treasurer. The County Treasurer collects ad valorem taxes for the county and its political subdivisions. The County Treasurer is authorized to issue delinquent personal property tax warrants and to impose tax liens on real property for delinquent taxes.

To account for county collections and disbursements, the County Treasurer is required to maintain an accurate record of all the monies received and disbursed. The State Auditor and Inspector's Office prescribes all the forms used by the County Treasurer, and at least twice a year inspects the County Treasurer's accounts.

See independent auditor's report.

**NOBLE COUNTY OFFICIALS
AND RESPONSIBILITIES**

COURT CLERK
Marilyn M. Mills
(D) Perry

The Court Clerk has the primary responsibility to record, file, and maintain as permanent records the proceedings of the District Court.

Court proceedings are recorded in the appropriate journal or record docket. All the court proceedings are public information except those related to juvenile, guardianship, adoption, and mental health cases.

The Court Clerk issues marriage licenses, passports, notary certificates, beer and pool hall licenses, and private process server licenses.

Monies from the court fund are identified for distribution by the Court Clerk to the appropriate units of county and state government. Court Clerks use forms and follow procedures prescribed by the Court Administrator's Office, the Oklahoma Supreme Court, and the State Auditor and Inspector.

DISTRICT ATTORNEY
Mark Gibson
(R) Perry

As the chief attorney for county government, the District Attorney acts as the legal advisor to the county officers on matters related to their duties. The District Attorney represents the county in civil litigation. County officials may call upon the District Attorney to clarify a law or request an official interpretation from the Attorney General.

See independent auditor's report.

**NOBLE COUNTY OFFICIALS
AND RESPONSIBILITIES**

ELECTION BOARD SECRETARY

Helen Webb
(D) Perry

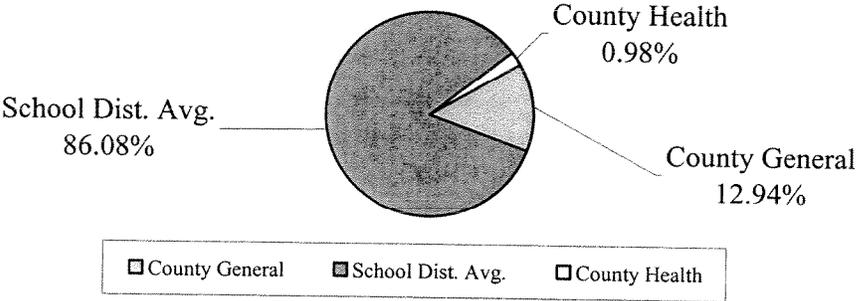
The Election Board Secretary is appointed by the State Election Board and is the chief administrative officer of the County Election Board. The County Election Board has direct responsibility for all the ballots used in all elections within the county. The Board also conducts all elections held within the county.

To finance the operation of the County Election Board, the County Excise Board must appropriate sufficient funds annually. The state and counties split the election costs, but counties must pay for any county elections not held concurrently with state elections.

See independent auditor's report.

**NOBLE COUNTY, OKLAHOMA
AD VALOREM TAX DISTRIBUTION
SHARE OF THE AVERAGE MILLAGE**

Property taxes are calculated by applying a millage rate to the assessed valuation of property. Millage rates are established by the Oklahoma Constitution. One mill equals one-thousandth of a dollar. For example, if the assessed value of a property is \$1,000.00 and the millage rate is 1.00, then the tax on that property is \$1.00. This chart shows the different entities of the County and their share of the various millages as authorized by the Constitution.



County-Wide Millages	
Co. General	10.00
County Health	0.76
<hr/>	
Other	
Perry	1.10
Morrison	13.02

		School District Millages						
		Gen.	Bldg.	Skg.	Career Tech	Common	Total	
Perry	1	35.00	5.00	5.63	15.00	4.00	64.63	
Billings	2	35.00	5.00	7.31		4.00	51.31	
Frontier	4	35.00	5.00	10.54		4.00	54.54	
Morrison	6	35.00	5.00	16.07	15.00	4.00	75.07	
Garfield	JT-47	35.00	5.00	14.23		4.00	58.23	
Garfield	JT-94	35.00	5.00	10.97	15.00	4.00	69.97	
Kay	JT-71	35.00	5.00	20.13		4.00	64.13	
Kay	JT-87	35.00	5.00	14.85		4.00	58.85	
Logan	JT-3	35.00	5.00	14.82	15.00	4.00	73.82	
Payne	JT-16	35.00	5.00	24.34	15.00	4.00	83.34	
Payne	JT-101	35.00	5.00	19.16	15.00	4.00	78.16	

See independent auditor's report.

Financial Section



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Independent Auditor's Report

TO THE OFFICERS OF
NOBLE COUNTY, OKLAHOMA

We have audited the special-purpose financial statements of Noble County, Oklahoma, as of and for the year ended June 30, 2003, as listed in the table of contents. These special-purpose financial statements are the responsibility of Noble County's management. Our responsibility is to express an opinion on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of all funds of Noble County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and county health department fund of the County, and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Noble County in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of all funds of Noble County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and the county health department fund of the County, as of and for the year ended June 30, 2003, in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2004, on our consideration of Noble County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

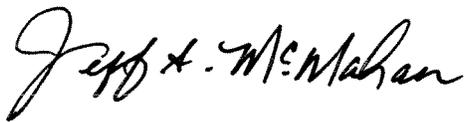
Our audit was performed for the purpose of forming an opinion on the special-purpose financial statements of Noble County, Oklahoma, taken as a whole. The accompanying schedule of expenditures of federal awards is presented as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole. The information listed in the table of contents under *Introductory Section* and *Statistical Section* has not been audited by us, and accordingly, we express no opinion on such data.

The American Institute of Certified Public Accountants' Statement on Auditing Standards No. 87 requires the inclusion of the following paragraph in this report:

This report is intended solely for the information and use of the management of the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

However, the Oklahoma Open Records Act states that all records of public bodies and public officials shall be open to any person, except as specifically exempted. The purpose of this Act is to ensure and facilitate the public's right of access to and review of government records so they may efficiently and intelligently exercise their inherent political power. Therefore, this report is a matter of public record and its distribution is in no way limited or restricted.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

December 21, 2004

Special-Purpose Financial Statements

**NOBLE COUNTY, OKLAHOMA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - ALL FUNDS
FOR THE YEAR ENDED, JUNE 30, 2003**

All County Funds	Beginning Cash Balances July 1, 2002	Receipts Apportioned	Disbursements	Cancelled Vouchers	Ending Cash Balances June 30, 2003
General Fund	\$ 811,987	\$ 1,348,473	\$ 1,388,203	\$	\$ 772,257
Highway Cash	1,166,821	2,193,346	2,172,447		1,187,720
County Road Improvement Fund	511,792	5,786	232,371		285,207
County Health Department	158,956	86,908	76,261		169,603
BIA-Otoe-B	36	1	37		
Clerk's Record Preservation	15,130	19,245	554		33,821
Treasurer's Mort. Cert. Fee	9,081	3,840	2,050		10,871
Assessor's Visual Inspection	4,765		400		4,365
Assessor Revolving	8,309	3,894	1,260		10,943
FEMA Funds		341,290	341,290		
CDGB- RWD #2		99,625	99,625		
Rural Fire Tax		47,836	511		47,325
BIA-STP	33,644	572	13,750		20,466
Illegal Dump Reward	4,749				4,749
Resale Property	50,568	12,546	18,710		44,404
Health Cash Fund	974				974
Sheriff Service Fee	77,956	49,564	28,777		98,743
Sheriff Prisoner Care	11,616	14,371	7,118		18,869
Sheriff Training Fund	83				83
Clerk's Lien Fees	19,884	6,012	3,728		22,168
Free Fair Sales Tax	48,809	101,491	106,295		44,005
OSU Extension Sales Tax	175,535	46,065	58,398		163,202
Schools	630,715	7,651,317	7,660,112		621,920
Cities and Towns	7,592	142,476	141,995		8,073
Official Depository	412,692	1,466,848	1,390,806	8,218	496,952
Conservancy District	1,722	30,757	32,314		165
Court Fund Investments	5,754	163			5,917
Oklahoma Tax Commission	4	61	64		1
Free Fair Memorial	61		61		
Free Fair	14,862	10,141	11,115		13,888
Protest Tax		122,251	1,229		121,022
Individual Redemption		504	504		
M&M Lien Investment		19,113			19,113
Total County Funds	\$ 4,184,097	\$ 13,824,496	\$ 13,789,985	\$ 8,218	\$ 4,226,826

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

**NOBLE COUNTY, OKLAHOMA
COMPARATIVE STATEMENT OF RECEIPTS, EXPENDITURES,
AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2003**

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 811,987	\$ 811,987	\$ 811,987	\$
Less: Prior Year Outstanding Warrants	(115,098)	(115,098)	(115,099)	(1)
Less: Prior Year Encumbrances	(10,237)	(10,237)	(8,171)	2,066
Beginning Cash Balances, Budgetary Basis	<u>686,652</u>	<u>686,652</u>	<u>688,717</u>	<u>2,065</u>
Receipts:				
Ad Valorem Taxes	1,026,740	1,026,740	1,098,018	71,278
Charges for Services	80,002	80,002	88,416	8,414
Intergovernmental Revenues	100,636	110,824	123,503	12,679
Miscellaneous Revenues	30,000	38,536	38,536	
Total Receipts, Budgetary Basis	<u>1,237,378</u>	<u>1,256,102</u>	<u>1,348,473</u>	<u>92,371</u>
Expenditures:				
District Attorney	28,449	28,449	27,257	1,192
Capital Outlay	1	1		1
Total District Attorney	<u>28,450</u>	<u>28,450</u>	<u>27,257</u>	<u>1,193</u>
County Sheriff	329,581	335,198	324,161	11,037
Capital Outlay	5,000	5,000	5,000	
Total County Sheriff	<u>334,581</u>	<u>340,198</u>	<u>329,161</u>	<u>11,037</u>
County Treasurer	92,294	92,998	90,165	2,833
Capital Outlay	1	1		1
Total County Treasurer	<u>92,295</u>	<u>92,999</u>	<u>90,165</u>	<u>2,834</u>
Total County Commissioners	<u>44,540</u>	<u>47,231</u>	<u>43,936</u>	<u>3,295</u>
County Clerk	120,117	121,701	115,550	6,151
Capital Outlay	3,500	3,500	573	2,927
Total County Clerk	<u>123,617</u>	<u>125,201</u>	<u>116,123</u>	<u>9,078</u>
Court Clerk	87,794	87,794	86,183	1,611
Capital Outlay	1	1		1
Total Court Clerk	<u>87,795</u>	<u>87,795</u>	<u>86,183</u>	<u>1,612</u>
County Assessor	73,186	73,186	70,027	3,159
Capital Outlay	1,000	1,000	362	638
Total County Assessor	<u>74,186</u>	<u>74,186</u>	<u>70,389</u>	<u>3,797</u>
Revaluation of Real Property	74,608	74,608	48,954	25,654
Capital Outlay	1,000	1,000	645	355
Total Revaluation of Real Property	<u>75,608</u>	<u>75,608</u>	<u>49,599</u>	<u>26,009</u>
Total Juvenile	<u>7,000</u>	<u>7,000</u>	<u>3,964</u>	<u>3,036</u>
General Government	157,351	158,082	132,798	25,284
Capital Outlay	5,000	5,000	858	4,142
Total General Government	<u>162,351</u>	<u>163,082</u>	<u>133,656</u>	<u>29,426</u>

continued on next page

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

NOBLE COUNTY, OKLAHOMA
COMPARATIVE STATEMENT OF RECEIPTS, EXPENDITURES,
AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2003

continued from previous page

	Original Budget	Final Budget	Actual	Variance
Total Excise-Equalization Board	2,900	2,900	1,857	1,043
County Election Board	46,442	43,984	43,309	675
Capital Outlay	1	2,935	2,870	65
Total County Election Board	46,443	46,919	46,179	740
Total Insurance	728,464	730,145	289,889	440,256
County Purchasing Agent	31,009	32,809	22,683	10,126
Capital Outlay	2,500	1,500	1,042	458
Total County Purchasing Agent	33,509	34,309	23,725	10,584
Total Charity	4,000	4,000	3,964	36
Recording Account	28,391	28,391	26,971	1,420
Capital Outlay	3,700	3,700		3,700
Total Recording Account	32,091	32,091	26,971	5,120
Civil Defense	2,602	6,042	4,988	1,054
Capital Outlay	3,000	4,000	3,500	500
Total Civil Defense	5,602	10,042	8,488	1,554
Highway Budget	24,302	24,302	24,194	108
Capital Outlay	1	1		1
Total Highway Budget	24,303	24,303	24,194	109
Total County Audit Budget	11,294	11,294	11,294	-
County Cemetery	501	501		501
Capital Outlay	500	500		500
Total County Cemetery	1,001	1,001	-	1,001
Provision for Interest on Warrants	4,000	4,000		4,000
Total Expenditures, Budgetary Basis	<u>1,924,030</u>	<u>1,942,754</u>	<u>1,386,994</u>	<u>555,760</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	650,196	<u>\$ 650,196</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			5,344	
Add: Current Year Outstanding Warrants			116,717	
Ending Cash Balance			<u>\$ 772,257</u>	

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

**NOBLE COUNTY, OKLAHOMA
 DETAILED STATEMENT OF RECEIPTS, EXPENDITURES,
 AND CHANGES IN CASH BALANCES - BUDGET AND ACTUAL
 COUNTY HEALTH DEPARTMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2003**

	County Health Department			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 158,956	\$ 158,956	\$ 158,956	\$ -
Less: Prior Year Outstanding Warrants	(5,082)	(5,082)	(5,082)	
Less: Prior Year Encumbrances	(2,458)	(2,458)	(2,194)	264
Beginning Cash Balances, Budgetary Basis	<u>151,416</u>	<u>151,416</u>	<u>151,680</u>	<u>264</u>
Receipts:				
Ad Valorem Taxes	78,032	78,412	83,586	5,174
Miscellaneous Revenues	552	3,322	3,322	
Total Receipts, Budgetary Basis	<u>78,584</u>	<u>81,734</u>	<u>86,908</u>	<u>5,174</u>
Expenditures:				
Health and Welfare	107,500	111,650	101,071	10,579
Capital Outlay	122,500	121,500	213	121,287
Total Expenditures, Budgetary Basis	<u>230,000</u>	<u>233,150</u>	<u>101,284</u>	<u>131,866</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	137,304	<u>\$ 137,304</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			28,591	
Add: Current Year Outstanding Warrants			3,708	
Ending Cash Balance			<u>\$ 169,603</u>	

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

**NOBLE COUNTY, OKLAHOMA
 DETAILED STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CHANGES IN CASH BALANCES - OFFICIAL DEPOSITORY ACCOUNTS
 FOR THE YEAR ENDED JUNE 30, 2003**

Official Depository Accounts	Beginning Cash Balances July 1, 2002	Receipts	Disbursements	Cancelled Vouchers	Ending Cash Balances June 30, 2003
Cash in Account	\$ 150	\$	\$	\$	\$ 150
Court Clerk	233,385	809,446	751,103	7,964	299,692
Court Fund	46,631	338,814	331,038	59	54,466
Court Clerk Revolving	14,537	12,657	5,483		21,711
County Clerk	6,957	125,726	123,016	7	9,674
Treasurer	9,145	58,661	61,730		6,076
Sheriff	15,041	6,802	20,483		1,360
District Attorney	79,395	47,097	31,815	53	94,730
District Attorney State Witness	201	500	318		383
District Attorney Revolving Fund	2,454	486			2,940
Election	218	25,672	25,782	135	243
Law Library	3,682	19,974	20,162		3,494
Health	43	6,442	5,796		689
Commissioners	2	44	45		1
County Assessor	341	4,331	3,894		778
Free Fair Cash	510	10,196	10,141		565
Total Official Depository Accounts	<u>\$ 412,692</u>	<u>\$ 1,466,848</u>	<u>\$ 1,390,806</u>	<u>\$ 8,218</u>	<u>\$ 496,952</u>

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

1. Summary of Significant Accounting Policies

A. Reporting Entity

Counties were created by the Constitution of Oklahoma. One county officer is appointed; however, most county officers are locally elected by their constituents. All county powers are delegated by the state.

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash balances of all funds of Noble County, Oklahoma, and comparisons of such information with the corresponding budgeted information for the general fund and county health department fund of the County. The funds presented are established by statute, and their operations are under the control of the County officials. The general fund is the County's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Fund Accounting

The government uses funds to report on receipts, disbursements, and changes in cash balances. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

C. Basis of Accounting

The financial statements are prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

D. Budgetary Policies

Under current Oklahoma Statutes, the general fund and the county health department fund are the only funds required to adopt a formal budget. The budget presented for the general fund and county health department fund includes the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories. Appropriations for the highway funds and other funds are made on a monthly basis, according to the funds then available.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general fund and county health department fund.

NOBLE COUNTY, OKLAHOMA
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2003

Summary of Significant Accounting Policies (continued)

Any encumbrances outstanding at year-end are included as reservations of cash balances, budgetary basis, since they do not constitute expenditures or liabilities. At the end of the year, unencumbered appropriations are lapsed.

The Statements of Receipts, Expenditures, and Changes in Cash Balances - Budget and Actual - for the General Fund and the County Health Department Fund present comparisons of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Statement of Receipts, Disbursements, and Changes in Cash Balances - All Funds because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including the county health department, school districts and cities and towns. These other budgetary entities produce and file their own financial statements and estimates of needs (budgets). These related cash receipts and disbursements of other budgetary entities are not included in the County's Estimate of Needs.

E. Cash

The County pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. All funds were fully invested or deposited in interest-bearing demand accounts at June 30, 2003.

F. Risk Management

The County is exposed to various risks of loss as follows:

<u>Types of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
General Liability - Torts - Errors and Omissions - Law Enforcement Officers Liability - Vehicle Physical Plant - Theft - Damage to Assets - Natural Disasters	The County participates in a public entity risk pool; Association of County Commissioners of Oklahoma-Self-Insurance Group (ACCO-SIG).	If claims exceed the authorized deductibles, the County could have to pay its share of any pool deficit. A judgment could be assessed for claims in excess of the pool's limits.

Summary of Significant Accounting Policies (continued)

<u>Types of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
Worker's Compensation - Employees' Injuries	The County carries commercial insurance for these types of risk.	A judgment could be assessed for claims in excess of coverage.
Employee - Medical - Disability - Dental - Life	The County carries commercial insurance for these types of coverage.	None

ACCO-SIG - The pool operates as a common risk management and insurance program and is to be self-sustaining through member premiums. Each participating County will pay a deductible amount (\$1,000 to \$10,000; the County has a \$10,000 deductible) for each insured event as stated in the County's "Certificate of Participation." The risk pool will pay legitimate claims in excess of the deductible amounts up to and including \$50,000 per insured event. The pool has acquired commercial reinsurance to cover claims in excess of \$50,000 up to \$1,000,000 limit per insured event. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

Commercial Insurance - The County obtains commercial insurance coverage to pay legitimate worker's compensation claims and employees' insurance. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

Management believes coverage is sufficient to preclude any significant uninsured losses to the County.

G. Compensated Absences

All full-time employees are entitled to annual leave that is accrued on a monthly basis. Employees can earn from 12 days of leave up to 15 days of leave depending on the number of years of service.

All full-time employees are also entitled to sick leave. Sick leave is accumulated at the rate of 8 hours per month and each employee may accrue up to 24 days.

2. Stewardship, Compliance, and Accountability

Budgetary Compliance

On or before the first Monday in July of each year, each officer or department head submits an estimate of needs to the governing body. The budget is approved by fund, office, or department and object. The County Board of Commissioners may approve changes of appropriations within the fund by office or department and object. To increase or decrease the budget by fund requires approval by the County Excise Board.

3. Detailed Notes on Funds and Account Balances

A. Deposits

At year-end, the reported amount of the County's deposits was \$4,226,826 and the bank balance was \$4,346,911. Of the bank balance, all funds were covered by federal depository insurance or collateral held by the County's agent in the County's name.

Title 62 O.S. § 348.1 and § 348.3 allow the following types of investments:

- U.S. Government obligations
- Certificates of deposit
- Savings accounts
- G.O. bonds issued by counties, municipalities or school districts
- Money judgments against counties, municipalities or school districts
- Bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality or school district
- Negotiable certificates of deposit
- Prime bankers acceptance which are eligible for purchase by the Federal Reserve System
- Prime commercial paper with a maturity of 180 days or less
- Repurchase agreements
- Money market funds regulated by the Securities and Exchange Commission and which investments consist of the above-mentioned types of investments

B. Description of Funds

General Fund – revenues are from ad valorem taxes, officers' fees, interest earnings and miscellaneous collections of the County. Disbursements are for the general operations of the County.

Highway Cash – revenues are from state imposed fuel taxes and disbursements are for the maintenance and construction of county roads and bridges.

County Road Improvement Fund – is used to accumulate extra highway cash collections for county road work.

Detailed Notes on Account Balances (continued)

County Health Department – revenues are from ad valorem taxes, miscellaneous fees charged by the health department and state and federal funds. Disbursements are for the operation of the county health department.

BIA - Otoe - B - accounts for a federal grant from the Bureau of Indian Affairs.

Clerk's Record Preservation – revenues are from a fee charged by the County Clerk for recording instruments. Disbursements are for the maintenance and preservation of public records.

Treasurer's Mortgage Certification Fee – revenues are from a fee for certifying mortgages. Disbursements are for any lawful expense of the Treasurer's office.

Assessor's Visual Inspection – revenues are from fees charged to all entities receiving ad valorem taxes. Disbursements are for the re-valuation of all county property for ad valorem purposes.

Assessor Revolving – revenues are from any and all fees collected by the County Assessor. Disbursements are to maintain electronic databases and geographic information systems in the Assessor's office.

FEMA Funds – revenues are from a federal grant. Expenditures are for expenses related to an ice storm.

CDBG – Rural Water Dist #2 – revenues are from a federal grant. Expenditures are for improvements by Rural Water District #2.

Rural Fire Tax – revenues are from a county sales tax. Expenditures are for rural fire districts.

BIA - STP - accounts for a federal grant from the Bureau of Indian Affairs.

Illegal Dump Reward - accounts for rewards for illegal dump sites.

Resale Property – revenues are from interest and penalties on ad valorem tax collections. Disbursements are to offset the expense of collecting delinquent ad valorem taxes.

Health Cash Fund - accounts for a special cash fund of the county health department.

Sheriff Service Fee – revenues are from fees charged for serving summons and notices. Disbursements are for any lawful expense of the Sheriff's office.

Sheriff Prisoner Care - accounts for the Sheriff's expenses of boarding prisoners.

Sheriff Training Fund - accounts for proceeds of property forfeitures used for training.

Detailed Notes on Account Balances (continued)

Clerk's Lien Fees - revenues are from a fee charged by the County Clerk for filing liens. Disbursements are for any lawful expense of the Clerk's office.

Free Fair Sales Tax - accounts for the Free Fair portion of the County sales tax.

OSU Extension Sales Tax - accounts for OSU Extension's share of county sales tax.

Schools - all funds collected on behalf of the County schools are recorded in this fund and remitted to the individual schools monthly.

Cities and Towns - all funds collected on behalf of cities and towns are recorded in this fund and remitted to the individual cities and towns monthly.

Official Depository - all officers and agencies collecting fees deposit those fees to this account daily. At the end of each month the fees are distributed to the appropriate fund or agency.

Conservancy District - accounts for funds of the Noble County Conservation District.

Court Fund Investments - accounts for investments made for specific court cases.

Oklahoma Tax Commission - accounts for the Oklahoma Tax Commission fees collected by the County.

Free Fair Memorial - accounts for fees collected and used for the Free Fair Memorial.

Free Fair - accounts for funds used by the Noble County Free Fair.

Protest Tax - Ad valorem taxes paid under protest are held in this account pending the outcome of the protest.

Individual Redemption - revenues are from taxpayers who redeem tax certificates previously sold on their property. Disbursements are to reimburse the certificate holders for taxes paid, interest, penalties and cost.

M&M Lien Investment - accounts for the investment of funds being held on deposit for a mechanic and material lien.

The following narrative details the official depository accounts.

Cash in Office - accounts for change funds of officers.

Detailed Notes on Account Balances (continued)

Court Clerk - accounts for the collection of bonds, fines, and fees. Money is disbursed for fees and restitution.

Court Fund – accounts for fees transferred from the Court Clerk account and interest earnings and is disbursed for the purpose of fees for various entities, salaries and operation of the Court Clerk’s office.

Court Clerk Revolving - accounts for the charge of \$5 for each warrant. Money is disbursed in the same manner as the Court Fund.

County Clerk - accounts for the collection of filing fees and is transferred to the appropriate entity monthly.

Treasurer - accounts for all collections of pre-paid ad valorem taxes, pre-paid mobile homes, and the sale of motor vehicle tax stamps. Disbursements are for the purpose of refunds, tax payments, Oklahoma Tax Commission, and Treasurer’s Mortgage Tax Certification Fees.

Sheriff - accounts for all collections of foreign service fees and bonds. Monies are disbursed to the Sheriff’s Service Fee Fund and the District Court.

District Attorney - is used for the deposit and expenditures of bogus check, victim restitution, and property forfeiture monies.

District Attorney State Witness - accounts for fees received from the state to reimburse for witness expenses.

District Attorney Revolving Fund - accounts for the proceeds of property forfeitures.

Election - accounts for reimbursements for election cost and is disbursed for election board operations.

Law Library – revenues are from an annual payment from the courts. Disbursements are for the operation of the County law library.

Health - accounts for fees charged by the county health department. Disbursements are to the county health department budget account monthly.

Commissioners - The County sells maps and charges for copies. Collections are deposited in the general fund at the end of each month.

County Assessor - accounts for fees charged by the County Assessor and remitted to the Assessor’s Revolving Fund monthly.

Detailed Notes on Account Balances (continued)

Free Fair Cash - accounts for all fees collected by the Free Fair Board.

C. Ad Valorem Tax

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. Title 68 O.S. § 2820.A. states, ". . . Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable property within the county at least once each four (4) years."

The assessed property value as of January 1, 2002, was approximately \$112,941,543.

The County levied 10 mills (the legal maximum) for general fund operations and .76 mill for the county health department. In addition, the County also collects the ad valorem taxes assessed by cities and towns and school districts and remits the ad valorem taxes collected to the appropriate taxing units.

Taxes are due on November 1 following the levy date, although, they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1. Unpaid real property taxes become a lien upon said property on October 1 of each year.

Unpaid delinquent personal property taxes are published usually in May. If the taxes are not paid within 30 days from publication, they shall be placed on the personal tax lien docket.

Current year tax collections for the year ended June 30, 2003, were approximately 99 percent of the tax levy.

D. Pension Plan

Plan Description. The County contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73105 or by calling 1-800-733-9008.

Detailed Notes on Account Balances (continued)

E. Fuel Tax

The County receives major funding for roads and highways from a state imposed fuel tax. Taxes are collected by the Oklahoma Tax Commission. Taxes are imposed on all gasoline, diesel, and special fuel sales statewide. The County's share is determined on formulas based on the County population, road miles, and land area and is remitted to the County monthly. These funds are earmarked for roads and highways only and are accounted for in the county highway fund.

4. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, primarily the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in management's opinion, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

5. Sales Tax

The voters of Noble County approved a permanent one-quarter percent sales tax effective March 1, 2002. The sales tax was established to provide for permanent revenue for:

Noble County Free Fair Board	70%
OSU Extension Office in Noble County	30%

The voters of Noble County also approved a one-quarter percent sales tax effective January 1, 2003. This sales tax shall be of a limited duration of three years and shall terminate December 31, 2005. The sales tax was established to provide for revenue to be equally apportioned among all fire departments belonging to the Noble County Public Safety Association in Noble County, Oklahoma.

Supplementary Schedule Section

NOBLE COUNTY, OKLAHOMA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2003

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>		
Passed Through State Department of Civil Emergency Management:		
Emergency Management	83.544	\$ 336,850
Hazard Mitigation	83.548	4,440
Total Federal Emergency Management Agency		<u>341,290</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>		
Passed Through State Department of Commerce:		
Community Development Block Grant	14.228	99,625
Total U.S. Department of Housing and Urban Development		<u>99,625</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>		
Passed Through the Bureau of Indian Affairs		
Road Projects - Otoe B	20.205	37
Road Projects - Otoe STP	20.205	13,750
Total U.S. Department of Transportation		<u>13,787</u>
Total Expenditures of Federal Awards		<u>\$ 454,702</u>

NOBLE COUNTY, OKLAHOMA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2003

Basis of Presentation

The schedule of expenditures of federal awards includes the federal grant activity of Noble County, and is presented on the *cash basis of accounting*. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Compliance and Internal Control Section



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

**Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

TO THE OFFICERS OF
NOBLE COUNTY, OKLAHOMA

We have audited the special-purpose financial statements of Noble County, Oklahoma, as of and for the year ended June 30, 2003, and have issued our report thereon dated December 21, 2004. Our report contains an explanatory paragraph discussing that the financial statements are not a complete presentation. 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Noble County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 98-7.

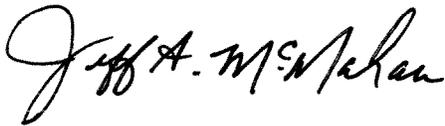
A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 98-7 to be a material weakness.

The American Institute of Certified Public Accountants' Statement on Auditing Standards No. 87 requires the inclusion of the following paragraph in this report:

This report is intended solely for the information and use of the management of the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

However, the Oklahoma Open Records Act states that all records of public bodies and public officials shall be open to any person, except as specifically exempted. The purpose of this Act is to ensure and facilitate the public's right of access to and review of government records so they may efficiently and intelligently exercise their inherent political power. Therefore, this report is a matter of public record and its distribution is in no way limited or restricted.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

December 21, 2004



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

**Report on Compliance With Requirements Applicable to Each Major Program
and on Internal Control Over Compliance in Accordance With
OMB Circular A-133**

TO THE OFFICERS OF
NOBLE COUNTY, OKLAHOMA

Compliance

We have audited the compliance of Noble County, Oklahoma with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

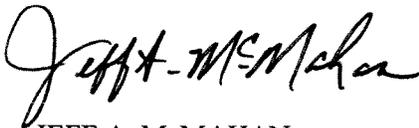
Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

The American Institute of Certified Public Accountants' Statement on Auditing Standards No. 87 requires the inclusion of the following paragraph in this report:

This report is intended solely for the information and use of the management of the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

However, the Oklahoma Open Records Act states that all records of public bodies and public officials shall be open to any person, except as specifically exempted. The purpose of this Act is to ensure and facilitate the public's right of access to and review of government records so they may efficiently and intelligently exercise their inherent political power. Therefore, this report is a matter of public record and its distribution is in no way limited or restricted.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

December 21, 2004

NOBLE COUNTY, OKLAHOMA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 JUNE 30, 2003

SECTION 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Reportable condition(s) identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	None Reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
83.544	Public Assistance Grants
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>
Auditee qualified as low-risk auditee?	No

SECTION 2 - Findings related to the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Finding 98-7 - Segregation of Duties (Repeat Finding)

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping and reconciliation is an important element of effective internal control over government assets and resources.

Condition: The limited number of office personnel within several County offices prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

Recommendation: We recommend management be aware of this condition and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Management's Response: Segregation of duties is always a consideration under our limited resources. We are therefore knowledgeable about County operations and monitor those operations closely.

SECTION 3 - Findings related to the Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133.

No matters were reported.

**Statistical Section
(Unaudited)**

NOBLE COUNTY, OKLAHOMA
TOP TEN TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2003
(UNAUDITED)

<u>TAXPAYER NAME</u>	<u>ASSESSED VALUE</u>	<u>% OF TOTAL NET VALUATION</u>
Oklahoma Gas & Electric	\$ 56,365,953	49.91%
Charles Machine Works Inc	4,875,353	4.32%
Southwestern Bell	3,407,160	3.02%
Enogex Inc	2,693,543	2.38%
BN&SF Railroad	1,970,181	1.74%
Conoco Inc	944,540	0.84%
Phillips Pipeline Co	797,812	0.71%
CMS-Cherokee Gas Processing	701,543	0.62%
Wittwer Construction Inc	447,089	0.39%
Mid-Continent Pipeline Co.	410,630	0.36%
Total	<u>\$ 72,613,804</u>	<u>64.29%</u>

Source: (Provided by Oklahoma Tax Commission - Ad Valorem Division)

**NOBLE COUNTY, OKLAHOMA
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE YEAR ENDED JUNE 30, 2003
(UNAUDITED)**

Total net assessed value as of January 1, 2002		<u>\$ 112,941,543</u>
Debt limit - 5% of total assessed value		5,647,077
Total bonds outstanding	-	
Total judgments outstanding	-	
Less cash in sinking fund	-	<u>-</u>
Legal debt margin		<u>\$ 5,647,077</u>

**NOBLE COUNTY, OKLAHOMA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
FOR THE YEAR ENDED JUNE 30, 2003
(UNAUDITED)**

	2003
Estimated population	11,411
Net assessed value as of January 1, 2002	\$ 112,941,543
Gross bonded debt	-
Less available sinking fund cash balance	-
Net bonded debt	\$ -
Ratio of net bonded debt to assessed value	0.00%
Net bonded debt per capita	\$ -

**NOBLE COUNTY, OKLAHOMA
ASSESSED VALUE OF PROPERTY
FOR THE YEAR ENDED JUNE 30, 2003
(UNAUDITED)**

<u>Valuation Date</u>	<u>Personal</u>	<u>Public Service</u>	<u>Real Estate</u>	<u>Homestead Exemption</u>	<u>Net Value</u>	<u>Estimated Fair Market Value</u>
1/1/02	\$11,027,188	\$68,817,802	\$36,091,511	\$2,994,958	\$112,941,543	\$941,179,525