

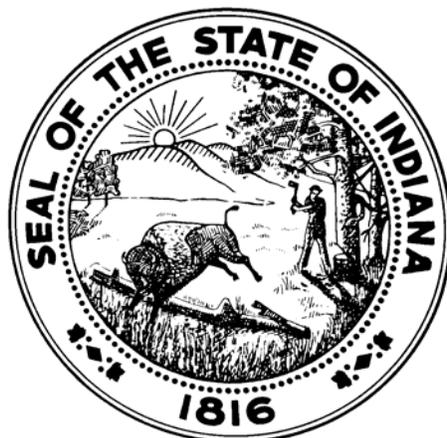
**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT

OF

SCOTT COUNTY, INDIANA

January 1, 2005 to December 31, 2005



**FILED**

02/23/2007



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report .....	3
Financial Information: Schedule of Receipts, Disbursements, and Cash and Investment Balances .....	4-6
Notes to Financial Information.....	7-9
Other Reports .....	10
Exit Conference .....	11

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Iva Gasaway Teresa Vannarsdall	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Treasurer	Bonnie Comer	01-01-05 to 12-31-08
Clerk	Frances Satterwhite	01-01-05 to 12-31-08
Sheriff	John L. Lizenby	01-01-03 to 12-31-10
Recorder	Missy Applegate	01-01-05 to 12-31-08
President Board of County Commissioners	Larry Blevins Mark Hays Robert C. Tobias	01-01-05 to 12-31-05 01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	James D. Buchanan Stephan Patrick Bridgewater Kelley Robbins	01-01-05 to 12-31-05 01-01-06 to 12-31-06 01-01-07 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

---

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

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SCOTT COUNTY, INDIANA

We were engaged to examine the financial schedule of Scott County (County) as of and for the year ended December 31, 2005. The financial schedule is the responsibility of the County's management.

Financial transactions were not posted timely to the financial records and reconciliations of the record balance to the depository balances were not performed. Due to the failure to reconcile record transactions with depository transactions and the untimely posting of financial activity we could not determine the accuracy or completeness of the financial transactions.

Due to adequate financial records not being maintained as discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial schedule.

We did examine records for compliance with State statutes and the Accounting and Uniform Compliance Guidelines published by the State Board of Accounts. The results of this examination are presented in separate reports listed in the Other Reports section of this report.

STATE BOARD OF ACCOUNTS

January 16, 2007

SCOTT COUNTY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2005

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 656,877	\$ 5,511,309	\$ 5,694,375	\$ 473,811
County Highway	520,630	1,215,312	1,219,253	516,689
Cumulative Bridge	381,178	256,425	147,135	490,468
Cumulative Building	445,913	56,350	127,422	374,841
Drainage Maintenance	1,209	320	-	1,529
Courthouse Lease Jail Bond	(44)	369,349	337,950	31,355
County Health	(25,934)	269,847	315,380	(71,467)
Local Road and Street	87,427	253,928	196,058	145,297
Real Estate Transaction	23,739	-	13	23,726
County Family and Children	456,036	1,062,598	1,036,577	482,057
Clerk IV-D Incentive Old	5,200	35	3,310	1,925
County Drug Free Community	19,735	14,471	18,000	16,206
Supplemental Adult Probation Services	84,281	128,023	157,594	54,710
Guardian Ad Litem	23,714	3,186	1,167	25,733
Accident Reports	1,699	2,629	909	3,419
Firearms Training	8,648	3,350	8,155	3,843
Surveyor's Corner Perpetuation	35,970	6,429	14,927	27,472
Cemetery	2,401	7,087	5,331	4,157
Law Enforcement Prosecuting Attorney	16,930	2,147	12,221	6,856
Mental Health	29,317	134,670	163,263	724
County Law Enforcement Continuing Education	-	1,566	1,566	-
Community Corrections Grant	4,332	102,427	69,949	36,810
Community Corrections	43,153	75,131	106,216	12,068
Clerk's Document Storage	15,659	5,980	12,820	8,819
Recorder's Records Perpetuation	91,375	33,804	87,479	37,700
County Corrections Grant	10,000	31,500	29,185	12,315
Local Health Maintenance	87,529	33,139	39,876	80,792
New Hope Services	20,131	91,206	111,337	-
Local Emergency Planning and Right to Know	12,295	-	-	12,295
Scott County TIFF District Loan	89,843	549,842	156,464	483,221
Community Corrections Home Detention	104,030	130,731	153,627	81,134
Cumulative Capital Development	365,594	267,095	291,264	341,425
Emergency Telephone System	89,234	266,201	223,798	131,637
Child Health Clinic Tobacco Grant	6,847	5,000	11,873	(26)
Well Child Grant	(13,216)	77,594	88,547	(24,169)
County Alcohol and Drug Program	17,099	82,045	85,142	14,002
Pretrial Diversion	22,639	15,299	9,589	28,349
Prosecutor IV-D Impact Grant	6,010	31,950	22,445	15,515
Prosecutor IV-D Impact Grant No. 2	6,900	-	6,900	-
Well Child User Fees	8,292	36,559	37,737	7,114
Children's Psychiatric Residential Treatment	31,915	64,941	38,832	58,024
Property Reassessment	322,025	145,176	142,852	324,349
Child Advocacy	200	-	-	200
Supplemental Public Defender	250	-	-	250
SASCO Waste Management	5,441	92,340	86,468	11,313
Covered Bridge Maintenance	7,500	1,250	-	8,750
Sheriff Processor	38,133	-	15,256	22,877
Jury Pay	14,939	3,449	3,881	14,507
Infraction Deferral Program	16,559	16,641	19,258	13,942
Local Health Maintenance Supplemental	(178)	-	-	(178)
Recycling Waste Grant	(1,410)	2,526	1,116	-
Prosecutor SANE Project	459	16,049	17,658	(1,150)

The accompanying notes are an integral part of the schedule.

SCOTT COUNTY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2005  
(Continued)

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds (continued):				
Clerk IV-D Incentive New	12,022	7,616	14,382	5,256
Prosecutor IV-D Incentive	8,209	10,308	10,473	8,044
Medicare Cost Adjustment	1	-	-	1
Tobacco Money Grant	-	17,044	-	17,044
Juvenile Incarceration Block Grant	(1,504)	-	-	(1,504)
County Probation User Fees	5,643	1,622	-	7,265
Highway Revenue Bonds	16,952	-	13,950	3,002
Highway Revenue Bond Reserve	111,964	12,396	-	124,360
Finley Township Water Project State Grant	7,250	-	-	7,250
Debt Service Just Property Bond No. 2	433,059	221,403	603,488	50,974
Sheriff's CASA Fund	1	-	-	1
County Share Riverboat Revenue Sharing	15,214	76,905	75,214	16,905
Probation Administration Fee	20,395	21,427	21,098	20,724
Bioterrorism	10,260	47,087	55,647	1,700
Homeland Security	1,672	12,223	14,653	(758)
Rainy Day	49,079	11,148	2,205	58,022
Prosecutor Violence Against Women Grant	-	20,229	19,746	483
Scott County Drainage Board User Fees	7,600	1,800	-	9,400
Ambulance Service	-	623,019	589,190	33,829
County Share Sales Disclosure	10,442	3,360	-	13,802
Finger Printer Grant	-	34,483	34,483	-
Real Estate Proceeds	-	29,358	-	29,358
Title 3	-	41,663	-	41,663
Emergency Gas Award	-	350	-	350
Prosecutor Investigation Fund	4,042	2,000	1,130	4,912
Scott County Fire Investigation Unit	1,306	1,500	1,711	1,095
Redevelopment Bond	3,708	47,044	46,959	3,793
Sheriff's Commissary	40,777	38,983	29,316	50,444
Fiduciary Funds:				
Payroll Funds	173,035	2,402,594	2,465,058	110,571
Tax Distribution Funds	(71,223)	29,256,029	29,084,442	100,364
Sheriff's Pension	903,566	56,767	35,138	925,195
Congressional Principal	7,717	-	-	7,717
Welfare Trust	15,500	34,018	29,268	20,250
Congressional Interest	7,183	98	383	6,898
Surplus Tax	15,940	22,320	23,140	15,120
Tax Sale Redemption	10,630	100,512	108,152	2,990
Tax Sale Surplus	459,331	159,394	405,757	212,968
Surplus Dog	1,021	492	1,513	-
Fines and Forfeitures	349	1,216	1,538	27
Inheritance Tax	383,992	704,690	979,202	109,480
Infraction Judgment	1,478	24,007	23,305	2,180
Overweight Vehicle Fines	-	1,840	1,840	-
Users Fee Fund	2,470	4,624	1,566	5,528
City/County Court Costs	3,654	7,437	3,654	7,437
Coroner's Education Fund	110	834	895	49
State Sales Disclosure Fee	100	7,525	7,160	465
Education License Plate Fee	1,913	1,200	1,913	1,200
Regional Sewer District	15,432	27,111	42,543	-
State Welfare Tax Allocation	19,297	51,024	70,321	-
Abandoned Vehicle Ordinance Violations	150	50	-	200
Mortgage Fee Fund	-	3,580	2,900	680
Rosewood Point Bond	81,500	-	68,600	12,900
Child Restraint Infraction	-	25	25	-
County Treasurer	8,017,198	24,856,826	31,648,967	1,225,057

The accompanying notes are an integral part of the schedule.

SCOTT COUNTY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2005  
(Continued)

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Fiduciary Funds (continued):				
Clerk of the Circuit Court	334,994	3,682,632	3,490,261	527,365
County Cartographer	10	-	-	10
County Prosecutor Cash Change	-	15	-	15
County Assessor	25	-	-	25
County Probation	100	-	100	-
County Recorder	10,528	115,278	115,180	10,626
County Sheriff	50,928	296,109	346,654	383
Sheriff's Inmate Trust	9,312	2,433	2,522	9,223
County Health	150	-	-	150
Prosecuting Attorney Bad Check	24,026	33,608	30,053	27,581
County Highway Employee Coke Fund	-	2,416	2,135	281
Trash Bag Sales	50	89,715	89,715	50
Totals	<u>\$ 15,437,063</u>	<u>\$ 74,706,293</u>	<u>\$ 81,947,720</u>	<u>\$ 8,195,636</u>

The accompanying notes are an integral part of the schedule.

SCOTT COUNTY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The County was established under the laws of the State of Indiana. The County provides the following services: public safety, highways and streets, sanitation, health, welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

Note 2. Fund Accounting

The County uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the County in June and December. State statute (IC 6-1.1-17-16) requires the Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

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

State statute (IC 5-13-9) authorizes the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

SCOTT COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plans

a. Public Employees' Retirement Fund

Plan Description

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

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

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

b. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which 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. 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 and Annual Pension Cost

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

SCOTT COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

c. County Police Benefit Plan

Plan Description

The County contributes to the County Police Benefit Plan which 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. 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 and Annual Pension Cost

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

Note 7. Subsequent Event

In 2006, the County obtained a loan in the amount of \$278,390 to purchase two ambulances.

SCOTT COUNTY  
OTHER REPORTS

The annual report presented herein was prepared in addition to other official reports prepared for the individual County offices listed below:

Board of County Commissioners  
County Treasurer  
County Auditor  
County Prosecuting Attorney  
County Area Plan Commission  
Clerk of the Circuit Court

SCOTT COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 16, 2007, with Robert C. Tobias, President Board of County Commissioners.