

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

EXAMINATION REPORT  
OF  
POSEY COUNTY  
POSEY COUNTY, INDIANA  
January 1, 2006 to December 31, 2006



**FILED**  
07/19/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Joleen R. Elpers	01-01-04 to 12-31-07
Treasurer	Mary A. Rose	01-01-05 to 12-31-08
Clerk	David A. Angermeier Donna K. Butler	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Sheriff	James E. Folz	01-01-03 to 12-31-10
Recorder	Sandra J. Elpers	01-01-04 to 12-31-07
President of the County Council	Dallas S. Robinson Thomas R. Schneider	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	John K. Sherretz W. Scott Moye	01-01-06 to 12-31-06 01-01-07 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF POSEY COUNTY, INDIANA

We have examined the financial information presented herein of Posey County (County), for the period of January 1, 2006 to December 31, 2006. The County's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the County for the year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

June 19, 2007

POSEY COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2006

	Cash and Investments		Cash and Investments	
	01-01-06	Receipts	Disbursements	12-31-06
Governmental Funds:				
General Fund	\$ 1,650,405	\$ 8,378,200	\$ 7,647,584	\$ 2,381,021
County Highway	325,344	2,789,734	2,581,129	533,949
Property Reassessment (2006)	1,173,951	3,239,235	3,365,597	1,047,589
Family and Children	2,100,458	236,270	895,985	1,440,743
Cumulative Bridge	920,536	2,404,630	2,820,574	504,592
Cumulative Capital Development	804,716	374,410	485,310	693,816
2005 Courthouse Project	1,738,237	33,617	1,704,466	67,388
County Health	81,476	127,561	137,279	71,758
Local Roads and Streets	65,342	266,612	260,002	71,952
Accident Report	952	715	-	1,667
Firearms Training	7,802	8,898	1,956	14,744
Surveyor's Corner Perpetuation	43,692	5,950	9,991	39,651
Adult Probation	58,062	68,408	85,441	41,029
Juvenile Probation	9,415	3,836	5,152	8,099
County Extradition	155	-	-	155
Recorder's Records Perpetuation	77,574	44,482	30,316	91,740
Emergency Telephone System	52,900	320,753	290,919	82,734
County Law Enforcement Cont. Ed.	6,816	1,361	7,682	495
County Users Fees	22,473	5,709	5,934	22,248
Local Health Maintenance	9,513	20,000	19,375	10,138
Jail Commissary Fund	939	60,965	59,906	1,998
Drainage Maintenance	59,343	101,754	68,380	92,717
Pretrial Diversion	24,677	6,078	16,777	13,978
Mental Health	232,601	247,074	226,909	252,766
User Fees IFDP/Prosecutor	50,013	42,300	66,490	25,823
Clerk's Records Perpetuation	6,913	7,478	-	14,391
Jury User Fees	5,878	4,844	6,668	4,054
Juvenile Informal Adjustment Fee	10,459	2,172	-	12,631
County Misdemeanant Fund	6,333	19,022	22,158	3,197
Clerk's IV-D Incentive (old)	289	-	-	289
Guardian GAL/CASA	6,205	-	5,806	399
Community Transition	7,766	1,710	-	9,476
Health Board Gift	42	-	-	42
Tobacco Settlement - Health Maintenance	35,208	13,139	13,021	35,326
Prosecutor's Incentive IV-D (old)	(149)	-	-	(149)
Prosecutor's IV-D Incentive (new)	23,931	8,720	842	31,809
Clerk's IV-D Incentive (new)	19,163	5,796	696	24,263
Wabash Levee	14,089	8,681	40	22,730
Unsafe Buildings (fines)	2,175	-	-	2,175
Indiana Law Enforcement	(1)	-	-	(1)
D.A.R.E.	100	-	-	100
Local Emergency Planning	34,432	6,951	2,835	38,548
Victim's Assistance	3,652	-	-	3,652
Federal Forfeitures	28	-	-	28
Juvenile Accountability Grant	8	-	8	-
Drug Free Communities	38,323	46,782	51,166	33,939
Hazardous Substances	22,750	-	-	22,750

The accompanying notes are an integral part of the financial information.

POSEY COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2006  
(Continued)

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds (continued):				
Sales Disclosure (County)	12,493	3,450	-	15,943
Tobacco Master Settlement	36,414	18,288	20,399	34,303
Community Emergency Response Grant	1,985	-	1,974	11
Family Violence	6,285	13,415	19,700	-
Wastewater Study - Wadesville/Blairsville	(20,000)	-	-	(20,000)
Children's PRTS	89,678	83,623	-	173,301
Race and Gender Fairness Grant	1,956	500	-	2,456
Electronic Voting Machines	87,493	-	83,121	4,372
Jail Maintenance	67,382	106,302	95,150	78,534
Indiana Citizen Corp Grant	-	3,969	3,969	-
EMA Technology Equipment Grant	1	-	-	1
EMS Computer Technology Grant	6	-	-	6
Lease Rental Jail	1,728	-	-	1,728
General Drain Improvement	7,595	-	-	7,595
2005 SHP (Homeland Security)	-	47,258	39,749	7,509
Child Advocacy	-	86	-	86
Courthouse Security Sub-Grant	-	-	45,600	(45,600)
Federal Drug Court Program	-	2,240	2,240	-
Identification Security Protection	-	10,642	9,699	943
Plat Book	-	4,090	-	4,090
Fiduciary Funds:				
Pension Trust:				
Sheriff's Pension Trust	1,357,839	219,964	59,539	1,518,264
Permanent Fund:				
Congressional Principal	44,555	43,660	43,660	44,555
Agency Funds:				
Tax Sale Redemption	248	9,135	9,135	248
Surplus Tax Sale	76,297	-	61,734	14,563
State Fees	4,829	67,767	62,180	10,416
Inheritance Tax	251,677	648,820	704,914	195,583
Surplus Tax	27,000	38,868	25,688	40,180
Congressional Interest	30,781	1,631	1,781	30,631
County Sheriff	1,092	250,427	241,853	9,666
Tax Distribution Funds	209,694	38,768,308	38,778,605	199,397
Payroll Withholding Funds	(23)	4,083	2,518	1,542
Payroll Clearing	135,093	3,585,565	3,528,389	192,269
Clerk of the Circuit Court	204,216	2,165,870	2,174,867	195,219
Welfare Trust	3,009	2,750	2,046	3,713
County Recorder	100	148,642	138,317	10,425
County Treasurer	219,463	47,372,151	47,102,109	489,505
Coroner's Training Continuing Ed.	84	980	1,017	47
Education Plate Fees	225	1,331	1,556	-
Retainage - Reassessment	2,272	-	-	2,272
Township Assistance - Black Township	-	15	15	-
Sewage Collections	-	2,514	2,514	-
Building Commission	3,260	72,241	74,173	1,328
Emergency Medical Services	32,595	481,017	478,331	35,281
Board of Health	947	11,076	11,087	936
Area Plan Commission	289	4,937	4,822	404
Totals	<u>\$ 12,653,544</u>	<u>\$ 113,109,462</u>	<u>\$ 114,728,845</u>	<u>\$ 11,034,161</u>

The accompanying notes are an integral part of the financial information.

POSEY 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, health and social services, 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 Indiana 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 (Indiana Code 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's 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 Indiana 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the County on or prior to December 31 of the year collected.

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 (Indiana Code 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.

POSEY 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 (Indiana Code 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 3% 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 primary government contributes to the County Police Retirement Plan which is a single-employer defined benefit pension plan. With the approval of the primary government's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (Indiana Code 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.

POSEY COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

C. County Police Benefit Plan

Plan Description

The primary government contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the primary government's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (Indiana Code 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.

POSEY COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2006

The County has entered into the following capital leases, notes and loans, and revenue bonds:

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Highway equipment	\$ 45,865	\$ 10,120
Ambulance	68,903	49,069
E-911 equipment	603,080	46,130
Notes and loans payable:		
Energy savings	34,216	34,216
Voting machines	309,902	41,564
Bonds payable:		
Revenue bonds:		
Courthouse renovations	<u>1,790,000</u>	<u>-</u>
Total governmental activities long-term debt	<u>\$ 2,851,966</u>	<u>\$ 181,099</u>

POSEY COUNTY  
OTHER REPORTS

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

County Auditor  
Clerk of the Circuit Court  
County Sheriff

POSEY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 19, 2007, with Joleen R. Elpers, Auditor; W. Scott Moye, President of the Board of County Commissioners; and Thomas R. Schneider, President of the County Council. Our examination disclosed no material items that warrant comment at this time.