

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

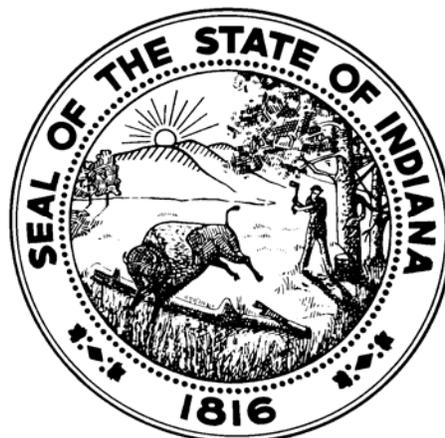
EXAMINATION REPORT

OF

MARTIN COUNTY

INDIANA

January 1, 2006 to December 31, 2006



FILED

11/05/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Frances K. Taylor	01-01-05 to 12-31-08
Treasurer	Vicki D. Boyd	01-01-05 to 12-31-08
Clerk	Linda Nolan John R. Hunt	01-01-06 to 03-24-06 03-24-06 to 12-31-07
Sheriff	Anthony J. Dant	01-01-03 to 12-31-10
Recorder	Diana Schutte	01-01-05 to 12-31-08
President of the Board of County Commissioners	Michael D. Dant	01-01-06 to 12-31-07
President of the County Council	C. Richard Summers	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MARTIN COUNTY, MARTIN COUNTY, INDIANA

We have examined the financial information presented herein of Martin 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 Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

September 17, 2007

MARTIN 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, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ (42,968)	\$ 3,922,874	\$ 3,041,838	\$ 838,068
County Highway	553,363	1,773,323	2,009,016	317,670
County Health	2,478	93,720	39,532	56,666
LRS	82,474	105,806	96,662	91,618
Property Reassessment	509,150	178,876	178,082	509,944
Property Reassessment 2010	75,000	-	-	75,000
Accident Report	1,700	610	140	2,170
Firearms Training	2,868	3,900	113	6,655
Arson Investigation	297	-	-	297
Co. Surv. Corn. Perp.	18,924	4,812	6,066	17,670
Probation User Fees	29,416	27,409	25,364	31,461
Adult Probation Services	15,355	5,275	-	20,630
Criminal Justice Grants	2,624	2,555	4,096	1,083
Recorder's Records Perpetuation	42,015	13,598	23,420	32,193
County Law Enforcement Education	333	-	-	333
County User Fee	113,552	84,973	145,393	53,132
Health Maintenance	5,000	20,000	20,000	5,000
Emergency Planning	13,137	-	8	13,129
County Drug Free Community	31,994	14,457	7,995	38,456
Plat Book	13,974	1,691	750	14,915
County Corrections	14,815	7,507	8,881	13,441
Supplemental Public Defender	4,499	11,335	-	15,834
Drainage Maintenance Upper Boggs	6,570	1,953	3,739	4,784
County Family And Children	762,690	329,650	411,164	681,176
County Medical Co-Payment	7,727	7,254	5,540	9,441
Sheriff's Continuing Education	591	-	-	591
Community Corrections	4,257	55,113	42,113	17,257
Project Income	92,276	137,759	141,954	88,081
Sheriff's Commissary	17,098	100,277	71,717	45,658
Tobacco Grant	6,570	26,315	32,885	-
Prosecutor's Service Charge Fee	22,198	5,348	13,572	13,974
Jury Duty	3,702	3,164	-	6,866
Prosecutor's IV-D	8,631	-	8,631	-
Prosecutor's Title IV-D	9,145	23,541	437	32,249
Clerk's IV-D	17,524	-	-	17,524
Clerk's Records Perpetuation	3,015	2,484	-	5,499
Community Transition Program	4,167	6,130	8,245	2,052
County Sales Disclosure	4,910	1,183	1,007	5,086
Riverboat Revenue Sharing	60,585	65,250	124,604	1,231
Bioterrorism	7,474	1,803	5,094	4,183
Child Psychiatric Treatment	10,578	54,214	35,185	29,607
Emergency Telephone System	160,300	102,651	38,435	224,516
Homeland Security	-	53,485	106,961	(53,476)
Probation Juvenile Administration	2,020	325	-	2,345
Probation User - Juvenile	6,651	2,635	859	8,427
Sheriff's Grants	1,211	-	-	1,211
Guardian Ad Litem	2,024	-	-	2,024
Rainy Day	229,232	-	201,129	28,103
Buy Money	1,656	500	1,000	1,156
Build Indiana	-	22,000	22,000	-
Hoosier Safety Program	160	-	-	160
Middleway House Grant	5,813	25,262	24,070	7,005
Mortgage Fee Fund	810	1,396	1,413	793
Mosquito Control	-	2,414	2,414	-
PHC-2006	(7,512)	45,022	37,511	(1)

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

MARTIN 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, 2006
(Continued)

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds (continued):				
Cops Grant	(875)	875	-	-
Crane North Planning	-	244,843	244,843	-
Crane North Economic Development	6,161	-	-	6,161
Nonreverting Voting	70,925	-	-	70,925
Public Health Coordinator	-	9,468	16,430	(6,962)
CISP Recorder	-	4,822	-	4,822
Community Development	-	101,958	101,258	700
Family Court Project	-	40,000	-	40,000
Federal Grants 2	-	2,000	-	2,000
Levy Excess Special Revenue	-	62,859	-	62,859
Operation Pull Over	-	-	799	(799)
Courthouse Debt Service	16,001	11,000	26,605	396
Debt Service Fund	54,222	18,852	36,461	36,613
Jail Bond	127,274	398,769	351,499	174,544
Cumulative Bridge	449,007	183,294	191,036	441,265
Cumulative Capital Development	139,473	112,381	56,644	195,210
Westgate Capital Fund	-	186,200	8,000	178,200
Health Insurance	53,319	33,984	83,605	3,698
Sheriff's Pension	998,293	115,635	108,515	1,005,413
Congressional School Principal	12,957	-	-	12,957
Fiduciary Funds:				
City and Town Court Costs	-	4,509	4,509	-
Congressional School Interest	4,091	-	777	3,314
County Recorder	3,599	58,873	58,335	4,137
County Treasurer	1,718,258	10,284,372	11,930,763	71,867
County Sheriff	-	34,447	34,447	-
Economic Development Income Tax	-	311,636	311,636	-
Indiana Common School Fund	-	1,000	-	1,000
Inheritance Tax	7,143	94,877	71,784	30,236
Interstate Compact Fee	75	-	75	-
Levy Excess Welfare	-	15,889	-	15,889
County Payroll	27,302	652,023	679,398	(73)
Clerk of the Circuit Court	372,876	1,117,360	1,001,001	489,235
State Fees	6,573	13,155	11,059	8,669
State Settlement	2,839	1,487	-	4,326
Surplus Dog	-	1,395	1,395	-
Surplus Tax	3,080	9,602	8,120	4,562
Surplus Tax Sale	31,933	-	20,224	11,709
Tax Sale Redemption	5,450	31,161	36,612	(1)
Taxes - City and Town	-	903,860	903,860	-
Tax Distribution	-	8,750,772	8,750,772	-
Tax Distribution - Replacement and Homestead	3,160	-	3,160	-
Tax Distribution - Auditor's Ledger	3,592	-	3,592	-
Welfare Trust	3,578	6,990	2,679	7,889
Sheriff Inmate Trust	1,137	72,409	72,840	706
County Hospital Care for the Indigent	-	133,892	133,892	-
Medical Assistance to Wards	-	48,656	48,656	-
Children With Special Health Care Needs	-	22,375	22,375	-
Probation Department	2,280	37,203	35,644	3,839
Community Corrections	5,629	78,119	78,358	5,390
County Prosecutor	31	38,414	38,414	31
Totals	<u>\$ 7,071,456</u>	<u>\$ 31,601,265</u>	<u>\$ 32,439,107</u>	<u>\$ 6,233,614</u>

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

MARTIN 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, culture and recreation, 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 (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's 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 (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.

MARTIN COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

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 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.

MARTIN COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF DEBT
 For The Year Ended December 31, 2006

CAPITAL LEASES

The Unit type has entered into the following capital leases:

Description of Asset	Present Value of Net Minimum Lease Payments	Ending Balance	Due Within One Year
Security Center	\$ 1,745,000	\$ 655,000	\$ 315,000
	<u>Ending Balance</u>	<u>Due Within One Year</u>	
Governmental Activities:			
Notes and loans payable	\$ 76,534	\$ 76,534	
Bonds payable:			
General obligation bonds:			
2000 Courthouse General Obligation Bonds	<u>96,000</u>	<u>11,000</u>	
Total governmental activities long-term debt	<u>\$ 172,534</u>	<u>\$ 87,534</u>	

MARTIN COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended December 31, 2006

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.

General infrastructure assets completed in the current and prior year have been reported. Infrastructure assets have been reported since January 1, 2004. Retroactive reporting of general infrastructure assets is not required.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 34,500
Infrastructure	509,771
Buildings	4,268,652
Machinery and equipment	<u>3,464,171</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 8,277,094</u>

MARTIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2007 with Frances K. Taylor, Auditor; Michael D. Dant, President of the Board of County Commissioners; and C. Richard Summers, President of the County Council. Our examination disclosed no material items that warrant comment at this time.