

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

EXAMINATION REPORT
OF
RANDOLPH COUNTY
RANDOLPH COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED
07/21/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	David B. Kelly	01-01-07 to 12-31-10
Treasurer	Mary Ann Lenkensdofer	01-01-07 to 12-31-10
Clerk	Claudia R. Thornburg	01-01-06 to 12-31-09
Sheriff	Jay S. Harris	01-01-07 to 12-31-10
Recorder	Jane A. Grove	01-01-07 to 12-31-10
President of the Board of County Commissioners	David Lenkensdofer	01-01-07 to 12-31-08
President of the County Council	Carlton Clevenger	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RANDOLPH COUNTY, INDIANA

We have examined the financial information presented herein of Randolph County (County), for the period of January 1, 2007 to December 31, 2007. The County's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Except as described in the next two paragraphs, 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.

As discussed in Note 1, the financial statements referred to above do not include a component unit of the County which should have been included to fairly present the financial position of the County.

The minutes of the meetings of the Board of County Commissioners and the County Council for the examination period and the subsequent period were not completed in time to be used during our examination. As a result, matters that may materially affect the financial statements may not have been identified. Material matters that were not identified could have required consideration in the audit program of the areas affected and disclosure in the financial statements.

In our opinion, except that the omission of the component unit of the County results in incomplete presentation and the possible result of material matters that might have been identified in the review of the board minutes, as referred to in the preceding two paragraphs, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the County as of December 31, 2007, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note 1.

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

June 2, 2008

RANDOLPH COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007

	Cash and		Cash and	
	Investments	Receipts	Disbursements	Investments
	01-01-07			12-31-07
Governmental Funds:				
General	\$ 2,707,941	\$ 7,720,415	\$ 7,798,867	\$ 2,629,489
Highway	923,268	2,893,642	3,210,761	606,149
Family and Children	1,538,788	3,055,207	2,644,690	1,949,305
County Economic Development Income Tax	1,427,035	718,105	1,010,964	1,134,176
Clerk Title IV-D	26,196	-	5,490	20,706
Prosecutor Title IV-D	20,204	17,455	24,771	12,888
County Sales Disclosure	18,404	3,510	-	21,914
Identification Security Protection	7,256	17,822	2,364	22,714
Levy Excess Special	43,829	-	43,829	-
Highway Disaster Relief	-	26,648	26,648	-
Wheel Tax	261,954	437,707	290,916	408,745
Health	107,923	219,457	298,590	28,790
Property Reassessment	405,295	125,914	177,026	354,183
Welfare CPRTSF	256,975	2,061	125,284	133,752
Welfare Levy Excess	24,145	-	24,145	-
Administrative Fee Fund	32,752	12,721	-	45,473
Adult Probation Services	75,140	46,736	58,395	63,481
Juvenile Probation Service	15,818	650	1,500	14,968
Health Maintenance	8,857	41,462	32,086	18,233
Local Road & Street	177,199	264,549	252,396	189,352
Cumulative Bridge	637,718	418,889	525,233	531,374
Criminal Justice - Federal	15,620	92,414	106,225	1,809
Project Income/Seizure	61,631	15,729	41,507	35,853
General Drain Improvement	70,993	56,321	52,541	74,773
Drainage Maintenance	277,597	194,407	70,522	401,482
Emergency Planning and Right to Know	31,550	-	11,387	20,163
Drug Free Community	21,495	18,877	19,830	20,542
DARE Program	3,199	4,750	4,202	3,747
Plat Book	39,742	9,026	2,004	46,764
Accident Report	10,134	1,505	1,564	10,075
Firearms Training	8,717	6,885	14,462	1,140
Surveyor's Corner Perpetuation	24,046	5,995	13,000	17,041
Recorder's Records Perpetuation	61,564	47,834	41,859	67,539
Federal Grants 1	2,557	8,545	8,759	2,343
Landfill Host Fee	67,221	279,715	175,165	171,771
User Fee	56,201	87,762	94,878	49,085
Sheriff Dept Training Fund	11,388	3,705	5,772	9,321
S.A.V.E. Grant	-	12,550	12,550	-
Guardian AD Litem/Court	699	2,165	1,575	1,289
Supplemental Public Defender SVC	28,124	40,999	24,835	44,288
Jury Pay	35,124	4,904	-	40,028
Clerk's Records Perpetuation	2,326	4,397	3,701	3,022
Jail Bond	325,569	599,064	612,526	312,107
Dare Program Donations	559	1,450	1,250	759
Law Enforcement Grant	2,049	-	-	2,049
Misdemeanant Fund	40,832	19,363	12,244	47,951
Sheriff's Continuing Education (LECE)	17,749	678	5,137	13,290
Donations	3,825	3,838	2,120	5,543
Airport Runway Grant	6,379	86,988	88,575	4,792
Emergency Response Team Grant	140	-	-	140
Community Corrections - Home Detention	14,558	43,524	39,108	18,974
Community Corrections Grant	9,181	-	9,181	-
Community Corrections Grant 2	11,891	158,705	143,414	27,182
Project Income	115,691	146,506	144,940	117,257
Courthouse Renovation	136,283	-	10,044	126,239
RCFFO Fund	843	-	-	843
Sheriff Non-Rev Prisoner Reimbursement	15,828	5,477	-	21,305
Rainy Day Fund	552,347	347,293	142,012	757,628
Civil Defense	7,438	2,693	3,075	7,056
Federal Grant 8	-	66,800	66,800	-
Adult Offender	-	265	-	265

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

RANDOLPH COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007
(Continued)

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds (continued):				
Emergency Telephone System	513,466	360,396	286,951	586,911
IDOC Loan Redemption	94,442	30,162	-	124,604
EDIT/Special Legislation	1,882,470	944,754	694,489	2,132,735
Cumulative Capital Development	728,299	280,870	97,418	911,751
Sheriff's Commissary	38,119	140,227	125,232	53,114
Confidential Funds	2,717	13,700	14,095	2,322
Proprietary Fund:				
Health Insurance Nonreverting	939,267	1,660,479	1,151,327	1,448,419
Fiduciary Funds:				
Sheriff's Pension Trust	1,190,546	260,520	72,023	1,379,043
Congressional Principal	32,845	-	-	32,845
State Sales Disclosure	300	3,445	3,525	220
Coroner's Training	95	1,995	1,896	194
Payroll	-	4,784,242	4,784,242	-
Congressional Interest	95,116	5,474	1,314	99,276
Homestead Credit Rebate	-	919,452	-	919,452
Welfare Trust	2,395	220	1,116	1,499
Surplus Tax	141	38,702	2,011	36,832
Tax Sale Redemption	2,765	46,664	49,428	1
Tax Sale Surplus	329,180	-	310,184	18,996
Overweight Vehicles	3,706	8,096	11,802	-
City/Town Court Costs	11,185	4,344	14,069	1,460
Special Death Benefit	10	193	133	70
Inheritance Tax	85,728	920,604	854,156	152,176
Mortgage Fees State Share	540	3,222	3,345	417
State Fines and Forfeitures	2,829	23,014	21,752	4,091
Infraction Judgments	2,414	49,218	48,067	3,565
Child Restraint System Fines	-	225	225	-
County Home Residents' Trust	-	1,115	959	156
PERF	27,564	118,814	119,941	26,437
Judges Retirement	1	-	-	1
Sheriff Retirement	4,247	19,080	18,850	4,477
Riverboat Wagering Tax	-	172,784	172,784	-
Interstate Compact Fees	-	675	675	-
PERF/Special Death Benefit	5,385	3,905	-	9,290
CEDIT/Winchester	-	157,321	157,321	-
CEDIT/Union City	-	130,112	130,112	-
CEDIT/Albany	1,882	983	-	2,865
CEDIT/Farmland	-	18,569	18,569	-
CEDIT/Losantville	-	2,834	-	2,834
CEDIT/Lynn	-	16,146	16,146	-
CEDIT/Modoc	2,021	2,084	-	4,105
CEDIT/Parker City	-	13,790	-	13,790
CEDIT/Ridgeville	-	10,520	10,520	-
CEDIT/Saratoga	4,804	4,914	9,718	-
Union City Body Loan Escrow	147,356	59,538	111,515	95,379
Hospital Liability	33,800	-	-	33,800
Education Plate Fee	-	3,600	3,600	-
Tax Distribution	-	27,411,890	27,411,190	700
County Treasurer	369,731	32,613,224	32,646,167	336,788
County Sheriff	211	515,059	515,059	211
Clerk of the Circuit Court	183,720	3,321,115	3,325,125	179,710
Sheriff's Inmate Trust	5,423	166,255	166,845	4,833
County Recorder	50	142,856	142,856	50
County Prosecuting Attorney	643	6,666	6,669	640
Emergency Ambulance Services	-	301,328	301,328	-
Board of Aviation Commissioners	8,809	113,947	114,041	8,715
Totals	<u>\$ 17,562,009</u>	<u>\$ 94,233,421</u>	<u>\$ 92,489,509</u>	<u>\$ 19,305,921</u>

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

RANDOLPH 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 (police and ambulance services), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The Randolph County Solid Waste Management District, a discreetly presented component unit, has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

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.

RANDOLPH COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

The County Police Retirement and Benefit Plans are not subject to the same investment laws as the County. The Sheriff's Merit Board has not formally adopted an investment policy for interest rate, custodial credit risk, and credit risk. At December 31, 2007, the County Police Retirement and Benefit Plans held investments in United States of America Treasury notes, corporate bonds, mutual funds or corporate stock in the amount of \$1,261,315. Of these investments \$0 are held by the investment's counterparty, not in the name of the County Police Retirement and Benefit Plans.

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 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 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.

RANDOLPH COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Funding Policy and Annual Pension Cost

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

C. County Police Benefit Plan

Plan Description

The County 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.

RANDOLPH COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 546,211
Buildings	15,056,701
Improvements other than buildings	37,252
Machinery and equipment	<u>4,938,493</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 20,578,657</u>

RANDOLPH COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The County has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Jail Building	\$ 2,975,000	\$ 609,262
RCFFO Building	<u>5,050,000</u>	<u>425,000</u>
Total governmental activities debt	<u><u>\$ 8,025,000</u></u>	<u><u>\$ 1,034,262</u></u>

RANDOLPH COUNTY
OTHER REPORTS

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

County Auditor
County Sheriff
Clerk of the Circuit Court
Board of Aviation Commission

RANDOLPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 2, 2008, with David B. Kelly, Auditor; David Lenkensdofer, President of the Board of County Commissioners; and Carlton Clevenger, President of the County Council. Our examination disclosed no material items that warrant comment at this time.