

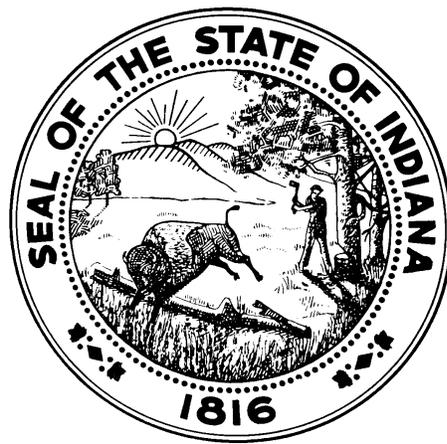
STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT

OF

FULTON COUNTY, INDIANA

January 1, 2007 to December 31, 2007



FILED

09/23/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Denise Chandler	01-01-05 to 12-31-08
Treasurer	Judy Reed	01-01-05 to 12-31-08
Clerk of the Circuit Court	Letty McKee	01-01-07 to 12-31-10
Sheriff	Walker Conley	01-01-07 to 12-31-10
Recorder	Cathy Ginther	01-01-07 to 12-31-10
President of the Board of County Commissioners	Richard L. Powell	01-01-07 to 12-31-08
President of the County Council	James A. Widman	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FULTON COUNTY, FULTON COUNTY INDIANA

We have examined the financial information presented herein of Fulton 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.

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, 2007, 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

June 9, 2008

FULTON 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, 2007

	Cash and		Cash and	
	Investments	Receipts	Disbursements	Investments
	01-01-07			12-31-07
Governmental Funds:				
General	\$ 1,743,104	\$ 5,369,921	\$ 5,578,217	\$ 1,534,808
Highway	608,586	2,821,790	2,774,256	656,120
Local Road and Street	18,947	297,945	299,404	17,488
Health	45,334	220,110	185,607	79,837
Aviation	131,404	5,331	136,734	1
Accident Report	9,029	2,931	-	11,960
Firearms Training	16,484	7,250	-	23,734
Adult Probation	14,133	16,518	21,587	9,064
Probation Users Fees	194,217	183,849	171,514	206,552
Alcohol and Drug Services	48,904	51,217	48,025	52,096
Probation	37	225	262	-
Landfill	721,985	21,788	66,298	677,475
Drainage Maintenance	1,526,630	634,729	504,959	1,656,400
Host Agreement Environmental	114,413	538,656	477,092	175,977
CAGIT Special Revenue	507,354	12,318	-	519,672
Child Advocacy	68	157	-	225
Children's Psychiatric Treatment Service	58,180	157,371	50,512	165,039
Family and Children	539,858	2,636,316	2,034,477	1,141,697
County Corrections	14,300	14,050	14,000	14,350
Atlas Collections	113	4,551	4,477	187
Drug Free Community	17,169	18,209	14,603	20,775
Emergency Planning and Right to Know	11,054	4,952	4,217	11,789
Emergency Telephone System	219,126	233,965	125,255	327,836
Extradition	1,666	-	-	1,666
Akron Planning Grant	-	13,829	13,829	-
Federal Emergency Management Grant	68	-	-	68
Click It or Ticket Grant	-	2,500	2,500	-
Voter Registration Board Enhancement	787	93	-	880
Vote Reimbursement	2,162	-	-	2,162
Homeland Security Grant	61,221	17,901	79,122	-
Guardian Ad-Litem	-	6,882	269	6,613
Health Maintenance	105,806	47,107	22,241	130,672
County ID Security Protection	8,816	7,850	3,958	12,708
Inmate Medical	7,152	1,058	-	8,210
Jury Pay	1,470	5,674	4,580	2,564
Juvenile Probation	9,217	6,913	1,850	14,280
Juvenile Service Center	1,075	710	-	1,785
LECE	7,103	1,161	-	8,264
Courthouse Centennial	281	-	-	281
Operation Pullover	-	400	375	25
Nonreverting Special	1,892,732	319,360	281,434	1,930,658
Parks and Recreation	58,668	12,146	6,746	64,068
Plat Book	49,654	7,495	5,928	51,221
Pre-Natal	4,976	-	-	4,976
Pretrial Diversion	42,905	74,150	36,438	80,617
Property Reassessment #2	303,122	96,411	110,348	289,185
Prosecutor IV-D	42,043	3,094	18,807	26,330
Rainy Day Fund	58,929	353,619	147,664	264,884
Recorders Record Perpetuation	45,301	27,029	21,840	50,490
Sheriff's Continuing Education	33,245	8,509	4,313	37,441
Transportation Grant	-	176,153	176,153	-
CDBG Repayments	12,494	-	-	12,494
Tobacco Grant	41,357	110,641	45,039	106,959
Bio-Terrorism Grant	19,527	-	-	19,527

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

FULTON 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, 2007
(Continued)

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds (continued):				
Public Health Coordinator	4,074	35,589	37,057	2,606
Supplemental Public Defender Service	16,464	12,538	16,838	12,164
Surveyor's Corner Perpetuation	41,257	5,265	2,050	44,472
Tax Sale Fees	39,299	13,931	10,586	42,644
Tobacco Settlement	32,575	16,975	-	49,550
CEDIT	857,508	474,897	335,369	997,036
Cumulative Bridge	711,079	278,751	251,757	738,073
Cumulative Capital Development	216,470	299,562	309,029	207,003
General Drain Improvement	678,310	161,968	21,080	819,198
Park Nonreverting Capital	100	-	-	100
U.S. Corridor Plan	117,903	-	-	117,903
Zanger Hicks	544	-	-	544
Clerk Incentive	27,752	-	10,770	16,982
Convention and Tourism	34,782	37,895	35,950	36,727
Document Fees	24,324	9,321	-	33,645
Debt Service	134,880	257,960	260,000	132,840
Lease Rental Payment	1,118,724	274,785	424,500	969,009
Mortgage Fees	458	2,675	2,728	405
Dan Kelly Tile Arm	-	1,711	1,192	519
Homestead Credit Rebate	-	622,719	-	622,719
Fiduciary Funds:				
Sheriff's Pension Trust	1,051,441	5,444,481	5,004,559	1,491,363
Congressional Principal	73,210	2,538	-	75,748
Welfare Trust	5,024	600	-	5,624
Surplus Tax	48,393	62,111	12,578	97,926
Tax Sale Redemption	2,134	27,977	29,038	1,073
Tax Sale Surplus	105,125	291,433	156,810	239,748
Congressional Interest	-	107,511	107,511	-
Inheritance Tax	117,578	359,844	394,501	82,921
Sales Disclosure Fee	850	5,580	6,050	380
Coroner's Continuing Education	197	1,426	1,460	163
City and Town Court Costs	102,683	11,406	-	114,089
Payroll	55,440	1,231,867	1,157,064	130,243
Court Fees	6,230	234,979	227,299	13,910
Tax Distribution Funds	100,263	23,672,529	23,669,860	102,932
County Clerk	323,508	2,194,109	2,048,707	468,910
ISETS	6,910	848,606	834,281	21,235
County Recorder	50	96,011	96,011	50
County Treasurer	443,092	25,567,005	25,530,220	479,877
County Sheriff	100	791,670	790,380	1,390
County Probation	-	199,281	188,226	11,055
Inmate Trust	2,294	150,286	149,919	2,661
Sheriff's Commissary	27,237	107,756	101,533	33,460
Delinquent Mowing Liens	277	22	299	-
Delinquent Sewer	7,684	3,348	11,032	-
Dog Tax	31	58	89	-
WIC	251	79,790	71,022	9,019
Totals	<u>\$ 15,908,711</u>	<u>\$ 78,553,600</u>	<u>\$ 75,802,285</u>	<u>\$ 18,660,026</u>

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

FULTON 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.

FULTON COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

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 District 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.

FULTON 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	\$ 1,286,409
Buildings	12,598,813
Improvements other than buildings	10,634
Machinery and equipment	<u>4,058,915</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 17,954,771</u>

FULTON 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:		
Woodlawn Hospital	\$ 1,760,000	\$ 264,000
Courthouse Renovation	2,710,000	423,000
Notes and loans payable	<u>231,527</u>	<u>60,773</u>
Total governmental activities debt	<u>\$ 4,701,527</u>	<u>\$ 747,773</u>

FULTON COUNTY
OTHER REPORT

The report presented herein was prepared in addition to an official report prepared for the individual County office listed below:

Clerk of the Circuit Court

FULTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 9, 2008 with Denise Chandler, Auditor, Richard A. Powell, President of the Board of County Commissioners; and James L. Widman, President of the County Council. Our examination disclosed no material items that warrant comment at this time.