

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

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



FILED
10/15/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Michelle Hetrick	01-01-07 to 12-31-10
Treasurer	Gail Altman	01-01-05 to 12-31-08
Clerk of the Circuit Court	Jacqueline Brier	01-01-07 to 12-31-10
Sheriff	Russell Hart	01-01-07 to 12-31-10
Recorder	Melissa Drake	01-01-07 to 12-31-10
President of the Board of County Commissioners	Thomas A. Hetrick	01-01-07 to 12-31-08
President of the County Council	Steve McIntosh John Comer	01-01-07 to 12-31-07 01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WARREN COUNTY, INDIANA

We have examined the financial information presented herein of Warren 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 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

August 21, 2008

WARREN 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 Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Rainy Day Fund	\$ 395,873	\$ 22,014	\$ 57,669	\$ 360,218
Bi-State Drug Task Force	(58,157)	136,650	92,135	(13,642)
General	2,078,478	4,031,560	4,172,035	1,938,003
Election and Registration	176,902	14,391	7,825	183,468
Property Reassessment 99	355,185	21,246	77,212	299,219
Surveyor's Corner Perpetuation	4,060	2,425	-	6,485
Recorder's Records Perpetuation	6,536	12,147	6,066	12,617
County Sales Disclosure Fee	-	2,087	-	2,087
Juvenile Probation Services	7,456	1,999	2,174	7,281
Adult Probation Services	69,144	18,140	3,354	83,930
Probation User Fees	365	-	-	365
Pre-Trial Diversion	19,334	4,575	1,160	22,749
Extradition	34,459	92	1,624	32,927
County Misdemeanant	10,052	7,050	4,128	12,974
Supplemental Public Defender Service	112,125	14,956	-	127,081
Guardian Ad Litem	13,778	1,064	8,124	6,718
Motor Vehicle Highway	1,057,071	1,983,464	1,922,270	1,118,265
Local Road and Street	(1,313)	98,627	89,029	8,285
Cumulative Bridge	606,358	265,538	265,652	606,244
Health	230,077	19,628	127,819	121,886
County Alcohol and Drug Program	3,481	17,039	19,250	1,270
Family and Children	102,148	640,496	425,139	317,505
General Drain Improvement	(12,823)	7,358	62,857	(68,322)
Drainage Maintenance	133,017	34,564	21,171	146,410
Sale of County Owned Property	28,656	17,239	-	45,895
Jury Pay	22,796	3,518	-	26,314
Infraction Deferrals	45,060	41,739	42,342	44,457
Sheriff's Radio Grant	1	-	-	1
Rescue Donations	285	-	-	285
Bail Administration Fee	6,402	4,230	-	10,632
Economic Development Income Tax	295,401	174,743	77,990	392,154
DUI Grant	1	-	-	1
Probation Office In/Out Patient	1,650	-	-	1,650
Welfare Reform Plan	420	-	-	420
Accident Report	708	575	513	770
Firearms Training	2,562	-	483	2,079
County Drug Free Community	6,676	13,539	3,005	17,210
User Fees	14,512	2,292	-	16,804
County Law Enforcement Continuing Education	5,459	6,090	2,429	9,120
Emergency Telephone System	31,913	129,513	14,164	147,262
Emergency Planning and Right to Know	14,125	3,809	3,769	14,165
Cumulative Capital Development	42,486	146,391	151,758	37,119
Riverboat Revenue Sharing	133,580	58,537	137,826	54,291
Bridge 91	33,428	-	-	33,428

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

WARREN 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):				
Warren County Law Enforcement	2,352	-	-	2,352
Probation Administrative Fee	450	-	-	450
Homeland Security	-	98,610	98,610	-
Recorder's Security Protection	3,510	3,616	3,634	3,492
Clerk's Records Perpetuation	12,815	4,027	12,737	4,105
Children's Treatment Fund	36,381	-	-	36,381
Park and Recreation	39,291	1,803	-	41,094
Sheriff K-9	883	5,190	181	5,892
Sheriff's Commissary	863	35,149	31,542	4,470
Levy Excess	1,912	-	-	1,912
Proprietary Fund:				
Self-Insurance	24,093	735,585	754,433	5,245
Fiduciary Funds:				
Surplus Tax	19,396	6,314	25,393	317
Tax Sale Redemption	553	41,959	41,396	1,116
Surplus Tax Sale	197,103	890,802	613,569	474,336
Payroll	(71,933)	1,800,248	1,879,739	(151,424)
Settlement	3,732	9,269,180	9,251,922	20,990
Education Plate Fee	-	3,844	3,788	56
City and Town Court Costs	1,800	4,920	2,898	3,822
Overweight Vehicle Fines	(1,360)	1,360	-	-
Welfare Trust	2,292	300	167	2,425
Health Care for the Indigent	-	8,214	8,214	-
State Law Enforcement Continuing Education	138	-	-	138
Followell Trust	35,636	24,492	13,422	46,706
Followell Principal Trust	75,000	-	-	75,000
State Sales Disclosure Fee	161	3,377	2,708	830
Cedit Homestead Credit	-	293,712	291,511	2,201
2007 Homestead Credit Rebate	-	334,221	-	334,221
Congressional School Interest	41,022	3,497	-	44,519
Congressional School Principal	54,320	1,680	-	56,000
Inheritance Tax	56,616	527,617	111,195	473,038
Sheriff	180	48,223	47,980	423
Inmate Trust	125	22,743	22,278	590
Clerk of the Circuit Court	72,624	1,210,337	1,216,338	66,623
Recorder	4,026	46,790	48,252	2,564
Treasurer	363,655	11,817,331	7,096,479	5,084,507
County Home	2,233	24,140	24,115	2,258
Prosecuting Attorney	1,332	28,126	28,391	1,067
Probation	1,246	20,763	20,828	1,181
Totals	<u>\$ 7,012,174</u>	<u>\$ 35,277,495</u>	<u>\$ 29,452,692</u>	<u>\$ 12,836,977</u>

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

WARREN 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, welfare and social services, culture and recreation, public improvements, highways and roads, 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 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.

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.

WARREN 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.

WARREN 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: Notes and loans payable	\$ 803,678	\$ 151,757

WARREN 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 Highway Department

WARREN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 21, 2008, with Thomas A. Hetrick, President of the Board of County Commissioners; and Michelle Hetrick, Auditor.