

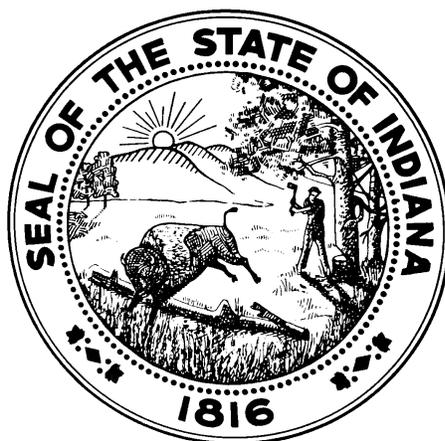
**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT

OF

BENTON COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**

11/05/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Joan Schluttenhofer	01-01-05 to 12-31-08
Treasurer	Patricia A. Clouse	01-01-05 to 12-31-08
Clerk	Janet Hasser	01-01-07 to 12-31-10
Sheriff	Boston Pritchett	01-01-07 to 12-31-10
Recorder	Tish Ringle	01-01-05 to 12-31-08
President of the County Council	Bruce Buchanan	01-01-07 to 12-31-08
President of the Board of County Commissioners	Mel A. Budreau	01-01-07 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BENTON COUNTY, INDIANA

We have examined the financial information presented herein of Benton 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

September 16, 2008

BENTON 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 Investments		Cash and Investments	
	01-01-07	Receipts	Disbursements	12-31-07
Governmental Funds:				
General Fund	\$ 427,877	\$ 3,584,255	\$ 2,987,456	\$ 1,024,676
Surveyor's Corner Perpetuation	23,038	3,465	491	26,012
Property Reassessment 2006	172,889	84,203	142,186	114,906
Local Health Maintenance	19,721	38,825	28,925	29,621
Recorder's Records Perpetuation	55,276	26,379	21,413	60,242
Extradition	751	-	567	184
Law Enforcement Continuing Education	4,433	537	2,709	2,261
Plat Book	10,983	676	-	11,659
Drug Free Community	27,827	9,651	6,618	30,860
Emergency Telephone System	335,241	519,978	499,183	356,036
Misdemeanant Fund	7,427	6,901	1,408	12,920
Coalition for Drug Free Benton County	4,314	5,600	2,009	7,905
Child Restraint	-	130	130	-
Check Service Charge	4,304	-	-	4,304
Misdemeanor User Fees	15,498	1,700	10,513	6,685
Wind Energy Conversion	6,508	389,007	219,580	175,935
Infraction User Fees	41,152	15,510	35,510	21,152
Law Enforcement Coordinating Council	5,159	4,084	6,617	2,626
Child Advocacy	1,075	100	-	1,175
Prisoner Reimbursement	2,715	810	-	3,525
Collection Agency Fees	(14)	-	-	(14)
Riverboat	33,186	59,407	74,786	17,807
Accident Reports	5,348	647	673	5,322
Firearms Training	1,802	1,750	1,390	2,162
Economic Development Income Tax	124,892	383,337	351,631	156,598
County User Fees	15,081	2,205	984	16,302
Document Storage Fee	9,294	2,237	686	10,845
Jury Pay	17,695	1,556	-	19,251
Infraction Penalty	22,003	4,535	6,930	19,608
Public Defender Fee	64,048	38,907	17,739	85,216
Sales Disclosure	-	3,460	2,990	470
Sales Disclosure Training	4,682	1,495	-	6,177
Juvenile Probation Service	20,782	4,360	560	24,582
Health Department Donations	25	-	-	25
Local Health Donations	7,281	-	-	7,281
Adult Probation Services	261,630	101,677	66,560	296,747
Health Bio Terrorism	10,948	-	6,123	4,825
Rainy Day Fund	3,988	20,416	18,033	6,371
Tobacco Settlement	50,887	14,624	13,285	52,226
Motor Vehicle Highway	572,249	2,099,569	2,208,460	463,358
Local Road and Street	159,500	93,561	30,000	223,061
Cumulative Bridge	472,336	325,192	181,653	615,875
Health	13,841	64,857	59,549	19,149
Family and Children	143,861	640,658	550,965	233,554
Prosecutor Title IV-D	5,492	-	60	5,432
Clerk Title IV-D Incentive	16,135	-	570	15,565
Guardian Ad Litem	10,214	-	-	10,214
Welfare CPRT	27,472	34,011	25,485	35,998
General Drain Improvement	721,063	44,299	69,616	695,746
Drainage Maintenance	804,427	120,069	184,519	739,977
Emergency Medical Services	136,007	481,525	471,292	146,240
Civil Defense Donations	17,797	1,800	2,959	16,638
Retirement Village Donations	1,154	-	699	455
Welfare Reform	500	-	-	500
Cumulative Jail	274,175	54,369	52,322	276,222
Cumulative Capital Development	328,138	109,357	40,265	397,230
CERT Grant	1,775	-	-	1,775
Homeland Security Grant 03 No. 2	662	-	-	662
Homeland Security Grant 04 No. 1	(295)	-	-	(295)
05 SHSP	-	5,705	5,906	(201)

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

BENTON 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):				
05-LETP	-	2,160	2,160	-
K-9 Grant	6,750	7,469	10,104	4,115
ODP 2005 SHSP/LETPP	-	201	-	201
Recycle Grant	24,961	-	-	24,961
04 SHSP-GIS	11,250	-	11,250	-
Camera Fund	-	33,837	33,837	-
Radio Fund	-	159,303	159,303	-
EMS Donations	2,988	847	3,162	673
Emergency Planning and Right to Know	11,178	115	-	11,293
Sheriff's Commissary	31,362	22,168	31,088	22,442
Levy Excess	1,036	-	-	1,036
Fiduciary Funds:				
Pension Trust:				
Sheriff's Pension Trust	594,906	98,985	34,438	659,453
Permanent Fund:				
Congressional School Principal	39,164	-	-	39,164
Agency Funds:				
Surplus Tax	22,258	34,743	14,077	42,924
Surplus Dog	60	-	70	(10)
Surplus Tax Sale	12,830	105,668	5,463	113,035
Judgments Due Law Enforcement	925	-	-	925
Redaction Fund	3,952	5,100	-	9,052
Wage Garnishments	505	-	-	505
Plea Agreement Charity Fund	5,110	1,284	-	6,394
Adult Offender Fee	-	675	675	-
State Fines and Forfeitures	1,731	351	2,081	1
Inheritance Tax	73,313	623,551	436,937	259,927
Tax Sale Redemption	-	5,579	5,572	7
Flex Account	28	64,735	64,763	-
Education Plate Fees	1,088	1,537	1,650	975
HRA Reimbursement	100	18,044	14,335	3,809
Wind Fund	-	450,000	68,982	381,018
Homestead Credit Rebate Fund	-	334,986	-	334,986
Infraction Judgments	718	7,077	7,795	-
Homestead Credit	1,332	57,324	57,426	1,230
City and Town Court Costs	6,000	3,045	6,000	3,045
Special Death Benefit	60	610	670	-
Coroner's Continuing Education	16	401	403	14
Sewage Collections	-	16,054	10,674	5,380
Congressional School Interest	6,153	944	1,558	5,539
State Sales Disclosure	120	1,091	1,211	-
Payroll Withholding	22,954	1,163,355	1,179,880	6,429
Settlement Fund	23,299	14,099,366	14,001,376	121,289
County Sheriff	272	553,606	553,792	86
Clerk of the Circuit Court	124,404	1,179,926	1,207,241	97,089
Sheriff's Inmate Trust	680	23,858	23,803	735
County Recorder	595	72,057	72,632	20
County Treasurer	150,940	15,849,828	15,704,232	296,536
County Home	822	115,572	115,572	822
Probation Department	8,115	105,437	113,207	345
Emergency Medical Services	-	161,356	161,356	-
Health Department	-	5,842	5,842	-
Plan Commission	-	12,528	12,528	-
Prosecuting Attorney	298	-	298	-
Totals	<u>\$ 6,718,522</u>	<u>\$ 44,808,011</u>	<u>\$ 42,549,448</u>	<u>\$ 8,977,085</u>

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

BENTON 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.

BENTON 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 (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 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 (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:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

BENTON 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. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note.

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 (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:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

BENTON 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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 56,765
Infrastructure	85,891,972
Buildings	4,473,084
Improvements other than buildings	1,590,834
Machinery and equipment	<u>2,133,314</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 94,145,969</u>

BENTON 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	\$ 1,680,000	\$ 249,000
Notes and loans payable	253,328	50,666
Total governmental activities debt	\$ 1,933,328	\$ 299,666

BENTON 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 Treasurer  
County Council

BENTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 16, 2008, with Mel A. Budreau, President of the Board of County Commissioners; and Joan Schluttenhofer, Auditor. The officials concurred with our findings.