

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

EXAMINATION REPORT
OF
LAGRANGE COUNTY
LAGRANGE COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
10/07/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedule of Receipts, Disbursements, and Cash and Investment Balances	4-6
Notes to Financial Information	7-9
Supplementary Information:	
Schedule of Capital Assets.....	10
Schedule of Long-Term Debt	11
Other Report	12
Exit Conference.....	13

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jackie S. Boyle	01-01-07 to 12-31-10
Treasurer	Bonnie J. Brown Vonda Akey	01-01-05 to 12-31-08 01-01-09 to 12-31-12
Clerk	Beverly S. Elliot	01-01-05 to 12-31-12
Sheriff	Terry Martin	01-01-07 to 12-31-10
Recorder	Sharon E. Shiltz	01-01-05 to 12-31-12
President of the Board of County Commissioners	Phillip D. Curtis	01-01-08 to 12-31-09
President of the County Council	Charles F. Ashcraft	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF LAGRANGE COUNTY, INDIANA

We have examined the financial information presented herein of LaGrange County (County), for the period of January 1, 2008 to December 31, 2008. 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, 2008, 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 3, 2009

LAGRANGE COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2008

	Cash and Investments		Cash and Investments	
	01-01-08	Receipts	Disbursements	12-31-08
Governmental Funds:				
General	\$ 798,757	\$ 8,003,112	\$ 9,838,736	\$ (1,036,867)
County Health	48,621	215,388	338,638	(74,629)
County Highway	1,515,715	2,812,561	3,727,587	600,689
Local Road and Street	208,466	308,786	393,706	123,546
Park and Recreation	(9,356)	280,081	321,177	(50,452)
Park Nonreverting Operating	116,361	46,901	127,183	36,079
Property Reassessment 2006	92,816	256,429	86,207	263,038
Accident Report	21,727	3,385	11,532	13,580
Firearms Training	14,214	13,180	9,618	17,776
Surveyor's Corner Perpetuation	29,639	7,480	19,074	18,045
Supplemental Juvenile Probation Services	24,772	14,292	12,605	26,459
Supplemental Adult Probation Service Circuit Court	64,338	41,470	45,392	60,416
Supplemental Adult Probation Service Superior Court	8,125	56,773	17,341	47,557
Work Release Maintenance	32,772	10,160	9,919	33,013
Sheriff Drug and Education	12,495	260	-	12,755
County Extradition	40,460	5,247	-	45,707
Clerk's Records Perpetuation	26,410	15,883	5,689	36,604
Recorder's Records Perpetuation	38,714	46,088	19,220	65,582
Local Health Maintenance	11,279	24,854	11,077	25,056
Emergency Planning and Right to Know	17,858	4,629	19	22,468
County Drug Free Community	15,900	16,373	17,975	14,298
Plat Book	31,322	7,920	52	39,190
Riverboat Revenue	263,739	187,119	301,199	149,659
Communications Center - Emergency Telephone	108,051	393,364	382,450	118,965
Maplewood Land Acquisition	2,526	-	-	2,526
County Corrections	42,419	23,153	23,551	42,021
Sales Disclosure	27,557	3,920	2,769	28,708
Women, Infants, and Children	(6,254)	66,757	71,428	(10,925)
Immunization Donation	11,309	6,745	6,376	11,678
Canine Donation	10,204	1,873	8,725	3,352
GAL/CASA User Fee	293	18,539	18,539	293
Infraction Deferral	79,170	131,650	133,640	77,180
Nuisance Ordinance Enforcement	816	-	-	816
Pretrial Diversion	16,908	6,527	13,769	9,666
Abandoned Vehicles	1,624	-	-	1,624
Unsafe Buildings	15,593	3,061	-	18,654
Prisoner Reimbursement	3,365	-	-	3,365
Information Technology Equipment	-	1,525	-	1,525
Drug Free Grant	1,735	-	125	1,610
Family and Children	760,572	1,826,410	1,736,562	850,420
Infant Seat Donation	2,857	128	747	2,238
E911 Education Fund	1,029	1,200	1,200	1,029
Gazebo	170	10	-	180
GED Program	-	5,100	4,500	600
Child Restraint System Violations	(600)	600	-	-
Shop With a Cop	6,503	1,123	2,016	5,610
Inmate Medical	32,981	6,769	-	39,750
Supplemental Public Defender	42,270	5,416	7,820	39,866
Children's Psychiatric Residential Treatment	80,287	-	23,484	56,803
Tobacco Settlement	204,217	21,819	2,523	223,513
County Identity Security Protection	6,679	14,456	-	21,135

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

LAGRANGE COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2008
(Continued)

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds (continued):				
Jury Pay	70,800	10,161	-	80,961
Major Moves Construction	35,684,570	1,480,590	3,181,666	33,983,494
County Economic Development Income Tax	728,218	1,064,720	615,900	1,177,038
Economic Development Area No. 1	35,035	15,526	3,530	47,031
Economic Development Area No. 2	198,409	138,169	68,332	268,246
Economic Development Area No. 3	60,590	59,860	43,530	76,920
Redevelopment Commission	126,650	22,554	-	149,204
Sewer Improvement Bonds of 1999	56,661	90,247	127,969	18,939
Technology Improvement Bond	192,764	323,139	460,697	55,206
HAVA Title III	3,734	-	54	3,680
Economic Development Donation	3,030	-	3,030	-
Critical Response Team	2,498	3,200	1,605	4,093
Administration Fee Circuit Court Adult Probation	40,889	10,838	-	51,727
Administration Fee Circuit Court Juvenile Probation	33,523	10,152	-	43,675
Administration Fee Superior Court Adult Probation	18,479	16,658	-	35,137
Interstate Compact Fee/Circuit Court	(141)	900	684	75
Interstate Compact Fee/Superior Court	(141)	141	-	-
Clerk's IV-D (New)	11,939	7,422	6,892	12,469
Prosecutor's IV-D (Old)	6,061	-	4,980	1,081
Prosecutor's IV-D (New)	41,226	11,167	828	51,565
Cumulative Bridge	604,734	238,957	196,546	647,145
Park Nonreverting Capital	283	27,500	-	27,783
Cumulative Capital Development	490,215	306,641	575,359	221,497
General Drain Improvement	87,678	80,577	44,052	124,203
Drainage Maintenance	1,106,798	109,570	122,267	1,094,101
Crime Victims Assistance	293	-	-	293
Adventure Bound Grant	1,563	20,182	13,010	8,735
Victim's Assistance	-	5,708	10,256	(4,548)
Bio-Terrorism Grant	(9,128)	45,000	45,000	(9,128)
Bio-Terrorism Grant 9/06	1,958	-	-	1,958
Bio-Terrorism Preparedness Grant	25,489	-	-	25,489
Child Safety Seat	331	800	490	641
Bicycle Safety Grant	1,020	-	-	1,020
Exploration Express Grant	3,426	-	-	3,426
West Nile Virus	-	400	400	-
Emergency Response Team	420	-	-	420
CERTA Grant - CFDA 83.552	823	-	-	823
CERTA Grant - CFDA 83.656	631	-	-	631
Smart Teen Decision Special Fund	-	11,000	-	11,000
Tobacco-Free LaGrange County	-	1,750	1,500	250
Land/Water Conservation	(27,987)	17,384	-	(10,603)
Gifts to Animal Shelter	4,303	12,739	15,820	1,222
County User Fee	57,050	14,490	11,633	59,907
County Law Enforcement Continuing Education	14,709	1,464	-	16,173
Community Correction Home Detention	90,640	21,525	19,844	92,321
Recycle Product	-	-	5,514	(5,514)
Sheriff's Commissary	26,088	182,436	176,267	32,257
Rape Aggression Defense	250	-	-	250
Rainy Day	398,516	649,305	1,075	1,046,746
Homeland Security Exercise	(43)	43	-	-
LaGrange Community Youth Center	(5,055)	18,841	13,786	-
Victim's Assistance 7/1 - 6/30	(4,655)	18,517	13,862	-

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

LAGRANGE COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2008
(Continued)

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds (continued):				
Tobacco Cessation 7/07 - 6/09	21,441	21,233	45,278	(2,604)
Clean Water Indiana Grant	476	31,250	28,128	3,598
2006 Homeland Security	(18,624)	27,619	27,913	(18,918)
Sex & Violent Offender	-	3,902	-	3,902
Code Enforcement	-	23,225	18,414	4,811
911 Wireless	-	21,368	-	21,368
Council on Aging Transportation Grant	-	46,050	46,050	-
Proprietary Funds:				
County Liability	41,500	-	-	41,500
Health Insurance	42,581	1,398,695	1,398,557	42,719
Wells Fargo Self-Insurance	43,752	923,230	942,939	24,043
Fiduciary Funds:				
Welfare Trust	2,854	457	1,536	1,775
Congressional School Principal	17,576	-	-	17,576
Congressional School Interest	666	502	703	465
Surplus Tax	(11,187)	102,154	61,336	29,631
Tax Sale Surplus	10,345	35,595	14,598	31,342
Tax Sale Redemption	-	6,470	6,470	-
State Fees	48,994	231,604	243,342	37,256
City/Town Court Costs	24,386	15,027	37,481	1,932
Hospital Nonexpendable Trust	3,178,771	44,822	-	3,223,593
Hospital Trust Interest	-	175,430	175,430	-
Roger's Home Principal	165,550	-	-	165,550
Roger's Home Interest Income	89,571	8,321	4,352	93,540
Cloyd Duff Trust	125,157	4,066	-	129,223
M. Greenwalt Trust	1,780	-	-	1,780
Inheritance Tax	228,963	466,553	625,620	69,896
Coroner's Training and Continuing Education Fund	217	2,838	2,728	327
State Sales Disclosure Fee Fund	420	3,920	4,020	320
Recorder's Mortgage Fees	697	4,285	4,460	522
Sheriff's Pension Trust	3,125,950	329,846	911,086	2,544,710
Prosecutor's Bad Check	-	88,533	88,533	-
County Sheriff	5,882	200,831	196,209	10,504
Tax Distributions	(9,924,943)	46,557,481	36,467,368	165,170
County Treasurer After Settlement Collections	15,193,558	49,525,715	48,077,888	16,641,385
Clerk of the Circuit Court	696,065	2,588,494	2,618,467	666,092
County Recorder	(30)	165,045	165,015	-
Payroll Withholdings	41,734	2,735,381	2,656,202	120,913
Contractor Registration	15,395	14,875	-	30,270
Education Plate Fee	75	1,538	1,613	-
Surplus Dog	80	-	-	80
State Sex Offender Registration Fee	-	433	-	433
Special Death Benefit	335	3,785	3,555	565
Convention, Recreation, and Visitor Promotion	-	559,674	559,674	-
Sheriff's Inmate Trust	4,082	168,296	170,785	1,593
Totals	<u>\$ 58,236,638</u>	<u>\$ 126,507,332</u>	<u>\$ 119,146,298</u>	<u>\$ 65,597,672</u>

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

LAGRANGE 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, highways and streets, health, welfare and social services, culture and recreation, public improvements, 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. 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.

LAGRANGE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit 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 the 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 member's 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. 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

Funding Policy and Annual Pension Cost

The contribution requirements of 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.

Funding Policy and Annual Pension Cost

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

LAGRANGE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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 Costs

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

LAGRANGE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2008

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 have been reported. Retroactive reporting of general infrastructure assets will occur by 2010.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,926,963
Water Tower land	222,232
Buildings	17,647,558
Improvements other than buildings	860,090
Machinery and equipment	10,664,582
Water Tower construction in progress	<u>1,683,910</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 33,005,335</u>

LAGRANGE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The County has entered into the following long-term obligations:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
County Jail	\$ 7,760,000	\$ 613,385
Bonds payable:		
General obligation bonds:		
Sewer improvement	245,000	66,555
Technology improvement	465,000	479,177
	<u>8,470,000</u>	<u>1,159,117</u>
Total governmental activities debt	<u>\$ 8,470,000</u>	<u>\$ 1,159,117</u>

LAGRANGE COUNTY
OTHER REPORT

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

County Auditor

LAGRANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 3, 2009, with Jackie S. Boyle, Auditor; Charles F. Ashcraft, President of the County Council; and George R. Bachman, County Commissioner. Our examination disclosed no material items that warrant comment at this time.