

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

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



**FILED**  
02/25/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Teresa Vannarsdall	01-01-07 to 12-31-10
Treasurer	Bonnie Comer (Vacant) Gail Peacock (Interim) Iva Gasaway	01-01-05 to 06-06-08 06-07-08 to 06-08-08 06-09-08 to 06-23-08 06-24-08 to 12-31-12
Clerk of the Circuit Court	Frances Satterwhite	01-01-05 to 12-31-12
Sheriff	John C. Lizenby	01-01-07 to 12-31-10
Recorder	Missy Applegate	01-01-05 to 12-31-12
President of the Board of County Commissioners	Larry D. Blevins Mark Hays Robert Tobias	01-01-08 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the County Council	Raymond W. Jones Thomas A. Herald Donnie Richie	01-01-08 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SCOTT COUNTY, INDIANA

We have examined the financial information presented herein of Scott 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 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

December 17, 2009

SCOTT 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, 2008

	Cash and Investments		Cash and Investments	
	01-01-08	Receipts	Disbursements	12-31-08
Governmental Funds:				
General	\$ 43,559	\$ 5,866,656	\$ 6,092,823	\$ (182,608)
County Highway	1,085,200	5,236,841	5,547,304	774,737
Cumulative Bridge	394,490	1,420,253	1,547,444	267,299
Cumulative Building	11,832	121,767	131,104	2,495
Drainage Maintenance	2,037	254	-	2,291
Courthouse Lease Jail Bond	112,912	229,375	170,450	171,837
County Health	(59,091)	308,045	238,870	10,084
Local Road and Street	166,962	1,176,055	1,114,760	228,257
Real Estate Transaction	23,726	-	-	23,726
County Family and Children	464,109	1,514,526	1,941,739	36,896
County Drug Free Community	27,691	16,222	27,691	16,222
Supplemental Adult Probation Services	(1,726)	123,408	95,743	25,939
Guardian Ad Litem	21,811	14,624	26,276	10,159
Accident Reports	5,166	1,358	-	6,524
Firearms Training	7,917	9,940	2,398	15,459
Vehicle ID Number Check	1,210	940	672	1,478
Surveyor's Corner Perpetuation	38,666	4,895	-	43,561
Tax Increment Financing	216,903	169,659	216,903	169,659
Cemetery	(5,082)	13,453	6,263	2,108
Law Enforcement Prosecuting Attorney	9,995	28,732	6,552	32,175
Mental Health	-	82,759	82,759	-
County Law Enforcement Continuing Education	2,480	3,680	1,037	5,123
Community Corrections Grant	(66,135)	170,382	90,803	13,444
Community Corrections	117,932	-	119,881	(1,949)
Clerk's Document Storage	13,637	5,598	12,937	6,298
Recorder's Records Perpetuation	21,163	34,685	31,455	24,393
County Corrections Grant	2,188	31,550	50,555	(16,817)
Local Health Maintenance	7,731	15,000	26,105	(3,374)
Local Emergency Planning and Right to Know	12,307	-	-	12,307
Scott County TIFF District Loan	446,045	322,982	41,468	727,559
Community Corrections Home Detention	14,868	172,213	115,581	71,500
Cumulative Capital Development	102,300	169,167	267,651	3,816
Emergency Telephone System	300,520	338,640	253,438	385,722
Well Child Grant	(13,814)	60,534	70,279	(23,559)
County Alcohol and Drug Program	15,579	70,610	86,425	(236)
Pretrial Diversion	25,928	11,978	14,288	23,618
Prosecutor IV-D Impact Grant	15,414	-	-	15,414
Well Child User Fees	13,939	17,086	6,809	24,216
Children's Psychiatric Residential Treatment	10,661	67,089	52,600	25,150
Property Reassessment	313,836	350,953	345,015	319,774
Child Advocacy	250	-	-	250
Supplemental Public Defender	2,611	6,626	-	9,237
SASCO Waste Management	19,026	80,923	76,815	23,134
Covered Bridge Maintenance	11,850	1,850	-	13,700
Sheriff Processor	1,449	751	2,200	-
Jury Pay	3,623	2,843	1,973	4,493
Infraction Deferral Program	15,504	8,935	5,412	19,027
Prosecutor SANE Project	(4,203)	17,327	16,771	(3,647)
Clerk IV-D Incentive New	17,450	7,946	2,097	23,299
Prosecutor IV-D Incentive	24,834	11,857	13,588	23,103
Medicare Cost Adjustment	1	-	-	1
Tobacco Money Grant	112,750	27,628	6,735	133,643
Juvenile Incarceration Block Grant	(1,124)	-	-	(1,124)
County Probation User Fees	9,733	345	-	10,078
Finley Township Water Project State Grant	7,250	-	-	7,250
Debt Service Just Property Bond No. 2	109,092	216,682	213,338	112,436
Riverboat Revenue Sharing	76,905	144,030	220,935	-
Sheriff's CASA Fund	1	-	-	1
County Share Riverboat Revenue Sharing	23,265	130,789	-	154,054
Probation Administration Fee	(2,067)	26,707	33,610	(8,970)
Bioterrorism	(16,038)	53,963	36,565	1,360
Homeland Security	(3,882)	101,427	94,958	2,587
Rainy Day	56,096	248,664	11,549	293,211
Prosecutor Violence Against Women Grant	6,454	24,472	21,995	8,931

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

SCOTT 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, 2008  
(Continued)

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds (continued):				
Scott County Drainage Board User Fees	2,662	-	-	2,662
Ambulance Service	237,817	1,309,164	998,731	548,250
County Share Sales Disclosure	18,667	2,506	2,219	18,954
Real Estate Proceeds	14,434	-	4,651	9,783
Title 3	4,184	-	1,586	2,598
Emergency Gas Award	350	-	-	350
County ID Security Protection	18,258	9,754	8,223	19,789
Drug Interdiction Office	(895)	5,377	26,396	(21,914)
Welfare Drug Testing	-	2,500	2,071	429
Jail Revenue Bond	-	823,695	17,808	805,887
Sheriff Department Firearms	-	6,100	6,090	10
Prosecutor Investigation Fund	2,889	6,495	9,384	-
Scott County Fire Investigation Unit	1,154	174	1,328	-
Sheriff's Commissary	39,912	61,350	58,189	43,073
Acquisition Fund	4,441	-	-	4,441
2008 Prosecutor Investigation	-	9,537	4,632	4,905
2008 Arson Investigation	-	2,000	349	1,651
Fiduciary Funds:				
Payroll Funds	(3,580)	2,531,996	2,530,978	(2,562)
Tax Distribution Funds	23,632	22,466,467	22,463,501	26,598
Sheriff's Pension	1,254,338	13,851	35,372	1,232,817
Congressional Principal	7,717	-	-	7,717
Welfare Trust	11,520	10,872	15,225	7,167
Congressional Interest	6,288	329	-	6,617
Surplus Tax	26,932	193,825	35,527	185,230
Tax Sale Redemption	10,163	94,254	104,417	-
Tax Sale Surplus	286,859	-	190,311	96,548
Surplus Dog	348	-	-	348
Fines and Forfeitures	51	667	71	647
Inheritance Tax	554,135	560,017	1,065,032	49,120
Infraction Judgment	20,855	33,656	32,582	21,929
Levy Excess	(60)	-	-	(60)
Users Fee Fund	8,487	522	-	9,009
City/Town Court Costs	15,795	7,380	23,175	-
Increment Tax	911	4,359	4,359	911
Coroner's Education Fund	767	1,213	1,362	618
State Sales Disclosure Fee	3,650	5,250	5,012	3,888
Education License Plate Fee	1,200	1,163	2,363	-
Innkeepers Tax Fund	-	214,492	214,492	-
State Welfare Tax Allocation	35,508	35,077	70,585	-
Abandoned Vehicle Ordinance Violations	200	-	-	200
Mortgage Fee Fund	1,790	2,423	2,828	1,385
State Common School	1,228	-	-	1,228
Rosewood Point Bond	12,900	-	-	12,900
Excess COIT/CEDIT Rebate	207,307	175,545	382,852	-
Child Restraint Infraction	550	675	925	300
Homestead Credit Rebates	555,944	5,039	560,983	-
HEA 1001 Homestead Credit 2008	-	1,147,654	1,136,574	11,080
County Treasurer	1,061,684	33,395,050	33,609,037	847,697
Clerk of the Circuit Court	473,261	2,350,074	2,245,557	577,778
County Cartographer	10	-	-	10
County Prosecutor	15	-	-	15
County Assessor	25	-	-	25
County Recorder	11,431	104,927	109,129	7,229
County Sheriff	145,121	682,209	799,837	27,493
County Health	150	-	-	150
Prosecuting Attorney Bad Check	23,567	13,472	26,630	10,409
Trash Bag Sales	50	90,073	80,923	9,200
Redevelopment Trust Account	3	79,148	79,150	1
Scott County EMS	111,525	1,004,783	1,044,763	71,545
Totals	<u>\$ 9,611,846</u>	<u>\$ 86,760,788</u>	<u>\$ 87,609,828</u>	<u>\$ 8,762,806</u>

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

SCOTT 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, sanitation, health, welfare and social services, culture and recreation, public improvement, 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.

SCOTT 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 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.

B. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which is a single-employer defined benefit 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 the plan members for the County Police Retirement Plan are established by state statute.

SCOTT 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 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 the plan members for the County Police Benefit Plan are established by state statute.

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

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:		
Building renovations	\$ 2,210,000	\$ 337,800
Notes and loans payable	85,608	52,106
Bonds payable:		
General obligation bonds:		
2002 general obligation bonds	860,000	212,675
Revenue bonds:		
1998 tax increment revenue bonds	375,000	87,500
2007 ambulance revenue bonds	315,000	79,651
<b>Total governmental activities debt</b>	<b>\$ 3,845,608</b>	<b>\$ 769,732</b>

SCOTT COUNTY  
OTHER REPORTS

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

County Treasurer  
County Auditor  
County Prosecuting Attorney  
Clerk of the Circuit Court  
Board of County Commissioners  
County Sheriff

SCOTT COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on December 17, 2009, with Teresa Vannarsdall, Auditor; and Mark Hays, President of the Board of County Commissioners. Our examination disclosed no material items that warrant comment at this time.