

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

EXAMINATION REPORT
OF
WHITLEY COUNTY, INDIANA
January 1, 2009 to December 31, 2009



FILED

07/16/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Linda J. Gerig	01-01-07 to 12-31-10
Treasurer	Lisa A. Richmond	01-01-09 to 12-31-12
Clerk	Cindy Doolittle	01-01-08 to 12-31-10
Sheriff	Mark E. Hodges	01-01-07 to 12-31-10
Recorder	Rosemary Brown	01-01-08 to 12-31-10
President of the Board of County Commissioners	Tom Rethlake Michael D. Schrader	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the County Council	Thomas Western Kim Wheeler	01-01-09 to 12-31-09 01-01-10 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WHITLEY COUNTY, INDIANA

We have examined the financial information presented herein of Whitley County (County), for the period of January 1, 2009 to December 31, 2009. 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, 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

Included in the financial statements are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with IC 36-8-16-14 and IC 36-8-16.5-41 these fees have been subject to an annual examination performed by State Board of Accounts and, in our opinion are fairly stated, in all material respects, in relation to the financial statements.

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 14, 2010

WHITLEY 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, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ (510,640)	\$ 8,345,682	\$ 7,708,212	\$ 126,830
Accident Report	1,793	2,197	2,723	1,267
Supplemental Adult Probation Services	31,268	76,654	74,390	33,532
Alcohol and Drug Services	(31,020)	126,850	128,089	(32,259)
Clerk Incentive	-	18,076	435	17,641
Clerk's Records Perpetuation	41,307	15,183	6,071	50,419
Community Corrections	27,130	407,639	427,498	7,271
Community Transition	5,188	16,221	19,891	1,518
Credit Card Fees	435	-	-	435
Drainage Maintenance	2,857,444	440,550	525,125	2,772,869
Drug Enforcement	17,359	25,870	27,750	15,479
Drug Free Community	65,050	74,684	69,151	70,583
Economic Development Commission	8,702	-	-	8,702
EMA/CERT Grant	-	975	806	169
Emergency Planning and Right to Know	5,526	4,221	3,491	6,256
Emergency Telephone System	308,109	307,967	352,556	263,520
EMPG Grant	-	22,587	22,587	-
Employee Disability	2,326	7,000	8,726	600
Family and Children	565,721	50,780	616,500	1
Firearms Training	16,651	17,830	7,380	27,101
Guardian Ad Litem/Court	1,300	3,668	4,968	-
Guardian Ad Litem/Court #2	-	1,450	1,250	200
County Health	61,957	286,717	290,797	57,877
Local Health Maintenance	7,833	20,000	23,447	4,386
County Highway	408,175	2,597,261	2,751,733	253,703
Homeland Security	5,000	9,850	5,000	9,850
Identification Security Protection	6,594	12,508	14,000	5,102
ITPC Grant	37,692	-	37,692	-
Jury Pay	(1,407)	57,637	6,209	50,021
Supplemental Juvenile Probation Service	18,955	17,945	20,792	16,108
Law Enforcement Continuing Education	3,250	26,162	21,445	7,967
Law Enforcement Continuing Education - All	-	30,483	8,626	21,857
Forfeitures Law Enforcement Excise	-	8	-	8
Local Road and Street	205,685	324,828	363,852	166,661
Medical Care for Inmates	1,815	1,399	-	3,214
Child Psychiatric Residential Treatment	27,972	61,640	89,612	-
County Misdemeanant	20,850	20,749	32,427	9,172
Operation Pull-Over	(4,284)	-	4,967	(9,251)
Personal Property Tax Recovery	336	88	107	317
Pretrial Diversion	-	141,778	-	141,778
Project Income	153,037	443,106	558,167	37,976
Property Reassessment	1,338,154	13,755	59,266	1,292,643
Prosecutor Incentive	-	51,249	19,097	32,152
Public Health Coordinator	4,694	-	1,599	3,095
Rainy Day	1,132,748	1,072,219	680,148	1,524,819
Recorder's Records Perpetuation	29,218	40,647	29,064	40,801
Redevelopment Commission	2,530,159	1,880,571	1,733,962	2,676,768
Riverboat Revenue Sharing	-	192,165	192,165	-
Sales Disclosure	28,721	3,425	-	32,146
Senior Citizen Transportation Grant	-	106,663	106,663	-
Council on Aging	-	29,742	29,742	-
Sheriff's Commissary	38,948	143,769	155,161	27,556
Supplemental Public Defender Service	75,592	4,397	-	79,989
Surveyor's Corner Perpetuation	46,756	5,565	4,475	47,846
TGF II	20,396	20,372	20,396	20,372
Tobacco Cessation	13,441	1,739	1,807	13,373
Tobacco Settlement	11,202	13,399	17,531	7,070
Tri Lakes Park	1,208	-	-	1,208
Unsafe Building	3,250	1,792	792	4,250
County User Fee	319,870	113,719	243,593	189,996

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

WHITLEY 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, 2009
(Continued)

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds (continued):				
Victim Assistance	(8,100)	16,322	17,385	(9,163)
WIC Grant	(2,400)	98,275	95,069	806
Wireless Emergency Telephone System	-	69,164	-	69,164
Youth Improvement	21,837	53,267	59,469	15,635
Government Center Lease	94,705	917,571	725,741	286,535
County Economic Development Income Tax	218,830	942,802	871,672	289,960
Cumulative Bridge	1,594,434	520,129	856,066	1,258,497
Cumulative Capital Development	825,412	450,247	503,692	771,967
General Drain Improvement	191,261	166,633	178,071	179,823
SHSP Races DTL Grant	-	1,397	1,397	-
H1N1 Public Health Preparedness	-	33,316	8,355	24,961
Levy Excess	-	437,278	437,278	-
Community Corrections Project Income	38,211	576,094	565,859	48,446
Proprietary Fund:				
Health Insurance	362,504	1,068,323	1,092,098	338,729
Fiduciary Funds:				
Sheriff's Pension Trust	2,525,393	269,948	127,519	2,667,822
Bioterrorism Preparedness	6,130	13,871	20,001	-
Congressional School Principal	17,776	-	17,776	-
EMS Donation	2,507	1,540	840	3,207
Health Donations	12,069	56,761	52,828	16,002
Sheriff Donations	14,619	2,499	9,651	7,467
Adult Offender Interstate	38	113	113	38
County Treasurer	634,160	28,841,801	28,762,078	713,883
CEDIT - Homestead Credit	4,262	217,210	215,065	6,407
Child Restraint Violations	50	513	563	-
City and Town Court Cost	-	18,493	17,201	1,292
Clerk of the Circuit Court	331,564	3,659,998	3,630,106	361,456
Congressional School Interest	6,630	148	6,778	-
Coroner's Training and Continuing Education	439	2,646	2,775	310
Health Department	-	89,590	89,590	-
County Recorder	10,919	173,807	172,167	12,559
Education Plate Fees	-	638	638	-
HEA 1001 - 2008 State Homestead Credit	(3,964)	596,773	587,431	5,378
Homestead Credit Rebate	-	351	351	-
Increment Tax	358	-	-	358
Infraction Judgments	11,620	156,282	157,192	10,710
Inheritance Tax	322,746	1,180,197	972,262	530,681
Mortgage Fees State Share	515	4,690	4,823	382
Payroll	44,846	8,294,959	8,290,588	49,217
Planning and Building Department	6,335	73,515	73,852	5,998
Probation Department	7,775	113,812	114,349	7,238
Prosecutor Check Deception	2,929	106,572	104,040	5,461
Prosecutor Office Account	2,809	19,139	20,569	1,379
Prosecutor Restitution	11,875	110,702	108,908	13,669
Seatbelt Violation	65,750	28,850	-	94,600
County Sheriff	5,636	710,545	713,609	2,572
Sheriff's Inmate Trust	2,396	137,233	137,450	2,179
Special Death Benefit	175	3,074	3,009	240
State Fines and Forfeitures	13,935	96,336	51,078	59,193
State Sales Disclosure Fee	290	3,425	3,295	420
State Share 2008 - Prior	-	41,903	41,903	-
Surplus Tax	143,194	74,616	96,898	120,912
Tax Sale Surplus	159,108	21,812	141,308	39,612
Tax Distribution	1	29,450,718	29,450,719	-
Tax Sale Redemption	-	27,165	27,165	-
Welfare Trust	(1)	1	-	-
Totals	<u>\$ 17,663,044</u>	<u>\$ 97,666,495</u>	<u>\$ 97,170,573</u>	<u>\$ 18,158,966</u>

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

WHITLEY 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 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.

WHITLEY 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.

WHITLEY 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 Cost

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

WHITLEY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2009

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	\$ 147,016
Infrastructure	26,768,093
Buildings	10,975,925
Improvements other than buildings	129,180
Machinery and equipment	<u>4,248,353</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 42,268,567</u>

WHITLEY COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Government Center	<u>\$ 5,520,000</u>	<u>\$ 273,500</u>

WHITLEY COUNTY
OTHER REPORT

The report presented herein was prepared in addition to the official report prepared for the County Auditor.

WHITLEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 14, 2010, with Linda J. Gerig, Auditor; Kim Wheeler, President of the County Council; and Michael D. Schrader, President of the Board of County Commissioners.