

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

EXAMINATION REPORT

OF

ADAMS COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

08/20/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	William A. Borne	01-01-09 to 12-31-12
Treasurer	Rex M. Moore	01-01-06 to 12-31-13
Clerk	Gayla M. Reinhart	01-01-08 to 12-31-10
Sheriff	Charles E. Padgett, Jr.	01-01-07 to 12-31-10
Recorder	Constance J. Moser	01-01-09 to 12-31-12
President of the Board of County Commissioners	Douglas L. Bauman	01-01-09 to 12-31-10
President of the County Council	Randy S. Colclasure Thomas R. Krueckeberg	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 ADAMS COUNTY, INDIANA

We have examined the financial information presented herein of Adams 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 subjected 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, 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

July 22, 2010

ADAMS 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		Cash and Investments	
	01-01-09	Receipts	Disbursements	12-31-09
Governmental Funds:				
General	\$ 4,885,487	\$ 9,849,569	\$ 9,678,717	\$ 5,056,339
Victim Crime Assistance	4,024	10,864	14,888	-
County Incentives	11,964	13,264	-	25,228
County Sales Disclosure	23,078	2,895	576	25,397
Surveyor's Corner Perpetuation	13,267	5,210	5,464	13,013
Future Reassessment	405,901	79,757	32,045	453,613
Recorder's Records Perpetuation	20,822	34,380	28,224	26,978
Identification Protection	961	10,858	1,720	10,099
Clerk's Records Perpetuation	26,683	8,057	-	34,740
Transfer Fee	-	380	-	380
Sheriff Retirement	22,048	11,059	-	33,107
Urinalysis Fee	29,576	1,635	-	31,211
Supplemental Juvenile Probation Services	16,994	-	11,000	5,994
Supplemental Adult Probation Services	174,780	59,449	16,729	217,500
Probation Administrative Fee	33,221	21,509	45,848	8,882
Pretrial Diversion	12,050	6,550	-	18,600
Extradition	20,057	550	13,769	6,838
Community Corrections - Home Detention	52,965	256,027	244,311	64,681
Supplemental Public Defender Services	77,919	13,932	-	91,851
Community Corrections - Project Income	74,199	219,731	213,018	80,912
Community Corrections - Transitions Program	5,544	12,461	12,051	5,954
Community Corrections - School Suspension	15,244	44,794	56,135	3,903
Community Corrections - Prime For Life	-	10,752	7,500	3,252
Guardian Ad Litem	1,089	-	-	1,089
Special Advocate	256	-	-	256
Covered Bridge	11,232	1,850	2,089	10,993
County Highway	889,160	1,916,505	1,910,202	895,463
Local Road and Street	142,023	273,529	218,706	196,846
County Health	130,668	286,797	283,184	134,281
Tobacco Grant	64,129	22,822	17,691	69,260
Public Health Maintenance	6,996	19,992	20,440	6,548
Health Maintenance	85,781	33,139	19,946	98,974
Health - Food and Tattoo	6,120	11,970	6,323	11,767
Public Health Emergency Response	-	34,597	8,140	26,457
Children's Psychiatric	194,621	-	194,621	-
Family and Children	1,254,748	111,153	1,365,901	-
Prosecutor IV-D No. 2	44,848	19,864	10,472	54,240
Drainage Maintenance	621,608	315,090	313,160	623,538
Accident Report	843	650	1,082	411
Firearms Training	19,094	15,521	11,545	23,070
County Drug Free Community	32,040	18,220	25,640	24,620
Special Drug Detection	120	-	-	120
County Law Enforcement Continuing Education	2,135	3,161	99	5,197
Clerk IV-D No. 2	36,231	13,203	104	49,330
Emergency Response Services	759,328	374,796	404,680	729,444
Wireless Emergency Telephone System	-	71,945	-	71,945
Emergency Planning and Right to Know	31,059	9,805	8,095	32,769
Grant Miscellaneous	240	900	994	146
Homeland Security	2,909	102,330	105,239	-
Park and Recreation	130,232	163,802	163,367	130,667
Park Nonreverting Operating	60,049	68,452	38,054	90,447
Park and Recreation Nonreverting Operating	768	-	-	768
Airport Feasibility Study	247	-	-	247
Jury Fee	2	4,958	4,948	12
Disaster Public Assistance	3,119	268	1,901	1,486
County Corrections (Misdemeanant)	43,243	23,591	21,929	44,905
Adams County Drug Enforcement	5,520	-	-	5,520
Grant/Vests	-	2,401	2,401	-
Rainy Day	-	1,351,934	-	1,351,934
Golden Meadows Special Needs	12,648	1,942	7,979	6,611
Levy Excess	-	1,332,437	1,332,437	-
St. Mary's River Basin	585	26,460	26,460	585
Deferral Fee	18,533	24,965	25,293	18,205
County Home Commissary	144	20	46	118
Sheriff's Commissary	3,304	68,561	67,964	3,901

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

ADAMS 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:				
Cumulative Bridge	824,784	677,992	675,168	827,608
General Drain Improvement	547,791	37,113	36,017	548,887
Cumulative Capital Development	1,197,408	304,088	700,920	800,576
Cumulative Courthouse Buildings	296,165	50,513	15,625	331,053
Economic Development Income Tax	262,043	801,551	955,293	108,301
Cumulative Jail	1,360,065	417,748	9,431	1,768,382
Proprietary Funds:				
Health Insurance	848,767	1,716,767	1,729,237	836,297
Workman's Compensation	233,096	157,579	62,353	328,322
Fiduciary Funds:				
Sheriff Pension	2,607,874	295,464	504,022	2,399,316
Highway Donations	593	-	225	368
Health Donations	53,229	7,681	2,966	57,944
Congressional School Principal	18,513	-	18,513	-
Dog Donations	315	1,075	-	1,390
DARE Donations	1,297	-	324	973
Golden Meadows - Cans for Co-pay	3,486	1,673	2,611	2,548
Probation Interstate Compact	75	675	525	225
Education Plate Fee	-	881	881	-
Surplus Tax	40,765	79,349	56,172	63,942
Tax Sale Redemption	562	22,037	22,037	562
Surplus Tax Sale	9,103	3,467	7,409	5,161
State Sales Disclosure Fee	-	2,895	2,730	165
Coroner's Training and Continuing Education	320	2,277	2,597	-
City and Town Court Costs	5,069	9,091	9,735	4,425
Congressional School Interest	18,280	175	18,455	-
Inheritance Tax	194,326	1,284,540	957,282	521,584
Improvement Location Permit Money	-	360	360	-
Law Enforcement Deputy 1	3,275	-	-	3,275
Law Enforcement Training	14,741	8,907	10,151	13,497
Mortgage Fees	188	4,160	4,003	345
Infraction Judgments	8,119	87,819	90,622	5,316
Special Death Benefit	85	2,045	1,895	235
County Child Advocacy	200	-	-	200
Overweight Vehicle Fines	-	4,408	504	3,904
State Fines and Forfeitures	41	1,961	1,515	487
Homestead Credit Rebate	-	915	915	-
Tax Distributions	155,039	29,604,621	29,758,760	900
Payroll Withholdings	12,684	2,483,520	2,496,193	11
Work Release	6,595	72,930	74,967	4,558
County Sheriff	12,821	304,902	316,991	732
Sheriff's Inmate Trust	11,416	86,393	86,017	11,792
Clerk of the Circuit Court	243,708	2,431,838	2,341,253	334,293
County Recorder	10,417	147,819	136,380	21,856
County Treasurer	465,281	35,042,367	35,170,923	336,725
Probation Department	280	77,273	77,273	280
County Home Resident's Trust	13,870	238,304	244,172	8,002
Totals	\$ 20,025,142	\$ 93,876,486	\$ 93,606,549	\$ 20,295,079

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

ADAMS 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.

ADAMS 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.

ADAMS 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.

ADAMS 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	\$ 84,567
Infrastructure	62,634,630
Buildings	7,972,473
Improvements other than buildings	531,710
Machinery and equipment	5,901,197
Construction in progress	<u>35,460</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 77,160,037</u>

ADAMS COUNTY
OTHER REPORT

The report presented herein was prepared in addition to the official report prepared for the individual office below:

County Sheriff

ADAMS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 22, 2010, with William A. Borne, Auditor; Douglas L. Bauman, President of the Board of County Commissioners. Our examination disclosed no material items that warrant comment at this time.