

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

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



**FILED**  
10/06/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Judy Reed	01-01-09 to 12-31-12
Treasurer	Lori Hurst	01-01-09 to 12-31-12
Clerk	Letty McKee	01-01-07 to 12-31-10
Sheriff	Walker Conley	01-01-07 to 12-31-10
President of the Board of County Commissioners	Mark Rodriquez	01-01-09 to 12-31-10
President of the County Council	James Widman	01-01-09 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 FULTON COUNTY, FULTON COUNTY, INDIANA

We have examined the financial information presented herein of Fulton 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 a required part 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

July 27, 2010

FULTON COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL 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	\$ 1,561,677	\$ 5,469,968	\$ 5,466,848	\$ 1,564,797
Highway	854,692	1,447,513	1,442,418	859,787
Local Road and Street	44,976	199,384	220,832	23,528
Health	98,438	196,483	182,735	112,186
Accident Report	16,299	3,305	-	19,604
Firearms Training	32,472	11,880	-	44,352
Adult Probation	305	17,351	13,122	4,534
Probation Users Fees	180,440	160,787	225,652	115,575
Alcohol and Drug Services	50,112	61,249	65,787	45,574
Probation	-	150	112	38
Landfill	652,129	3,312	53,471	601,970
Drainage Maintenance	1,630,147	553,867	630,037	1,553,977
Host Agreement Environmental	152,737	278,683	230,618	200,802
Collection Agency Fees	90	1,539	852	777
CAGIT Special Revenue	508,530	773	52,718	456,585
Pandemic H1N1 Grant	-	27,111	17,060	10,051
Child Advocacy	325	-	-	325
Children's Psychiatric Treatment Service	341,268	-	341,268	-
Family and Children	406,454	81,782	488,236	-
County Corrections	14,400	14,050	14,000	14,450
Atlas Collections	176	1,993	1,935	234
Drug Free Community	30,318	18,716	15,731	33,303
Electronic Map Generation	-	750	-	750
Emergency Planning and Right to Know	13,394	4,114	6,233	11,275
Emergency Telephone System	353,601	171,532	342,544	182,589
Wireless Emergency Telephone System	7,728	5,189	-	12,917
Wireless 911	-	86,497	-	86,497
Extradition	1,666	-	-	1,666
Bioterrorism Grant	68	-	-	68
Homeland Security Grant #2	-	113,568	113,568	-
Voter Registration Board Enhancement	1,130	-	-	1,130
Vote Reimbursement	2,162	-	-	2,162
Sex and Violent Offender Registry	-	640	27	613
Homeland Security Grant	-	819	-	819
Aubbeenaubee Volunteer Fire Dept. Grant	-	2,982	2,982	-
Guardian Ad-Litem	2,657	4,279	1,860	5,076
Health Maintenance	138,801	39,750	24,286	154,265
County ID Security Protection	17,201	7,870	569	24,502
Inmate Medical	9,241	1,390	-	10,631
Jury Pay	8,589	6,873	-	15,462
Juvenile Probation	15,959	5,258	10,291	10,926
Juvenile Service Center	2,683	105	-	2,788
LECE	8,440	1,815	-	10,255
Courthouse Centennial	281	-	-	281
Operation Pullover	55	3,175	2,867	363
Nonreverting Special	1,877,361	92,344	1,361	1,968,344
Parks and Recreation	68,875	10,189	7,307	71,757
Plat Book	30,526	6,420	24,453	12,493
Pre-Natal	4,976	-	-	4,976
Pretrial Diversion	104,316	68,097	49,081	123,332
Property Reassessment #2	251,950	97,300	214,002	135,248
Prosecutor IV-D	35,863	12,838	1,937	46,764
Rainy Day Fund	467,808	610,701	43,877	1,034,632
Recorders Record Perpetuation	49,603	25,687	25,069	50,221
Sheriff's Continuing Education	42,217	13,734	5,464	50,487
Transportation Grant	-	180,091	180,091	-

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

FULTON COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL 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):				
CDBG Repayments	18,777	-	-	18,777
Wayne Township Grant	-	179,897	59,273	120,624
Tobacco Grant	106,150	104,750	164,111	46,789
Bio-Terrorism Grant	68	-	-	68
Public Health Coordinator	6,194	2	-	6,196
Supplemental Public Defender Svc.	19,667	19,169	1,773	37,063
Surveyor's Corner Perpetuation	48,482	4,430	30,600	22,312
Tax Sale Fees	45,454	23,277	13,174	55,557
Tobacco Settlement	66,494	23,604	6,705	83,393
CEDIT	828,608	384,241	172,660	1,040,189
Cumulative Bridge	668,610	238,797	219,045	688,362
Cumulative Capital Development	302,127	285,080	203,030	384,177
General Drain Improvement	914,346	106,747	173,308	847,785
Park Nonreverting Capital	100	-	-	100
U.S. Corridor Plan	119,949	-	-	119,949
Clerk Incentive	23,107	9,254	4,727	27,634
Convention and Tourism	38,106	35,556	40,509	33,153
Document Fees	44,577	11,464	13,026	43,015
Debt Service	155,556	204,730	263,000	97,286
Lease Rental Payment	803,392	270,697	421,000	653,089
Mortgage Fees	288	2,583	2,480	391
Levy Excess	-	488,231	480,566	7,665
Homestead Credit Rebate	28	6,384	3,293	3,119
Fiduciary Funds:				
Sheriff's Pension Trust	1,491,456	117,410	400,865	1,208,001
Congressional Principal	21,923	-	-	21,923
Welfare Trust	4,834	-	4,834	-
Surplus Tax	63,440	25,496	39,165	49,771
Tax Sale Redemption	2,207	42,782	44,624	365
Tax Sale Surplus	289,300	128,242	261,932	155,610
Congressional Interest	56,452	1,526	877	57,101
Inheritance Tax	101,806	333,071	352,605	82,272
Sales Disclosure Fee	10,820	4,235	2,200	12,855
Coroner's Continuing Education	93	1,846	1,792	147
City & Town Court Costs	126,482	12,338	137,801	1,019
Payroll	146,089	1,170,264	1,165,532	150,821
Court Fees	21,959	236,685	249,966	8,678
Tax Distribution Funds	226,051	22,702,874	22,560,490	368,435
County Clerk	374,596	2,717,656	2,801,200	291,052
SETS	2,715	441,236	440,036	3,915
County Recorder	100	95,271	95,271	100
County Treasurer	232,681	19,016,293	18,802,856	446,118
County Sheriff	11,272	388,807	397,262	2,817
County Probation	429	164,909	165,238	100
Inmate Trust	1,232	138,847	139,084	995
Sheriff's Commissary	21,111	107,790	111,016	17,885
WIC	532	95,742	93,560	2,714
Totals	<u>\$ 17,510,796</u>	<u>\$ 60,466,116</u>	<u>\$ 61,061,787</u>	<u>\$ 16,915,125</u>

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

FULTON 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.

FULTON COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

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.

Note 6. Pension Plan

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.

FULTON COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,286,409
Buildings	8,203,858
Improvements other than buildings	10,634
Machinery and equipment	<u>3,984,565</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 13,485,466</u>

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

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:		
Woodlawn Hospital	\$ 1,365,000	\$ 262,000
Courthouse renovation	<u>2,145,000</u>	<u>423,000</u>
Total governmental activities debt	<u>\$ 3,510,000</u>	<u>\$ 685,000</u>

FULTON COUNTY  
OTHER REPORTS

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

Fulton County Auditor  
Fulton County Treasurer

FULTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2010, with Judy Reed, Auditor; Mark Rodriquez, President of the Board of County Commissioners; and James Widman, President of the County Council. Our examination disclosed no material items that warrant comment at this time.