

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

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



FILED
11/10/2010

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	7-8
Supplementary Information:	
Schedule of Capital Assets.....	9
Schedule of Long-Term Debt	10
Other Reports.....	11
Exit Conference.....	12

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jane E. Lilley	01-01-09 to 12-31-12
Treasurer	Becky Morris	01-01-09 to 12-31-12
Clerk of the Circuit Court	Debra A. Walker	01-01-08 to 12-31-11
Sheriff	Kenneth F. Roland	01-01-07 to 12-31-10
Recorder	Brenda Weaver	01-01-09 to 12-31-12
President of the Board of County Commissioners	Greg Deeds	01-01-09 to 12-31-10
President of the County Council	Ralph Duckwall	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MIAMI COUNTY, INDIANA

We have examined the financial information presented herein of Miami 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

August 19, 2010

MIAMI COUNTY
SCHEDULES 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			Cash and
	Investments	Receipts	Disbursements	Investments
	01-01-09			12-31-09
Governmental Funds:				
General	\$ 344,024	\$ 8,736,208	\$ 7,682,966	\$ 1,397,266
Highway	1,048,776	2,058,552	1,783,685	1,323,643
Local Road And Street	160,152	311,301	257,314	214,139
Plat Book	52,762	11,065	3,005	60,822
Alive At 25	2,449	4,070	3,898	2,621
Tobacco Settlement	-	22,187	22,187	-
Health Coord - Homeland Security	14,814	-	6,632	8,182
Homeland Security	8	-	8	-
Health	70,127	205,275	158,554	116,848
Sanitation and Vending of Food	4,091	-	-	4,091
Health Grant	(5,874)	20,000	12,667	1,459
Health Maintenance - Tobacco	13,976	13,139	307	26,808
Welfare & Children	532,835	509,871	1,042,706	-
Welfare III	239,744	-	239,744	-
Operation Pullover	2,854	5,512	5,024	3,342
Accident Report	3,189	3,428	3,414	3,203
Jury Fees	84,678	12,486	2,356	94,808
JAIBG Program	2,828	-	2,828	-
FEMA	96	-	96	-
Reassessment	1,111,791	230,148	307,945	1,033,994
County Sales Disclosure	18,069	4,047	250	21,866
Law Enforcement Continuing Education	(1,553)	4,403	1,891	959
Administrative Fee - Probation	127,760	22,952	-	150,712
Voter Registration Access	4,431	75	-	4,506
Firearms	32,341	24,730	24,600	32,471
Disaster Fund	1,569	2,206	1,444	2,331
YMCA Rural Transit	-	265,557	265,557	-
Criminal Justice Equipment Grant	525	-	525	-
User Fee Drug And Alcohol	13,417	57,322	70,837	(98)
GRA State Loan	-	200	200	-
GRA Grant	33,872	135	34,007	-
GRA Loan	44,169	-	44,169	-
Drug Free Community	37,260	30,581	22,549	45,292
User Fee	330,908	149,987	193,912	286,983
Juvenile Probation	96,731	1,630	11,491	86,870
Sheriff Miscellaneous Grant	-	14,500	14,500	-
Community Transition Program	37,350	4,971	19,290	23,031
Community Corrections Grant	35,672	157,533	133,888	59,317
Community Correction Project	241,030	161,953	166,751	236,232
Adult Probation	174,717	113,973	130,940	157,750
Victims Advocate	1,395	32,917	31,440	2,872
CASA	48,482	14,967	13,788	49,661
Emergency Management Misc Grant	50	20,794	20,794	50
4-D Clerk 2000	43,681	18,749	23,360	39,070
Health Miscellaneous Grants	-	20,000	19,230	770
Health Grant H1N1	-	37,158	6,996	30,162
Cell Extraction Response Team - CERT	-	2,002	-	2,002
4-D Clerk 1999	225	-	-	225
Miami County Public Safety	-	764,474	-	764,474
4-D Prosecutor-Old	25	-	25	-
4-D Prosecutor	21,746	17,522	13,561	25,707
County Misdemeanant	20,495	24,550	18,512	26,533
Soil And Water Grant	1,615	4,500	4,778	1,337
Local Emergency Planning & R.T.K.	16,530	6,602	2,314	20,818
Recorder's Records Perpetuation	75,747	37,379	29,306	83,820
Surveyor's Corner Perpetuation	63,973	6,450	-	70,423
County Extradition	36	-	36	-
Supplemental Public Service Defender	111,740	47,484	12,253	146,971
Excess Levy	-	492,497	468,777	23,720
Rainy Day	403,569	936,244	550	1,339,263
Miami Co Sheriff Reserve	221	125	-	346
Community Emergency Response	985	-	-	985
Miami Co Riverboat Wagering	738,368	-	226,344	512,024
Miami County CEDIT	2,901,540	836,966	781,848	2,956,658
Title III Requirement	3,300	-	3,300	-
Homeland Security Radios 06	59	-	59	-
Clerk Perpetuation Fund	7,762	14,818	20,213	2,367
Sheriff Service of Process Fee	54,333	21,823	74,778	1,378
PCA Fee	(10)	36,083	35,027	1,046
Dukes Health Flu Vaccine	800	20,000	19,580	1,220
Jail Construction (Landscape)	-	91,000	-	91,000
Child Project System	1	-	1	-
Sheriff Radio Fund	6,161	-	-	6,161
Dog Tax Ordinance	7,270	4,563	2,404	9,429
Law Enforcement	7,256	978	-	8,234
Miami Co E-911	276,448	323,269	603,062	(3,345)
9-1-1 Wireless	-	137,260	4,081	133,179
Local Source 9-1-1 Funding	-	61,967	1,967	60,000
Security Protection Fund	5,268	10,168	11,700	3,736
Periodic Maintenance	914,304	113,265	76,572	950,997

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

MIAMI 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):				
Animal Control Fees	5,608	500	231	5,877
Children Of Divorce Program	29,225	-	29,225	-
Sheriff's Commissary	21,154	94,594	85,319	30,429
County Option Tax - Jail Project	113,681	2,215,566	1,749,416	579,831
Cumulative Courthouse	1,078,080	490,273	292,299	1,276,054
Cumulative Bridge	1,171,519	412,611	270,073	1,314,057
General Drain	237,753	323	32,720	205,356
Tourism Commission	23,999	43,546	65,830	1,715
Proprietary Fund:				
Miami Co Employee Benefit	1,273,402	396,985	1,438,729	231,658
Fiduciary Funds:				
Congressional School Principal	30,651	175	-	30,826
Delinquent Sewage	-	20,930	10,546	10,384
HCI Welfare	-	25,104	25,104	-
Medical Assistance To Wards	-	7,952	7,952	-
Children Special Health Care	-	5,925	5,925	-
Interstate Compact Fee	-	225	150	75
\$3 User Fee	12,694	10,508	10,222	12,980
City Ordinance Violation	500	-	-	500
Weed Liens	-	34,351	15,455	18,896
Reconciliation Differences	832	-	832	-
Canine Research & Education	-	2,249	2,231	18
Retirement PERF	(1,194)	146,724	106,959	38,571
Voluntary PERF	-	14,785	10,519	4,266
Sheriff Retirement	(5,564)	17,998	7,773	4,661
Deferred Compensation	-	49,210	49,210	-
Federal Withholding	-	437,061	437,093	(32)
Gross Tax State	-	188,341	163,755	24,586
Social Security	(60)	422,846	422,717	69
Local Option Tax	-	132,949	115,603	17,346
Garnishment	-	2,468	2,468	-
United Way	-	526	480	46
Colonial Insurance	842	3,811	4,120	533
American Family Ins	4,137	35,875	37,547	2,465
Anthem BC/BS	24,540	154,317	137,421	41,436
ECIT Dental	4,748	28,042	29,485	3,305
Central United Life	145	-	-	145
National City	-	1,614	1,614	-
Beacon	-	28,852	28,852	-
National Bond and Trust Co	-	2,696	2,696	-
Worksite Solutions	596	5,861	6,368	89
Sagamore Credit Union	-	9,330	9,330	-
Support & Miscellaneous	-	26,450	26,450	-
Anthem Life Supplemental	871	10,438	11,256	53
Surplus Tax	90,250	114,677	138,182	66,745
Tax Sale Redemption	-	110,063	96,363	13,700
Commissioners Tax Sale Taxes	12,215	149,322	157,820	3,717
SRI Fees	15,354	31,815	36,035	11,134
Tax Sale Surplus	223,027	138,263	262,157	99,133
Congressional School Interest	40,150	127	600	39,677
PTRC/HSC Due To State	-	225,368	225,368	-
LOIT/COIT Residential PTRC Fund	-	1,123,059	1,103,053	20,006
LOIT/COIT Homestead Credit Fund	-	1,684,589	1,666,634	17,955
LOIT/COIT PTRC Fund	-	2,807,669	2,754,000	53,669
LOIT/COIT Public Safety	-	1,403,824	1,403,824	-
COIT Homestead Credit Fund	-	456,600	198,476	258,124
COIT Distribution Fund	881,765	5,498,549	6,380,314	-
Innkeepers Tax	2,909	52,832	43,112	12,629
State Mortgage Fraud Fund	403	2,858	3,063	198
State Share Of Delinquent Tax and Penalties	-	189,160	189,160	-
State Fair Board	-	4,266	4,266	-
State Forestry	-	8,532	8,532	-
TIF	-	285,093	285,093	-
Converse Downtown TIF	-	149,838	149,838	-
Converse TIR	-	48,544	48,544	-
Excess CEDIT/COIT Fund	-	616,731	616,731	-
HEA 1001 State Homestead Credit	25,271	449,884	479,194	(4,039)
Homestead Credit Rebate	-	21,696	9,516	12,180
Cedit Homestead Replacement	30,597	1,070,327	1,036,755	64,169
Aviation	-	64,391	64,391	-
CEDIT	-	1,408,196	1,408,196	-
Financial Institution Tax	-	71,978	71,978	-
Education Plate Fund	-	1,088	1,088	-
CVET	-	142,841	142,841	-
State Welfare Excise Tax	(14,825)	1,309,251	1,294,426	-
Riverboat Wagering Revenue	-	703,308	452,147	251,161
Solid Waste Collections	-	22,042	22,042	-
Demand Collection Fees	6,413	6,505	4,500	8,418
Surplus Dog Tax	396	-	396	-

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

MIAMI 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
Fiduciary Funds:				
Inheritance Tax	418,807	531,811	716,459	234,159
Special Death Benefit	1,350	2,948	2,343	1,955
Sales Disclosure Fee	450	3,478	3,303	625
Child Restraint Violations	100	1,400	1,475	25
Coroner's Continuing Education	1,310	13,501	13,711	1,100
Fines and Forfeitures	6,516	25,865	-	32,381
City & Town Court Cost	7,959	12,128	-	20,087
Court Martial Fees	110	-	110	-
Infractions	17,125	202,450	203,126	16,449
Overweight Vehicle Fines	943	1,060	1,985	18
Payroll	4,347	2,734,552	2,738,899	-
1st Farmers Payroll	-	2,870,568	2,870,568	-
Tax Distribution	-	21,350,260	21,350,260	-
Sheriff's Pension Trust	1,461,554	329,842	68,732	1,722,664
Sheriff's Benefit Trust	120,553	8,746	23,165	106,134
County Treasurer	5,403,427	26,229,428	31,204,317	428,538
County Clerk	831,063	3,937,766	4,293,201	475,628
County Recorder	50	13,325	13,325	50
County Sheriff	-	1,266,450	1,266,450	-
Inmate Trust	11,885	103,461	103,050	12,296
	<u>11,885</u>	<u>103,461</u>	<u>103,050</u>	<u>12,296</u>
Totals	<u>\$ 24,274,596</u>	<u>\$ 102,810,907</u>	<u>\$ 106,485,882</u>	<u>\$ 20,599,621</u>

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

MIAMI 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.

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.

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

MIAMI COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

Note 7. Interlocal Agreement – Loan Receivable

On February 14, 2000, the Miami County Commissioners entered into an interlocal agreement with the Grissom Redevelopment Authority (GRA), now known as the Miami County Economic Development Authority, in which the County was committed to providing up to \$800,000 local match for a federal grant to the GRA. The purpose of the funding was to demolish old dormitories on the grounds of Grissom Aeroplex. The source of these matching funds was the County's Economic Development Income Tax Fund. Fifty percent of the match was in the form of a loan to be repaid to the County within five years at 3% interest. No payments were received on this loan during the year 2009. As of December 31, 2009, the project loan balance receivable was \$119,683.

Note 8. Designation of Funds to City of Peru

The County has designated, by ordinance, a portion of its share of County Economic Development Income Tax Funds to the City of Peru for the lease financing, through the Peru Municipal Facilities Corporation, of certain water and wastewater infrastructure known as the Northwest Utility Corridor Project. The County's participation in this project is for the purpose of promoting economic development. The County did not receive any tangible assets in exchange for the funding provided. The principal amount outstanding on the Peru Municipal Facilities Corporation lease at December 31, 2009, is \$2,935,000. The County's portion of the lease payments is approximately \$161,000 per year through the year 2020.

MIAMI 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.

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	\$ 1,118,031
Infrastructure	59,489,475
Buildings	6,340,773
Improvements other than buildings	31,002
Machinery and equipment	<u>5,433,895</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 72,413,176</u>

MIAMI 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:		
E-911 Equipment	\$ 383,906	\$ 151,776
COIT Jail Lease Rental Bonds of 2008	<u>15,815,000</u>	<u>1,093,583</u>
Total governmental activities debt	<u>\$ 16,198,906</u>	<u>\$ 1,245,359</u>

MIAMI COUNTY
OTHER REPORTS

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

County Sheriff
County Probation Department

MIAMI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 19, 2010, with Jane E. Lilley, Auditor. Our examination disclosed no material items that warrant comment at this time.