

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

EXAMINATION REPORT

OF

TIPTON COUNTY

TIPTON COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

12/07/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Suzanne C. Alexander	01-01-07 to 12-31-10
Treasurer	Linda Warner	01-01-07 to 12-31-10
Clerk	Bonita Guffey	01-01-07 to 12-31-10
Sheriff	Frank Fritch	01-01-07 to 12-31-10
Recorder	Marla Featherstone	01-01-09 to 12-31-12
President of the Board of County Commissioners	Ken Ziegler	01-01-09 to 12-31-10
President of the County Council	Phillip B. Nichols	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF TIPTON COUNTY, TIPTON COUNTY, INDIANA

We have examined the financial information presented herein of Tipton 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 the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements.

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. The schedule has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on the schedule.

STATE BOARD OF ACCOUNTS

September 7, 2010

TIPTON 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 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 1,632,225	\$ 4,937,340	\$ 5,111,346	\$ 1,458,219
Highway	107,553	1,856,759	1,717,282	247,030
Local Road and Street	53,455	158,003	183,000	28,458
Property Reassessment #2	508,505	94,706	148,961	454,250
Welfare Administration	62,943	-	62,943	-
Health	377,945	93,078	218,452	252,571
Family and Children	562,994	47,618	610,612	-
Surveyor's Corner Perpetuation	6,660	3,620	1,249	9,031
Accident Report	600	1,547	410	1,737
Firearms Training	11,752	10,655	4,415	17,992
K-9	997	2,000	475	2,522
Drug Free Community	33,657	9,442	11,516	31,583
Identification Security Protection	8,837	7,416	-	16,253
Recorder's Record Perpetuation	52,505	19,324	10,311	61,518
User Fee	11,121	1,092	-	12,213
Law Enforcement Continuing Education	1,202	1,857	-	3,059
Emergency Telephone System (E-911)	167,823	506,363	577,280	96,906
Enhanced Access	44,718	75,369	69,600	50,487
Homeland Security Grant	-	151,830	151,830	-
Emergency Planning/Right to Know	6,112	-	-	6,112
Electronic Map Generation	631	-	-	631
Dog	100	50	-	150
Supplemental Public Defender SVC	2,970	200	-	3,170
Clerk Title IV-D	15,035	1,917	2,132	14,820
County Sales Disclosure	12,266	1,660	10	13,916
Coroners Education	49	842	838	53
Clerk's Record Perpetuation	13,439	4,938	3,699	14,678
Sheriff's Sales Administration	11,760	9,380	-	21,140
Emergency Preparedness	18,841	24,732	11,986	31,587
Rainy Day	715,258	1,175,338	696,089	1,194,507
Jury Pay	29,627	5,392	6,250	28,769
Prosecutor's Special	1,096	1	-	1,097
Project Income	75,348	75,253	74,444	76,157
Community Corrections Grant	91,541	30,007	36,922	84,626
Adult Offender Interstate	-	75	75	-
Juvenile Probation Service	7,736	637	2,421	5,952
Adult Probation Service	108,119	45,985	35,527	118,577
Probation Users Fees	55,721	7,812	-	63,533
Prosecutor's SADD	1,755	-	-	1,755
Pretrial Diversion	47,635	12,623	13,974	46,284
Extradition	1,463	-	-	1,463
Child Advocacy (Child Protection Team)	473	-	-	473
Special Death Benefit	135	1,120	1,175	80
Misdemeanant Fund	105,381	12,246	6,412	111,215
Well Child	298	-	-	298
Ruth Jordan	1,630	50	-	1,680
Big Cicero Creek Drain	634,349	434,190	597,191	471,348
Drug Abuse Interdiction	1,425	-	-	1,425
Drug Enforcement Education	174	-	-	174
Sheriff Flower	4	-	-	4
Levy Excess	6,909	615,305	615,305	6,909
Operation Pullover 2005/2009	5	5,117	5,122	-
State Drunk Driving	350	-	-	350
Guardian Ad Litem/Court	22,955	132	155	22,932
Community Improvement	2,750	-	-	2,750
Health Maintenance	700	10,000	10,700	-
Prosecutor Title IV-D	5,273	11,084	7,891	8,466
Drainage Maintenance	1,511,213	347,903	653,597	1,205,519
Plat Book	29,727	3,950	-	33,677
Sheriff - Commissary	21,740	33,946	36,586	19,100
Community Corrections Grant 07-08	-	1,111	1,111	-
Tobacco Settlement	-	15,599	-	15,599
Health Care for the Indigent	-	2,395	2,264	131
Medical Assistance to Wards	-	342	323	19
Children with Special Needs	-	912	862	50

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

TIPTON 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):				
Debt Service Fund	1,266	-	-	1,266
Bond and Interest Redemption	2,407	-	-	2,407
TIF Sinking Fund	-	95,376	47,688	47,688
Cumulative Capital Development	271,042	147,612	105,011	313,643
Cumulative Bridge	1,400,660	440,040	580,410	1,260,290
General Drain Improvement	455,962	169,087	427,481	197,568
Economic Development	328,059	1,234,632	948,693	613,998
Capital Improvement Bond(Sinking)	-	92,656	92,656	-
Tax increment Financing Debt	253,969	114,965	135,406	233,528
Capital Projects - Other (EDIT Revenue)	732,882	1,182	162,886	571,178
TIF Capital Project	1,906,741	17,145	1,923,886	-
Emergency Equipment Grant	-	187	-	187
Fiduciary Funds:				
Congressional School Principal	27,826	-	-	27,826
Sheriff's Pension Trust	5,408	5,057	-	10,465
Welfare Trust	14,198	-	14,198	-
Mortgage Fees - State Share	743	1,778	1,513	1,008
Congressional School Interest	8,091	133	-	8,224
Surplus Tax	13,411	33,794	18,818	28,387
Tax Sale Redemption	-	61,862	61,862	-
Surplus Tax Sale	324,839	788	299,593	26,034
Tax Sale Fees	11,082	3,005	5,074	9,013
Tax Sale	11,120	1,500	12,620	-
HEA 1001 - 2008 State Homestead	4,280	292,988	296,240	1,028
Homestead Credit (Local Option)	5,975	264,615	264,526	6,064
Property Replacement & Homestead Credit	-	843,460	843,460	-
Payroll	47	937,824	935,802	2,069
State Sales Disclosure Fee	180	1,660	1,700	140
Tax Distribution	(2,553)	15,802,797	15,512,942	287,302
State Welfare Excise Tax	-	13,050	6,786	6,264
Child Restraint Violations	40	75	115	-
Commercial CVET	-	105,620	105,620	-
Inheritance Tax	203,424	597,352	490,301	310,475
State Fines and Forfeits	1,186	5,715	5,837	1,064
Riverboat Revenue Sharing	-	103,739	103,739	-
City and Town Court Costs	11,980	1,911	-	13,891
Infraction Judgments	4,188	67,561	66,299	5,450
Financial Institution Tax	-	97,603	97,603	-
CAGIT (Certified Shares)	-	2,530,377	2,530,377	-
Education Plate Fees Agency	-	338	338	-
Medical Equipment	400,196	-	256,266	143,930
Wheel Tax	-	149,338	149,338	-
Sur Tax	-	384,392	384,392	-
State Fair Board	-	304	287	17
State Forestry Tax	-	608	575	33
Treasurer	118,192	11,382,094	11,256,696	243,590
Clerk	189,749	904,262	947,639	146,372
Landfill Post Closure	27,894	50	26	27,918
Probation Department	5,720	43,376	45,534	3,562
Prosecutor	24,916	26,124	22,231	28,809
Recorder	9,100	69,567	72,515	6,152
Sheriff	-	237,605	237,605	-
Sheriff - Inmate Trust	356	63,607	63,525	438
Sheriff - Retirement/Benefit Plan	1,066,165	138,853	71,382	1,133,636
Totals	\$ 15,048,226	\$ 48,357,927	\$ 51,310,234	\$ 12,095,919

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

TIPTON 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, highway and streets, health and social services, 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.

TIPTON COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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. Getrag Transmission Plant - Bankruptcy

During 2008, the Tipton County Redevelopment Commission issued Redevelopment District Tax Increment Revenue Bonds, Series A, in the amount of \$11,000,000 and Redevelopment District Tax District Increment Revenue Bonds, Series B, in the amount of \$3,100,000. Both bond issues were made to fund infrastructure improvements at the Getrag transmission plant in Tipton County. Debt service payments for both bond issues were to be made from tax revenues received from a Tax Increment Financing District established by the Redevelopment Commission which included the transmission plant. Subsequent to the issuance of these bonds, Getrag, Inc., declared bankruptcy. The County is negotiating with a Trust, made up of the unpaid creditors who were awarded the land and building by the bankruptcy court, and a new company who would like to utilize the infrastructure regarding the payment of the above Series A and B bonds.

TIPTON 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:		
Notes and loans payable:		
Getrag Land Purchase Loan	\$ 55,914	\$ 29,526
Courthouse Renovation	1,450,519	181,216
Bonds payable:		
General obligation bonds:		
Economic Development Income Tax Bonds	1,095,000	93,056
Redevelopment District Tax Increment Bonds	<u>3,100,000</u>	<u>154,750</u>
 Total governmental activities debt	 <u>\$ 5,701,433</u>	 <u>\$ 458,548</u>

TIPTON COUNTY
OTHER REPORTS

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

County Auditor
County Surveyor
County Prosecuting Attorney
County E-911

TIPTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 20, 2010, with Suzanne C. Alexander, Auditor.

The contents of this report were discussed on September 21, 2010, with Ken Ziegler, President of the Board of County Commissioners; Mike Cline, County Commissioner; Phillip B. Nichols, President of County Council; and Jane Harper, County Commissioner.