

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

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



FILED

12/09/2010

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 | 4-5 |
| Notes to Financial Information | 6-8 |
| Supplementary Information: | |
| Schedule of Capital Assets..... | 9 |
| Schedule of Long-Term Debt | 10 |
| Exit Conference..... | 11 |

OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|--------------------|----------------------|
| Auditor | Peggy Bullington | 01-01-07 to 12-31-10 |
| Treasurer | Edna M. Brown | 01-01-09 to 12-31-12 |
| Clerk | Terry L. Stroud | 01-01-07 to 12-31-10 |
| Sheriff | Tim Wilkerson | 01-01-07 to 12-31-10 |
| Recorder | Charla Dawn Wright | 01-01-07 to 12-31-10 |
| President of the Board of County Commissioners | Larry G. Bye | 01-01-09 to 12-31-10 |
| President of the County Council | Jerry Brewer | 01-01-09 to 12-31-10 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDIANAPOLIS, INDIANA 46204-2769

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Crawford 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

September 27, 2010

CRAWFORD 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 | \$ 901,668 | \$ 4,408,894 | \$ 3,865,457 | \$ 1,445,105 |
| Accident Fund | 10,507 | 1,356 | 5,108 | 6,755 |
| Adult Administrative Fee | 10,935 | 8,176 | 3,472 | 15,639 |
| Adult Probation Services | 11,702 | 44,086 | 45,139 | 10,649 |
| Alternative Dispute | 2,720 | 1,500 | 1,452 | 2,768 |
| Ambulance Donations | 100 | - | - | 100 |
| Ambulance Escrow | 89,355 | 36,655 | - | 126,010 |
| Auditor's Transfer Fee | 2,865 | 4,550 | 174 | 7,241 |
| Bio-Terrorism Preparedness | 3,248 | - | - | 3,248 |
| CERT | 140 | - | - | 140 |
| Child Abuse Prevention | 100 | - | - | 100 |
| Children's Psychiatric Residential Treatment Services | 5,093 | 106,555 | 111,648 | - |
| Clerk Title IV-D | 4,540 | 3,927 | 2,319 | 6,148 |
| Clerk's Records Perpetuation | 59,593 | 18,483 | 500 | 77,576 |
| CEDIT | 418,731 | 281,957 | 271,292 | 429,396 |
| Community Services | 10,639 | 2,124 | 5,202 | 7,561 |
| Courthouse/Jail Complex | 1,151 | - | 959 | 192 |
| Crawford County Tower Fund | - | 11,000 | 4,444 | 6,556 |
| Criminal Justice - Extension FG | 16,578 | - | - | 16,578 |
| Criminal Justice - Hoosier Hills Pact | 10,202 | 22,688 | 28,292 | 4,598 |
| Criminal Justice - Prosecutor | - | - | 3,656 | (3,656) |
| Criminal Justice - BPV | - | 2,125 | 2,125 | - |
| Criminal Justice - Click-It-Or-Ticket | - | 2,283 | 1,944 | 339 |
| Cumulative Capital Development | 136,086 | 131,145 | 143,773 | 123,458 |
| Document Fees | 22,050 | 4,593 | - | 26,643 |
| Drug Forfeitures | 128 | - | - | 128 |
| Drug Free Community | 48,420 | 15,547 | 22,500 | 41,467 |
| EDA Revolving Loan | 60,909 | 134,328 | 95,927 | 99,310 |
| Education Tobacco Settlement | 7,849 | 27,266 | 2,551 | 32,564 |
| Election and Registration | 69,598 | 135,608 | 40,837 | 164,369 |
| Emergency Ambulance Services | 197,864 | 434,483 | 527,761 | 104,586 |
| Emergency Phone Messenger | - | 1,050 | - | 1,050 |
| Emergency Planning and Right to Know | 5,172 | 6,369 | 5,452 | 6,089 |
| Emergency Telephone System | 122,346 | 147,757 | 164,614 | 105,489 |
| Family and Children | 741,474 | 435,995 | 1,177,469 | - |
| Firearms Training | 8,100 | 10,310 | 7,420 | 10,990 |
| Grants and Special Projects | - | 11,847 | 4,515 | 7,332 |
| Guardian Ad Litem/Court | 7,453 | - | 7,453 | - |
| H1N1 Preparedness Response | - | 12,828 | 2,337 | 10,491 |
| Health | 33,317 | 201,830 | 161,482 | 73,665 |
| Health Maintenance | 33,002 | 33,148 | 44,701 | 21,449 |
| Highway | 26,794 | 1,249,554 | 1,136,589 | 139,759 |
| Highway Equipment Escrow | 7,509 | 18,327 | 14,935 | 10,901 |
| Home Monitoring | 37,314 | 27,080 | 46,230 | 18,164 |
| Homeland Security | 51 | 95,627 | 95,627 | 51 |
| Identification Security Protection | 7,812 | 5,168 | - | 12,980 |
| Infraction Deferral | 43,400 | 33,172 | 22,976 | 53,596 |
| Jury Pay | 2,126 | 6,124 | 198 | 8,052 |
| Juvenile Administrative Fees | 3,280 | 200 | 2,294 | 1,186 |
| Juvenile Probation Service | 6,375 | 4,144 | 1,133 | 9,386 |
| Law Enforcement Continuing Education | 249 | - | - | 249 |
| Levy Excess | - | 1,128,701 | 1,128,701 | - |
| Local Road and Street | 104,590 | 103,104 | 189,835 | 17,859 |
| Misdemeanant | 9,872 | 7,337 | - | 17,209 |
| Nonreverting Prisoner Reimbursement | 20,870 | 416 | - | 21,286 |
| Orange County Riverboat Admissions | 428,416 | 212,351 | 40,000 | 600,767 |
| Orange County Riverboat (Wagering) | 330,086 | 416,808 | 523,343 | 223,551 |
| Pandemic | 4 | - | - | 4 |
| Parks and Recreation | 24,325 | 12,370 | 5,762 | 30,933 |
| Surveyor's Plat Map | 868 | 1,093 | 705 | 1,256 |
| Plat Books | 585 | 517 | 735 | 367 |
| Pretrial Diversion | 3,044 | 10,014 | 2,113 | 10,945 |
| Probation Drug Testing | 394 | 2,555 | 1,565 | 1,384 |
| Property Reassessment | 107,602 | 263,055 | 132,864 | 237,793 |

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

CRAWFORD 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): | | | | |
| Prosecutor Title IV-D | 3,193 | 5,907 | 4,397 | 4,703 |
| Public Health Coordinator | 6,102 | 77 | - | 6,179 |
| Rainy Day | 55,493 | 1,170,277 | 501,173 | 724,597 |
| Recorder's Records Perpetuation | 37,725 | 18,615 | 3,785 | 52,555 |
| Riverboat Contingency | 6,219 | 9,962 | 9,737 | 6,444 |
| Riverboat Highway Road Plan | 370,963 | 916,376 | 878,439 | 408,900 |
| Riverboat Wagering (County) | 73,112 | 52,036 | 17,608 | 107,540 |
| Sales Disclosure - County | 3,246 | 1,760 | - | 5,006 |
| Sheriff's Commissary | 26,613 | 107,162 | 84,727 | 49,048 |
| Sheriff Sale Administration | 9,301 | 10,600 | 6,700 | 13,201 |
| Supplemental Public Defender Service | 30,054 | 6,821 | 10,604 | 26,271 |
| Surveyor's Corner Perpetuation | 19,446 | 2,765 | 137 | 22,074 |
| Switzerland Capital Projects | 5,971 | - | - | 5,971 |
| Switzerland Riverboat | 178,679 | 345,938 | 424,250 | 100,367 |
| TIF Bonds | 136,668 | 301,068 | 233,440 | 204,296 |
| TIR | 59,059 | - | - | 59,059 |
| Tobacco Settlement | 37,622 | - | 14,620 | 23,002 |
| Tornado Relief | 689 | - | - | 689 |
| Wireless Emergency Telephone | - | 5,277 | - | 5,277 |
| Fiduciary Funds: | | | | |
| Child Restraint Violations Fines | - | 400 | 400 | - |
| Children With Special Health Care Needs | - | 3,125 | 3,125 | - |
| City and Town Court Costs | 432 | 8,134 | 4,473 | 4,093 |
| Congressional School Interest | 6,776 | 230 | 355 | 6,651 |
| Congressional School Principal | 11,247 | - | - | 11,247 |
| Coroner's Education | 21 | 591 | 579 | 33 |
| Education Plate Fees | 456 | 288 | - | 744 |
| CVET | - | 14,007 | 14,007 | - |
| CAGIT Special | - | 1,076,976 | 1,076,976 | - |
| Homestead Credit | 15 | - | - | 15 |
| Infraction Judgments | 1,735 | 40,335 | 39,489 | 2,581 |
| Inheritance Tax | 26,282 | 12,735 | 38,865 | 152 |
| Innkeepers Tax | 2,961 | 61,247 | 61,057 | 3,151 |
| State Fines and Fees | 73 | 965 | 990 | 48 |
| Overweight Vehicle Fines | - | 36 | 36 | - |
| Payroll Withholdings | 134,746 | 2,269,065 | 2,229,568 | 174,243 |
| Purdue Cooperative Extension | 1,456 | - | - | 1,456 |
| Riverboat Harrison County | - | 2,211,236 | 1,832,751 | 378,485 |
| Riverboat Wagering | - | 67,230 | 67,230 | - |
| Special Death Benefit | 65 | 1,760 | 1,700 | 125 |
| Sales Disclosure - State | 65 | 1,725 | 1,570 | 220 |
| State Fines and Forfeitures | 24 | 543 | 542 | 25 |
| State Settlement | 3,335,771 | 8,293,389 | 11,628,662 | 498 |
| State Fair Board | - | 781 | 781 | - |
| Surplus Dog Tax | 373 | - | - | 373 |
| Surplus Tax | 31,677 | 122,886 | 94,461 | 60,102 |
| Surplus Tax Sale | 91,788 | 35,274 | 67,219 | 59,843 |
| Tax Distributions | 4,346 | 1,847,043 | 1,737,045 | 114,344 |
| Tax Sale Redemption | - | 32,838 | 32,818 | 20 |
| User Fees | 48,336 | 54,060 | 41,243 | 61,153 |
| Clerk's Trust | 344,442 | 2,045,349 | 2,020,958 | 368,833 |
| Recorder | 9,391 | 51,316 | 56,934 | 3,773 |
| Sheriff | - | 22,234 | 20,478 | 1,756 |
| Sheriff's Inmate Trust | 6,194 | 111,810 | 112,830 | 5,174 |
| Sheriff's Pension | 565,762 | 61,039 | 42,789 | 584,012 |
| Treasurer | 320,474 | 314,224 | 319,874 | 314,824 |
| Totals | <u>\$ 10,224,264</u> | <u>\$ 32,015,692</u> | <u>\$ 33,847,002</u> | <u>\$ 8,392,954</u> |

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

CRAWFORD 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, 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.

CRAWFORD COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. 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 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 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.

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 the plan members for the County Police Retirement Plan are established by state statute.

CRAWFORD 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 the plan members for the County Police Benefit Plan are established by state statute.

CRAWFORD 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 | \$ 520,429 |
| Infrastructure | 37,025,665 |
| Buildings | 7,123,930 |
| Machinery and equipment | <u>3,006,884</u> |
| Total governmental activities, capital assets not being depreciated | <u>\$ 47,676,908</u> |

CRAWFORD 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: | | |
| Courthouse lease rental of 2005 | \$ 2,563,000 | \$ 264,930 |
| Hanger building | 93,496 | 16,235 |
| Bonds payable: | | |
| Revenue bonds: | | |
| TIF bonds of 1997 | 780,000 | 84,338 |
| TIF bonds of 2003 | <u>230,000</u> | <u>65,580</u> |
| Total governmental activities debt | <u>\$ 3,666,496</u> | <u>\$ 431,083</u> |

CRAWFORD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2010, with Peggy Bullington, Auditor; Jerry Brewer, President of the County Council; and Larry G. Bye, President of the Board of County Commissioners. Our examination disclosed no material items that warrant comment at this time.