

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

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



FILED

01/03/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Patricia Carlson	01-01-07 to 12-31-10
Treasurer	Rosalie Mathis	01-01-09 to 12-31-12
Clerk	Kimberly Anderson	01-01-09 to 12-31-12
Sheriff	Donald Hartman, Sr.	01-01-07 to 12-31-10
Recorder	John Hall	01-01-07 to 12-31-10
President of the Board of County Commissioners	Roxanna Hanford	01-01-09 to 12-31-10
President of the County Council	Sharon Miller	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 NEWTON COUNTY, NEWTON COUNTY, INDIANA

We have examined the financial information presented herein of Newton 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, 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

June 29, 2010

NEWTON COUNTY
SCHEDULE 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	\$ 1,645,163	\$ 6,135,331	\$ 6,758,076	\$ 1,022,418
Landfill	7,024,045	12,233,832	13,348,314	5,909,563
Highway	550,557	2,266,276	2,241,015	575,818
Family and Children	598,504	58,174	656,678	-
Closure/Post Closure	3,046,346	437,938	3,046,000	438,284
Levy Excess	-	638,538	-	638,538
Surveyor's Corner Perpetuation	31,865	3,335	1,149	34,051
Sheriff Commissary	14,862	43,573	40,270	18,165
Property Reassessment	453,062	105,674	107,955	450,781
Clerk's Records Perpetuation	5,029	5,615	-	10,644
Recorder's Perpetuation	74,854	12,722	12,469	75,107
Identification Security Protection	13,636	5,336	-	18,972
Sales Disclosure - County Share	13,383	1,515	-	14,898
Cannibus Marijuana Eradication	6,973	11,649	11,715	6,907
K-9 Donations	151	4,000	-	4,151
Economic Development Donations	38,214	30,500	5,750	62,964
Sheriff Donations	32	500	500	32
Adult Probation Services	163,260	65,051	5,799	222,512
Adult Probation /Administration	14,484	11,763	17,047	9,200
Juvenile Probation/Administration	11,813	1,979	3,410	10,382
Misdemeant	21,445	9,815	3,395	27,865
Cable Board	15,795	13,317	20,703	8,409
Local Road and Street	253,999	170,411	240,359	184,051
Health	60,232	172,741	178,653	54,320
Health Maintenance	32,018	33,199	18,390	46,827
Tobacco Settlement	30,662	14,920	19,761	25,821
Prosecutor Title IV D	14,000	5,794	-	19,794
Clerk Title IV D	6,230	3,852	-	10,082
Children's Psych Res Treatment	32,254	-	32,254	-
Landfill Drainage	42,688	10,000	-	52,688
Drainage Maintenance	655,860	324,548	406,123	574,285
Emergency Medical Service	380,033	1,098,291	1,007,744	470,580
ATLAS	716	2,964	3,295	385
Ambulance Donations	150	-	-	150
Accident Report	3,707	1,145	-	4,852
Firearms Training	9,960	9,190	400	18,750
Donations Civil Defense	1,355	1,800	1,800	1,355
Drug Free Community	25,322	13,057	17,500	20,879
Emergency Telephone System 911	357,239	174,047	180,513	350,773
Wireless Emergency Telephone System 911	-	34,993	-	34,993
Emergency Planning/Right to Know	30,003	-	10,041	19,962
Enforcement	20,117	29,035	32,325	16,827
User Fee	433,518	148,668	71,888	510,298
Community Corrections - Home Detention	35,433	24,160	23,962	35,631
Child Protection	9,715	670	641	9,744
Park Board	28,700	33,004	31,091	30,613
County Owned Property	18,349	27,500	29,494	16,355
ATLAS - Treasurer	626	2,580	3,126	80
ATLAS - Animal Control	34	121	104	51
Animal Control Donation	4,335	2,843	412	6,766
Sumava Resorts Protection Fund	542,592	7,228	135,000	414,820
Problem Gambling-Criminal Justice St Grant	1,400	-	-	1,400
Federal Grant Community Emergency Response	1,578	-	-	1,578
Safe Kids - State Grant	42	1,000	858	184
Riverboat Revenue Sharing	175,732	91,155	32,880	234,007
Very Best Pet Network Grant	7	-	-	7
ATLAS - County Planning	-	52	26	26
Homeland Security	-	17,815	17,815	-
Bio-Terrorism Federal Grant	9,479	2,953	5,319	7,113
Rainy Day	633,415	165,112	103,792	694,735
Workforce One Center	349,186	-	598	348,588
Retainage-Hamstra's	-	73,512	73,512	-
NCCS State Grant	-	82,090	82,090	-
NCCS Federal Grant	-	147,726	147,726	-

The accompanying notes are an integral part of the financial information

NEWTON COUNTY
SCHEDULE 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):				
Electronic Map Generation	3,700	1,025	-	4,725
Retainage-Wirtz-Yates	-	28,689	28,689	-
Road Deposit - Beaver Creek Ph 1	12,000	-	-	12,000
Voting Machine	50,888	-	-	50,888
Federal Grant Firefighter Training	11,903	120,271	132,174	-
Federal Grants Criminal Justice 09-01-01-70	419	3,000	3,419	-
Retainage-Gough, Inc	-	276,052	-	276,052
Federal Grants Criminal Justice 10-02-01-60	-	1,010	904	106
Federal Grants H1N1 Flu Shots	-	20,692	6,616	14,076
Jail Debt Service	23,206	-	-	23,206
Cumulative Bridge	147,420	280,333	234,691	193,062
General Drain Improvement	3,904	548,631	258,320	294,215
Cumulative Capital Development	204,744	137,193	98,323	243,614
Government Development	96,174	377	45,373	51,178
Campaign financing	750	-	-	750
Sex Violent Offender -County	954	999	-	1,953
Fiduciary Funds:				
Sheriff's Pension Trust	985,903	137,494	148,821	974,576
Congressional School Principal	359,835	-	-	359,835
Welfare Administration	-	515,110	515,110	-
Kentland Conservancy	-	42,256	42,256	-
Morocco Conservancy	-	76,472	76,472	-
Iroquois Conservancy	-	21	21	-
Sheriff Inmate Trust	1,434	53,154	53,460	1,128
Mortgage Fees - State Share	-	1,708	1,708	-
Surplus Tax	39,765	12,583	14,496	37,852
Tax Sale Redemption	-	48,197	45,443	2,754
Surplus Tax Sale	5,816	37,444	17,948	25,312
Payroll Clearing	127,357	2,573,353	2,548,344	152,366
Sales Disclosure Fee	110	1,515	1,465	160
Coroner's Training Continuing Education	-	1,248	1,248	-
City and Town Court Costs	38,655	8,282	46,371	566
Interstate Compact	-	375	300	75
Infraction Judgments	-	75,201	67,596	7,605
Special Death Benefit	-	1,085	1,010	75
Education Plate Fees	-	300	300	-
Overweight Vehicle Fines	-	5,718	5,718	-
Welfare Trust	2,946	-	2,946	-
Congressional School Interest	153,503	6,062	14,393	145,172
Inheritance Tax	34,345	643,305	585,309	92,341
State Fines and Fees	56	301	330	27
Sale of County Owned Property	7,300	-	-	7,300
Local Tax Distribution	-	11,372,149	11,372,149	-
Financial Institution Tax	-	10,558	10,558	-
CVET	-	136,774	136,774	-
County Sheriff	1,257	254,121	254,110	1,268
Child Restraint Violations	-	350	325	25
Sex/Violent Offender	-	111	111	-
State Homestead Credit	(1,170)	226,958	226,078	(290)
State Share 2008 Prior Delinquent Tax Penalties	-	16,403	16,403	-
Clerk of the Circuit Court	426,428	3,016,637	2,997,798	445,267
County Treasurer	257,787	249,355	257,787	249,355
County Health	982	16,531	17,513	-
Ambulance Service	23,417	341,791	365,208	-
Animal Control	-	10,017	10,017	-
County Recorder	-	57,667	57,667	-
County Plan Commission	-	54,937	54,937	-
Probation Dept	4,815	90,589	95,404	-
Totals	<u>\$ 20,970,762</u>	<u>\$ 46,539,013</u>	<u>\$ 50,062,150</u>	<u>\$ 17,447,625</u>

The accompanying notes are an integral part of the financial information

NEWTON 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.

NEWTON 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.

NEWTON 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 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	\$ 557,941
Infrastructure	53,557
Buildings	16,297,060
Improvements other than buildings	79,747
Machinery and equipment	<u>8,496,512</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 25,484,817</u>

NEWTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2010, with Patricia Carlson, Auditor, and Sharon Miller, President of the County Council. Our examination disclosed no material items that warrant comment at this time.