

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

EXAMINATION REPORT  
OF  
UNION COUNTY  
UNION COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
01/07/2011



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Pat Hensley Gene Sanford	01-01-08 to 12-31-08 01-01-09 to 12-31-14
Treasurer	Bonnie Adams	02-01-05 to 12-31-08
Clerk	Sue Ray	01-01-07 to 12-31-14
Sheriff	Eric Cantrell	07-01-08 to 12-31-14
Recorder	Loree Persinger	01-01-08 to 12-31-11
President of the Board of County Commissioners	Allen Paddock Gary Davis	01-01-08 to 12-31-08 01-01-09 to 12-31-10
President of the County Council	Alan Alcorn	01-01-08 to 12-31-11



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Union County (County), for the period of January 1, 2008 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 years ended December 31, 2008 and 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 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 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

December 27, 2010

UNION COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, TRUST, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments		Cash and Investments	
	01-01-08	Receipts	Disbursements	12-31-08
Governmental Funds:				
General	\$ 532,859	\$ 2,344,543	\$ 2,243,453	\$ 633,949
County Highway	340,624	844,640	813,825	371,439
Family and Children	587,375	624,705	600,752	611,328
Local Road and Street	22,823	75,823	30,824	67,822
Health	5,798	239,382	128,353	116,827
Health Clinic	2,094	4,230	2,885	3,439
Property Reassessment	90,811	233,278	231,554	92,535
Accident Report	650	166	439	377
Firearms Training	2,301	3,855	4,504	1,652
Surveyor's Corner Perpetuation	12,251	2,375	3,015	11,611
Supplemental Juvenile Probation Service	3,316	4,130	711	6,735
Supplemental Adult Probation Service	6,732	17,935	23,308	1,359
Pre-Trial Diversion	4,043	4,276	920	7,399
County 4-H Building Maintenance	-	11,090	11,090	-
Recorder's Records Perpetuation	33,701	11,213	8,322	36,592
Clerk's Records Perpetuation	14,754	3,900	-	18,654
Law Enforcement Continuing Education	354	-	-	354
County User Fee	43,540	13,710	22,476	34,774
Prosecutor Child Support IV-D #2	20,159	6,430	969	25,620
Clerk Title IV-D # 1	13,987	4,015	196	17,806
Plat Book	17,206	2,460	-	19,666
Local Health Maintenance	26,704	35,409	42,876	19,237
Fitness	398	-	398	-
Home Detention	69	-	-	69
Community Corrections	20,540	114,819	101,544	33,815
Community Corrections/Project Income	26,499	25,647	11,412	40,734
Guardian Ad Litem	-	10,837	5,991	4,846
Emergency Planning/Right To Know	22,353	25,314	25,108	22,559
County Drug Free Community	29,366	11,278	12,069	28,575
Sheriff's Motor Vehicle Registration Penalties	12	-	-	12
Emergency Telephone System	142,164	149,550	157,023	134,691
County Corrections (Misdemeanant)	14,382	5,151	4,067	15,466
Supplemental Public Defender Services	9,699	18,277	27,932	44
Drainage Maintenance	62,906	63,355	47,855	78,406
Election and Registration	11,708	71,421	35,939	47,190
Mid Month Advance	-	182,550	182,550	-
Mass Public Transportation	-	229,418	229,418	-
Economic Development Income Tax	236,926	211,132	278,526	169,532
Deferral Program	4,857	5,985	11,059	(217)
Parks / Recreation Board	82,935	127,739	126,512	84,162
Local Option Highway User Tax (LOHUT)	54,234	84,515	74,015	64,734
Local Health Maintenance/Tobacco Settlement	17,438	12,488	16,137	13,789
LCC Tobacco Grant	14,083	21,504	22,003	13,584
Juvenile Intake Center Services	306	255	471	90
Sheriff Special Programs	300	-	-	300
Adult Offender	-	263	263	-
Reserve Deputy Donations	1,927	300	756	1,471
Sheriff Equipment Donations	200	-	-	200
Sheriff Support Donations	1,091	200	971	320
Sheriff's Donation	-	1,630	1,630	-
Health Equipment Donations	2,723	-	1,587	1,136
Sheriff Commissary	3,850	35,540	35,735	3,655
Sheriff K-9 Donations	2,330	-	1,209	1,121
Operation Pull Over	253	-	-	253
Riverboat Revenue Sharing	77,876	29,195	79,212	27,859
Probation Administrative Fees	6,355	4,587	6,355	4,587
ACS Mammogram	-	3,800	912	2,888
Bioterrorism Grant	954	-	115	839
Homeland Security Grant	6	17,901	17,901	6
Cemetery Board	500	-	-	500
Children's Psychiatric Residential Treatment	70,391	6,205	59,106	17,490
Rainy Day	125,314	91,332	134,500	82,146
Public Health Coordinator Grant	3,744	45,000	40,054	8,690

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

UNION COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, TRUST, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009  
(Continued)

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
<b>Governmental Funds:</b>				
GED Donations	15	-	-	15
Mosquito State Grant	2	-	-	2
Child Safety	905	200	693	412
Recorder Identity Security Protection	4,096	4,154	3,579	4,671
Jury Pay	-	14,407	1,754	12,653
Courthouse Clock	-	4,000	2,990	1,010
Sheriff's Pension	4,620	4,933	9,553	-
Cumulative Bridge	240,105	140,025	87,057	293,073
Cumulative Capital Development	231,822	74,462	37,835	268,449
General Drain Improvement	4,767	-	-	4,767
Community Care Project - Escrow	3,018	-	-	3,018
Courthouse Renovation - Special EDIT	389,324	289,379	188,000	490,703
Redevelopment Commission	4,927	52,221	13,811	43,337
<b>Trust Funds:</b>				
Sheriff's Pension Trust	559,745	23,328	48,088	534,985
Crawford Cemetery Perpetual Care	2,500	59	59	2,500
Congressional Principal	27,117	-	-	27,117
<b>Fiduciary Funds:</b>				
State Sales Disclosure Fees	120	1,435	1,450	105
Mortgage Fees - State Share	93	872	905	60
Special Death Benefits	-	1,041	925	116
Inheritance Tax	118,927	346,638	172,583	292,982
Health Care for the Indigent	-	48,950	48,950	-
Medical Assistance to Wards	-	382	382	-
Children with Special Medical Needs.	-	2,295	2,295	-
Welfare Excise Allocation	-	10,910	10,910	-
Rainy Day Excess CAGIT	-	197,671	197,671	-
HEA Homestead Credit	-	466,165	465,642	523
Surplus Tax	5,581	10,744	6,473	9,852
Tax Sale Surplus	-	79,036	11,008	68,028
Tax Sale Redemption	4,287	4,411	3,268	5,430
State Fines and Forfeitures	23,415	30,999	36,056	18,358
Welfare Trust Clearance	11,808	4,166	15,974	-
Infraction Judgments	-	26,127	23,949	2,178
Coroner's Training and Continuing Education	35	245	248	32
City and Town Court Costs	1,697	4,189	4,114	1,772
Congressional Interest	22,280	-	1,084	21,196
Education Plate Fees	-	638	638	-
Wheel Tax	370	20,375	20,455	290
Surtax	-	74,085	74,085	-
Sewage Collections	-	71,879	39,054	32,825
Child Seatbelt Fines	-	175	125	50
Homestead Credit Rebate	224,416	203,235	424,641	3,010
Tax Distribution	-	9,337,428	9,335,141	2,287
County Treasurer	84,277	11,612,708	11,536,480	160,505
Clerk of the Circuit Court	140,603	581,487	579,473	142,617
County Recorder	4,022	40,495	40,731	3,786
County Sheriff	2,300	213,047	215,347	-
County Sheriff - Inmate Trust	25	37,205	37,070	160
County Probation	1,946	24,933	25,050	1,829
County Health	1,575	3,860	5,435	-
County Community Health Center	785	3,445	4,230	-
Payroll	48,652	973,256	977,016	44,892
<b>Totals</b>	<b>\$ 5,000,944</b>	<b>\$ 31,136,448</b>	<b>\$ 30,633,084</b>	<b>\$ 5,504,308</b>

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

UNION 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 (police), highways and streets, health, welfare and social services, culture and recreation, public improvements, planning and zoning, economic development, 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.

UNION 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 (Indiana Code 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.

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

UNION 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 Indiana Code 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.

UNION 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 have been omitted by the unit.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 716,935
Buildings	3,105,288
Machinery and equipment	<u>2,527,505</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 6,349,728</u>

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

The County has entered into the following capital leases:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Courthouse Renovation	\$ 2,280,000	\$ 186,000
Gradall Equipment	<u>67,138</u>	<u>35,948</u>
Total governmental activities debt	<u>\$ 2,347,138</u>	<u>\$ 221,948</u>

UNION COUNTY  
OTHER REPORTS

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

County Commissioners  
County Auditor

UNION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on December 27, 2010, with David Woeste, County Commissioner; and Gene Sanford, Auditor.