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

EXAMINATION REPORT
OF
BENTON COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
04/08/2011

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
Other Report	
County Auditor.....	11
Exit Conference.....	12

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Patricia A. Clouse	01-01-09 to 12-31-12
Treasurer	Peggy D. Puetz	01-01-09 to 12-31-12
Clerk	Janet Hasser	01-01-07 to 12-31-14
Sheriff	Boston Pritchett	01-01-07 to 12-31-14
Recorder	Tish Ringle	01-01-09 to 12-31-12
President of the County Council	Alan Adwell	01-01-10 to 12-31-11
President of the Board Of County Commissioners	Bryan Berry	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BENTON COUNTY, INDIANA

We have examined the financial information presented herein of Benton County (County), for the period of January 1, 2010 to December 31, 2010. 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, 2010, 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 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

March 3, 2011

BENTON 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, 2010

	Cash and Investments		Cash and Investments	
	01-01-10	Receipts	Disbursements	12-31-10
Governmental Funds:				
General	\$ 795,454	\$ 3,751,055	\$ 3,648,489	\$ 898,020
Surveyor's Corner Perpetuation	29,161	2,700	1,844	30,017
Property Reassessment 2006	91,279	89,677	51,729	129,227
Local Health Maintenance	13,268	38,849	30,724	21,393
Recorder's Records Perpetuation	53,969	16,864	25,837	44,996
Extradition	(3,185)	3,185	-	-
Law Enforcement Continuing Education	4,163	1,053	1,367	3,849
Plat Book	7,154	533	2,819	4,868
Drug Free Community	29,251	5,338	5,307	29,282
Emergency Telephone System-Wireless	265,873	132,103	195,938	202,038
Misdemeanor Fund	16,536	6,900	4,063	19,373
Emergency Telephone System-Landline	34,744	7,624	-	42,368
Megawatt Production Fee	303,087	200,194	243,771	259,510
Hoosier Wind Project-Enxco	19,217	10,010	10,000	19,227
Coalition for Drug Free Benton County	5,718	125	800	5,043
Child Restraint	-	500	425	75
Misdemeanor User Fees	774	-	-	774
Wind Energy Conversion	160,649	100,097	260,746	-
Fowler Ridge Phase 1	1,006,773	1,750,886	1,244,392	1,513,267
Fowler Ridge Phase 2	381,881	861,384	548,769	694,496
Infraction User Fees	40,408	11,202	6,059	45,551
Law Enforcement Coordinating Council	160	1,000	1,000	160
Child Advocacy	1,225	50	-	1,275
Prisoner Reimbursement	8,995	1,970	1,189	9,776
Collection Agency Fees	(14)	14	-	-
Riverboat	68,228	58,956	76,986	50,198
Accident Reports	5,280	392	2,386	3,286
Firearms Training	5,980	1,800	1,360	6,420
Economic Development Income Tax	167,852	449,037	352,182	264,707
Wind Tourism	-	1,023	400	623
County User Fees	18,862	3,104	6,211	15,755
Document Storage Fee	16,648	2,594	2,959	16,283
Jury Pay	23,478	1,751	-	25,229
Infraction Penalty	29,711	5,942	-	35,653
Public Defender Fee	92,855	15,084	2,988	104,951
Sales Disclosure	1,085	1,415	2,120	380
Sales Disclosure Training	7,962	2,500	7,430	3,032
Juvenile Probation Service	23,500	4,285	5,663	22,122
Health Department Donations	1,025	85	53	1,057
Local Health Donations	7,281	-	-	7,281
Adult Probation Services	275,974	74,951	96,574	254,351
Health Bio Terrorism	3,352	3,930	10,291	(3,009)
Rainy Day Fund	616,778	890,454	750,000	757,232
Tobacco Settlement	50,335	13,512	15,721	48,126
Motor Vehicle Highway	891,158	2,145,714	2,301,174	735,698
Local Road and Street	205,140	193,414	220,000	178,554
Cumulative Bridge	427,792	507,901	571,168	364,525
Health	26,375	79,519	86,405	19,489
Maternal Child Program	-	685	-	685
Prosecutor Special Fee	-	65	-	65
Prosecutor Title IV-D	10,901	35	555	10,381
Clerk Title IV-D Incentive	17,995	400	205	18,190
Guardian Ad Litem	10,214	-	2,047	8,167
General Drain Improvement	674,708	929	16,700	658,937
Drainage Maintenance	929,697	288,469	271,600	946,566
Emergency Medical Services	180,914	520,940	661,837	40,017
Civil Defense Donations	17,333	750	2,491	15,592
Retirement Village Donations	338	36	-	374
Welfare Reform	500	-	-	500
Cumulative Jail	246,872	59,150	13,514	292,508
Cumulative Capital Development	258,374	102,175	160,999	199,550
State Grant No. 22 H1N1	7,704	16,910	24,795	(181)

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

BENTON 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, 2010
(Continued)

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Governmental Funds (continued):				
State Grant Auto Safety Program	-	3,835	3,567	268
DOE Boiler Grant	-	23,126	39,965	(16,839)
HEA 1001-2008 State HSC	159	69,256	69,318	97
CERT Grant	1,775	-	-	1,775
Homeland Security Grant 03 No. 2	662	-	-	662
Homeland Security Grant 04 No. 1	(295)	295	-	-
K-9 Grant	2,628	-	965	1,663
Criminal Justice Grant	-	7,837	7,837	-
Recycle Grant	83,568	20,000	10,776	92,792
2006-SHSP-Grant	843	-	-	843
07 Public Safety Inc. Grant	-	48,525	48,525	-
EMS Donations	515	5,189	4,327	1,377
Emergency Planning and Right to Know	11,296	11,060	11,000	11,356
Sheriff's Commissary	26,081	21,432	24,347	23,166
Levy Excess	23,977	11,287	-	35,264
Ineligible Deduction Fund	-	4,501	-	4,501
DLGF Homestead Property Data Proc	-	4	4	-
Fiduciary Funds:				
Pension Trust:				
Sheriff's Pension Trust	580,775	123,382	29,649	674,508
Permanent Funds:				
Congressional School Principal	39,164	39,439	39,000	39,603
Agency Funds:				
Surplus Tax	20,734	21,306	13,239	28,801
Surplus Dog	(10)	10	-	-
Surplus Tax Sale	35,285	-	28,417	6,868
Judgements Due Law Enforcement	925	-	-	925
Mortgage Fees	-	755	695	60
Redaction Fund	18,990	3,911	133	22,768
Wage Garnishments	505	-	-	505
Plea Agreement Charity Fund	7,383	432	-	7,815
Adult Offender Fee	-	600	600	-
State Fines and Forfeitures	3	1,309	1,312	-
Inheritance Tax	233,356	179,262	356,170	56,448
Tax Sale Redemption	21	44,353	40,796	3,578
Flex Account	47,876	35,014	77,890	5,000
Education Plate Fees	1,931	394	-	2,325
HRA Reimbursement	82,208	77,272	159,283	197
Wind Fund	204,391	300,097	194,353	310,135
Homestead Credit Rebate Fund	7,808	-	-	7,808
Infraction Judgements	481	7,358	7,309	530
Homestead Credit	1,396	65,630	65,589	1,437
City and Town Court Costs	10,130	2,863	-	12,993
Special Death Benefit	-	535	515	20
Coroner's Continuing Education	31	439	453	17
Sewage Collections	20	19,265	18,724	561
Sheriff's Pension	-	5,150	2,123	3,027
Congressional School Interest	2,436	-	1,783	653
Payroll Withholding	10,306	1,522,431	1,523,348	9,389
Settlement Fund	46,681	12,596,337	12,574,109	68,909
County Sheriff	86	276,640	276,640	86
Clerk of the Circuit Court	94,600	815,526	743,479	166,647
Sheriff's Inmate Trust	3,211	24,966	27,819	358
County Recorder	5,040	55,022	54,412	5,650
County Treasurer	201,825	12,205,287	12,258,837	148,275
County Home	822	59,511	59,511	822
Probation Department	345	77,422	77,423	344
Emergency Medical Services	-	257,926	257,926	-
Prosecuting Attorney	-	1,852	1,851	1
Totals	<u>\$ 10,398,705</u>	<u>\$ 41,489,263</u>	<u>\$ 41,066,101</u>	<u>\$ 10,821,867</u>

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

BENTON 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, 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.

BENTON 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 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 primary government contributes to the County Police Retirement Plan which is a single employer defined benefit pension plan. With the approval of the primary government'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:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

BENTON COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note.

C. County Police Benefit Plan

Plan Description

The primary government contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the primary government'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:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Note 7. OVERDRAWN CASH BALANCES

The cash balances of the grant funds Health Bio-Terrorism, State Grant #22 H1N1, and DOE Boiler Grant were overdrawn at December 31, 2010, by \$3,009.02, \$181.22, and \$16,839.00, respectively. These are reimbursement grants where the monies are required to be spent and then reimbursed resulting in overdrawn balances at times.

BENTON COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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	\$ 56,765
Infrastructure	83,485,742
Buildings	4,473,084
Improvements other than buildings	1,491,681
Machinery and equipment	<u>1,987,047</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 91,494,319</u>

BENTON COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

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:		
Payloader	\$ 127,502	\$ 127,502
Total governmental activities debt	<u>\$ 127,502</u>	<u>\$ 127,502</u>

BENTON COUNTY
OTHER REPORTS

The report presented herein was prepared in addition to another official report prepared for the individual County office listed below:

County Auditor

BENTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 3, 2011, with Patricia A. Clouse, Auditor, and Bryan Berry, President of Board of County Commissioners. The officials concurred with our findings.