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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, 2006 to December 31, 2006

FILED
05/01/2007

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OFFICIALS

Office	Official	Term
Auditor	Joan Schluttenhofer	01-01-05 to 12-31-08
Treasurer	Patricia A. Clouse	01-01-05 to 12-31-08
Clerk	Karen Daily	01-01-03 to 12-31-06
	Janet Hasser	01-01-07 to 12-31-10
Sheriff	Ernest Winchester	01-01-03 to 12-31-06
	Boston Pritchett	01-01-07 to 12-31-10
Recorder	Tish Ringle	01-01-05 to 12-31-08
President of the County Council	Leon Cyr	01-01-06 to 12-31-06
	Bruce Buchanan	01-01-07 to 12-31-07
President of the Board of County Commissioners	Mel Budreau	01-01-06 to 12-31-07

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 BENTON COUNTY, INDIANA

We have examined the financial information presented herein of Benton County (County), for the period of January 1, 2006 to December 31, 2006. 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, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 14, 2007

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, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General Fund	$ 412,862	$ 3,147,520	$ 3,132,505	$ 427,877
Surveyor's Corner Perpetuation	20,363	3,400	725	23,038
Property Reassessment 2006	278,878	76,386	182,375	172,889
Local Health Maintenance	17,600	29,505	27,384	19,721
Recorder's Records Perpetuation	51,830	19,323	15,877	55,276
Extradition	751	-	-	751
Law Enforcement Continuing Education	4,627	679	873	4,433
Plat Book	10,323	660	-	10,983
Drug Free Community	24,956	13,874	11,003	27,827
Emergency Telephone System	341,968	494,504	501,231	335,241
Misdemeanant Fund	9,086	-	1,659	7,427
Coalition for Drug Free Benton County	9,509	4,314	9,509	4,314
Check Service Charge	11,493	711	7,900	4,304
Misdemeanor User Fees	26,396	20,280	31,178	15,498
Wind Energy Conversion	-	20,000	13,492	6,508
Infraction User Fees	73,846	112,917	145,611	41,152
Law Enforcement Coordinating Council	9,374	6,724	10,939	5,159
Child Advocacy	975	100	-	1,075
Prisoner Reimbursement	2,715	-	-	2,715
Collection Agency Fees	(14)	-	-	(14)
Riverboat	21,451	59,285	47,550	33,186
Accident Reports	4,811	537	-	5,348
Firearms Training	1,008	1,000	206	1,802
Economic Development Income Tax	58,696	408,730	342,534	124,892
County User Fees	9,157	7,743	1,819	15,081
Document Storage Fee	10,473	2,616	3,795	9,294
Jury Pay	14,930	2,765	-	17,695
Infraction Penalty	27,849	7,220	13,066	22,003
Public Defender Fee	47,391	42,935	26,278	64,048
Sales Disclosure	3,257	5,035	3,610	4,682
Juvenile Probation Service	19,071	4,085	2,374	20,782
Health Department Donations	25	-	-	25
Local Health Donations	7,281	-	-	7,281
Adult Probation Services	224,562	123,651	86,583	261,630
Health Bio Terrorism	17,156	-	6,208	10,948
Rainy Day Fund	3,988	-	-	3,988
Tobacco Settlement	44,507	19,455	13,075	50,887
Motor Vehicle Highway	317,918	2,067,188	1,812,857	572,249
Local Road and Street	95,031	94,469	30,000	159,500
Cumulative Bridge	620,953	249,956	398,573	472,336
Health	12,158	62,105	60,422	13,841

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, 2006
(Continued)

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds (continued):				
Family and Children	319,507	698,875	874,521	143,861
Prosecutor Title IV-D	8,363	5,308	8,179	5,492
Clerk Title IV-D Incentive	14,010	3,529	1,404	16,135
Guardian Ad Litem	10,214	-	-	10,214
Welfare CPRT	16,619	27,170	16,317	27,472
General Drain Improvement	335,098	506,699	120,734	721,063
Drainage Maintenance	1,159,184	260,837	615,594	804,427
Emergency Medical Services	69,837	515,323	449,153	136,007
Civil Defense Donations	23,646	4,250	10,099	17,797
Retirement Village Donations	1,154	-	-	1,154
Welfare Reform	500	-	-	500
Cumulative Jail	218,377	55,819	21	274,175
Cumulative Capital Development	380,082	118,032	169,976	328,138
CERT Grant	1,775	-	-	1,775
Homeland Security Grant 03 #2	662	-	-	662
Homeland Security Grant 04 #1	(295)	-	-	(295)
05 SHSP	-	66,121	66,121	-
K-9 Grant	-	8,031	1,281	6,750
ODP 2005 SHSP/LETPP	-	42,015	42,015	-
Recycle Grant	-	24,961	-	24,961
04 SHSP-GIS	-	11,250	-	11,250
HAVA Reimbursement	110,000	-	110,000	-
EMS Donations	2,898	963	873	2,988
Emergency Planning and Right to Know	11,001	177	-	11,178
Sheriff's Commissary	38,419	32,550	39,607	31,362
Fiduciary Funds:				
Pension Trust:				
Sheriff's Pension Trust	517,241	121,172	43,507	594,906
Permanent Funds:				
Congressional School Principal	39,164	-	-	39,164
Agency Funds:				
Surplus Tax	19,627	17,317	14,686	22,258
Surplus Dog	40	1,001	981	60
Surplus Tax Sale	1,828	80,004	69,002	12,830
Judgments Due Law Enforcement	925	-	-	925
Redaction Fund	-	3,952	-	3,952
Wage Garnishments	505	-	-	505
Child Restraint	-	200	200	-
Plea Agreement Charity Fund	4,710	400	-	5,110
Adult Offender Fee	-	375	375	-

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, 2006
(Continued)

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Fiduciary Funds (continued):				
Agency Funds (continued):				
State Fines and Forfeitures	183	1,548	-	1,731
Inheritance Tax	-	453,464	380,151	73,313
Tax Sale Redemption	-	12,211	12,211	-
Flex Account	-	9,128	9,100	28
Education Plate Fees	675	413	-	1,088
HRA Reimbursement	-	1,639	1,539	100
Infraction Judgments	465	8,446	8,193	718
Homestead Credit	1,300	65,412	65,380	1,332
City and Town Court Costs	1,496	4,504	-	6,000
Special Death Benefit	40	825	805	60
Coroner's Continuing Education	17	298	299	16
Sewage Collections	-	18,977	18,977	-
Congressional School Interest	7,077	634	1,558	6,153
Levy Excess	20,164	1,036	20,164	1,036
State Sales Disclosure	108	1,305	1,293	120
Payroll Withholding	21,682	1,178,942	1,177,670	22,954
Settlement Fund	(457)	13,175,975	13,152,219	23,299
County Sheriff	229	226,258	226,215	272
Clerk of the Circuit Court	192,919	1,174,817	1,243,332	124,404
Sheriff's Inmate Trust	624	31,632	31,576	680
County Recorder	20	58,103	57,528	595
County Treasurer	193,633	14,258,596	14,301,289	150,940
County Home	822	114,818	114,818	822
Probation Department	4,522	131,704	128,111	8,115
Emergency Medical Services	-	170,536	170,536	-
Health Department	-	4,540	4,540	-
Plan Commission	-	9,324	9,324	-
Prosecuting Attorney	526	850	1,078	298
Totals	$ 6,620,347	$ 40,831,938	$ 40,733,763	$ 6,718,522

The accompanying notes are an integral part of the 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.

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 Plans

1. 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 three percent 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.

2. 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 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.

3. 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 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.

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 14, 2007, with Joan Schluttenhofer, Auditor; and Kevin Leuck, County Commissioner. The officials concurred with our findings.