

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

EXAMINATION REPORT

OF

PULASKI COUNTY

PULASKI COUNTY, INDIANA

January 1, 2007 to December 31, 2007



FILED

10/30/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Thomas P. Shank	01-01-05 to 12-31-08
Treasurer	Sheryl DeGroot	01-01-05 to 12-31-08
Clerk	Becky Bruce	01-01-07 to 12-31-10
Sheriff	Michael Gayer	01-01-07 to 12-31-10
Recorder	Lynette Wilder	01-01-06 to 12-31-09
President of the Board of County Commissioners	Michael T. Tiede	01-01-07 to 12-31-08
President of the County Council	Samuel Frain Rita Carpenter	01-01-07 to 05-14-07 05-15-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of Pulaski County (County), for the period of January 1, 2007 to December 31, 2007. 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, 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

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 30, 2008

PULASKI 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, 2007

	Cash and Investments		Cash and Investments	
	01-01-07	Receipts	Disbursements	12-31-07
Governmental Funds:				
General	\$ 2,189,382	\$ 5,863,022	\$ 7,549,757	\$ 502,647
Homeland Security Grant 2004-CFDA 97.004	11,250	-	11,250	-
Homeland Security Grant 2005-CFDA 97.004	(51,363)	54,242	2,879	-
Homeland Security Grant CFDA 97.073	-	21,686	17,902	3,784
Aviation "Equipment Storage Bldg"	13,737	-	-	13,737
Aviation "Airport Layout"	-	16,200	16,200	-
Accident Report	10,519	2,176	1,421	11,274
Appointed Special Advocate Service	-	200	-	200
Aviation	58,814	37,111	82,198	13,727
Bioterrorism Grant-Health	17,641	29,591	36,428	10,804
Bioterrorism Grant-05/06	3,281	16,849	3,329	16,801
Clerk Incentive IV-D	15,296	-	238	15,058
Clerk's Record Perpetuation	31,512	3,941	-	35,453
General Incentive IV-D	12,664	-	-	12,664
Record ID Security Protection	5,104	5,394	3,179	7,319
Community Development Block Grant	-	9,900	9,900	-
Community Development Commission Donation	6,428	1,500	500	7,428
Community Development Commission Block Grant	321,293	12,965	63,708	270,550
Levy Excess	82,729	-	-	82,729
Riverboat Revenue Sharing	243,093	61,493	166,033	138,553
County Sales Disclosure	9,728	1,878	104	11,502
Dare Donation Fund	876	-	439	437
Donations	67,279	1,000	-	68,279
Drainage Maintenance	1,311,932	31,263	186,585	1,156,610
Drug Free Commission	7,899	9,277	8,700	8,476
Enhanced 911	247,077	139,747	109,734	277,090
Extradition	872	-	-	872
Family and Children	543,465	1,507,869	1,465,315	586,019
FEMA Supplemental Funding Grant	868	-	-	868
Firearms Training	13,961	4,990	7,321	11,630
Guardian Ad Litem	6,403	12,508	7,900	11,011
Health	121,280	187,605	223,958	84,927
Health-2001 Tobacco Settlement	14,213	14,677	-	28,890
Health Maintenance	59,336	41,423	22,440	78,319
Highway	1,116,138	2,670,492	2,735,318	1,051,312
Jail Program 05-JB-020	-	20,000	20,000	-
Jury Pay	85	-	-	85
Justice Center-CAGIT	1,447,751	701,543	534,978	1,614,316
LEPC Emergency Planning	20,138	4,878	19,613	5,403
Law Enforcement Continuing Education	-	12	12	-
Local Road and Street	229,773	153,618	182,344	201,047
Misdemeanant	97,083	10,550	-	107,633
Multi County Drug Enforcement 2008	-	7,073	7,073	-
Multi County Drug Enforcement 2007	-	8,030	8,030	-
Operation Pullover	557	2,300	2,260	597
Pretrial Diversion	1,044	4,706	9,197	(3,447)
Probation Alcohol/Drug Screening	5,160	5,597	8,868	1,889
Probation Detention Assessment	142	-	-	142
Property Reassessment	532,463	82,865	59,265	556,063
Prosecutor Coordinator Council Fees	1,792	-	-	1,792
Prosecutor Title IV-D	5,304	-	3,695	1,609
Pulaski Co Emergency Telephone System	35,327	88,005	41,023	82,309
Recorders' Records Perpetuation	88,586	16,357	-	104,943
Rural Development Grant #RDA05033	(15,930)	31,570	9,900	5,740
Section 102 Voting System	10,972	-	-	10,972
Sheriff Canine Donation	756	1,940	2,535	161
Sheriff Pension Holding	6,088	13,644	-	19,732
Sheriff's Alcohol Sensor	1,197	-	151	1,046
Sheriff's Commissary	32,643	89,751	79,496	42,898

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

PULASKI 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, 2007
(Continued)

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds (continued):				
Sheriff's Continuing Education	4,433	-	-	4,433
Sheriff's Controlled Substance Tax	629	-	-	629
County Seized Assets	13,630	-	7,996	5,634
Sheriff's Seized Assets	2,287	16	2,301	2
Superior Court Drug/Alcohol	9,175	-	-	9,175
Supplemental Adult Probation Services	140,421	35,453	76,489	99,385
Supplemental Juvenile Probation Services	13,812	1,901	-	15,713
Supplemental Public Defender Service	121,086	15,506	107,494	29,098
Surveyor's Perpetuation Fund	1,835	3,804	5,159	480
Title III Voting system	97,874	-	5,500	92,374
User Fee	85,860	20,642	4,718	101,784
Wireless 911	-	275	-	275
Work Release	45,316	31,099	49,893	26,522
You Drink Drive You Lose	192	-	-	192
Cumulative Jail Fund	170,359	7,934	-	178,293
Jail Lease Rental	52,380	263,889	261,500	54,769
CEDIT-Capital Projects	960,202	775,729	366,491	1,369,440
Cumulative Bridge	1,569,670	216,418	71,315	1,714,773
Cumulative Building	124,974	5,472	7,754	122,692
Cumulative Capital Development	927,136	148,550	67,506	1,008,180
General Drain Improvement	1,127,795	103,609	28,297	1,203,107
Industrial Park Improvements	47,589	-	3,695	43,894
Aviation "Runway Reconstruction"	859,694	318,457	1,177,509	642
Children Psychiatric Residential Treatment	94,799	134,933	43,759	185,973
Congressional School Principal	25,293	-	-	25,293
Hospital Cumulative Building	-	79,855	79,855	-
Monon Ditch Special Maintenance Project	-	485,000	485,000	-
Overweight Vehicle Fines	-	1	1	-
Victim Assistance 06/07	279	16,256	16,535	-
Victim Assistance 07/08	-	13,954	13,397	557
Welfare Trust Clearance	4,884	100	78	4,906
Fiduciary Funds:				
Treasurer	112,818	18,373,296	13,445,377	5,040,737
Clerk of the Circuit Court	166,893	2,091,502	2,027,569	230,826
Recorder	5,253	62,216	62,727	4,742
Sheriff	5,402	468,968	468,811	5,559
Inmate Trust	5,026	215,692	208,997	11,721
Prosecuting Attorney	5,401	27	5,000	428
Probation	-	8,717	7,982	735
Recycling	30,200	97,782	97,782	30,200
Health	25	-	-	25
Transfer Station	20	-	-	20
Sheriff's Pension	701,692	222,926	146,542	778,076
State Fees	7,064	36,233	41,228	2,069
Tax Distributions	7,164	14,204,409	13,778,415	433,158
City and Town Court Costs	297	4,251	-	4,548
Congressional School Interest	11,006	1,350	506	11,850
Inheritance Tax	25,931	520,746	507,739	38,938
Payroll	33,435	1,694,916	1,691,390	36,961
Special Death Benefit	230	925	1,155	-
Surplus Tax	15,616	1,202	12,907	3,911
Tax Sale Cost	20,939	-	7,961	12,978
Tax Sale Redemption	-	25,596	21,136	4,460
Tax Sale Surplus	16,003	101,097	60,284	56,816
Totals	<u>\$ 16,665,657</u>	<u>\$ 52,812,142</u>	<u>\$ 49,196,926</u>	<u>\$ 20,280,873</u>

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

PULASKI 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.

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.

PULASKI COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

Note 7. Subsequent Event

The County has entered into a drawdown loan for maintenance on the Monon Ditch Project. The drawdown could be as high as \$2,000,000. On December 31, 2007, the amount drawn down was \$485,000.

PULASKI COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2007

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	\$ 45,661,360
Infrastructure	152,912,539
Buildings	9,885,769
Improvements other than buildings	1,979,489
Machinery and equipment	<u>4,821,467</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 215,260,624</u>

PULASKI COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

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:		
Justice Center	\$ 5,205,000	\$ 516,350
Notes and loans payable	<u>485,000</u>	<u>-</u>
Total governmental activities debt	<u>\$ 5,690,000</u>	<u>\$ 516,350</u>

PULASKI COUNTY
OTHER REPORTS

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

County Sheriff
County Surveyor
Recycling/Transfer Station

PULASKI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2008, with Thomas P. Shank, Auditor; and Michael T. Tiede, President of the Board of County Commissioners. Our examination disclosed no material items that warrant comment at this time.