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

EXAMINATION REPORT

OF

BLACKFORD COUNTY

BLACKFORD COUNTY, INDIANA

January 1, 2008 to December 31, 2009

FILED
10/15/2010

TABLE OF CONTENTS

OFFICIALS

Office	Official	Term
Auditor	Kathy J. Bantz	01-01-07 to 12-31-10
Treasurer	Lisa M. Simmons	01-01-05 to 12-31-08
	Edward M. Hollander	01-01-09 to 12-31-12
President of the Board of County Commissioners	Robert O'Rourke	01-01-08 to 12-31-08
	Fred Walker	01-01-09 to 12-31-09
	Robert O'Rourke	01-01-10 to 12-31-10
President of the County Council	Thomas S. Armstrong	01-01-08 to 12-31-08
	Bill Malott	01-01-09 to 12-31-10

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Blackford 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 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

June 8, 2010

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

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	$ 1,008,215	$ 4,288,571	$ 4,573,226	$ 723,560
Property Reassessment	74,863	-	74,863	-
Surveyor's Corner Perpetuation	17,325	2,790	6,000	14,115
2006 Reassessment	386,718	161,894	20,992	527,620
Identification Security Protection	6,702	3,682	1,395	8,989
Recorder's Perpetuation Fund	38,523	13,805	7,105	45,223
Plat Map	14,310	5,700	-	20,010
Economic Development Income Tax	606,356	283,770	168,188	721,938
Clerk's Records Perpetuation	14,066	3,640	-	17,706
County Sales Disclosure	6,343	1,295	2,023	5,615
Industrial Parks	27,313	-	-	27,313
Donations	20,969	13,891	12,977	21,883
Juvenile Probation Service	26,075	3,610	1,227	28,458
Probation User Fees	128,110	58,746	47,994	138,862
New Clerk Incentive	9,090	6,386	8,640	6,836
Pretrial Diversion	5,352	10,085	10,994	4,443
General Child Support Incentive	-	6,386	-	6,386
New Prosecutor Incentive	6,940	9,607	3,240	13,307
Cumulative Courthouse	276,502	69,216	279,221	66,497
Adult Administrative Fee	15,207	13,506	3,033	25,680
Juvenile Administrative Fee	3,324	476	-	3,800
CERT Grant	51	-	-	51
Sheriff Sale Fee	12,008	21,400	13,079	20,329
Highway	870,326	893,692	1,153,972	610,046
Local Road and Street	108,551	118,336	146,346	80,541
Riverboat Revenue	30,753	88,124	88,284	30,593
Cumulative Bridge	517,809	178,410	62,046	634,173
Health	26,264	167,600	149,332	44,532
Attendance Support Program	1	-	-	1
Project Lifesaver Grant	1,000	-	-	1,000
Health Maintenance	64,617	28,914	28,365	65,166
Master Settlement Tobacco	26,213	14,756	17,596	23,373
County Preparedness Grant	2,500	46,715	50,567	(1,352)
Family and Children	1,684,701	100,382	307,353	1,477,730
Welfare Adoption Fees	1,400	500	-	1,900
Welfare Reform Grant	284	-	-	284
Children's Psychiatric Residential Treatment	72,151	23,258	71	95,338
HS CFDA 97.004	1	-	-	1
Bioterrorism Grant	4,450	-	4,450	-
Rainy Day	46,079	37,905	-	83,984
PHC Grant	3,099	-	1	3,098
General Drain Improvement	151,668	59,559	20,827	190,400
General Drain Maintenance	465,858	215,108	158,551	522,415
Drainage Maintenance District	196,275	45,716	47,355	194,636
Campaign Finance Enforcement	100	-	-	100
Emergency Response	17,381	111	-	17,492
Accident Report	9,147	1,146	2,173	8,120
Firearms Training	9,823	5,050	-	14,873
Operation Pullover	26	4,850	3,741	1,135
Law Enforcement Continuing Education	4,671	2,332	2,000	5,003
Emergency Telephone System	96,442	178,318	196,699	78,061
Community Corrections Project Income	56,573	54,195	41,554	69,214
Inmate Medical Care	7,104	1,291	-	8,395
Jail Housing Grant	4,930	14,050	3,496	15,484
Drug Advisory Project Income	2,873	1,990	2,142	2,721
Community Correction Home Detention	6,052	47,518	53,570	-
Drug Free Community	18,439	10,404	10,032	18,811
Community Corrections Grant	-	64,596	64,596	-
Community Transition Program	1,787	6,395	1,512	6,670
Jail Bond	-	577,841	392,000	185,841
Incarceration Fees	3,930	-	3,930	-
Interpreter Grant	68	-	-	68
Cumulative Jail	203,092	48,011	80,282	170,821

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

BLACKFORD COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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
Governmental Funds:				
Victim Assistance Grant	2,245	13,645	12,819	3,071
Family Violence Victim Assistance	-	11,696	10,848	848
Jury Pay	7,396	1,939	-	9,335
Personal Property Attorney Fees	138	-	-	138
Supplemental Public Defender Services	21,886	44,879	34,056	32,709
Cumulative Capital Development	210,596	104,579	50,869	264,306
Solid Waste Disposal Capital	99,702	15,238	150	114,790
Landfill User Fees	20,021	160,200	169,315	10,906
Sheriff's Commissary	34,888	102,537	96,221	41,204
Fiduciary Funds:				
Surplus Tax	5,189	35,149	39,736	602
Surplus Dog Tax	102	-	102	-
Tax Sale Redemption	-	25,105	16,842	8,263
Surplus Tax Sale	55,707	276,980	106,179	226,508
Tax Certificate Sale	2,000	-	-	2,000
Financial Institutions Tax	-	57,636	57,636	-
Homestead Credit Rebate	418,258	11,578	418,294	11,542
Certified Shares (CAGIT)	-	1,372,264	1,372,264	-
Homestead Credit (Local Option)	213,093	216,225	424,715	4,603
CVET	57,335	120,402	177,737	-
HEA 1001-2008 ST HC	-	854,830	853,586	1,244
EDIT Clearing	1	778,209	778,209	1
Prop. Replacement Homestead Credit	-	457,420	457,420	-
Payroll	817	1,191,730	1,126,412	66,135
Section 125 Pre-Tax	54	252	306	-
State Sales Disclosure Fees	770	1,295	1,915	150
State Coroner Continuing Education	696	1,260	1,846	110
County Health Insurance	13,859	40,786	54,645	-
Court Martial Fines/Fees	61	-	-	61
Infraction Judgments	9,306	11,073	19,694	685
Special Death Benefit	1,030	1,355	2,100	285
City and Town Court Costs	3,986	4,354	3,986	4,354
Sheriff Pension Trust	391	8,195	8,586	-
Overweight Vehicle Fines	25	50	75	-
Child Restraints Violations Fines	175	175	350	-
Seatbelt Violations	8,575	10,835	-	19,410
Mortgage Fees - State Share	957	1,088	1,922	123
Medical Assistance to Wards	-	15,066	15,066	-
Health Care for the Indigent	-	152,076	152,076	-
Children with Special Health Needs	-	28,251	28,251	-
User Fee	20,039	3,194	1,230	22,003
Ordinance Violation	7,163	267	-	7,430
Congressional School Interest	5,684	177	479	5,382
Education Plate Fees	-	600	600	-
Inheritance Tax	40,703	141,037	170,572	11,168
State Fair Board	-	4,056	4,056	-
State Forestry Tax	-	8,113	8,113	-
State Settlement	-	14,888,248	14,882,194	6,054
State Fines and Forfeitures	1,003	3,337	3,670	670
Landfill Closure Trust	20,200	6,772	12,516	14,456
Congressional School Principal	7,971	-	-	7,971
Sheriff's Retirement and Benefit Plan	702,378	105,856	68,470	739,764
County Treasurer	2,547,402	16,336,120	15,359,363	3,524,159
County Sheriff	-	129,980	129,980	-
Clerk of the Circuit Court	273,640	1,374,016	1,550,199	97,457
Probation Department	-	78,341	78,341	-
County Recorder	50	44,108	44,108	50
Sheriff's Inmate Trust	4,046	107,563	107,722	3,887
Totals	$ 12,240,338	$ 47,375,666	$ 47,242,881	$ 12,373,123

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

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

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	$ 723,560	$ 5,181,172	$ 4,581,250	$ 1,323,482
Excess Levy	-	1,587,497	1,587,497	-
Surveyor's Corner Perpetuation	14,115	2,465	1,080	15,500
2006 Reassessment	527,620	100,012	90,919	536,713
Identification Security Protection	8,989	3,434	9,400	3,023
Recorder's Perpetuation Fund	45,223	12,637	34,129	23,731
Plat Map	20,010	3,334	1,185	22,159
Economic Development Income Tax	721,938	310,171	329,194	702,915
Clerk's Records Perpetuation	17,706	3,414	2,071	19,049
County Sales Disclosure	5,615	1,240	565	6,290
Industrial Parks	27,313	-	-	27,313
Donations	21,883	13,273	14,860	20,296
Juvenile Probation Service	28,458	2,308	2,250	28,516
Probation User Fees	138,862	53,547	46,300	146,109
New Clerk Incentive	6,836	9,009	7,126	8,719
Pretrial Diversion	4,443	8,644	9,661	3,426
General Child Support Incentive	6,386	-	6,386	-
New Prosecutor Incentive	13,307	10,930	4,222	20,015
Cumulative Courthouse	66,497	68,723	49,796	85,424
Adult Administrative Fee	25,680	12,654	5,707	32,627
Juvenile Administrative Fee	3,800	330	-	4,130
CERT Grant	51	-	51	-
Sheriff Sale Fee	20,329	20,400	20,045	20,684
Highway	610,046	884,051	932,349	561,748
Local Road and Street	80,541	112,323	105,365	87,499
Riverboat Revenue	30,593	87,913	87,986	30,520
Cumulative Bridge	634,173	193,856	177,030	650,999
Health	44,532	195,509	147,793	92,248
Attendance Support Program	1	-	-	1
Project Lifesaver Grant	1,000	-	-	1,000
Health Maintenance	65,166	33,139	21,660	76,645
Master Settlement Tobacco	23,373	14,745	18,747	19,371
County Preparedness Grant	(1,352)	19,444	18,836	(744)
H1N1 Grant	-	19,941	24,941	(5,000)
Family and Children	1,477,730	16,740	1,494,470	-
Welfare Adoption Fees	1,900	-	1,900	-
Welfare Reform Grant	284	-	-	284
Children's Psychiatric Residential Treatment	95,338	6,612	101,950	-
HS CFDA 97.004	1	-	-	1
Homeland Security Grant	-	20,450	20,450	-
Rainy Day	83,984	1,597,371	-	1,681,355
PHC Grant	3,098	-	-	3,098
General Drain Improvement	190,400	31,964	147,062	75,302
General Drain Maintenance	522,415	293,826	184,875	631,366
Drainage Maintenance District	194,636	43,441	29,880	208,197
Campaign Finance Enforcement	100	-	-	100
Emergency Response	17,492	6	-	17,498
EMA Grant 97.073	-	17,888	17,888	-
EMA Grant 11.555	-	63,604	63,604	-
Accident Report	8,120	1,056	2,211	6,965
Firearms Training	14,873	4,260	-	19,133
Operation Pullover	1,135	5,511	6,462	184
Law Enforcement Continuing Education	5,003	-	-	5,003
Emergency Telephone System	78,061	110,289	183,047	5,303
Wireless Emergency Telephone	-	62,447	-	62,447
Community Corrections Project Income	69,214	57,735	55,456	71,493
Inmate Medical Care	8,395	1,404	4,228	5,571
Jail Housing Grant	15,484	14,050	6,497	23,037
Drug Advisory Project Income	2,721	1,496	1,258	2,959
Community Correction Home Detention	-	62,772	73,384	(10,612)
Drug Free Community	18,811	9,318	13,608	14,521
Community Corrections Grant	-	47,592	47,592	-
Community Transition Program	6,670	4,360	9,227	1,803
Jail Bond	185,841	412,056	392,000	205,897
Interpreter Grant	68	750	100	718
Cumulative Jail	170,821	50,048	42,118	178,751

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

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

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
ITPC Grant	11,960	-	11,960	-
Victim Assistance Grant	3,071	-	10,798	(7,727)
Family Violence Victim Assistance	848	11,844	18,391	(5,699)
Jury Pay	9,335	1,490	-	10,825
Personal Property Attorney Fees	138	4,230	-	4,368
Supplemental Public Defender Services	32,709	56,481	56,571	32,619
Cumulative Capital Development	264,306	109,682	127,275	246,713
Solid Waste Disposal Capital	114,790	18,452	-	133,242
Landfill User Fees	10,906	205,424	205,023	11,307
Sheriff's Commissary	41,204	117,431	100,601	58,034
Fiduciary Funds:				
Surplus Tax	602	89,662	66,082	24,182
Tax Sale Redemption	8,263	53,883	59,853	2,293
Surplus Tax Sale	226,508	119,542	222,619	123,431
Tax Certificate Sale	2,000	-	-	2,000
Financial Institutions Tax	-	46,116	46,116	-
Homestead Credit Rebate	11,542	-	4,216	7,326
Certified Shares (CAGIT)	-	1,514,011	1,514,011	-
Homestead Credit (Local Option)	4,603	222,671	221,787	5,487
CVET	-	77,951	77,951	-
HEA 1001-2008 ST HC	1,244	191,923	189,545	3,622
EDIT Clearing	1	519,268	519,268	1
Prop. Replacement Homestead Credit	-	504,664	504,664	-
Payroll	66,135	1,196,979	1,193,895	69,219
State Sales Disclosure Fees	150	1,230	1,235	145
State Coroner Continuing Education	110	1,341	1,311	140
Court Martial Fines/Fees	61	-	61	-
Infraction Judgments	685	8,416	8,088	1,013
Special Death Benefit	285	1,215	1,310	190
City and Town Court Costs	4,354	4,126	-	8,480
Interstate Compact Fees	-	75	75	-
Sheriff Pension Trust	-	8,411	8,411	-
Child Restraints Violations Fines	-	175	175	-
Seatbelt Violations	19,410	7,100	26,460	50
Mortgage Fees - State Share	123	1,020	1,065	78
Medical Assistance to Wards	-	3,503	3,503	-
Health Care for the Indigent	-	35,260	35,260	-
Children with Special Health Needs	-	6,573	6,573	-
User Fee	22,003	2,941	799	24,145
Ordinance Violation	7,430	150	-	7,580
Congressional School Interest	5,382	10	159	5,233
Education Plate Fees	-	244	244	-
Inheritance Tax	11,168	282,032	264,971	28,229
State Fair Board	-	512	512	-
State Forestry Tax	-	1,025	1,025	-
State Settlement	6,054	14,896,737	14,902,791	-
State Fines and Forfeitures	670	2,892	2,812	750
Landfill Closure Trust	14,456	8,201	10,580	12,077
Congressional School Principal	7,971	-	-	7,971
Sheriff's Retirement and Benefit Plan	739,764	105,597	57,753	787,608
County Treasurer	3,524,159	13,269,322	16,051,544	741,937
County Sheriff	-	132,221	132,221	-
Clerk of the Circuit Court	97,457	1,324,048	1,347,786	73,719
Probation Department	-	70,416	70,416	-
County Recorder	50	40,684	40,684	50
Sheriff's Inmate Trust	3,887	94,967	96,108	2,746
Totals	$ 12,385,083	$ 47,275,309	$ 49,462,226	$ 10,198,166

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

BLACKFORD 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.

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.

BLACKFORD 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 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

Primary Government	Ending Balance
Governmental activities:	
Capital assets, not being depreciated:	
Land	$ 116,750
Infrastructure	26,606,526
Buildings	12,814,178
Improvements other than buildings	421,056
Machinery and equipment	1,221,586
Total governmental activities, capital assets not being depreciated	$ 41,180,096

BLACKFORD COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
For The Year Ended December 31, 2009

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital lease:		
Jail Bond Debt	$ 2,330,000	$ 387,998
Notes and loans payable	142,766	25,746
Total governmental activities debt	$ 2,472,766	$ 413,744

BLACKFORD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 8, 2010, with Kathy J. Bantz, Auditor; Robert O'Rourke, President of the Board of County Commissioners; and Bill Mallot, President of the County Council. Our examination disclosed no material items that warrant comment at this time.