

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

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



**FILED**  
11/15/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Janice L. Ramey	01-01-07 to 12-31-10
Treasurer	Sandra L. Vance	01-01-09 to 12-31-12
Clerk	Ronald E. Bloemer	01-01-07 to 12-31-10
Sheriff	Stephen D. Hoppock	01-01-07 to 12-31-10
Recorder	Mary E. Hendrix	01-01-07 to 12-31-10
President of the Board of County Commissioners	Jeffery S. Day	01-01-09 to 12-31-10
President of the County Council	Edward L. Maschino Howard Malcomb	01-01-09 to 12-31-09 01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JENNINGS COUNTY, INDIANA

We have examined the financial information presented herein of Jennings County (County), for the period of January 1, 2009 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 year ended December 31, 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

August 25, 2010

JENNINGS 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, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 1,862,941	\$ 5,825,398	\$ 7,296,669	\$ 391,670
Riverboat Wagering Tax	71,391	302,031	293,624	79,798
County Highway	132,978	1,720,009	1,712,752	140,235
County Health	84,333	174,278	248,879	9,732
Local Road and Street	61,973	267,239	210,302	118,910
Accident Report	3,110	8,190	6,794	4,506
Firearms Training	5,310	18,220	16,460	7,070
Alcohol and Drug Program	18,340	58,021	75,989	372
Surveyor's Corner Perpetuation	25,338	5,286	6,392	24,232
Supplemental Adult Probation Services	73,632	73,141	70,491	76,282
Supplemental Juvenile Probation Users	59,239	7,764	3,080	63,923
Recorder's Records Perpetuation	19,757	28,610	24,851	23,516
County Sheriff's Donation	3,883	1,010	3,238	1,655
Jennings County Christmas Lights	-	500	322	178
Local Health Maintenance	33,754	26,260	9,743	50,271
Sheriff's Commissary	52,123	138,144	166,019	24,248
Special Vehicle Inspection	31	875	180	726
Emergency Telephone System - Landline	175,329	411,884	556,308	30,905
Emergency Telephone System - Wireless	-	107,037	65,348	41,689
Emergency Telephone System - General	-	103,495	79,526	23,969
County Family and Children	863	745,018	745,881	-
Property Reassessment	233,898	50,271	145,493	138,676
County Drug Free Community	17,496	41,801	36,412	22,885
Court Appointed Special Advocate	418	22,925	22,925	418
Law Enforcement	2,318	1,640	720	3,238
Circuit Supplemental Public Defender	-	855	-	855
Superior Supplemental Public Defender	-	450	-	450
Operation Pull-Over	2,203	4,425	3,575	3,053
Economic Development Income Tax	325,787	1,817,632	1,806,015	337,404
S.I.S.W.D. Grant	4,128	-	-	4,128
Community Corrections	36,056	17,542	22,863	30,735
Covered Bridge	18,487	3,700	-	22,187
Supplemental Public Defender	20,456	62,707	38,363	44,800
Care Initiative	292	-	-	292
Animal Control	48,389	50,508	90,031	8,866
Children's Psychiatric Residential Treatment	32,328	-	32,328	-
Equitable Share Law Enforcement	66	-	-	66
Drug Abuse Prevention	19,178	5,248	20,202	4,224
Adult Probation Superior Court	108,169	82,613	104,815	85,967
Jury Fees	14,329	3,422	5,452	12,299
Deferral Program	42,756	32,026	42,894	31,888
Area Plan Nonreverting	8,911	142,436	151,057	290
Law Enforcement Continuing Education	502	-	-	502
Court Security	13,167	23,658	32,259	4,566
4-D Child Support Impact	22,639	-	-	22,639
Clerk's Document Storage Fee	35,616	7,512	15,404	27,724
Criminal Records	159	-	-	159
Nonreverting Prisoner Reimbursement	41,028	6,958	-	47,986
Victim's of Crime Assistance	-	8,013	8,013	-
Rainy Day	144,263	196,275	125,000	215,538
Tax Sale Costs	31,943	36,183	68,126	-
Pre-Trial Diversion	4,115	10,260	7,841	6,534
Transfer Fee	4,085	5,383	2,200	7,268
Supplemental Circuit Probation Service	590	10,655	9,803	1,442
Supplemental Superior Probation Services	31,325	15,756	8,454	38,627
Supplemental Juvenile Probation Services	8,581	5,078	7,587	6,072
Sales Disclosure Local	10,022	3,186	3,510	9,698
Bio-Terrorism	90	-	-	90
Landfill Closure	10,148	-	-	10,148
Cumulative Bridge	275,902	217,217	277,338	215,781
Park Nonreverting Capital	112,872	55,278	143,680	24,470
Cumulative Courthouse	267,464	48,271	92,594	223,141
PHER H1N1 Grant 2009	-	13,620	8,253	5,367
Courthouse Bond Redemption	386,507	431,540	768,584	49,463
FEMA Disaster	-	288,460	216,987	71,473

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

JENNINGS 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, 2009  
(Continued)

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds (continued):				
Solid Waste System	5,666	53,727	53,004	6,389
Public Health Preparedness	-	19,900	19,128	772
Fairgrounds Non-Reverting	-	39,425	23,201	16,224
Death Benefit	4,345	1,495	-	5,840
Community Service	17,543	7,188	5,830	18,901
Tobacco Settlement	30,059	21,194	7,948	43,305
Recorder's Security Protection	8,832	9,066	13,578	4,320
Electronic Map	1,250	-	-	1,250
Rescue 20 Grant	725	-	-	725
Local Emergency Planning Grant	11,812	7,442	4,528	14,726
Emergency Management Nonreverting	28,552	42,872	31,360	40,064
Interpreter Grant	150	750	40	860
Race and Gender Interpreter Grant	350	-	40	310
Innkeepers Tax	31,943	32,617	31,500	33,060
Paramedic Training	3,423	2,766	2,280	3,909
2008 Indiana Natural Disaster	64,549	-	64,403	146
Asset Forfeiture	3,392	-	3,392	-
MUTC Sewer Grant	15,000	92,681	107,681	-
North Vernon Redevelopment-CR 350N	1,469	54,000	54,000	1,469
Hayden Planning Grant	-	7	-	7
USDA/NRCS-Log Jam	-	14,831	14,831	-
2007 LETPP GIS Grant	-	14,850	14,850	-
2008 Public Safety Interoperable	-	93,889	93,889	-
Fiduciary Funds:				
County Treasurer	290,930	9,175,262	290,930	9,175,262
Tax Sale Redemption	1,560	43,813	44,957	416
Tax Sale Surplus	117,763	202,973	162,672	158,064
Mortgage Fee	205	2,650	2,698	157
Domestic Violence	-	11,795	11,795	-
Inheritance Tax	-	242,879	166,981	75,898
Surplus Tax	-	51,594	51,594	-
Congressional Interest	8,192	-	8,192	-
Tax Distributions	-	12,977,122	12,977,122	-
Infraction Judgments	6,514	47,407	49,314	4,607
Payroll Withholdings	13,691	2,083,840	2,091,514	6,017
Tax Certificate Sale	2,437	-	-	2,437
Education License Plate Fees	-	525	525	-
Local DNR Law Enforcement	1,879	800	1,912	767
Coroner's Training and Continuing Education	105	1,998	1,938	165
State Sales Disclosure Fee	170	4,490	4,300	360
City and Town Court Cost	641	8,806	8,010	1,437
Fines and Forfeitures	2,990	21,506	19,196	5,300
Welfare Trust	4,529	-	4,529	-
County Law Enforcement Continuing Education	28,497	6,689	4,189	30,997
Interstate Compact Fee	375	700	885	190
Welfare Levy Excess	-	133,323	4,990	128,333
Muscatatuck Park	1,342	49,936	51,278	-
EMS Clearing	25,258	361,300	357,814	28,744
Clerk of the Circuit Court	712,770	3,997,558	4,146,556	563,772
Area Plan Commission	50	84,555	84,555	50
County Auditor	325	13,236	13,511	50
County Sheriff	3,720	537,675	537,675	3,720
County Animal Control	600	7,458	8,008	50
County Recorder	50	106,198	106,198	50
Sheriff's Inmate Trust	18,336	194,655	195,007	17,984
Sewer Lien Fund	-	609	609	-
Campbell Sewer Lien	-	4,075	4,075	-
Sheriff's Pension	1,259,575	99,504	75,081	1,283,998
Homestead Credit Rebate	4,603	-	-	4,603
State Homestead Credit	10,132	331,889	350,556	(8,535)
Excess CAGIT	-	124,578	124,578	-
Excess CEDIT	-	30,737	30,737	-
Totals	<u>\$ 7,767,307</u>	<u>\$ 45,216,749</u>	<u>\$ 38,451,590</u>	<u>\$ 14,532,466</u>

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

JENNINGS 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, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, 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.

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.

JENNINGS COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plans

Single-Employer Defined Benefit Pension Plans

A. 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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for the County Police Retirement Plan are established by state statute.

B. 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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for the County Police Benefit Plan are established by state statute.

JENNINGS COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 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 are included if acquired (purchased, constructed, or donated) after July 1, 1980, or if they received major renovations, restorations, or improvements after that date. 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	\$ 213,989
Infrastructure	77,380,627
Buildings	9,215,277
Improvements other than buildings	995,621
Machinery and equipment	<u>7,142,758</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 94,948,272</u>

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

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:		
E911 Motorola	\$ 157,940	\$ 57,676
Ambulance	44,549	46,216
2 Kenworth Dump Trucks	103,100	37,455
County Highway Gradall	31,938	33,183
2 Dodge Dump Trucks	18,447	19,234
Notes and loans payable	520,000	539,235
Bonds payable:		
General obligation bonds:		
Courthouse Annex/Jail	<u>3,395,000</u>	<u>767,000</u>
Total governmental activities debt	<u>\$ 4,270,974</u>	<u>\$ 1,499,999</u>

JENNINGS COUNTY  
OTHER REPORTS

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

County Treasurer  
Clerk of the Circuit Court

JENNINGS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 25, 2010, with Janice L. Ramey, Auditor; and Howard L. Halcomb, President of the County Council.