

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

PERRY COUNTY PORT AUTHORITY
A COMPONENT UNIT OF PERRY COUNTY
PERRY COUNTY, INDIANA

January 1, 2003 to December 31, 2005



FILED
8/1/06

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PORT AUTHORITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief Executive Officer/Fiscal Officer	Richard L. Neumann	01-01-03 to 12-31-06
Chairman of the Board	Alvin C. Evans	01-01-03 to 12-31-06
Bookkeeper	Michael O. Elaman, CPA	01-01-03 to 12-31-06
Secretary/Treasurer of the Board	James M. Dauby Ronald Voges, Sr.	01-01-03 to 12-31-04 01-01-05 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE PERRY COUNTY PORT AUTHORITY, PERRY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Perry County Port Authority (Port Authority), for the period of January 1, 2003 to December 31, 2005. The Port Authority's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Port Authority for the years ended December 31, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 15, 2006

PERRY COUNTY PORT AUTHORITY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2003, 2004, And 2005

	<u>Cash and Investments 01-01-03</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-03</u>
Governmental Fund: General	<u>\$ 463,813</u>	<u>\$ 1,682,785</u>	<u>\$ 1,550,504</u>	<u>\$ 596,094</u>
	<u>Cash and Investments 01-01-04</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-04</u>
Governmental Fund: General	<u>\$ 596,094</u>	<u>\$ 1,734,285</u>	<u>\$ 1,535,618</u>	<u>\$ 794,761</u>
	<u>Cash and Investments 01-01-05</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-05</u>
Governmental Fund: General	<u>\$ 794,761</u>	<u>\$ 2,062,208</u>	<u>\$ 1,960,364</u>	<u>\$ 896,605</u>

The accompanying notes are an integral part of the schedules.

PERRY COUNTY PORT AUTHORITY
NOTES TO SCHEDULES

Note 1. Introduction

The Port Authority was established under the laws of the State of Indiana. The Port Authority provides the following services: transportation and storage services for local industries. The Port Authority operates under a governing board appointed by the Board of County Commissioners of Perry County. The Port Authority is considered a component unit of Perry County.

Note 2. Fund Accounting

The Port Authority 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 prepared and approved at the local level. The Port Authority has no funds for which property taxes are levied or for which highway use taxes are received.

Note 4. 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 District 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 5. Pension Plan

The Perry County Port Authority contributes to the United States Railroad Retirement Fund. No actuarial information is available for this plan.

Note 6. Long-Term Debt

The District has entered into debt such as a loan for a rail improvement project. The outstanding principal at December 31, 2005, was \$275,000.

PERRY COUNTY PORT AUTHORITY
EXIT CONFERENCE

The contents of this report were discussed on June 15, 2005, with Richard L. Neumann, Chief Executive Officer; and Michael O. Elaman, CPA, Bookkeeper. Our examination disclosed no material items that warrant comment at this time.