

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

EXAMINATION REPORT

OF

TOWN OF ROCKY RIPPLE

MARION COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED
06/19/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Margaret Ann Jansen	01-01-04 to 12-31-07
President of the Town Council	Greg Goodrich	01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ROCKY RIPPLE, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Rocky Ripple (Town), for the period of January 1, 2005 to December 31, 2006. The Town'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 present fairly, in all material respects, the financial information of the Town for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 23, 2007

TOWN OF ROCKY RIPPLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 12,046	\$ 34,576	\$ 40,009	\$ 6,613
Motor Vehicle Highway	19,059	19,297	31,763	6,593
Local Road and Street	19,044	24,773	10,000	33,817
Grant/Donation	3,813	608	2,921	1,500
Law Enforcement Continuing Education	1,072	432	140	1,364
Riverboat	-	4,490	-	4,490
Grant - Friends of White River	-	12,500	12,500	-
Indiana Criminal Justice Grant	1,296	1,236	2,532	-
Community Garden	99	75	154	20
Rainy Day - Motor Vehicle Highway	-	4,000	-	4,000
Rainy Day - General	4,500	4,000	4,474	4,026
Totals	<u>\$ 60,929</u>	<u>\$ 105,988</u>	<u>\$ 104,493</u>	<u>\$ 62,424</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 6,613	\$ 74,722	\$ 75,841	\$ 5,494
Motor Vehicle Highway	6,593	37,969	35,178	9,384
Local Road and Street	33,817	43,888	41,784	35,921
Grant/Donation	1,500	18,493	14,415	5,578
Law Enforcement Continuing Education	1,364	585	1,396	553
Riverboat	4,490	4,480	8,970	-
Levee	-	10,000	-	10,000
Community Garden	20	126	-	146
Rainy Day - Motor Vehicle Highway	4,000	-	4,000	-
Rainy Day - General	4,026	-	4,000	26
Totals	<u>\$ 62,424</u>	<u>\$ 190,263</u>	<u>\$ 185,584</u>	<u>\$ 67,103</u>

The accompanying notes are an integral part of the schedules.

TOWN OF ROCKY RIPPLE
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Town 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 Town 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 Town 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 Town 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.

TOWN OF ROCKY RIPPLE
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

The Town does not record all capital asset additions, and it is unclear if any disposals are being recorded. The Town prepares a listing of all Police Department equipment; however, several assets for land, buildings, and equipment at the Town Hall and Clerk-Treasurer's office are not itemized or recorded on the appropriate forms. Some amounts for items appear to be added to the City/Town Annual Report, Part 10, Page 1; however, support for the totals does not exist. A similar comment appeared in prior Report B25450.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CERTIFIED REPORT NOT FILED

The Town did not file a certified report of compensation of officers and employees (Form 100-R or its equivalent) with the State Board of Accounts for the years 2005 and 2006.

Indiana Code 5-11-13-1 states in part: "Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts."

TOWN OF ROCKY RIPPLE
EXIT CONFERENCE

The contents of this report were discussed on May 23, 2007, with Margret Ann Jansen, Clerk-Treasurer. The official concurred with our findings.