

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

EXAMINATION REPORT

OF

TOWN OF ELNORA

DAVISS COUNTY, INDIANA

January 1, 2006 to December 31, 2006



**FILED**  
09/06/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sara Eaton	01-01-04 to 12-31-07
President of the Town Council	Jerry Beck	01-01-06 to 12-31-07
Superintendent of Utilities	Wayne Ellis	01-01-06 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 ELNORA, DAVIESS COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Elnora, for the period of January 1, 2006 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 presents fairly, in all material respects, the financial information of the Town for the year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 17, 2007

TOWN OF ELNORA  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 95,446	\$ 110,741	\$ 115,145	\$ 91,042
Motor Vehicle Highway	27,956	30,551	12,463	46,044
Local Road and Street	11,438	4,131	3,553	12,016
Park and Recreation	1,056	500	346	1,210
Law Enforcement Continuing Education	615	267	-	882
Riverboat	4,546	4,537	2,125	6,958
Reserve Police Officers	448	300	274	474
Meth Lab Education Grant	814	-	814	-
Community Clean-up	984	184	580	588
Cumulative Capital Improvement	1,557	2,576	-	4,133
Cumulative Capital Development	15,408	4,196	3,112	16,492
CEDIT	6,738	6,141	6,465	6,414
Federal Housing Grant	-	82,678	81,853	825
Federal Planning Grant	-	45,000	45,000	-
Levy Excess	-	2,685	2,685	-
Proprietary Funds:				
Water Utility - Operating	6,835	94,677	93,906	7,606
Water Utility - Bond and Interest	4,950	13,200	12,600	5,550
Water Utility - Depreciation	13,704	-	-	13,704
Water Utility - Customer Deposit	7,604	3,836	2,341	9,099
Water Utility - Project	-	7,500	-	7,500
Wastewater Utility - Operating	37,724	116,210	142,430	11,504
Wastewater Utility - Bond and Interest	26,450	24,000	27,550	22,900
Wastewater Utility - Depreciation	28,360	-	-	28,360
Fiduciary Fund:				
Payroll	-	122,622	122,622	-
Totals	<u>\$ 292,633</u>	<u>\$ 676,532</u>	<u>\$ 675,864</u>	<u>\$ 293,301</u>

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

TOWN OF ELNORA  
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, health and social services, 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 ELNORA  
EXAMINATION RESULT AND COMMENT

BOARD MINUTES

Not all minutes of meetings of the governing body were available for audit.

Indiana Code 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

TOWN OF ELNORA  
EXIT CONFERENCE

The contents of this report were discussed on July 17, 2007, with Sara Eaton, Clerk-Treasurer; and Jerry Beck, President of the Town Council. The officials concurred with our finding.