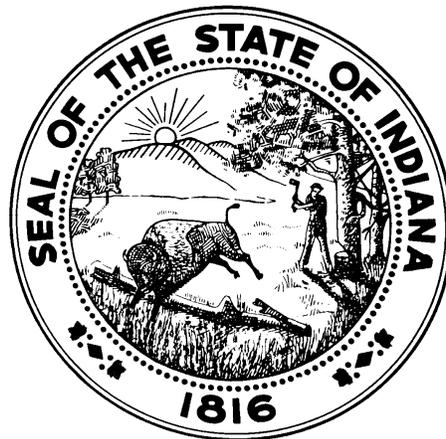


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF

FRENCH LICK-WEST BADEN SPRINGS HISTORIC  
HOTEL PRESERVATION COMMISSION  
ORANGE COUNTY, INDIANA

January 1, 2006 to June 30, 2007



**FILED**  
12/26/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cathy L. Carnes	01-01-06 to 06-30-07
Chairman	Adina Cloud	01-01-06 to 12-31-06
	Jerry Fuhs	01-01-07 to 06-30-07
Vice-Chairman	Jerry Fuhs	01-01-06 to 12-31-06
	Don Renner	01-01-07 to 06-30-07
Secretary	Tina Conrad	01-01-06 to 06-30-07



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Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE FRENCH LICK-WEST BADEN SPRINGS HISTORIC  
HOTEL PRESERVATION COMMISSION, ORANGE COUNTY, INDIANA

We have examined the financial information presented herein of the French Lick-West Baden Springs Historic Hotel Preservation Commission (Commission), for the period of January 1, 2006 to June 30, 2007. The Commission'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 Commission for the period of January 1, 2006 to June 30, 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

October 31, 2007

FRENCH LICK-WEST BADEN SPRINGS HISTORIC  
 HOTEL PRESERVATION COMMISSION  
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
 GOVERNMENTAL FUND TYPE  
 As of the periods ending December 31, 2006 and June 30, 2007

	<u>Cash and Investments 01-01-06</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-06</u>
Governmental Fund: Community Trust Fund	<u>\$ -</u>	<u>\$ 64,190</u>	<u>\$ -</u>	<u>\$ 64,190</u>
	<u>Cash and Investments 01-01-07</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 06-30-07</u>
Governmental Fund: Community Trust Fund	<u>\$ 64,190</u>	<u>\$ 707,203</u>	<u>\$ 771,393</u>	<u>\$ -</u>

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

FRENCH LICK-WEST BADEN SPRINGS HISTORIC  
HOTEL PRESERVATION COMMISSION  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Commission was established under the laws of the State of Indiana. The Commission provides the following services: preservation and development of a historic hotel district.

Note 2. Fund Accounting

The Commission 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. Wagering Taxes

Per Indiana Code 4-33-13-5(b)(3) the Historic Hotel Preservation Commission established under Indiana Code 36-7-11.5 receives 5% of the wagering tax generated from the French Lick Resort and Casino Riverboat.

Note 4. Admission Taxes

Per Indiana Code 4-33-12-6(c)(3) the Historic Hotel Preservation Commission established under Indiana Code 36-7-11.5 receives 9% of the admissions tax generated from the French Lick Resort and Casino Riverboat.

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 Commission 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. Subsequent Events

Indiana Code 36-7-11.5-3.5 established the Orange County Development Commission, effective July 1, 2007, to promote economic development through tourism, attract new business, improve housing, and engage in any other activity that promotes the development of Orange County.

Therefore, in accordance with House Enrolled Act 1001, passed by the General Assembly of the State of Indiana, effective July 1, 2007, the French Lick-West Baden Springs Historic Hotel Preservation Commission was abolished and replaced by the Orange County Development Commission, which was officially formed on July 15, 2007.

FRENCH LICK-WEST BADEN SPRINGS HISTORIC  
HOTEL PRESERVATION COMMISSION  
EXIT CONFERENCE

The contents of this report were discussed on October 31, 2007, with Cathy L. Carnes, Treasurer. Our examination disclosed no material items that warrant comment at this time.