

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

EXAMINATION REPORT  
OF  
RISING SUN - OHIO COUNTY PORT AUTHORITY  
OHIO COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
01/14/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Ann H. McMurray	01-01-06 to 12-31-08
Chairman of the Board	Gary L. Brett	01-01-06 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE RISING SUN - OHIO COUNTY  
PORT AUTHORITY, OHIO COUNTY, INDIANA

We have examined the financial information presented herein of the Rising Sun - Ohio County Port Authority (Port Authority), for the period of January 1, 2006 to December 31, 2007. The Port Authority'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 Port Authority for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 19, 2008

RISING SUN - OHIO COUNTY PORT AUTHORITY  
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
 GOVERNMENTAL FUND TYPE  
 As Of And For The Years Ended December 31, 2006 And 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: General	\$ <u>215,525</u>	\$ <u>43,288</u>	\$ <u>71,632</u>	\$ <u>187,181</u>
	<u>Cash and Investments 01-01-07</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-07</u>
Governmental Fund: General	\$ <u>187,181</u>	\$ <u>37,037</u>	\$ <u>9,642</u>	\$ <u>214,576</u>

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

RISING SUN - OHIO COUNTY PORT AUTHORITY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Port Authority was established under the laws of the State of Indiana. The Port Authority provides the following services: general administrative services.

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.

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 Port Authority 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.

RISING SUN - OHIO COUNTY PORT AUTHORITY  
EXAMINATION RESULT AND COMMENT

OPTICAL IMAGES OF WARRANTS AND DEPOSITS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The financial institution returned neither the actual deposit slips nor optical images of the deposit slips.

Indiana Code 5-15-6-3 concerning optical imaging of checks and deposits states in part:

"(a) . . . 'original records' includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment or the depositor receives an optical image of the deposit document after the document has been processed for the deposit. "

Further, Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise: and
- (2) remains accessible for later reference. . . .

(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

RISING SUN - OHIO COUNTY PORT AUTHORITY  
EXIT CONFERENCE

The contents of this report were discussed on December 19, 2008, with Ann H. McMurray, Treasurer. The official concurred with our finding.