

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

EXAMINATION REPORT

OF

TOWN OF UTICA

CLARK COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
01/15/2009

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OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|----------------------------------|----------------------------------------------------|----------------------------------------------------------------------|
| Clerk-Treasurer | Sandra K. Martin Patricia A. Love | 01-01-04 to 12-31-07 01-01-08 to 12-31-11 |
| President of the Town Council | Ann Graham Pete Dattilo Henry H. Dorman, Jr. | 01-01-06 to 12-31-06 01-01-07 to 12-31-07 01-01-08 to 12-31-08 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF UTICA, CLARK COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Utica (Town), for the period of January 1, 2006 to December 31, 2007. 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 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.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

December 17, 2008

TOWN OF UTICA
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

| | Cash and Investments 01-01-06 | Receipts | Disbursements | Cash and Investments 12-31-06 |
|-----------------------------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 41,380 | \$ 122,664 | \$ 111,260 | \$ 52,784 |
| Motor Vehicle Highway | 15,142 | 29,841 | 36,381 | 8,602 |
| Local Road and Street | 1,241 | 7,772 | 4,826 | 4,187 |
| Park and Recreation | 3,623 | 4,498 | 233 | 7,888 |
| Law Enforcement Continuing Education | 1,337 | 11 | 366 | 982 |
| Violation | 1,081 | 5,445 | 5,698 | 828 |
| Cumulative Capital Improvement | 1,081 | 2,111 | 2,238 | 954 |
| Town Hall Rental | 269 | 1,260 | 1,154 | 375 |
| Permits | 569 | 5,140 | 2,581 | 3,128 |
| Park Donation | 161 | - | 161 | - |
| U.S. Department of Justice Police Grant | 1,313 | 27,379 | 28,574 | 118 |
| Town Donation Fund | 200 | 7,536 | 5,681 | 2,055 |
| Totals | <u>\$ 67,397</u> | <u>\$ 213,657</u> | <u>\$ 199,153</u> | <u>\$ 81,901</u> |

| | Cash and Investments 01-01-07 | Receipts | Disbursements | Cash and Investments 12-31-07 |
|-----------------------------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 52,784 | \$ 136,931 | \$ 129,034 | \$ 60,681 |
| Motor Vehicle Highway | 8,602 | 28,905 | 11,456 | 26,051 |
| Local Road and Street | 4,187 | 7,847 | 10,330 | 1,704 |
| Park and Recreation | 7,888 | 2,399 | 567 | 9,720 |
| Law Enforcement Continuing Education | 982 | 5,265 | 1,056 | 5,191 |
| Violation | 828 | 720 | 1,548 | - |
| Cumulative Capital Improvement | 954 | 2,076 | - | 3,030 |
| Town Hall Rental | 375 | 400 | 705 | 70 |
| Permits | 3,128 | 918 | 3,706 | 340 |
| U.S. Department of Justice Police Grant | 118 | - | 118 | - |
| Town Donation Fund | 2,055 | 722 | 2,735 | 42 |
| Totals | <u>\$ 81,901</u> | <u>\$ 186,183</u> | <u>\$ 161,255</u> | <u>\$ 106,829</u> |

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

TOWN OF UTICA
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.

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 UTICA
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Town of Utica has entered into the following debt:

| Description of Debt | Ending Principal Balance | Principal and Interest Due Within One Year |
|----------------------------------------|--------------------------------|-----------------------------------------------------|
| Governmental Activities: | | |
| Capital leases: | | |
| Ford Motor Company | \$ 13,327 | \$ 5,899 |
| Total governmental activities debt | \$ 13,327 | \$ 5,899 |

TOWN OF UTICA
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORD

The Town does not maintain a record of its capital assets and inventories are not performed. Accurate records and annual inventories are necessary controls which should be implemented to safeguard the Town's assets.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. 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)

TOWN OF UTICA
EXIT CONFERENCE

The contents of this report were discussed on December 17, 2008, with Patricia A. Love, Clerk-Treasurer; and Henry H. Dorman, Jr., President of the Town Council. The officials concurred with our finding.