

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

EXAMINATION REPORT

OF

TOWN OF FULTON

FULTON COUNTY, INDIANA

January 1, 2007 to December 31, 2008



**FILED**  
09/18/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Connie L. Hartman	01-01-04 to 12-31-11
President of the Town Council	Elwyn E. Becker James Grimes	01-01-07 to 12-31-07 01-01-08 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF FULTON, FULTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Fulton (Town), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

August 17, 2009

TOWN OF FULTON  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 21,745	\$ 67,584	\$ 69,127	\$ 20,202
Motor Vehicle Highway	10,994	11,643	12,847	9,790
Local Road and Street	5,739	1,441	2,679	4,501
Community Improvement	64,908	-	15,668	49,240
Law Enforcement Continuing Education	287	-	261	26
Rainy Day	4,659	1,784	-	6,443
Cumulative Capital Improvement	1,914	1,145	1,395	1,664
Proprietary Funds:				
Wastewater Utility - Operating	4,498	85,444	81,388	8,554
Wastewater Utility - Bond and Interest	18,610	24,000	22,875	19,735
Wastewater Utility - Depreciation	50,691	2,000	9,862	42,829
Wastewater Utility - Reserve	22,200	1,650	-	23,850
Fiduciary Funds:				
Levy Excess	1,275	2,130	1,275	2,130
Payroll	-	65,738	65,738	-
	<u>\$ 207,520</u>	<u>\$ 264,559</u>	<u>\$ 283,115</u>	<u>\$ 188,964</u>
Totals	<u>\$ 207,520</u>	<u>\$ 264,559</u>	<u>\$ 283,115</u>	<u>\$ 188,964</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 20,202	\$ 72,175	\$ 70,657	\$ 21,720
Motor Vehicle Highway	9,790	8,729	11,102	7,417
Local Road and Street	4,501	1,368	3,830	2,039
Community Improvement	49,240	500	2,950	46,790
Law Enforcement Continuing Education	26	-	-	26
Riverboat	-	2,045	2,045	-
Rainy Day	6,443	1,049	114	7,378
Cumulative Capital Improvement	1,664	1,060	1,696	1,028
Proprietary Funds:				
Wastewater Utility - Operating	8,554	95,747	97,582	6,719
Wastewater Utility - Bond and Interest	19,735	24,000	22,605	21,130
Wastewater Utility - Depreciation	42,829	24,000	-	66,829
Wastewater Utility - Reserve	23,850	-	-	23,850
Fiduciary Funds:				
Levy Excess	2,130	-	2,130	-
Payroll	-	66,650	66,650	-
	<u>\$ 188,964</u>	<u>\$ 297,323</u>	<u>\$ 281,361</u>	<u>\$ 204,926</u>
Totals	<u>\$ 188,964</u>	<u>\$ 297,323</u>	<u>\$ 281,361</u>	<u>\$ 204,926</u>

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

TOWN OF FULTON  
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, 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 FULTON  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2008

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 21,246
Buildings	70,923
Improvements other than buildings	22,002
Machinery and equipment	<u>40,530</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>154,701</u>
 Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 70,975
Buildings	8,387
Improvements other than buildings	1,550,732
Machinery and equipment	<u>58,673</u>
 Total Wastewater Utility capital assets	 \$ <u>1,688,767</u>

TOWN OF FULTON  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2008

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Revenue bonds:		
Sewage Works Revenue Bonds of 1998	\$ 363,000	\$ 22,335

TOWN OF FULTON  
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2009, with Connie L. Hartman, Clerk-Treasurer. The examination disclosed no material items that warrant comment at this time.