

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

EXAMINATION REPORT  
OF  
TOWN OF WAYNETOWN  
MONTGOMERY COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
10/29/2009



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5
Supplementary Information:	
Schedule of Long-Term Debt .....	6
Exit Conference.....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Beverly J. Stout Sandra Proctor	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Town Council	Robert Cox Evelyn Swank	01-01-07 to 12-31-07 01-01-08 to 12-31-09
Superintendent of Utilities	Greg Gayler Vacant Paul Rusk	01-01-07 to 03-31-08 04-01-08 to 08-31-08 09-01-08 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 WAYNETOWN, MONTGOMERY COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Waynetown (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 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

September 9, 2009

TOWN OF WAYNETOWN  
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	\$ 223,601	\$ 79,922	\$ 132,544	\$ 170,979
Motor Vehicle Highway	10,242	40,854	34,121	16,975
Local Road and Street	4,763	4,370	-	9,133
Park and Recreation	880	16,176	16,903	153
Law Enforcement Continuing Education	171	381	25	527
Riverboat	11,682	5,732	-	17,414
Cumulative Capital Improvement	22,715	3,193	-	25,908
Cumulative Capital Development	35,885	2,517	-	38,402
Cumulative Capital Building	23,860	-	832	23,028
Proprietary Funds:				
Water Utility - Operating	41,639	104,839	108,821	37,657
Water Utility - Depreciation	1,310	1,080	1,675	715
Water Utility - Customer Deposit	12,949	2,310	1,560	13,699
Wastewater Utility - Operating	166,829	195,984	229,729	133,084
Wastewater Utility - Bond and Interest	554	21,600	21,750	404
Wastewater Utility - Depreciation	6,371	2,148	4,189	4,330
Wastewater Utility - Utility Reserve	136,292	48,780	48,967	136,105
Electric Utility - Operating	197,236	535,495	527,716	205,015
Electric Utility - Depreciation	145,525	40,983	52,484	134,024
Electric Utility - Deposit	24,637	4,733	3,094	26,276
Electric Utility - Cash Reserve	13,300	402	-	13,702
Stormwater Utility - Operating	2,424	10,556	6,135	6,845
Trash and Garbage Pickup	7,603	44,551	39,794	12,360
Fiduciary Fund:				
Payroll	4,400	227,210	226,243	5,367
Totals	<u>\$ 1,094,868</u>	<u>\$ 1,393,816</u>	<u>\$ 1,456,582</u>	<u>\$ 1,032,102</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 170,979	\$ 655,151	\$ 633,279	\$ 192,851
Motor Vehicle Highway	16,975	37,424	23,165	31,234
Local Road and Street	9,133	4,156	10,609	2,680
Park and Recreation	153	11,163	11,238	78
Law Enforcement Continuing Education	527	589	598	518
Riverboat	17,414	5,702	15,319	7,797
Cumulative Capital Improvement	25,908	2,956	25,000	3,864
Cumulative Capital Development	38,402	6,773	2,841	42,334
Cumulative Capital Building	23,028	602	2,902	20,728
Proprietary Funds:				
Water Utility - Operating	37,657	107,245	108,043	36,859
Water Utility - Depreciation	715	1,080	-	1,795
Water Utility - Customer Deposit	13,699	1,950	1,985	13,664
Wastewater Utility - Operating	133,084	204,076	243,196	93,964
Wastewater Utility - Bond and Interest	404	21,750	20,850	1,304
Wastewater Utility - Depreciation	4,330	2,148	-	6,478
Wastewater Utility - Utility Reserve	136,105	49,020	49,155	135,970
Electric Utility - Operating	205,015	570,475	602,899	172,591
Electric Utility - Depreciation	134,024	25,927	1,250	158,701
Electric Utility - Deposit	26,276	3,930	3,997	26,209
Electric Utility - Cash Reserve	13,702	-	3,002	10,700
Stormwater Utility - Operating	6,845	10,662	15,837	1,670
Trash and Garbage Pickup	12,360	45,134	45,009	12,485
Fiduciary Fund:				
Payroll	5,367	216,959	221,450	876
Totals	<u>\$ 1,032,102</u>	<u>\$ 1,984,872</u>	<u>\$ 2,041,624</u>	<u>\$ 975,350</u>

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

TOWN OF WAYNETOWN  
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, highway and streets, culture and recreation, public improvements, general administrative services, trash pickup, storm water, electric, water, and wastewater.

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 WAYNETOWN  
 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:		
Electric Utility:		
Notes and loans payable:		
Truck loan	\$ 25,923	\$ 22,639
Total Electric Utility	<u>25,923</u>	<u>22,639</u>
Wastewater Utility:		
Notes and loans payable:		
State Revolving Loan Fund	666,000	-
Revenue bonds:		
Construction of wastewater treatment facility	<u>39,000</u>	<u>-</u>
Total Wastewater Utility	<u>705,000</u>	<u>-</u>
Total business-type activities debt	<u>\$ 730,923</u>	<u>\$ 22,639</u>

TOWN OF WAYNETOWN  
EXIT CONFERENCE

The contents of this report were discussed on September 9, 2009, with Sandra Proctor, Clerk-Treasurer; and Evelyn Swank, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.