

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

EXAMINATION REPORT  
OF  
SPEEDWAY PUBLIC TRANSPORTATION CORPORATION  
MARION COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
12/31/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer/Controller	G. James Dinkel	01-01-07 to 12-31-09
President of the Board	Joseph O'Neal	01-01-07 to 12-31-09



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE SPEEDWAY PUBLIC TRANSPORTATION  
CORPORATION, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Speedway Public Transportation Corporation (District), for the period of January 1, 2007 to December 31, 2008. The District'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 District 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.

STATE BOARD OF ACCOUNTS

November 9, 2009

SPEEDWAY PUBLIC TRANSPORTATION CORPORATION  
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 As Of And For The Years Ended December 31, 2007 And 2008

	<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>\$ 228,247</u>	<u>\$ 179,758</u>	<u>\$ 397,012</u>	<u>\$ 10,993</u>
	<u>Cash and Investments 01-01-08</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-08</u>
Governmental Fund: General	<u>\$ 10,993</u>	<u>\$ 185,322</u>	<u>\$ 67,244</u>	<u>\$ 129,071</u>

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

SPEEDWAY PUBLIC TRANSPORTATION CORPORATION  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides public transportation services.

Note 2. Fund Accounting

The District 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 District 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).

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 District 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 Event

The District contracts with the Indianapolis Public Transportation Corporation to provide transportation services to the Town of Speedway. The District is late in paying the Indianapolis Public Transportation Corporation for these services. The amount due for the 2008 contract was \$198,864.75. It was not paid until 2009. The trend continues with contractual payments of \$132,576.50 due for the period ending June 30, 2009, not being paid at October 5, 2009.

SPEEDWAY PUBLIC TRANSPORTATION CORPORATION  
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General	2007	\$ 133,613.64
General	2008	67,243.58

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

SPEEDWAY PUBLIC TRANSPORTATION CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on November 9, 2009, with G. James Dinkel, Treasurer/Controller. The official concurred with our finding.