

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

EXAMINATION REPORT  
OF  
TOWN OF AMBIA  
BENTON COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
01/20/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Audrey Marko (Vacant) Christine M. Brost	01-01-04 to 04-04-07 04-05-07 to 04-23-07 04-24-07 to 12-31-11
President of the Town Council	Orlando Cantu C. Anne Kumeh	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 AMBIA, BENTON COUNTY, INDIANA

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

December 7, 2009

TOWN OF AMBIA  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND PROPRIETARY 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	\$ 15,982	\$ 48,541	\$ 40,680	\$ 23,843
Motor Vehicle Highway	77,005	7,966	17,517	67,454
Local Road and Street	26,931	1,068	-	27,999
Park Donation	1,515	2,228	401	3,342
Cumulative Capital Improvement	1,114	695	1,354	455
Fire Truck Project	931	-	861	70
Proprietary Funds:				
Water Utility - Operating	207	44,003	38,078	6,132
Water Utility - Depreciation	1,559	-	1,171	388
Water Utility - Customer Deposit	4,367	850	950	4,267
Water Project - Grant Match	1,050	-	1,050	-
Totals	<u>\$ 130,661</u>	<u>\$ 105,351</u>	<u>\$ 102,062</u>	<u>\$ 133,950</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 23,843	\$ 37,782	\$ 43,392	\$ 18,233
Motor Vehicle Highway	67,454	5,279	9,558	63,175
Local Road and Street	27,999	849	2,152	26,696
Park Donation	3,342	790	2,550	1,582
Cumulative Capital Improvement	455	641	-	1,096
Fire Truck Project	70	-	70	-
Proprietary Funds:				
Water Utility - Operating	6,132	42,740	36,197	12,675
Water Utility - Depreciation	388	1,957	-	2,345
Water Utility - Customer Deposit	4,267	650	2,507	2,410
Totals	<u>\$ 133,950</u>	<u>\$ 90,688</u>	<u>\$ 96,426</u>	<u>\$ 128,212</u>

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

TOWN OF AMBIA  
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. Due to problems with reassessment, 2007 property taxes were due 7/25/07 and 11/12/07. 2008 property taxes were payable in one installment due 11/10/08.

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 AMBIA  
 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:		
Water Utility:		
Notes and Loans	\$ 15,315	\$ 6,000

TOWN OF AMBIA  
EXIT CONFERENCE

The contents of this report were discussed on December 7, 2009, with Christine M. Brost, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.