

B36818

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

EXAMINATION REPORT
OF
TOWN OF WARREN PARK
MARION COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
05/07/2010

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
Examination Results and Comments:	
Condition of Records	6
Annual Report.....	6
Prescribed Forms	6
Official Bond	7
Salary Ordinance.....	7
Approval of Claims	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Harold Bean	01-01-04 to 12-31-11
President of the Town Council	Diana Cridge-Price	01-01-07 to 12-31-10



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 WARREN PARK, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Warren Park (Town), for the period of January 1, 2007 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 29, 2010

TOWN OF WARREN PARK
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 27,686	\$ 77,884	\$ 80,173	\$ 25,397
Motor Vehicle Highway	536,006	160,738	203,762	492,982
Local Road and Street	341,730	28,824	31,511	339,043
Levy Excess	434	-	-	434
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 905,856</u>	<u>\$ 267,446</u>	<u>\$ 315,446</u>	<u>\$ 857,856</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 25,397	\$ 81,721	\$ 103,736	\$ 3,382
Motor Vehicle Highway	492,982	126,348	114,290	505,040
Local Road and Street	339,043	73,923	-	412,966
Levy Excess	434	-	-	434
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 857,856</u>	<u>\$ 281,992</u>	<u>\$ 218,026</u>	<u>\$ 921,822</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 3,382	\$ 77,628	\$ 63,836	\$ 17,174
Motor Vehicle Highway	505,040	60,651	37,786	527,905
Local Road and Street	412,966	24,687	40,000	397,653
Levy Excess	434	-	-	434
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 921,822</u>	<u>\$ 162,966</u>	<u>\$ 141,622</u>	<u>\$ 943,166</u>

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

TOWN OF WARREN PARK
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, 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).

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 WARREN PARK
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

Financial records presented for examination were incomplete and not reflective of the activity of the Motor Vehicle Highway Fund and Local Road and Street Fund. Certificate of Deposit totals as presented for examination were not in agreement with the bank listing for the year end reconciliation.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ANNUAL REPORT

Annual reports for 2007, 2008, and 2009 were not presented for examination. A similar comment appeared in prior Report B30088.

IC 5-3-1-3(a) states in part: "Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town . . ."

PRESCRIBED FORMS

The following prescribed or approved form was not always in use: Register of Investments, General Form 350. A similar comment appeared in prior reports, most recently Report B30088.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF WARREN PARK
EXAMINATION RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND

The official bond for the Clerk-Treasurer was not filed in the Office of the County Recorder. A similar comment appeared in several prior reports, most recently Report B30088.

IC 5-4-1-5.1(b) states, in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

SALARY ORDINANCE

The salary ordinance for 2009 was not presented for examination.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROVAL OF CLAIMS

In 2007, 2008 and 2009, meeting minutes of the Town Council indicated disbursements were approved in some instances after payment was made.

IC 5-11-10-2(a) states:

"Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer."

TOWN OF WARREN PARK
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Harold Bean, Clerk-Treasurer. The official concurred with our findings.