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

EXAMINATION REPORT
OF
TOWN OF MERIDIAN HILLS
MARION COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
05/07/2010

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

John Taylor

02-01-05 to 12-31-11

President of the Town Council

Terrence O'Brien
Jim Rush

01-01-07 to 12-31-07
01-01-08 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MERIDIAN HILLS, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Meridian Hills (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

April 12, 2010

TOWN OF MERIDIAN HILLS
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	\$ 120,117	\$ 191,454	\$ 217,232	\$ 94,339
Motor Vehicle Highway	108,144	66,019	97,827	76,336
Local Road and Street	79,854	33,586	6,747	106,693
Law Enforcement Continuing Education	255	-	-	255
Donation	29,283	1,000	-	30,283
Rainy Day	88,000	30,000	-	118,000
Town Beautification	-	500	-	500
Totals	<u>\$ 425,653</u>	<u>\$ 322,559</u>	<u>\$ 321,806</u>	<u>\$ 426,406</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 94,339	\$ 314,906	\$ 218,439	\$ 190,806
Motor Vehicle Highway	76,336	60,885	74,590	62,631
Local Road and Street	106,693	33,737	87,973	52,457
Law Enforcement Continuing Education	255	188	-	443
Donation	30,283	1,000	-	31,283
Rainy Day	118,000	30,000	60,000	88,000
Town Beautification	500	-	-	500
Totals	<u>\$ 426,406</u>	<u>\$ 440,716</u>	<u>\$ 441,002</u>	<u>\$ 426,120</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 190,806	\$ 226,417	\$ 287,089	\$ 130,134
Motor Vehicle Highway	62,631	44,595	78,288	28,938
Local Road and Street	52,457	81,258	130,062	3,653
Law Enforcement Continuing Education	443	386	-	829
Donation	31,283	2,000	-	33,283
Rainy Day	88,000	90,000	50,000	128,000
Town Beautification	500	3,065	-	3,565
Totals	<u>\$ 426,120</u>	<u>\$ 447,721</u>	<u>\$ 545,439</u>	<u>\$ 328,402</u>

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

TOWN OF MERIDIAN HILLS
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). 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 MERIDIAN HILLS
EXAMINATION RESULT AND COMMENT

OFFICIAL BOND

The Clerk-Treasurer's 2007 and 2008 official bonds were not filed in the Office of the County Recorder. The Clerk Treasurer's bond has lapsed for 2010; therefore, as of April 9, 2010, the Clerk-Treasurer was not bonded.

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. . . ."

TOWN OF MERIDIAN HILLS
EXIT CONFERENCE

The contents of this report were discussed on April 12, 2010, with John Taylor, Clerk-Treasurer; Jim Rush, President of the Town Council; and Bernard Bruno, Assistant Clerk-Treasurer. The officials concurred with our finding.