

B36979

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

EXAMINATION REPORT
OF
TOWN OF WILLIAMS CREEK
MARION COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
05/17/2010

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:	
Board Minutes.....	6
Optical Images of Checks.....	6-7
Official Bond	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Peter Cislak Robert L. Parrin	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Town Council	Richard Dickinson	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 WILLIAMS CREEK, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Williams Creek (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 WILLIAMS CREEK
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 32,690	\$ 84,521	\$ 108,315	\$ 8,896
Motor Vehicle Highway	4,042	18,152	13,990	8,204
Local Road and Street	5,101	8,343	4,194	9,250
Donations Lanncscaping	-	-	-	-
Rainy Day	-	-	-	-
Fiduciary Fund:				
Payroll	-	79,074	79,074	-
Totals	<u>\$ 41,833</u>	<u>\$ 190,090</u>	<u>\$ 205,573</u>	<u>\$ 26,350</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 8,896	\$ 145,550	\$ 112,127	\$ 42,319
Motor Vehicle Highway	8,204	15,061	12,570	10,695
Local Road and Street	9,250	8,675	7,503	10,422
Donations Lanncscaping	-	3,425	1,980	1,445
Rainy Day	-	12,732	-	12,732
Fiduciary Fund:				
Payroll	-	75,327	75,327	-
Totals	<u>\$ 26,350</u>	<u>\$ 260,770</u>	<u>\$ 209,507</u>	<u>\$ 77,613</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 42,319	\$ 157,292	\$ 198,452	\$ 1,159
Motor Vehicle Highway	10,695	12,014	22,709	-
Local Road and Street	10,422	7,374	9,227	8,569
Donations Lanncscaping	1,445	800	675	1,570
Rainy Day	12,732	14,134	-	26,866
Fiduciary Fund:				
Payroll	-	74,746	74,746	-
Totals	<u>\$ 77,613</u>	<u>\$ 266,360</u>	<u>\$ 305,809</u>	<u>\$ 38,164</u>

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

TOWN OF WILLIAMS CREEK
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, highways and streets, 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).

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 WILLIAMS CREEK
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

The Town did not organize at the beginning of each year. The President has been the same, throughout the examination period, without an election of officers. The intentions of the board were not always clear from the minutes. A similar comment appeared in prior reports, most recently Report B30008.

IC 36-5-2-7 states: "The legislative body shall select one (1) of its members to be its president for a definite term, which may not exceed his term of office as a member of the legislative body."

IC 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks.

IC 5-15-6-3 concerning optical imaging of checks states in part:

"(a) . . . "original records" . . . includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . . "

TOWN OF WILLIAMS CREEK
EXAMINATION RESULTS AND COMMENTS
(Continued)

Further, IC 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise: and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

OFFICIAL BOND

The official bond for the Clerk Treasurer, Peter Cislak, was not filed in the office of the County Recorder for 2009.

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 WILLIAMS CREEK
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Peter Cislak, former Clerk-Treasurer; and Richard Dickinson, President of the Town Council.