

B36980

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

EXAMINATION REPORT  
OF  
TOWN OF SPRING HILL  
MARION COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**  
05/17/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	John Ellis Arthur Hansen	01-01-07 to 12-31-08 01-01-09 to 12-31-10
President of the Town Council	Rob Burton	01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF SPRING HILL, MARION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Spring Hill (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 31, 2010

TOWN OF SPRING HILL  
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	\$ 36,392	\$ 2,284	\$ 4,800	\$ 33,876
Motor Vehicle Highway	<u>22,827</u>	<u>3,383</u>	<u>-</u>	<u>26,210</u>
Totals	<u>\$ 59,219</u>	<u>\$ 5,667</u>	<u>\$ 4,800</u>	<u>\$ 60,086</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 33,876	\$ 2,542	\$ 593	\$ 35,825
Motor Vehicle Highway	<u>26,210</u>	<u>2,517</u>	<u>-</u>	<u>28,727</u>
Totals	<u>\$ 60,086</u>	<u>\$ 5,059</u>	<u>\$ 593</u>	<u>\$ 64,552</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 35,825	\$ 3,476	\$ 532	\$ 38,769
Motor Vehicle Highway	<u>28,727</u>	<u>135</u>	<u>-</u>	<u>28,862</u>
Totals	<u>\$ 64,552</u>	<u>\$ 3,611</u>	<u>\$ 532</u>	<u>\$ 67,631</u>

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

TOWN OF SPRING HILL  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides 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 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. 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 SPRING HILL  
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

The Town did not present for audit any board minutes for the three year audit period.

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."

APPROVAL OF FORMS

The Town of Spring Hill was using the following forms which had not been approved for use in lieu of prescribed forms:

Balance Sheet  
Profit and Loss Detail  
Checks  
Claim for Payments

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)

OFFICIAL BOND

The official bond for Clerk-Treasurer, Arthur Hansen, 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 SPRING HILL  
EXIT CONFERENCE

The contents of this report were discussed on March 31, 2010, with Arthur Hansen, Clerk-Treasurer.