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

EXAMINATION REPORT
OF
TOWN OF NEW POINT
DECATUR COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
10/13/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Viola Minning	01-01-08 to 12-31-11
President of the Town Council	Clarence Carson	01-01-08 to 12-31-10



STATE OF INDIANA
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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 NEW POINT, DECATUR COUNTY, INDIANA

We have examined the financial information presented herein of the Town of New Point (Town), for the period of January 1, 2008 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, 2008 and 2009, 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

July 22, 2010

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

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 36,048	\$ 21,139	\$ 57,127	\$ 60
Motor vehicle highway	-	15,638	8,221	7,417
New Point VFD building grant	-	367,500	367,500	-
New Point VFD car	-	1,200	1,200	-
New Point VFD poole escrow	-	41,727	41,727	-
Community building donation	15,578	18,134	15,019	18,693
Proprietary Funds:				
Wastewater Utility - operating	43,322	161,892	154,956	50,258
Wastewater Utility - bond and interest	68,696	17,057	10,620	75,133
Totals	<u>\$ 163,644</u>	<u>\$ 644,287</u>	<u>\$ 656,370</u>	<u>\$ 151,561</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 60	\$ 46,846	\$ 37,757	\$ 9,149
Motor vehicle highway	7,417	20,053	19,519	7,951
Community building donation	18,693	35,447	37,238	16,902
Proprietary Funds:				
Wastewater Utility - operating	50,258	140,975	146,002	45,231
Wastewater Utility - bond and interest	75,133	20,333	10,440	85,026
Totals	<u>\$ 151,561</u>	<u>\$ 263,654</u>	<u>\$ 250,956</u>	<u>\$ 164,259</u>

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

TOWN OF NEW POINT
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, general administrative services, and wastewater 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

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 NEW POINT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Revenue bonds:		
Sewage Works Construction	\$ 121,000	\$ 10,260

TOWN OF NEW POINT
EXAMINATION RESULT AND COMMENT

OFFICIAL BOND

The Clerk-Treasurer's official bond does not comply with current requirements. Currently, the official bond is for \$15,000.

Public Law 176 House Enrolled Act 1514, effective July 1, 2009, amended IC 5-4-1-18, which requires surety bonds required under IC 5-4-1-18 to be annual bonds instead of for the term of office. The minimum amount of annual coverage increased from \$15,000 to \$30,000 for each \$1,000,000 in receipts for all city controllers, city and town clerk-treasurers, and Barrett Law fund custodians.

TOWN OF NEW POINT
EXIT CONFERENCE

The contents of this report were discussed on July 22, 2010, with Viola Minning, Clerk-Treasurer. The official concurred with our finding.