

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

EXAMINATION REPORT  
OF  
TOWN OF EAST GERMANTOWN  
WAYNE COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**  
11/16/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sandra A. Tusing	01-01-04 to 12-31-11
President of the Town Council	Steve Mills Brian Fisher	01-01-07 to 12-31-08 01-01-09 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 EAST GERMANTOWN, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of East Germantown (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.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

September 1, 2010

TOWN OF EAST GERMANTOWN  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, 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	\$ 40,284	\$ 8,654	\$ 27,212	\$ 21,726
Motor Vehicle Highway	25,596	8,947	9,791	24,752
Local Road and Street	21,987	2,525	4,567	19,945
Rainy Day	1,992	-	-	1,992
Christmas Donation	25	-	-	25
Riverboat	4,593	1,532	-	6,125
Cumulative Capital Improvement	19,263	854	-	20,117
Cumulative Capital Development	2,577	-	-	2,577
Economic Development Income Tax	94,749	8,887	2,200	101,436
Levy Excess	135	-	-	135
Proprietary Funds:				
Wastewater Utility - Operating	44,209	82,093	66,178	60,124
Wastewater Utility - Construction	1,498	156,500	129,518	28,480
Fiduciary Fund:				
Payroll	665	11,985	12,046	604
Totals	<u>\$ 257,573</u>	<u>\$ 281,977</u>	<u>\$ 251,512</u>	<u>\$ 288,038</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 21,726	\$ 22,680	\$ 35,759	\$ 8,647
Motor Vehicle Highway	24,752	6,260	15,051	15,961
Local Road and Street	19,945	2,629	10,000	12,574
Rainy Day	1,992	-	1,881	111
Christmas Donation	25	-	-	25
Riverboat	6,125	1,525	-	7,650
Cumulative Capital Improvement	20,117	790	-	20,907
Cumulative Capital Development	2,577	-	-	2,577
Economic Development Income Tax	101,436	6,911	27,395	80,952
Levy Excess	135	-	-	135
Proprietary Funds:				
Wastewater Utility - Operating	60,124	89,534	70,876	78,782
Wastewater Utility - Construction	28,480	-	28,480	-
Fiduciary Fund:				
Payroll	604	13,002	12,504	1,102
Totals	<u>\$ 288,038</u>	<u>\$ 143,331</u>	<u>\$ 201,946</u>	<u>\$ 229,423</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 8,647	\$ 26,001	\$ 29,842	\$ 4,806
Motor Vehicle Highway	15,961	6,623	8,941	13,643
Local Road and Street	12,574	2,177	300	14,451
Rainy Day	111	43	-	154
Christmas Donation	25	-	-	25
Riverboat	7,650	1,521	-	9,171
Cumulative Capital Improvement	20,907	745	-	21,652
Cumulative Capital Development	2,577	-	-	2,577
Economic Development Income Tax	80,952	5,960	1,800	85,112
Levy Excess	135	-	-	135
Proprietary Fund:				
Wastewater Utility - Operating	78,782	84,288	72,024	91,046
Fiduciary Fund:				
Payroll	1,102	13,881	13,882	1,101
Totals	<u>\$ 229,423</u>	<u>\$ 141,239</u>	<u>\$ 126,789</u>	<u>\$ 243,873</u>

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

TOWN OF EAST GERMANTOWN  
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, health and social services, 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). 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 EAST GERMANTOWN  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Construction in progress	\$ 1,851,778
Machinery and equipment	<u>13,514</u>
Total Wastewater Utility capital assets	<u>1,865,292</u>
Total business-type activities capital assets	<u><u>\$ 1,865,292</u></u>

TOWN OF EAST GERMANTOWN  
 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:		
Wastewater Utility Bonds of 2005	\$ 647,000	\$ 35,778
Total Wastewater Utility	<u>647,000</u>	<u>35,778</u>
Total business-type activities debt	<u>\$ 647,000</u>	<u>\$ 35,778</u>

TOWN OF EAST GERMANTOWN  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

An official bond was not filed in the Office of the County Recorder for the Clerk-Treasurer for the period March 5, 2008 to May 31, 2010.

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. . . ."

ANNUAL REPORT

Annual financial reports for 2007-2009 were not presented for examination.

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 . . ."

TOWN OF EAST GERMANTOWN  
EXIT CONFERENCE

The contents of this report were discussed on September 1, 2010, with Sandra A. Tusing, Clerk-Treasurer. The official concurred with our findings.