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

EXAMINATION REPORT
OF
TOWN OF SALTILLO
WASHINGTON 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	Bonnie E. Gould	01-01-04 to 12-31-11
President of the Town Council	Lawrin Gould	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 SALTILLO, WASHINGTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Saltillo (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

August 25, 2010

TOWN OF SALTILLO
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	\$ 6,534	\$ 2,263	\$ 1,812	\$ 6,985
Motor Vehicle Highway	10,845	3,961	4,212	10,594
Local Road and Street	15,862	1,216	-	17,078
Cemetery	6,072	1,926	2,000	5,998
Cumulative Capital Improvement	2,260	376	-	2,636
Totals	<u>\$ 41,573</u>	<u>\$ 9,742</u>	<u>\$ 8,024</u>	<u>\$ 43,291</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 6,985	\$ 2,008	\$ 1,808	\$ 7,185
Motor Vehicle Highway	10,594	2,994	2,148	11,440
Local Road and Street	17,078	1,122	-	18,200
Cemetery	5,998	1,274	2,000	5,272
Cumulative Capital Improvement	2,636	348	-	2,984
Totals	<u>\$ 43,291</u>	<u>\$ 7,746</u>	<u>\$ 5,956</u>	<u>\$ 45,081</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 7,185	\$ 2,207	\$ 2,390	\$ 7,002
Motor Vehicle Highway	11,440	2,937	3,708	10,669
Local Road and Street	18,200	1,051	-	19,251
Cemetery	5,272	3,759	1,000	8,031
Cumulative Capital Improvement	2,984	329	-	3,313
Totals	<u>\$ 45,081</u>	<u>\$ 10,283</u>	<u>\$ 7,098</u>	<u>\$ 48,266</u>

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

TOWN OF SALTILLO
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: highway and streets, public improvements, 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 SALTILLO
EXAMINATION RESULT AND COMMENT

ANNUAL FINANCIAL REPORTS

The Annual Financial Reports (CTAR-1) for the years 2008 and 2009 were not presented for examination.

IC 5-11-1-4 states: "The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

TOWN OF SALTILLO
EXIT CONFERENCE

The contents of this report were discussed on August 25, 2010, with Bonnie E. Gould, Clerk-Treasurer, and Lawrin Gould, President of the Town Council.