

B37867

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

EXAMINATION REPORT
OF
TOWN OF WEST HARRISON
DEARBORN COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/18/2010

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OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|-------------------------------|------------------|----------------------|
| Clerk-Treasurer | Sherry Kaeser | 08-02-07 to 12-31-12 |
| President of the Town Council | Inetta Jo Wesley | 01-01-08 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 WEST HARRISON, DEARBORN COUNTY, INDIANA

We have examined the financial information presented herein of the Town of West Harrison (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.

STATE BOARD OF ACCOUNTS

September 13, 2010

TOWN OF WEST HARRISON
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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 | \$ 50,993 | \$ 147,998 | \$ 111,766 | \$ 87,225 |
| Motor Vehicle Highway | 32,295 | 20,577 | 42,872 | 10,000 |
| Local Road and Street | 11,435 | 2,274 | 2,200 | 11,509 |
| Law Enforcement Continuing Education | 42 | 97 | - | 139 |
| Riverboat | 696,370 | 145,682 | 139,497 | 702,555 |
| Rainy Day | 2,891 | - | 2,068 | 823 |
| Grant Fund | 127 | - | - | 127 |
| Cumulative Capital Improvement | 1,950 | 923 | - | 2,873 |
| Totals | <u>\$ 796,103</u> | <u>\$ 317,551</u> | <u>\$ 298,403</u> | <u>\$ 815,251</u> |

| | Cash and Investments 01-01-09 | Receipts | Disbursements | Cash and Investments 12-31-09 |
|--------------------------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 87,225 | \$ 79,749 | \$ 117,285 | \$ 49,689 |
| Motor Vehicle Highway | 10,000 | 40,426 | 11,047 | 39,379 |
| Local Road and Street | 11,509 | 2,184 | 4,709 | 8,984 |
| Playground Improvement | - | 85,000 | 68,700 | 16,300 |
| Law Enforcement Continuing Education | 139 | 46 | - | 185 |
| Riverboat | 702,555 | 173,851 | 174,464 | 701,942 |
| Rainy Day | 823 | 705 | - | 1,528 |
| Grant Fund | 127 | - | - | 127 |
| Cumulative Capital Improvement | 2,873 | 871 | - | 3,744 |
| Totals | <u>\$ 815,251</u> | <u>\$ 382,832</u> | <u>\$ 376,205</u> | <u>\$ 821,878</u> |

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

TOWN OF WEST HARRISON
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, 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 WEST HARRISON
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The Town does not maintain a detailed inventory of capital asset.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was included in prior Report B33681.

TOWN OF WEST HARRISON
EXIT CONFERENCE

The contents of this report were discussed on September 13, 2010, with Sherry Kaeser, Clerk-Treasurer, and Inetta Jo Wesley, President of the Town Council. The officials concurred with our finding.