

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

EXAMINATION REPORT
OF
TOWN OF CENTER POINT
CLAY COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/30/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Roger A. Campbell	01-01-08 to 12-31-11
President of the Town Council	Roy A. Smith	01-01-08 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF CENTER POINT, CLAY COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Center 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 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 16, 2010

TOWN OF CENTER 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	\$ 59,466	\$ 23,920	\$ 24,732	\$ 58,654
Motor Vehicle Highway	33,691	8,162	6,728	35,125
Local Road and Street	3,078	2,037	1,899	3,216
Planning Commission	602	-	602	-
Rainy Day	6,940	838	274	7,504
Cumulative Capital Improvement	7,271	950	89	8,132
Proprietary Funds:				
Water Utility - Operating	35,997	102,583	95,464	43,116
Water Utility - Depreciation	13,325	13,144	26,403	66
Water Utility - Customer Deposit	8,628	250	1,878	7,000
Wastewater Utility - Operating	75,840	43,321	48,080	71,081
Wastewater Utility - Bond and Interest	15,848	15,000	14,174	16,674
Wastewater Utility - Depreciation	18,309	3,000	20,752	557
Wastewater Utility - Hydrant Rental	-	504	400	104
Totals	\$ 278,995	\$ 213,709	\$ 241,475	\$ 251,229

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 58,654	\$ 26,237	\$ 22,052	\$ 62,839
Motor Vehicle Highway	35,125	9,512	8,773	35,864
Local Road and Street	3,216	1,907	2,225	2,898
Rainy Day	7,504	1,827	7,500	1,831
Donation	-	400	240	160
Cumulative Capital Improvement	8,132	895	95	8,932
Cumulative Capital Development	-	1,168	-	1,168
Proprietary Funds:				
Water Utility - Operating	43,116	196,168	137,451	101,833
Water Utility - Depreciation	66	3,000	-	3,066
Water Utility - Customer Deposit	7,000	-	225	6,775
Wastewater Utility - Operating	71,081	43,030	41,275	72,836
Wastewater Utility - Bond and Interest	16,674	15,000	13,870	17,804
Wastewater Utility - Depreciation	557	3,000	-	3,557
Wastewater Utility - Customer Deposit	104	1,239	-	1,343
Totals	\$ 251,229	\$ 303,383	\$ 233,706	\$ 320,906

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

TOWN OF CENTER 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, 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 CENTER POINT
 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>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 65,000
<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Buildings	\$ 75,000
Improvements other than buildings	<u>275,000</u>
Total Water Utility capital assets	<u>350,000</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Improvements other than buildings	<u>200,000</u>
Total business-type activities capital assets	<u>\$ 550,000</u>

TOWN OF CENTER 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:		
2002 Wastewater Bonds	\$ 154,482	\$ 8,000

TOWN OF CENTER POINT
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Clerk-Treasurer did have a bond on file for each year of the examination; however, it was an annual renewal of a previously obtained bond.

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. . . ."

Public Law 176, House Enrolled Act 1514, amended IC 5-4-1-18 to require city and town clerk-treasurers to obtain individual surety bonds in an amount set by the city or town fiscal body. It is our audit position that clerk-treasurers are required to obtain the required surety bond coverage on an annual basis.

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
General	2008	<u>\$ 2,131</u>

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF CENTER POINT
EXIT CONFERENCE

The contents of this report were discussed on September 16, 2010, with Roger A. Campbell, Clerk-Treasurer, and Roy A. Smith, President of the Town Council. The officials concurred with our findings.