

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

EXAMINATION REPORT  
OF  
TOWN OF AMO  
HENDRICKS COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
12/29/2010



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Barbara Strahl

01-05-08 to 12-31-10

President of the Town Council

Reid A. Haney  
Donna Watson

01-01-08 to 12-03-08  
12-04-08 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF AMO, HENDRICKS COUNTY, INDIANA

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

October 19, 2010

TOWN OF AMO  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 46,741	\$ 89,049	\$ 89,153	\$ 46,637
Motor Vehicle Highway	34,366	12,051	6,894	39,523
Local Road and Street	91,735	12,975	1,041	103,669
Law Enforcement Continuing Education	764	42	-	806
Riverboat	13,055	-	-	13,055
Rainy Day	3,507	-	2,533	974
Levy Excess	826	-	826	-
Cumulative Capital Improvement	7,052	1,346	-	8,398
Economic Development Income Tax	21,378	13,347	2,930	31,795
Police Car	1,772	7,580	6,651	2,701
K-9 Unit	250	-	-	250
Fire Truck	8,000	10,000	7,000	11,000
Interurban DOC Grant	11,934	600	270	12,264
Fiduciary Fund:				
Payroll Withholding	1,562	6,548	6,697	1,413
Totals	<u>\$ 242,942</u>	<u>\$ 153,538</u>	<u>\$ 123,995</u>	<u>\$ 272,485</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 46,637	\$ 109,526	\$ 89,865	\$ 66,298
Motor Vehicle Highway	39,523	11,757	9,700	41,580
Local Road and Street	103,669	19,947	86,557	37,059
Law Enforcement Continuing Education	806	227	-	1,033
Riverboat	13,055	2,591	-	15,646
Rainy Day	974	-	-	974
Cumulative Capital Improvement	8,398	1,270	-	9,668
Economic Development Income Tax	31,795	11,010	3,799	39,006
Police Car	2,701	-	-	2,701
K-9 Unit	250	-	-	250
Fire Truck	11,000	-	-	11,000
Interurban DOC Grant	12,264	-	254	12,010
Stormwater Project	-	372,559	339,959	32,600
Fiduciary Fund:				
Payroll Withholding	1,413	6,416	6,337	1,492
Totals	<u>\$ 272,485</u>	<u>\$ 535,303</u>	<u>\$ 536,471</u>	<u>\$ 271,317</u>

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

TOWN OF AMO  
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 AMO  
EXAMINATION RESULTS AND COMMENTS

OLD OUTSTANDING CHECKS (WARRANTS)

A review of the bank reconcilements as of December 31, 2008, and December 31, 2009, revealed warrants outstanding in excess of two years.

IC 5-11-10.5-2 states in part:

"All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

IC 5-11-10.5-3 states:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the: (1) board of finance of the political subdivision; or (2) the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

IC 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

TOWN OF AMO  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

CAPITAL ASSET RECORDS

As stated in prior Report B32344, the Town does not maintain a complete record of capital assets owned by the Town.

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)

OFFICIAL BONDS

The official bonds for the Clerk-Treasurer for the period examined were not filed in the Office of the County Recorder.

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. . . ."

TOWN OF AMO  
EXIT CONFERENCE

The contents of this report were discussed on October 19, 2010, with Barbara Strahl, Clerk-Treasurer, and Donna Watson, President of the Town Council. The officials concurred with our findings.