

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

EXAMINATION REPORT  
OF  
TOWN OF AKRON  
FULTON COUNTY, INDIANA  
January 1, 2009 to December 31, 2010



**FILED**  
08/16/2011



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Jill Runkle  
Melinda Kamp

01-01-08 to 12-17-10  
12-18-10 to 12-31-11

President of the Town Council

Roger Gearhart

01-01-09 to 12-31-11



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF AKRON, FULTON COUNTY, INDIANA

We have examined the financial statements of the Town of Akron (Town), for the period of January 1, 2009 to December 31, 2010. The Town's management is responsible for the financial statements. 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statements. They have not been subjected to the examination procedures applied to the financial statements, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, the Town Council and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

May 31, 2011

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FINANCIAL STATEMENT(S)

TOWN OF AKRON  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General Fund	\$ 30,153	\$ 286,741	\$ 263,466	\$ 53,428
Petty Cash	50	-	-	50
Motor Vehicle Highway	80,424	28,872	54,286	55,010
Local Road and Street	17,959	3,749	4,025	17,683
Park Board Operating Fund	436	912	1,267	81
Community Host Fee	20,792	16,099	5,000	31,891
Law Enforce.Cont.Ed.	2,986	18,498	1,774	19,710
Riverboat Wagering Tax	13,535	-	-	13,535
Cops Grant 2009	-	6,906	4,729	2,177
Rainy Day Fund	25,009	4,586	1,067	28,528
General-Savings Account	1,008	-	-	1,008
Street Tree Fund	500	440	400	540
Public Safety Funds	-	22,378	16,555	5,823
Cumulative Capital Improvement	11,844	3,309	-	15,153
Cumulative Capital Development	60,992	7,210	-	68,202
Park Board Capital Fund	50	-	-	50
Police Dept Equip Fund	40	-	-	40
Cumulative Fire Fund	26,488	6,454	-	32,942
Hike - Bike Trail	16,516	5,046	20,256	1,306
Payroll	812	272,455	272,462	805
Trash Pickup	25,325	13,693	10,834	28,184
Wastewater Operating	18,263	247,695	223,243	42,715
Wastewater-Bond&Interest	44,220	74,955	57,520	61,655
Wastewater Improvement	21,797	93	-	21,890
Wastewater Construction	55,144	205	55,349	-
Wastewater-Debt Serv Res	47,138	47,670	-	94,808
Water Util Operating	54,790	272,522	246,844	80,468
Water Bond And Interest	50,760	79,213	78,598	51,375
Water Utility Improvement	47,202	7,350	43,191	11,361
Water Meter Deposit	17,812	3,610	3,512	17,910
Water Debt service Reserv	78,128	2,013	-	80,141
Totals	<u>\$ 770,173</u>	<u>\$ 1,432,674</u>	<u>\$ 1,364,378</u>	<u>\$ 838,469</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF AKRON  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	\$ 53,428	\$ 283,079	\$ 320,133	\$ 16,374
Petty Cash	50	-	-	50
Mvh	55,010	106,774	67,842	93,942
Lrs	17,683	3,784	2,000	19,467
Park Board Operating Fund	81	1,002	1,074	9
Community Host Fee	31,891	37,058	34,591	34,358
Law Enforce.Cont.Ed.	19,710	1,193	9,303	11,600
Riverboat Wagering Tax	13,535	6,733	-	20,268
Cops Grant 2009	2,177	46,095	41,095	7,177
Rainy Day Fund	28,528	9,498	20,204	17,822
General-Savings Account	1,008	-	1,008	-
Levy Excess Fund	-	643	-	643
Street Tree Fund	540	75	575	40
Public Safety Funds	5,823	21,037	17,870	8,990
C C I	15,153	1,546	-	16,699
C C D	68,202	7,318	27,409	48,111
Park Board Capital Fund	50	-	-	50
Police Dept Equip Fund	40	-	-	40
Cumulative Fire Fund	32,942	4,005	779	36,168
Hike - Bike Trail	1,306	40,964	140,880	(98,610)
Payroll	805	287,160	287,260	705
Trash Pickup	28,184	15,487	20,947	22,724
Wastewater Operating	42,715	247,332	250,367	39,680
Wastewater-Bond&Interest	61,655	56,451	56,320	61,786
Wastewater Improvement	21,890	59	-	21,949
Wastewater-Debt Serv Res	94,808	44	-	94,852
Water Util Operating	80,468	293,591	282,030	92,029
Water Bond And Interest	51,375	78,395	78,550	51,220
Water Util Improvement	11,361	11,877	293	22,945
Water Meter Deposit	17,910	6,589	4,286	20,213
Water Debt service Reserv	80,141	98	-	80,239
Totals	<u>\$ 838,469</u>	<u>\$ 1,567,887</u>	<u>\$ 1,664,816</u>	<u>\$ 741,540</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF AKRON  
NOTES TO FINANCIAL STATEMENT(S)

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement(s) present(s) the financial information for the Town (primary government), and does not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

*B. Basis of Accounting*

The financial statement(s) are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF AKRON  
NOTES TO FINANCIAL STATEMENT(S)  
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

TOWN OF AKRON  
NOTES TO FINANCIAL STATEMENT(S)  
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

The Town may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

*G. Fund Accounting*

Separate funds are established, maintained, and reported by the Town. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Town. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Town submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

TOWN OF AKRON  
NOTES TO FINANCIAL STATEMENT(S)  
(Continued)

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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.

**Note 5. Risk Management**

The Town may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

**Note 6. Pension Plan(s)**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

TOWN OF AKRON  
NOTES TO FINANCIAL STATEMENT(S)  
(Continued)

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town of Akron's Annual Report(s) can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009

	General Fund	Petty Cash	Motor Vehicle Highway	Local Road and Street	Park Board Operating Fund	Community Host Fee	Law Enforce.Cont.Ed.	Riverboat Wagering Tax
Cash and investments - beginning	\$ 30,153	\$ 50	\$ 80,424	\$ 17,959	\$ 436	\$ 20,792	\$ 2,986	\$ 13,535
Receipts:								
Taxes	163,492	-	-	-	-	-	-	-
Licenses and permits	15	-	-	-	-	-	170	-
Intergovernmental	92,040	-	28,107	3,743	-	-	-	-
Charges for services	-	-	720	-	912	-	35	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	31,194	-	45	6	-	16,099	18,293	-
Total receipts	<u>286,741</u>	<u>-</u>	<u>28,872</u>	<u>3,749</u>	<u>912</u>	<u>16,099</u>	<u>18,498</u>	<u>-</u>
Disbursements:								
Personal services	178,131	-	18,325	-	-	-	-	-
Supplies	9,338	-	23,467	-	1,204	-	-	-
Other services and charges	52,575	-	-	2,725	63	-	1,774	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	4,559	1,300	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	23,422	-	7,935	-	-	5,000	-	-
Total disbursements	<u>263,466</u>	<u>-</u>	<u>54,286</u>	<u>4,025</u>	<u>1,267</u>	<u>5,000</u>	<u>1,774</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>23,275</u>	<u>-</u>	<u>(25,414)</u>	<u>(276)</u>	<u>(355)</u>	<u>11,099</u>	<u>16,724</u>	<u>-</u>
Cash and investments - ending	<u>\$ 53,428</u>	<u>\$ 50</u>	<u>\$ 55,010</u>	<u>\$ 17,683</u>	<u>\$ 81</u>	<u>\$ 31,891</u>	<u>\$ 19,710</u>	<u>\$ 13,535</u>

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Cops Grant 2009	Rainy Day Fund	General-Savings Account	Street Tree Fund	Public Safety Funds	Cumulative Capital Improvement	Cumulative Capital Development	Park Board Capital Fund
Cash and investments - beginning	\$ -	\$ 25,009	\$ 1,008	\$ 500	\$ -	\$ 11,844	\$ 60,992	\$ 50
Receipts:								
Taxes	-	-	-	-	-	-	6,234	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	6,906	4,586	-	-	22,378	3,299	953	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	-	-	440	-	10	23	-
Total receipts	6,906	4,586	-	440	22,378	3,309	7,210	-
Disbursements:								
Personal services	4,729	-	-	-	16,555	-	-	-
Supplies	-	1,067	-	-	-	-	-	-
Other services and charges	-	-	-	400	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	4,729	1,067	-	400	16,555	-	-	-
Excess (deficiency) of receipts over disbursements	2,177	3,519	-	40	5,823	3,309	7,210	-
Cash and investments - ending	\$ 2,177	\$ 28,528	\$ 1,008	\$ 540	\$ 5,823	\$ 15,153	\$ 68,202	\$ 50

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Police Dept Equip Fund	Cumulative Fire Fund	Hike Bike Trail	Payroll	Trash Pickup	Wastewater Operating	Wastewater-Bond&Interest	Wastewater Improvement
Cash and investments - beginning	\$ 40	\$ 26,488	\$ 16,516	\$ 812	\$ 25,325	\$ 18,263	\$ 44,220	\$ 21,797
Receipts:								
Taxes	-	5,566	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	850	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	13,651	240,868	-	-
Penalties	-	-	-	-	-	68	-	-
Other receipts	-	38	5,046	272,455	42	6,759	74,955	93
Total receipts	-	6,454	5,046	272,455	13,693	247,695	74,955	93
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	20,256	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	57,520	-
Capital outlay	-	-	-	-	780	2,593	-	-
Utility operating expenses	-	-	-	-	8,511	129,522	-	-
Other disbursements	-	-	-	272,462	1,543	91,128	-	-
Total disbursements	-	-	20,256	272,462	10,834	223,243	57,520	-
Excess (deficiency) of receipts over disbursements	-	6,454	(15,210)	(7)	2,859	24,452	17,435	93
Cash and investments - ending	\$ 40	\$ 32,942	\$ 1,306	\$ 805	\$ 28,184	\$ 42,715	\$ 61,655	\$ 21,890

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Wastewater Construction	Wastewater-Debt Serv Res	Water Util Operating	Water Bond And Interest	Water Utility Improvement	Water Meter Deposit	Water Debt service Reserv	Totals
Cash and investments - beginning	\$ 55,144	\$ 47,138	\$ 54,790	\$ 50,760	\$ 47,202	\$ 17,812	\$ 78,128	\$ 770,173
Receipts:								
Taxes	-	-	-	-	-	-	-	175,292
Licenses and permits	-	-	-	-	-	-	-	185
Intergovernmental	-	-	-	-	-	-	-	162,862
Charges for services	-	-	-	-	-	-	-	1,667
Utility fees	-	-	235,478	-	-	-	-	489,997
Penalties	-	-	-	-	-	-	-	68
Other receipts	205	47,670	37,044	79,213	7,350	3,610	2,013	602,603
Total receipts	205	47,670	272,522	79,213	7,350	3,610	2,013	1,432,674
Disbursements:								
Personal services	-	-	-	-	-	-	-	217,740
Supplies	-	-	-	-	-	-	-	35,076
Other services and charges	-	-	-	-	-	-	-	77,793
Debt service - principal and interest	-	-	-	78,598	-	-	-	136,118
Capital outlay	-	-	3,388	-	43,191	-	-	55,811
Utility operating expenses	-	-	160,803	-	-	3,275	-	302,111
Other disbursements	55,349	-	82,653	-	-	237	-	539,729
Total disbursements	55,349	-	246,844	78,598	43,191	3,512	-	1,364,378
Excess (deficiency) of receipts over disbursements	(55,144)	47,670	25,678	615	(35,841)	98	2,013	68,296
Cash and investments - ending	\$ -	\$ 94,808	\$ 80,468	\$ 51,375	\$ 11,361	\$ 17,910	\$ 80,141	\$ 838,469

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	General Fund	Petty Cash	Mvh	Lrs	Park Board Operating Fund	Community Host Fee	Law Enforce.Cont.Ed.	Riverboat Wagering Tax
Cash and investments - beginning	\$ 53,428	\$ 50	\$ 55,010	\$ 17,683	\$ 81	\$ 31,891	\$ 19,710	\$ 13,535
Receipts:								
Taxes	175,352	-	14,491	-	-	-	-	-
Licenses and permits	65	-	-	-	-	-	30	-
Intergovernmental	74,396	-	41,454	3,780	-	-	-	6,733
Charges for services	1	-	720	-	902	-	50	-
Fines and forfeits	-	-	-	-	-	-	125	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	33,265	-	50,109	4	100	37,058	988	-
Total receipts	283,079	-	106,774	3,784	1,002	37,058	1,193	6,733
Disbursements:								
Personal services	152,127	-	19,679	-	-	-	-	-
Supplies	10,744	-	21,433	-	-	-	-	-
Other services and charges	71,408	-	6,730	-	1,074	-	1,004	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	20,000	2,000	-	7,991	8,299	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	85,854	-	-	-	-	26,600	-	-
Total disbursements	320,133	-	67,842	2,000	1,074	34,591	9,303	-
Excess (deficiency) of receipts over disbursements	(37,054)	-	38,932	1,784	(72)	2,467	(8,110)	6,733
Cash and investments - ending	\$ 16,374	\$ 50	\$ 93,942	\$ 19,467	\$ 9	\$ 34,358	\$ 11,600	\$ 20,268

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Cops Grant 2009	Rainy Day Fund	General-Savings Account	Levy Excess Fund	Street Tree Fund	Public Safety Funds	C C I	C C D
Cash and investments - beginning	\$ 2,177	\$ 28,528	\$ 1,008	\$ -	\$ 540	\$ 5,823	\$ 15,153	\$ 68,202
Receipts:								
Taxes	-	-	-	-	-	-	-	6,792
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	46,095	9,498	-	-	-	21,037	1,512	511
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	643	75	-	34	15
Total receipts	46,095	9,498	-	643	75	21,037	1,546	7,318
Disbursements:								
Personal services	41,095	-	-	-	-	17,870	-	-
Supplies	-	3,764	-	-	-	-	-	-
Other services and charges	-	-	-	-	575	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	16,440	-	-	-	-	-	27,409
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	1,008	-	-	-	-	-
Total disbursements	41,095	20,204	1,008	-	575	17,870	-	27,409
Excess (deficiency) of receipts over disbursements	5,000	(10,706)	(1,008)	643	(500)	3,167	1,546	(20,091)
Cash and investments - ending	\$ 7,177	\$ 17,822	\$ -	\$ 643	\$ 40	\$ 8,990	\$ 16,699	\$ 48,111

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Park Board Capital Fund	Police Dept Equip Fund	Cumulative Fire Fund	Hike - Bike Trail	Payroll	Trash Pickup	Wastewater Operating	Wastewater-Bond&Interest
Cash and investments - beginning	\$ 50	\$ 40	\$ 32,942	\$ 1,306	\$ 805	\$ 28,184	\$ 42,715	\$ 61,655
Receipts:								
Taxes	-	-	2,205	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	1,777	11,946	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	15,382	239,241	-
Other receipts	-	-	23	29,018	287,160	105	8,091	56,451
Total receipts	-	-	4,005	40,964	287,160	15,487	247,332	56,451
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	437	10,285	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	56,320
Capital outlay	-	-	342	125,595	-	166	13,141	-
Utility operating expenses	-	-	-	-	-	14,767	141,428	-
Other disbursements	-	-	-	5,000	287,260	6,014	95,798	-
Total disbursements	-	-	779	140,880	287,260	20,947	250,367	56,320
Excess (deficiency) of receipts over disbursements	-	-	3,226	(99,916)	(100)	(5,460)	(3,035)	131
Cash and investments - ending	\$ 50	\$ 40	\$ 36,168	\$ (98,610)	\$ 705	\$ 22,724	\$ 39,680	\$ 61,786

TOWN OF AKRON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Wastewater Improvement	Wastewater-Debt Serv Res	Water Util Operating	Water Bond And Interest	Water Util Improvement	Water Meter Deposit	Water Debt-service Reserv	Totals
Cash and investments - beginning	\$ 21,890	\$ 94,808	\$ 80,468	\$ 51,375	\$ 11,361	\$ 17,910	\$ 80,141	\$ 838,469
Receipts:								
Taxes	-	-	-	-	-	-	-	198,840
Licenses and permits	-	-	-	-	-	-	-	95
Intergovernmental	-	-	-	-	-	-	-	218,739
Charges for services	-	-	-	-	-	-	-	1,673
Fines and forfeits	-	-	-	-	-	-	-	125
Utility fees	-	-	255,242	-	-	-	-	509,865
Other receipts	59	44	38,349	78,395	11,877	6,589	98	638,550
Total receipts	59	44	293,591	78,395	11,877	6,589	98	1,567,887
Disbursements:								
Personal services	-	-	-	-	-	-	-	230,771
Supplies	-	-	-	-	-	-	-	35,941
Other services and charges	-	-	-	-	-	-	-	91,513
Debt service - principal and interest	-	-	-	78,550	-	-	-	134,870
Capital outlay	-	-	14,252	-	293	-	-	235,928
Utility operating expenses	-	-	187,546	-	-	4,250	-	347,991
Other disbursements	-	-	80,232	-	-	36	-	587,802
Total disbursements	-	-	282,030	78,550	293	4,286	-	1,664,816
Excess (deficiency) of receipts over disbursements	59	44	11,561	(155)	11,584	2,303	98	(96,929)
Cash and investments - ending	\$ 21,949	\$ 94,852	\$ 92,029	\$ 51,220	\$ 22,945	\$ 20,213	\$ 80,239	\$ 741,540

TOWN OF AKRON  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2010

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:	
Land	\$ 51,091
Buildings	982,829
Improvements other than buildings	265,296
Machinery and equipment	<u>571,404</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,870,620</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 6,208
Buildings	644,417
Improvements other than buildings	1,650,260
Machinery and equipment	<u>382,700</u>
Total Water Utility capital assets	<u>2,683,585</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	21,512
Buildings	83,727
Improvements other than buildings	2,125,996
Machinery and equipment	<u>250,015</u>
Total Wastewater Utility capital assets	<u>2,481,250</u>
Total business-type activities capital assets	<u>\$ 5,164,835</u>

TOWN OF AKRON  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type Activities:		
Water Utility:		
Revenue bonds:		
1998 Waterworks	1,149,000	78,453
Total Water Utility	1,149,000	78,453
Wastewater Utility:		
Notes and loans payable		
Temporary Loan from Waterworks	8,000	8,000
Temporary Loan from Town		
Revenue bonds:		
2001 Wastewater Improvements	290,000	35,275
2007 Wastewater Expansion	310,000	19,845
Total Wastewater Utility	608,000	63,120
Total business-type activities debt	\$ 1,757,000	\$ 141,573

TOWN OF AKRON  
EXAMINATION RESULT(S) AND COMMENT(S)

***OFFICIAL BOND***

The Clerk-Treasurer's Official Bond for 2010 was less than the \$30,000 required by Indiana Statute.

Public Law 176, House Enrolled Act 1514, effective July 1, 2009, raised the minimum amount of the official bonds for city and town clerk-treasurers to \$30,000. The amount of annual coverage may not be less than \$30,000 and no more than \$300,000, unless the fiscal body approves a greater amount of coverage. (IC 5-4-1-18) (Cities and Towns Bulletins and Uniform Compliance Guidelines, June 2009)

***OVERPAYMENT COLLECTIONS***

Overpayments for a Health Saving Account (Town's Portion) of \$1,125 were made in error on behalf of a Town employee. Repayments are currently being made at \$100 per month.

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***DELINQUENT ACCOUNTS RECEIVABLE***

Ordinance 9-20-2005A established the shut-off policy for delinquent customers. We noted instances where the shut-off policy was not always enforced against city employees.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***PENALTIES, INTEREST, AND OTHER CHARGES***

Penalties and interest totaling \$115.07 were paid to the Indiana Department of Revenue for delinquent sales tax for the period October 2009.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF AKRON  
EXIT CONFERENCE

The contents of this report were discussed on May 31, 2011, with Melinda Kamp, Clerk-Treasurer, and Roger Gearhart, President of the Town Council. The officials concurred with our findings.