

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

EXAMINATION REPORT
OF
TOWN OF THORNTOWN
BOONE COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
08/24/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Peggy Vaughn Tracey Vaughn	01-01-04 to 04-18-10 04-19-10 to 12-31-11
Town Court Judge	Donald Vaughn	01-01-04 to 12-31-11
President of the Town Council	Pat McPeak	01-01-09 to 12-31-11
President of the Utility Service Board	Mike Spear Jerry Collier Mike Spear	01-01-09 to 12-31-09 01-01-10 to 10-06-10 10-07-10 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 THORNTOWN, BOONE COUNTY, INDIANA

We have examined the financial statements of the Town of Thorntown (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 Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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, Town Council and Utility Service Board, 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

July 26, 2011

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FINANCIAL STATEMENTS

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

	Cash and Investments			Cash and Investments
	01-01-09	Receipts	Disbursements	12-31-09
General	\$ 219,697	\$ 405,150	\$ 515,687	\$ 109,160
Motor Vehicle Highway	164,753	41,690	79,871	126,572
Local Road And Street	42,492	9,709	30,000	22,201
Firearms Training	1,538	790	663	1,665
Law Enforcement Continuing Ed	99,367	9,669	-	109,036
Clerk's Records Perpetuation	6,418	10,000	3,628	12,790
Park Donation	38	25	-	63
Rainy Day	37,242	17,321	7,308	47,255
Operation Pullover	1,048	5,238	5,920	366
Police Donation	-	3,274	340	2,934
Street & Sign Repair	522	-	-	522
County Court Fund	-	38,222	38,222	-
Police & Accident Report	909	10	-	919
Idnr Training	67	-	11	56
Town Police Training	3,341	1,305	2,120	2,526
General Excess Levy	2,892	-	-	2,892
Ccd Excess Levy	1,284	-	-	1,284
Cumulative Capl Imprv Cigarette Tax	31,159	4,789	-	35,948
Cumulative Capital Development	61,736	5,791	6,694	60,833
Payroll	7,070	559,077	562,323	3,824
Town Court	76,237	413,531	419,073	70,695
Electric Utility-Operating	1,459,695	1,163,999	1,212,334	1,411,360
Electric Utility-Deprec/Improve	252,181	12,443	-	264,624
Electric Utility-Customer Deposit	36,588	7,439	5,419	38,608
Wastewater Utility-Operating	561,145	133,284	159,700	534,729
Wastewater Utility-Deprec/Improve	87,426	16,931	45,655	58,702
Wastewater Utility-Customer Deposit	7,429	1,525	1,132	7,822
Water Utility-Operating	287,589	175,428	155,044	307,973
Water Utility-Depreciation/Improve	35,624	3,881	-	39,505
Water Utility-Customer Deposit	7,721	1,525	1,128	8,118
	<u>\$ 3,493,208</u>	<u>\$ 3,042,046</u>	<u>\$ 3,252,272</u>	<u>\$ 3,282,982</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF THORNTOWN
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	\$ 109,160	\$ 516,763	\$ 482,999	\$ 142,924
Motor Vehicle Highway	126,572	41,272	25,963	141,881
Local Road & Street	22,201	10,055	-	32,256
Police & Accident Reports	919	10	-	929
Firearms Training	1,665	750	831	1,584
Fire Station	-	321,286	321,286	-
Lece-User Fees	109,036	9,107	25,089	93,054
Clerks Record Perpetuatio	12,790	-	3,666	9,124
Idnr Training	56	-	-	56
Comprehensive Plan	-	49,500	49,500	-
Park Donation	63	1,444	-	1,507
Rainy Day	47,255	15,322	33,316	29,261
Town Police Training	2,526	3,191	-	5,717
General Excess Levy	2,892	366	-	3,258
CCD Excess Levy	1,284	-	-	1,284
Police Donation	2,934	1,194	2,961	1,167
Operation Pullover	366	3,308	3,472	202
County Court	-	38,489	2,092	36,397
Street & Sign Repair	522	-	-	522
Cum Cap Imp - Cig Tax	35,948	4,574	27,500	13,022
Cum Cap Development	60,833	12,348	51,740	21,441
Fire Truck	-	225,305	132,970	92,335
Payroll	3,824	584,164	580,488	7,500
Town Court	70,695	522,921	499,521	94,095
Electric Utl Operating	1,411,360	1,421,778	1,255,576	1,577,562
Electric Utl Depreciati	264,624	13,502	-	278,126
Electric Utl Meter Dep	38,608	7,411	6,328	39,691
Wastewater Operating	534,729	168,206	318,267	384,668
Wastewater Depreciation	58,702	16,917	14,344	61,275
Wastewater Deposit	7,822	1,449	1,115	8,156
Water Utility Operating	307,973	184,902	173,548	319,327
Water Utl Depreciation	39,505	3,812	-	43,317
Water Utl Meter Deposit	8,118	1,451	1,129	8,440
	<u>\$ 3,282,982</u>	<u>\$ 4,180,797</u>	<u>\$ 4,013,701</u>	<u>\$ 3,450,078</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF THORNTOWN, BOONE COUNTY
NOTES TO FINANCIAL STATEMENTS

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 statements 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 THORNTOWN, BOONE COUNTY
NOTES TO FINANCIAL STATEMENTS
(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 THORNTOWN, BOONE COUNTY
NOTES TO FINANCIAL STATEMENTS
(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 THORNTOWN, BOONE COUNTY
NOTES TO FINANCIAL STATEMENTS
(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 THORNTOWN, BOONE COUNTY
NOTES TO FINANCIAL STATEMENTS
(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 Thorntown's Annual Reports can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

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

	General	Motor Vehicle Highway	Local Road And Street	Firearms Training	Law Enforcement Continuing Ed	Clerk's Records Perpetuation	Park Donation
Cash and investments - beginning	\$ 219,697	\$ 164,753	\$ 42,492	\$ 1,538	\$ 99,367	\$ 6,418	\$ 38
Receipts:							
Taxes	101,965	-	-	-	-	-	-
Licenses and permits	2,210	-	-	790	-	-	-
Intergovernmental	150,251	41,690	9,709	-	-	-	-
Charges for services	15,187	-	-	-	-	-	-
Fines and forfeits	70,200	-	-	-	9,669	10,000	-
Utility fees	-	-	-	-	-	-	-
Other receipts	65,337	-	-	-	-	-	25
Total receipts	<u>405,150</u>	<u>41,690</u>	<u>9,709</u>	<u>790</u>	<u>9,669</u>	<u>10,000</u>	<u>25</u>
Disbursements:							
Personal services	281,187	8,918	-	-	-	-	-
Supplies	44,608	780	-	663	-	955	-
Other services and charges	106,768	70,173	30,000	-	-	1,500	-
Capital outlay	-	-	-	-	-	1,173	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	83,124	-	-	-	-	-	-
Total disbursements	<u>515,687</u>	<u>79,871</u>	<u>30,000</u>	<u>663</u>	<u>-</u>	<u>3,628</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(110,537)</u>	<u>(38,181)</u>	<u>(20,291)</u>	<u>127</u>	<u>9,669</u>	<u>6,372</u>	<u>25</u>
Cash and investments - ending	<u>\$ 109,160</u>	<u>\$ 126,572</u>	<u>\$ 22,201</u>	<u>\$ 1,665</u>	<u>\$ 109,036</u>	<u>\$ 12,790</u>	<u>\$ 63</u>

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

	Rainy Day	Operation Pullover	Police Donation	Street & Sign Repair	County Court Fund	Police & Accident Report
Cash and investments - beginning	\$ 37,242	\$ 1,048	\$ -	\$ 522	\$ -	\$ 909
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	17,321	5,238	-	-	-	-
Charges for services	-	-	-	-	-	10
Fines and forfeits	-	-	-	-	38,222	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	3,274	-	-	-
Total receipts	<u>17,321</u>	<u>5,238</u>	<u>3,274</u>	<u>-</u>	<u>38,222</u>	<u>10</u>
Disbursements:						
Personal services	-	5,704	-	-	-	-
Supplies	7,308	-	-	-	-	-
Other services and charges	-	-	290	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	216	50	-	38,222	-
Total disbursements	<u>7,308</u>	<u>5,920</u>	<u>340</u>	<u>-</u>	<u>38,222</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>10,013</u>	<u>(682)</u>	<u>2,934</u>	<u>-</u>	<u>-</u>	<u>10</u>
Cash and investments - ending	<u>\$ 47,255</u>	<u>\$ 366</u>	<u>\$ 2,934</u>	<u>\$ 522</u>	<u>\$ -</u>	<u>\$ 919</u>

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

	Idnr Training	Town Police Training	General Excess Levy	Ccd Excess Levy	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ 67	\$ 3,341	\$ 2,892	\$ 1,284	\$ 31,159	\$ 61,736
Receipts:						
Taxes	-	-	-	-	-	5,197
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	4,789	594
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	1,305	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>1,305</u>	<u>-</u>	<u>-</u>	<u>4,789</u>	<u>5,791</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	2,120	-	-	-	4,577
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	11	-	-	-	-	2,117
Total disbursements	<u>11</u>	<u>2,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,694</u>
Excess (deficiency) of receipts over disbursements	<u>(11)</u>	<u>(815)</u>	<u>-</u>	<u>-</u>	<u>4,789</u>	<u>(903)</u>
Cash and investments - ending	<u>\$ 56</u>	<u>\$ 2,526</u>	<u>\$ 2,892</u>	<u>\$ 1,284</u>	<u>\$ 35,948</u>	<u>\$ 60,833</u>

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

	<u>Payroll</u>	<u>Town Court</u>	<u>Electric Utility-Operating</u>	<u>Electric Utility-Deprec/Improve</u>	<u>Electric Utility-Customer Deposit</u>	<u>Wastewater Utility-Operating</u>
Cash and investments - beginning	\$ 7,070	\$ 76,237	\$ 1,459,695	\$ 252,181	\$ 36,588	\$ 561,145
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	1,087,888	-	-	128,319
Other receipts	559,077	413,531	76,111	12,443	7,439	4,965
Total receipts	<u>559,077</u>	<u>413,531</u>	<u>1,163,999</u>	<u>12,443</u>	<u>7,439</u>	<u>133,284</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	1,053,023	-	5,419	101,676
Other disbursements	562,323	419,073	159,311	-	-	58,024
Total disbursements	<u>562,323</u>	<u>419,073</u>	<u>1,212,334</u>	<u>-</u>	<u>5,419</u>	<u>159,700</u>
Excess (deficiency) of receipts over disbursements	<u>(3,246)</u>	<u>(5,542)</u>	<u>(48,335)</u>	<u>12,443</u>	<u>2,020</u>	<u>(26,416)</u>
Cash and investments - ending	<u>\$ 3,824</u>	<u>\$ 70,695</u>	<u>\$ 1,411,360</u>	<u>\$ 264,624</u>	<u>\$ 38,608</u>	<u>\$ 534,729</u>

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

	Wastewater Utility-Deprec/Improve	Wastewater Utility-Customer Deposit	Water Utility-Operating	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 87,426	\$ 7,429	\$ 287,589	\$ 35,624	\$ 7,721	\$ 3,493,208
Receipts:						
Taxes	-	-	-	-	-	107,162
Licenses and permits	-	-	-	-	-	3,000
Intergovernmental	-	-	-	-	-	229,592
Charges for services	-	-	-	-	-	15,197
Fines and forfeits	-	-	-	-	-	129,396
Utility fees	-	-	151,650	-	-	1,367,857
Other receipts	16,931	1,525	23,778	3,881	1,525	1,189,842
Total receipts	<u>16,931</u>	<u>1,525</u>	<u>175,428</u>	<u>3,881</u>	<u>1,525</u>	<u>3,042,046</u>
Disbursements:						
Personal services	-	-	-	-	-	295,809
Supplies	-	-	-	-	-	54,314
Other services and charges	-	-	-	-	-	215,428
Capital outlay	-	-	-	-	-	1,173
Utility operating expenses	-	1,132	116,023	-	1,128	1,278,401
Other disbursements	45,655	-	39,021	-	-	1,407,147
Total disbursements	<u>45,655</u>	<u>1,132</u>	<u>155,044</u>	<u>-</u>	<u>1,128</u>	<u>3,252,272</u>
Excess (deficiency) of receipts over disbursements	<u>(28,724)</u>	<u>393</u>	<u>20,384</u>	<u>3,881</u>	<u>397</u>	<u>(210,226)</u>
Cash and investments - ending	<u>\$ 58,702</u>	<u>\$ 7,822</u>	<u>\$ 307,973</u>	<u>\$ 39,505</u>	<u>\$ 8,118</u>	<u>\$ 3,282,982</u>

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

	General Fund	Motor Vehicle Highway	Local Road & Street	Police & Accident Reports	Firearms Training	Fire Station
Cash and investments - beginning	\$ 109,160	\$ 126,572	\$ 22,201	\$ 919	\$ 1,665	\$ -
Receipts:						
Taxes	159,032	-	-	-	-	-
Licenses and permits	790	-	-	-	750	-
Intergovernmental	188,602	41,272	10,055	-	-	321,286
Charges for services	20,832	-	-	10	-	-
Fines and forfeits	55,351	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	92,156	-	-	-	-	-
Total receipts	<u>516,763</u>	<u>41,272</u>	<u>10,055</u>	<u>10</u>	<u>750</u>	<u>321,286</u>
Disbursements:						
Personal services	304,508	9,463	-	-	-	-
Supplies	24,553	1,054	-	-	831	321,286
Other services and charges	107,445	15,446	-	-	-	-
Capital outlay	6,500	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	39,993	-	-	-	-	-
Total disbursements	<u>482,999</u>	<u>25,963</u>	<u>-</u>	<u>-</u>	<u>831</u>	<u>321,286</u>
Excess (deficiency) of receipts over disbursements	<u>33,764</u>	<u>15,309</u>	<u>10,055</u>	<u>10</u>	<u>(81)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 142,924</u>	<u>\$ 141,881</u>	<u>\$ 32,256</u>	<u>\$ 929</u>	<u>\$ 1,584</u>	<u>\$ -</u>

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

	Lece-User Fees	Clerks Record Perpetuatio	Idnr Training	Comprehensive Plan	Park Donation	Rainy Day
Cash and investments - beginning	\$ 109,036	\$ 12,790	\$ 56	\$ -	\$ 63	\$ 47,255
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	49,500	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	9,107	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	1,444	15,322
Total receipts	<u>9,107</u>	<u>-</u>	<u>-</u>	<u>49,500</u>	<u>1,444</u>	<u>15,322</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	25,089	887	-	49,500	-	13,316
Other services and charges	-	1,844	-	-	-	-
Capital outlay	-	935	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	20,000
Total disbursements	<u>25,089</u>	<u>3,666</u>	<u>-</u>	<u>49,500</u>	<u>-</u>	<u>33,316</u>
Excess (deficiency) of receipts over disbursements	<u>(15,982)</u>	<u>(3,666)</u>	<u>-</u>	<u>-</u>	<u>1,444</u>	<u>(17,994)</u>
Cash and investments - ending	<u>\$ 93,054</u>	<u>\$ 9,124</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 1,507</u>	<u>\$ 29,261</u>

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

	Town Police Training	General Excess Levy	CCD Excess Levy	Police Donation	Operation Pullover	County Court
Cash and investments - beginning	\$ 2,526	\$ 2,892	\$ 1,284	\$ 2,934	\$ 366	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	3,308	-
Fines and forfeits	3,191	-	-	-	-	38,489
Utility fees	-	-	-	-	-	-
Other receipts	-	366	-	1,194	-	-
Total receipts	<u>3,191</u>	<u>366</u>	<u>-</u>	<u>1,194</u>	<u>3,308</u>	<u>38,489</u>
Disbursements:						
Personal services	-	-	-	-	3,472	-
Supplies	-	-	-	2,961	-	2,092
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,961</u>	<u>3,472</u>	<u>2,092</u>
Excess (deficiency) of receipts over disbursements	<u>3,191</u>	<u>366</u>	<u>-</u>	<u>(1,767)</u>	<u>(164)</u>	<u>36,397</u>
Cash and investments - ending	<u>\$ 5,717</u>	<u>\$ 3,258</u>	<u>\$ 1,284</u>	<u>\$ 1,167</u>	<u>\$ 202</u>	<u>\$ 36,397</u>

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

	Street & Sign Repair	Cum Cap Imp - Cig Tax	Cum Cap Development	Fire Truck	Payroll	Town Court
Cash and investments - beginning	\$ 522	\$ 35,948	\$ 60,833	\$ -	\$ 3,824	\$ 70,695
Receipts:						
Taxes	-	-	10,451	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	4,574	1,897	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	225,305	584,164	522,921
Total receipts	-	4,574	12,348	225,305	584,164	522,921
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	1,549	-	-	-
Capital outlay	-	-	22,691	132,970	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	27,500	27,500	-	580,488	499,521
Total disbursements	-	27,500	51,740	132,970	580,488	499,521
Excess (deficiency) of receipts over disbursements	-	(22,926)	(39,392)	92,335	3,676	23,400
Cash and investments - ending	\$ 522	\$ 13,022	\$ 21,441	\$ 92,335	\$ 7,500	\$ 94,095

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

	Electric Utl Operating	Electric Utl Depreciati	Electric Utl Meter Dep	Wastewater Operating	Wastewater Depreciation
Cash and investments - beginning	\$ 1,411,360	\$ 264,624	\$ 38,608	\$ 534,729	\$ 58,702
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	1,205,767	-	-	-	-
Other receipts	216,011	13,502	7,411	168,206	16,917
Total receipts	<u>1,421,778</u>	<u>13,502</u>	<u>7,411</u>	<u>168,206</u>	<u>16,917</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	11,813	-	-	-	-
Utility operating expenses	1,159,242	-	-	151,059	-
Other disbursements	84,521	-	6,328	167,208	14,344
Total disbursements	<u>1,255,576</u>	<u>-</u>	<u>6,328</u>	<u>318,267</u>	<u>14,344</u>
Excess (deficiency) of receipts over disbursements	<u>166,202</u>	<u>13,502</u>	<u>1,083</u>	<u>(150,061)</u>	<u>2,573</u>
Cash and investments - ending	<u>\$ 1,577,562</u>	<u>\$ 278,126</u>	<u>\$ 39,691</u>	<u>\$ 384,668</u>	<u>\$ 61,275</u>

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

	Wastewater Deposit	Water Utility Operating	Water Utl Depreciation	Water Utl Meter Deposit	Totals
Cash and investments - beginning	\$ 7,822	\$ 307,973	\$ 39,505	\$ 8,118	\$ 3,282,982
Receipts:					
Taxes	-	-	-	-	169,483
Licenses and permits	-	-	-	-	1,540
Intergovernmental	-	-	-	-	617,186
Charges for services	-	-	-	-	24,150
Fines and forfeits	-	-	-	-	106,138
Utility fees	-	160,043	-	-	1,365,810
Other receipts	1,449	24,859	3,812	1,451	1,896,490
Total receipts	<u>1,449</u>	<u>184,902</u>	<u>3,812</u>	<u>1,451</u>	<u>4,180,797</u>
Disbursements:					
Personal services	-	-	-	-	317,443
Supplies	-	-	-	-	441,569
Other services and charges	-	-	-	-	126,284
Capital outlay	-	751	-	-	175,660
Utility operating expenses	-	150,915	-	-	1,461,216
Other disbursements	1,115	21,882	-	1,129	1,491,529
Total disbursements	<u>1,115</u>	<u>173,548</u>	<u>-</u>	<u>1,129</u>	<u>4,013,701</u>
Excess (deficiency) of receipts over disbursements	<u>334</u>	<u>11,354</u>	<u>3,812</u>	<u>322</u>	<u>167,096</u>
Cash and investments - ending	<u>\$ 8,156</u>	<u>\$ 319,327</u>	<u>\$ 43,317</u>	<u>\$ 8,440</u>	<u>\$ 3,450,078</u>

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

Public official bonds were not filed in the Office of the County Recorder for the following:

Peggy Vaughn, Clerk Treasurer – 2009 and 2010
Donald Vaughn, Town Judge – 2009 and 2010

Indiana Code 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. . . ."

CAPITAL ASSET RECORDS

The Town does not have a formal capitalization policy. The Town and Utilities do not maintain sufficient detailed records of capital assets on prescribed or approved forms. Upon purchase, the costs of the capital assets are added to an aggregate amount. Records providing historical costs for some of the Town and Utilities capital assets are not available.

The governing body should establish a capitalization policy that sets a dollar amount as a threshold to be used in determining which items will be recorded. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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 form. 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)

ANNUAL REPORT

The Annual Report submitted to the State Board of Accounts for 2010 was submitted later than sixty days after the close of the year. In addition, the 2009 Annual Report did not include \$15,458 of receipts and disbursements within the Fire Station fund and \$125,000 of disbursements for the Fire Truck fund. In 2010, the Electric Utility Operating fund receipts were not accurately inputted into the Annual Report, receipts totaling \$476,943.91 were not included. Therefore, the Annual Report for both 2009 and 2010 did not accurately reflect the financial transactions of the Town and Utilities.

Indiana Code 5-11-1-4(a) concerning annual reports, states in part: ". . . these reports shall be prepared, verified, and filed with the state examiner no later than sixty (60) days after the close of each fiscal year."

REMITTANCE OF COURT COSTS AND FEES

Collections of court costs and fees were not remitted to the County or the State of Indiana on a timely basis. Delays of up to five months were noted during the audit period.

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 33-37-7-8 states in part:

"(a) The clerk of a city or town court shall distribute semiannually to the auditor of state as the state share for deposit in the homeowner protection unit account established by IC 4-6-12-9 one hundred percent (100%) of the automated record keeping fees collected under IC 33-37-5-21 with respect to actions resulting in the accused person entering into a pretrial diversion program agreement under IC 33-39-1-8 or a deferral program agreement under IC 34-28-5-1 and for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected . . .

(b) The city or town fiscal officer shall distribute monthly to the county auditor as the county share twenty percent (20%) of the amount of fees collected . . .

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected . . .

(d) The clerk of a city or town court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9 . . .

(e) The clerk of a city or town court shall distribute monthly to the county auditor . . .

(f) The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the following:

(1) The late payment fees collected under IC 33-37-5-22.

(2) The small claims service fee collected under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2).

(3) The small claims garnishee service fee collected under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3) . . .

(g) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

(1) The public defense administration fee collected under IC 33-37-5-21.2.

(2) The DNA sample processing fees collected under IC 33-37-5-26.2.

(3) The court administration fees collected under IC 33-37-5-27.

(h) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(i) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund seventy-five percent (75%) of the judicial salaries fee collected under IC 33-37-5-26. The city or town fiscal officer shall retain twenty-five percent (25%) of the judicial salaries fee collected under IC 33-37-5-26."

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

CLERK'S TRUST ITEMS OVER FIVE YEARS OLD

Our review of trust items revealed that items on hand for a period of five years or longer totaled \$13,955.14.

Indiana Code 32-34-1-20(c) states in part:

"Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . .

- (6) For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds become distributable. The property or proceeds must be treated as unclaimed property under IC 32-34-3."

TOWN COURT TRUST

The detail listing of the Town Court Trust Ledger was not reconciled to the balance on the Town Court Cash Book. At December 31, 2010, the balance of the trust ledger was \$125 more than the Town Court Cash Book.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ACQUISITION AND DISPOSITION OF ASSETS

In April 2009, the Town of Thorntown purchased property at a sheriffs' sale. Subsequently, in July 2009, this property was sold for \$22,000 (only one bid received). There was no documentation available to indicate that appraisals of the property were obtained prior to the purchase or prior to the sale of the property. The 2008 assessed value was \$64,000.

Indiana Code 36-1-10.5-5 states:

"A purchasing agent shall purchase land or a structure only after compliance with the following procedures:

- (1) The fiscal body of the political subdivision shall pass a resolution to the effect that it is interested in making a purchase of specified land or a structure.
- (2) The purchasing agent shall appoint two (2) appraisers to appraise the fair market value of the land or structure. The appraisers must be professionally engaged in making appraisals or be trained as an appraiser and licensed as a broker under IC 25-34.1.

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (3) The appraisers shall return their separate appraisals to the purchasing agent within thirty (30) days after the date of their appointment. The purchasing agent shall keep the appraisals on file in the purchasing agent's office for five (5) years after they are given to the purchasing agent.
- (4) The purchasing agent shall give a copy of both appraisals to the fiscal body."

Indiana Code 36-1-10.5-6 states: "A purchasing agent may not purchase any land or structure for a price greater than the average of the two (2) appraisals received under section 5 of this chapter."

Regarding the sale of real property, Indiana Code 36-1-11-4(b) states in part: "The disposing agent shall first have the property appraised by (2) appraisers."

CONFLICT OF INTEREST

McPeak Construction, operated by Pat McPeak, President of the Town Council, has been paid by the Town in the amount of \$8,485 in 2009 and \$950 in 2010 for various projects (park restroom repairs, park cleanup and town hall ceiling repairs). A Uniform Conflict of Interest Disclosure Statement has not been filed for this contract.

Indiana Code 35-44-1-3 states in part:

"(a) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony. . . .

(c) This section does not prohibit a public servant from having a pecuniary interest in or deriving a profit from a contract or purchase connected with the governmental entity served . . . (3) if the public servant; (A) is an elected public servant . . . and (B) makes a disclosure under subsection (d)(1) through (d)(6). . . .

(d) A disclosure required by this section must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity prior to final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) . . . the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase . . ."

(g) A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (1) the public servant; or (2) a dependent of the public servant who: (A) is under the direct or indirect administrative control of the public servant; or (B) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant. . . .

"(k) As used in this section, 'dependent' means any of the following: (1) The spouse of a public servant. (2) A child, stepchild, or adoptee (as defined in IC 31-9-2-2) of a public servant who is: (A) unemancipated; and (B) less than eighteen (18) years of age. (3) Any individual more than one-half (1/2) of whose support is provided during a year by the public servant."

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

CREDIT CARDS

The Town and Utilities are using credit cards to purchase items without an approved credit card policy.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

1. The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the board.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
5. The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
6. Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
8. If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DELINQUENT WASTEWATER ACCOUNTS

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

TOWN OF THORNTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (1) a list of the delinquent fees and penalties that are enforceable under this section, which must include the following:
 - (A) the name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent;
 - (B) a description of the premises, as shown by the records of the county auditor; and
 - (C) the amount of the delinquent fees, together with the penalty; or
 - (2) an individual instrument for each lot or parcel of real property on which the fees are delinquent.
- (c) The officer shall record a copy of each list or each individual instrument with the county recorder. . . .
- (e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . . ."

TOWN OF THORNTOWN
EXIT CONFERENCE

The contents of this report were discussed on August 3, 2011, with Tracey Vaughn, Clerk-Treasurer; Pat McPeak, President of the Town Council; Sandy Gates, Utility Office Manager/Court Clerk; Mike Spear, President of the Utility Service Board; and Donald Vaughn, Town Court Judge. The officials concurred with our findings.

The contents of this report were discussed per phone conversation on August 3, 2011, with Peggy Vaughn, former Clerk-Treasurer.