

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

AUDIT REPORT

OF

TOWN OF ELNORA

DAVISS COUNTY, INDIANA

January 1, 2009 to December 31, 2010



FILED

09/02/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sara Eaton	01-01-08 to 12-31-11
President of the Town Council	Jerry Beck	01-01-09 to 12-31-11
Superintendent of Utilities	Wayne Ellis	01-01-09 to 12-31-11



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

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE TOWN OF ELNORA, DAVIESS COUNTY, INDIANA

We have audited the accompanying financial statements of the Town of Elnora (Town), for the years ended December 31, 2009 and 2010. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 of accounting 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.

In accordance with Government Auditing Standards, we have also issued a report dated August 11, 2011, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the Town's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of 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 federal awarding agencies and pass-through entities 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

August 11, 2011



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF ELNORA, DAVIESS COUNTY, INDIANA

We have audited the financial statements of the Town of Elnora (Town), for the years ended December 31, 2009 and 2010, and have issued our report thereon dated August 11, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Town's management, Town Council, and federal awarding agencies and pass-through entities 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

August 11, 2011

FINANCIAL STATEMENTS

TOWN OF ELNORA
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	\$ 75,702	\$ 118,621	\$ 131,405	\$ 62,918
Community Foundtion Grant	5,694	284	5,978	-
Community Clean Up	502	-	-	502
Motor Vehicle Highway	71,546	24,139	66,631	29,054
Local Road And Street	1,197	3,766	1,519	3,444
Law Enforcement Continuing Ed	317	726	339	704
Riverboat	4,523	4,512	4,500	4,535
Parks And Recreation	1,210	500	-	1,710
Rainy Day	1,627	1,597	-	3,224
Cedit Special Revenue	15,752	8,481	3,661	20,572
Reserve Police Officers	46	-	-	46
2008 Fema Flood Fund	3,683	4,307	4,842	3,148
Interest On Cd	418	894	-	1,312
Cumulative Capital Development	19,986	3,024	4,434	18,576
Cumulative Capital Improvement	4,877	2,211	5,900	1,188
Payroll	-	153,089	153,089	-
Wastewater Utility-Operating	839	123,556	128,078	(3,683)
Wastewater Util-Bond And Interest	22,450	22,100	28,000	16,550
Wastewater Utility-Debt Reserve	28,360	-	11,214	17,146
Wastewater - Special Project	-	10	-	10
Water Utility-Operating	6,466	91,538	95,286	2,718
Water Utility-Bond And Interest	4,600	40,600	41,300	3,900
Water Utility-Customer Deposit	8,298	2,434	1,723	9,009
Water Utility-Construction	7,399	6,000	2,488	10,911
Water Utility-Debt Reserve	13,704	-	-	13,704
Totals	\$ 299,196	\$ 612,389	\$ 690,387	\$ 221,198

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

TOWN OF ELNORA
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	\$ 62,918	\$ 131,214	\$ 139,522	\$ 54,610
Community Clean Up	502	-	9	493
General Excess Levy	-	224	-	224
2010 Housing Grant	-	116,691	116,691	-
Motor Vehicle Highway	29,054	27,202	21,036	35,220
Local Road And Street	3,444	3,883	3,000	4,327
Law Enforcement Continuing Ed	704	550	106	1,148
Riverboat	4,535	4,512	-	9,047
Rainy Day	3,224	1,611	-	4,835
Cedit Special Revenue	20,572	10,502	5,620	25,454
2008 Fema Flood Fund	3,148	-	3,148	-
Interest On Cd	1,312	895	633	1,574
Reserve Police Officers	46	900	400	546
Cumulative Capital Development	18,576	1,620	3,752	16,444
Cumulative Capital Improvement	1,188	2,111	2,200	1,099
Park And Recreation Improvements	1,710	500	378	1,832
Payroll	1	164,860	164,861	-
Wastewater Utility-Operating	(3,683)	150,151	142,425	4,043
Wastewater Util-Bond And Interest	16,550	34,200	20,000	30,750
Wastewater Utility-Construction	-	750	-	750
Wastewater Utility-Debt Reserve	17,146	13,714	8,050	22,810
Wastewater - Special Project	10	1,172,634	1,172,452	192
Water Utility-Operating	2,718	94,290	97,785	(777)
Water Utility-Bond And Interest	3,900	12,000	12,800	3,100
Water Utility-Customer Deposit	9,009	2,025	1,743	9,291
Water Utility-Construction	10,911	3,500	1,205	13,206
Water Utility-Debt Reserve	13,704	-	-	13,704
Totals	<u>\$ 221,199</u>	<u>\$ 1,950,539</u>	<u>\$ 1,917,816</u>	<u>\$ 253,922</u>

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

TOWN OF ELNORA
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 statements presents 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 ELNORA
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 ELNORA
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 ELNORA
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.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town of Elnora's Annual Reports can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

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

	General	Community Foundtion Grant	Community Clean Up	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Riverboat
Cash and investments - beginning	\$ 75,702	\$ 5,694	\$ 502	\$ 71,546	\$ 1,197	\$ 317	\$ 4,523
Receipts:							
Taxes	78,141	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	511	-
Intergovernmental	25,080	-	-	24,139	3,766	-	4,512
Charges for services	11,664	-	-	-	-	20	-
Fines and forfeits	353	-	-	-	-	190	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	3,383	284	-	-	-	5	-
Total receipts	118,621	284	-	24,139	3,766	726	4,512
Disbursements:							
Personal services	71,945	-	-	6,465	-	-	-
Supplies	5,200	5,978	-	1,780	1,519	339	-
Other services and charges	45,937	-	-	58,386	-	-	4,500
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	8,202	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	121	-	-	-	-	-	-
Total disbursements	131,405	5,978	-	66,631	1,519	339	4,500
Excess (deficiency) of receipts over disbursements	(12,784)	(5,694)	-	(42,492)	2,247	387	12
Cash and investments - ending	\$ 62,918	\$ -	\$ 502	\$ 29,054	\$ 3,444	\$ 704	\$ 4,535

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

	Parks And Recreation	Rainy Day	Cedit Special Revenue	Reserve Police Officers	2008 Fema Flood Fund	Interest On Cd	Cumulative Capital Development
Cash and investments - beginning	\$ 1,210	\$ 1,627	\$ 15,752	\$ 46	\$ 3,683	\$ 418	\$ 19,986
Receipts:							
Taxes	-	-	-	-	-	-	2,995
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	8,481	-	4,307	894	29
Charges for services	500	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	1,597	-	-	-	-	-
Total receipts	<u>500</u>	<u>1,597</u>	<u>8,481</u>	<u>-</u>	<u>4,307</u>	<u>894</u>	<u>3,024</u>
Disbursements:							
Personal services	-	-	-	-	1,119	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	3,661	-	3,723	-	3,289
Debt service - principal and interest	-	-	-	-	-	-	1,145
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>3,661</u>	<u>-</u>	<u>4,842</u>	<u>-</u>	<u>4,434</u>
Excess (deficiency) of receipts over disbursements	<u>500</u>	<u>1,597</u>	<u>4,820</u>	<u>-</u>	<u>(535)</u>	<u>894</u>	<u>(1,410)</u>
Cash and investments - ending	<u>\$ 1,710</u>	<u>\$ 3,224</u>	<u>\$ 20,572</u>	<u>\$ 46</u>	<u>\$ 3,148</u>	<u>\$ 1,312</u>	<u>\$ 18,576</u>

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

	Cumulative Capital Improvement	Payroll	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Debt Reserve	Wastewater - Special Project
Cash and investments - beginning	\$ 4,877	\$ -	\$ 839	\$ 22,450	\$ 28,360	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,211	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	111,491	-	-	-
Penalties	-	-	11,839	-	-	-
Other receipts	-	153,089	226	22,100	-	10
Total receipts	2,211	153,089	123,556	22,100	-	10
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	28,000	-	-
Capital outlay	5,900	-	1,641	-	-	-
Utility operating expenses	-	-	89,148	-	-	-
Other disbursements	-	153,089	37,289	-	11,214	-
Total disbursements	5,900	153,089	128,078	28,000	11,214	-
Excess (deficiency) of receipts over disbursements	(3,689)	-	(4,522)	(5,900)	(11,214)	10
Cash and investments - ending	\$ 1,188	\$ -	\$ (3,683)	\$ 16,550	\$ 17,146	\$ 10

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

	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Customer Deposit	Water Utility-Construction	Water Utility-Debt Reserve	Totals
Cash and investments - beginning	\$ 6,466	\$ 4,600	\$ 8,298	\$ 7,399	\$ 13,704	\$ 299,196
Receipts:						
Taxes	-	-	-	-	-	81,136
Licenses and permits	-	-	-	-	-	511
Intergovernmental	-	-	-	-	-	73,419
Charges for services	-	-	-	-	-	12,184
Fines and forfeits	-	-	-	-	-	543
Utility fees	83,425	-	-	-	-	194,916
Penalties	1,612	-	-	-	-	13,451
Other receipts	6,501	40,600	2,434	6,000	-	236,229
Total receipts	<u>91,538</u>	<u>40,600</u>	<u>2,434</u>	<u>6,000</u>	<u>-</u>	<u>612,389</u>
Disbursements:						
Personal services	-	-	-	-	-	79,529
Supplies	-	-	-	-	-	14,816
Other services and charges	-	-	-	-	-	119,496
Debt service - principal and interest	-	41,300	-	-	-	70,445
Capital outlay	-	-	-	2,488	-	18,231
Utility operating expenses	88,954	-	-	-	-	178,102
Other disbursements	6,332	-	1,723	-	-	209,768
Total disbursements	<u>95,286</u>	<u>41,300</u>	<u>1,723</u>	<u>2,488</u>	<u>-</u>	<u>690,387</u>
Excess (deficiency) of receipts over disbursements	<u>(3,748)</u>	<u>(700)</u>	<u>711</u>	<u>3,512</u>	<u>-</u>	<u>(77,998)</u>
Cash and investments - ending	<u>\$ 2,718</u>	<u>\$ 3,900</u>	<u>\$ 9,009</u>	<u>\$ 10,911</u>	<u>\$ 13,704</u>	<u>\$ 221,198</u>

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

	General	Community Clean Up	General Excess Levy	2010 Housing Grant	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed
Cash and investments - beginning	\$ 62,918	\$ 502	\$ -	\$ -	\$ 29,054	\$ 3,444	\$ 704
Receipts:							
Intergovernmental	131,214	-	224	116,691	27,202	3,883	550
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>131,214</u>	<u>-</u>	<u>224</u>	<u>116,691</u>	<u>27,202</u>	<u>3,883</u>	<u>550</u>
Disbursements:							
Personal services	77,694	-	-	-	6,168	-	-
Supplies	12,223	-	-	-	2,680	-	106
Other services and charges	42,227	-	-	-	12,188	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,003	-	-	-	-	3,000	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	2,375	9	-	116,691	-	-	-
Total disbursements	<u>139,522</u>	<u>9</u>	<u>-</u>	<u>116,691</u>	<u>21,036</u>	<u>3,000</u>	<u>106</u>
Excess (deficiency) of receipts over disbursements	<u>(8,308)</u>	<u>(9)</u>	<u>224</u>	<u>-</u>	<u>6,166</u>	<u>883</u>	<u>444</u>
Cash and investments - ending	<u>\$ 54,610</u>	<u>\$ 493</u>	<u>\$ 224</u>	<u>\$ -</u>	<u>\$ 35,220</u>	<u>\$ 4,327</u>	<u>\$ 1,148</u>

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

	Riverboat	Rainy Day	Cedit Special Revenue	2008 Fema Flood Fund	Interest On Cd	Reserve Police Officers	Cumulative Capital Development
Cash and investments - beginning	\$ 4,535	\$ 3,224	\$ 20,572	\$ 3,148	\$ 1,312	\$ 46	\$ 18,576
Receipts:							
Intergovernmental	-	-	10,502	-	895	-	1,620
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	4,512	1,611	-	-	-	900	-
Total receipts	4,512	1,611	10,502	-	895	900	1,620
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	400	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	5,620	3,148	633	-	3,752
Total disbursements	-	-	5,620	3,148	633	400	3,752
Excess (deficiency) of receipts over disbursements	4,512	1,611	4,882	(3,148)	262	500	(2,132)
Cash and investments - ending	\$ 9,047	\$ 4,835	\$ 25,454	\$ -	\$ 1,574	\$ 546	\$ 16,444

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

	Cumulative Capital Improvement	Park And Recreation Improvements	Payroll	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Construction	Wastewater Utility-Debt Reserve
Cash and investments - beginning	\$ 1,188	\$ 1,710	\$ 1	\$ (3,683)	\$ 16,550	\$ -	\$ 17,146
Receipts:							
Intergovernmental	2,111	500	-	-	-	-	-
Utility fees	-	-	-	146,565	-	-	-
Penalties	-	-	-	2,897	-	-	-
Other receipts	-	-	164,860	689	34,200	750	13,714
Total receipts	2,111	500	164,860	150,151	34,200	750	13,714
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	370	-	-	-	-	-
Other services and charges	-	8	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	20,000	-	8,050
Capital outlay	-	-	-	1,624	-	-	-
Utility operating expenses	-	-	-	98,245	-	-	-
Other disbursements	2,200	-	164,861	42,556	-	-	-
Total disbursements	2,200	378	164,861	142,425	20,000	-	8,050
Excess (deficiency) of receipts over disbursements	(89)	122	(1)	7,726	14,200	750	5,664
Cash and investments - ending	\$ 1,099	\$ 1,832	\$ -	\$ 4,043	\$ 30,750	\$ 750	\$ 22,810

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

	Wastewater - Special Project	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Customer Deposit	Water Utility-Construction	Water Utility-Debt Reserve	Totals
Cash and investments - beginning	\$ 10	\$ 2,718	\$ 3,900	\$ 9,009	\$ 10,911	\$ 13,704	\$ 221,199
Receipts:							
Intergovernmental	-	-	-	-	-	-	295,392
Utility fees	-	83,820	-	-	-	-	230,385
Penalties	-	1,739	-	-	-	-	4,636
Other receipts	1,172,634	8,731	12,000	2,025	3,500	-	1,420,126
Total receipts	1,172,634	94,290	12,000	2,025	3,500	-	1,950,539
Disbursements:							
Personal services	-	-	-	-	-	-	83,862
Supplies	-	-	-	-	-	-	15,779
Other services and charges	-	-	-	-	-	-	54,423
Debt service - principal and interest	-	-	12,800	-	-	-	40,850
Capital outlay	1,172,452	-	-	-	1,205	-	1,183,284
Utility operating expenses	-	72,878	-	1,743	-	-	172,866
Other disbursements	-	24,907	-	-	-	-	366,752
Total disbursements	1,172,452	97,785	12,800	1,743	1,205	-	1,917,816
Excess (deficiency) of receipts over disbursements	182	(3,495)	(800)	282	2,295	-	32,723
Cash and investments - ending	\$ 192	\$ (777)	\$ 3,100	\$ 9,291	\$ 13,206	\$ 13,704	\$ 253,922

TOWN OF ELNORA
 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	\$ 600
Buildings	35,846
Improvements other than buildings	31,247
Machinery and equipment	<u>244,917</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 312,610</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 14,000
Buildings	142,500
Improvements other than buildings	1,443,486
Machinery and equipment	<u>8,064</u>
 Total Water Utility capital assets	 <u>1,608,050</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	11,277
Buildings	560,840
Improvements other than buildings	1,455,631
Machinery and equipment	<u>239,900</u>
 Total Wastewater Utility capital assets	 <u>2,267,648</u>
 Total business-type activities capital assets	 <u>\$ 3,875,698</u>

TOWN OF ELNORA
 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:		
1974 Waterworks Revenue Bonds	\$ 46,000	\$ 13,300
Total Water Utility	<u>46,000</u>	<u>13,300</u>
Wastewater Utility		
Revenue bonds:		
1976 Wastewater Revenue Bonds	141,000	28,050
2010 Wastewater Revenue Bonds	<u>1,215,000</u>	<u>29,698</u>
Total Wastewater Utility	<u>1,356,000</u>	<u>57,748</u>
Total business-type activities debt:	<u>\$ 1,402,000</u>	<u>\$ 71,048</u>

TOWN OF ELNORA
AUDIT RESULTS AND COMMENTS

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the audit period:

1. Claims were not adequately itemized.
2. All claims did not have board approval.
3. Not all claims were certified by the fiscal officer before payment.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services."

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

OVERDRAWN FUND BALANCES

The Wastewater Operating Fund had a negative fund balance as of December 31, 2009. The Water Operating Fund had a negative fund balance as of December 31, 2010.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ANNUAL REPORTS NOT FILED TIMELY

The 2009 Annual Financial Report was submitted electronically to the State Board of Accounts on August 3, 2011.

The 2010 Annual Financial Report was submitted electronically to the State Board of Accounts on June 1, 2011.

TOWN OF ELNORA
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

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:

- (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.
 - (C) The amount of the delinquent fees, together with the penalty.
- (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. . . ."

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties totaling \$40.89 were paid to the Indiana Department of Revenue for Sales Tax on September 14, 2010, for the month of July 2010. Sara Eaton, Clerk-Treasurer, paid \$40.89 from her personal funds to reimburse the Elnora Water Utility on July 27, 2011.

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.

TOWN OF ELNORA
AUDIT RESULTS AND COMMENTS
(Continued)

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)

INVESTMENT MATURITY LIMITATIONS

The governmental unit purchased a Certificate of Deposit which has a stated maturity in excess of two years.

Indiana Code 5-13-9-5.6 states in part:

". . . investments made under this chapter must have a stated final maturity of not more than: . . . two (2) years . . . after the date of purchase . . ."

COMPENSATION AND BENEFITS

As noted in our prior report, the Clerk-Treasurer received an additional week's pay in 2008 due to that calendar year having 53 weekly pays. In accordance with Indiana Code 36-5-3-2(c): "The compensation of an elected town officer may not be changed in the year for which it is fixed, nor may it be reduced below the amount fixed for the previous year." Ms. Eaton was to pay back the week's pay out of her earnings during this audit period. Ms. Eaton did not pay back the additional pay during this audit period; however, as of August 19, 2011, the amount has been paid back in full.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE TOWN OF ELNORA, DAVIESS COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Elnora (Town) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended December 31, 2009 and 2010. The Town's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2009 and 2010.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Town's management, Town Council, others within the entity, federal awarding agencies, and pass-through entities 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

August 11, 2011

TOWN OF ELNORA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended December 31, 2009 and 2010

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 12-31-09	Total Federal Awards Expended 12-31-10
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Direct Grant				
ARRA - Water and Waste Disposal Systems For Rural Communities Town of Elnora Wastewater Project - Loan	10.781	IN-703-92-04	\$ -	\$ 975,314
Total for federal grantor agency			-	975,314
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Pass-Through Indiana Housing and Community Redevelopment Authority				
CDBG - State Administered Small Cities Program Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Housing Rehabilitation Project	14.228	HD-008-031	-	116,586
Pass-Through Indiana Office of Rural and Community Affairs				
CDBG - State Administered Small Cities Program Cluster ARRA - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Disaster Recovery Fund - Wastewater Project	14.228	DR2-09-066	-	287,777
Total for cluster			-	404,363
Total for federal grantor agency			-	404,363
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-Through Indiana Department of Homeland Security				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) 2008 Reimbursement - Flood Disaster	97.036	385 PA 1795	4,842	4,425
Total for federal grantor agency			4,842	4,425
Total federal awards expended			\$ 4,842	\$ 1,384,102

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

TOWN OF ELNORA
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. *Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Elnora (Town) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1 et seq.), audits of Towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

TOWN OF ELNORA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
10.781	Water and Waste Disposal Systems For Rural Communities – ARRA
14.228	Community Development Block Grants – States Program and Non-Entitlement Grants in Hawaii - ARRA

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF ELNORA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TOWN OF ELNORA
EXIT CONFERENCE

The contents of this report were discussed on August 11, 2011, with Sara Eaton, Clerk-Treasurer. The official concurred with our audit findings.