

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

EXAMINATION REPORT
OF
TOWN OF LARWILL
WHITLEY COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
11/18/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6-7
Notes to Financial Statements	8-11
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-17
Schedule of Capital Assets.....	18
Schedule of Long-Term Debt	19
Examination Result and Comment:	
Supporting Documentation	20
Exit Conference.....	21

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Renee S. Sills	01-01-08 to 12-31-11
President of the Town Council	Richard L. Hobbs	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 ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF LARWILL, WHITLEY COUNTY, INDIANA

We have examined the financial statements of the Town of Larwill (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, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

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

STATE BOARD OF ACCOUNTS

September 27, 2011

(This page intentionally left blank.)

FINANCIAL STATEMENTS

TOWN OF LARWILL
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	\$ 89,256	\$ 48,937	\$ 30,281	\$ 107,912
Motor Vehicle Highway	12,562	13,734	17,903	8,393
Local Road and Street	1,370	1,605	1,028	1,947
Rainy Day	5,401	3,367	1,806	6,962
Levy Excess	743	-	-	743
Cumulative Capital Improvement	4,705	864	668	4,901
Cumulative Capital Development	8,786	2,096	1,362	9,520
Economic Development Income Tax	35,098	10,932	12,859	33,171
Trash Removal	4,560	12,438	12,032	4,966
Gazebo	1,162	-	96	1,066
Housing Grant	5,485	-	-	5,485
Rental Application	325	1,350	1,300	375
Wastewater Utility - Operating	106,162	76,664	56,915	125,911
Wastewater Utility - Bond and Interest	5,979	19,020	18,585	6,414
Wastewater Utility - Debt Reserve	19,965	-	-	19,965
Totals	<u>\$ 301,559</u>	<u>\$ 191,007</u>	<u>\$ 154,835</u>	<u>\$ 337,731</u>

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

TOWN OF LARWILL
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	\$ 107,912	\$ 46,881	\$ 32,724	\$ 122,069
Motor Vehicle Highway	8,393	16,683	9,579	15,497
Local Road and Street	1,947	1,507	842	2,612
Rainy Day	6,962	4,523	232	11,253
Levy Excess	743	84	-	827
Cumulative Capital Improvement	4,901	1,058	200	5,759
Cumulative Capital Development	9,520	1,198	513	10,205
Economic Development Income Tax	33,171	22,036	2,387	52,820
Trash Removal	4,966	10,799	11,791	3,974
Gazebo	1,066	-	163	903
Housing Grant	5,485	1,001	2,610	3,876
Rental Application	375	50	-	425
Wastewater Utility - Operating	125,911	68,105	65,230	128,786
Wastewater Utility - Bond and Interest	6,414	19,020	18,310	7,124
Wastewater Utility - Debt Reserve	19,965	-	-	19,965
Totals	<u>\$ 337,731</u>	<u>\$ 192,945</u>	<u>\$ 144,581</u>	<u>\$ 386,095</u>

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

TOWN OF LARWILL
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, wastewater, and urban redevelopment and housing.

The accompanying financial statements present 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.

Special assessments which includes amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

TOWN OF LARWILL
NOTES TO FINANCIAL STATEMENTS
(Continued)

License and permits which includes 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 license and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which includes receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts includes, but is 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 includes 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).

Net proceeds from borrowings which includes receipts from general obligation bonds, notes and loans.

Intergovernmental loan activity which includes amounts received from other funds as loans on a temporary basis.

Transfers in which includes funds authorized by statute, ordinance, resolution or court order to be transferred in from another fund.

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

Internal service receipts which are comprised mostly of fees received for services performed for other funds.

Fiduciary receipts which are comprised mostly of contributions to the pensions funds from state and local sources.

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:

TOWN OF LARWILL
NOTES TO FINANCIAL STATEMENTS
(Continued)

Personal services which includes 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 includes 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 includes, but is 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 includes 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.

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

Interfund loan payments and loans made which includes amounts that are owed to a particular fund by another fund.

Transfers out which includes funds authorized by statute, ordinance, resolution or court order to be transferred to another fund.

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.

TOWN OF LARWILL
NOTES TO FINANCIAL STATEMENTS
(Continued)

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% 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.

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 were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

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.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION – UNAUDITED

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

TOWN OF LARWILL
 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	Rainy Day	Levy Excess	Cumulative Capital Improvement	Cumulative Capital Development	Economic Development Income Tax
Cash and investments - beginning	\$ 89,256	\$ 12,562	\$ 1,370	\$ 5,401	\$ 743	\$ 4,705	\$ 8,786	\$ 35,098
Receipts:								
Taxes	26,314	4,134	-	-	-	-	1,411	-
Intergovernmental	18,052	9,426	1,605	3,367	-	864	185	10,932
Fines and forfeits	1,084	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	3,487	174	-	-	-	-	500	-
Total receipts	<u>48,937</u>	<u>13,734</u>	<u>1,605</u>	<u>3,367</u>	<u>-</u>	<u>864</u>	<u>2,096</u>	<u>10,932</u>
Disbursements:								
Personal services	12,749	800	-	-	-	-	-	-
Supplies	1,893	85	28	-	-	-	302	-
Other services and charges	14,603	16,600	1,000	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	1,036	418	-	1,806	-	668	1,060	12,859
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>30,281</u>	<u>17,903</u>	<u>1,028</u>	<u>1,806</u>	<u>-</u>	<u>668</u>	<u>1,362</u>	<u>12,859</u>
Excess (deficiency) of receipts over disbursements	<u>18,656</u>	<u>(4,169)</u>	<u>577</u>	<u>1,561</u>	<u>-</u>	<u>196</u>	<u>734</u>	<u>(1,927)</u>
Cash and investments - ending	<u>\$ 107,912</u>	<u>\$ 8,393</u>	<u>\$ 1,947</u>	<u>\$ 6,962</u>	<u>\$ 743</u>	<u>\$ 4,901</u>	<u>\$ 9,520</u>	<u>\$ 33,171</u>

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

	Trash Removal	Gazebo	Housing Grant	Rental Application	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Debt Reserve	Totals
Cash and investments - beginning	\$ 4,560	\$ 1,162	\$ 5,485	\$ 325	\$ 106,162	\$ 5,979	\$ 19,965	\$ 301,559
Receipts:								
Taxes	-	-	-	-	-	-	-	31,859
Intergovernmental	-	-	-	-	-	-	-	44,431
Fines and forfeits	-	-	-	-	-	-	-	1,084
Utility fees	12,438	-	-	-	71,485	-	-	83,923
Other receipts	-	-	-	1,350	5,179	19,020	-	29,710
Total receipts	<u>12,438</u>	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>76,664</u>	<u>19,020</u>	<u>-</u>	<u>191,007</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	13,549
Supplies	-	-	-	-	-	-	-	2,308
Other services and charges	-	-	-	-	-	-	-	32,203
Debt service - principal and interest	-	-	-	-	-	18,585	-	18,585
Capital outlay	-	-	-	-	-	-	-	17,847
Utility operating expenses	12,032	96	-	1,300	29,935	-	-	43,363
Other disbursements	-	-	-	-	26,980	-	-	26,980
Total disbursements	<u>12,032</u>	<u>96</u>	<u>-</u>	<u>1,300</u>	<u>56,915</u>	<u>18,585</u>	<u>-</u>	<u>154,835</u>
Excess (deficiency) of receipts over disbursements	<u>406</u>	<u>(96)</u>	<u>-</u>	<u>50</u>	<u>19,749</u>	<u>435</u>	<u>-</u>	<u>36,172</u>
Cash and investments - ending	<u>\$ 4,966</u>	<u>\$ 1,066</u>	<u>\$ 5,485</u>	<u>\$ 375</u>	<u>\$ 125,911</u>	<u>\$ 6,414</u>	<u>\$ 19,965</u>	<u>\$ 337,731</u>

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

	General	Motor Vehicle Highway	Local Road and Street	Rainy Day	Levy Excess	Cumulative Capital Improvement	Cumulative Capital Development	Economic Development Income Tax
Cash and investments - beginning	\$ 107,912	\$ 8,393	\$ 1,947	\$ 6,962	\$ 743	\$ 4,901	\$ 9,520	\$ 33,171
Receipts:								
Taxes	16,064	7,044	-	-	-	-	908	-
Intergovernmental	21,979	9,411	1,507	4,523	84	826	145	22,036
Fines and forfeits	682	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	8,156	228	-	-	-	232	145	-
Total receipts	<u>46,881</u>	<u>16,683</u>	<u>1,507</u>	<u>4,523</u>	<u>84</u>	<u>1,058</u>	<u>1,198</u>	<u>22,036</u>
Disbursements:								
Personal services	12,837	672	802	-	-	-	-	-
Supplies	1,780	307	-	-	-	-	223	-
Other services and charges	13,331	8,600	-	-	-	-	-	-
Debt service - principal and interest	253	-	-	-	-	-	-	-
Capital outlay	4,523	-	40	232	-	200	290	2,387
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>32,724</u>	<u>9,579</u>	<u>842</u>	<u>232</u>	<u>-</u>	<u>200</u>	<u>513</u>	<u>2,387</u>
Excess (deficiency) of receipts over disbursements	<u>14,157</u>	<u>7,104</u>	<u>665</u>	<u>4,291</u>	<u>84</u>	<u>858</u>	<u>685</u>	<u>19,649</u>
Cash and investments - ending	<u>\$ 122,069</u>	<u>\$ 15,497</u>	<u>\$ 2,612</u>	<u>\$ 11,253</u>	<u>\$ 827</u>	<u>\$ 5,759</u>	<u>\$ 10,205</u>	<u>\$ 52,820</u>

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

	Trash Removal	Gazebo	Housing Grant	Rental Application	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Debt Reserve	Totals
Cash and investments - beginning	\$ 4,966	\$ 1,066	\$ 5,485	\$ 375	\$ 125,911	\$ 6,414	\$ 19,965	\$ 337,731
Receipts:								
Taxes	-	-	-	-	-	-	-	24,016
Intergovernmental	-	-	-	-	-	-	-	60,511
Fines and forfeits	-	-	-	-	-	-	-	682
Utility fees	10,799	-	-	-	67,351	-	-	78,150
Other receipts	-	-	1,001	50	754	19,020	-	29,586
Total receipts	<u>10,799</u>	<u>-</u>	<u>1,001</u>	<u>50</u>	<u>68,105</u>	<u>19,020</u>	<u>-</u>	<u>192,945</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	14,311
Supplies	-	-	-	-	-	-	-	2,310
Other services and charges	-	-	-	-	-	-	-	21,931
Debt service - principal and interest	-	-	-	-	-	18,310	-	18,563
Capital outlay	-	-	-	-	-	-	-	7,672
Utility operating expenses	11,791	163	-	-	32,896	-	-	44,850
Other disbursements	-	-	2,610	-	32,334	-	-	34,944
Total disbursements	<u>11,791</u>	<u>163</u>	<u>2,610</u>	<u>-</u>	<u>65,230</u>	<u>18,310</u>	<u>-</u>	<u>144,581</u>
Excess (deficiency) of receipts over disbursements	<u>(992)</u>	<u>(163)</u>	<u>(1,609)</u>	<u>50</u>	<u>2,875</u>	<u>710</u>	<u>-</u>	<u>48,364</u>
Cash and investments - ending	<u>\$ 3,974</u>	<u>\$ 903</u>	<u>\$ 3,876</u>	<u>\$ 425</u>	<u>\$ 128,786</u>	<u>\$ 7,124</u>	<u>\$ 19,965</u>	<u>\$ 386,095</u>

TOWN OF LARWILL
 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.

General infrastructure assets will be reported in the year completed. Retroactive reporting of general infrastructure assets is not required.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 9,400
Improvements other than buildings	2,279
Machinery and equipment	<u>3,971</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>15,650</u>
 Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Buildings	\$ 7,533
Improvements other than buildings	830,237
Machinery and equipment	<u>2,687</u>
 Total Wastewater Utility capital assets	 \$ <u>840,457</u>

TOWN OF LARWILL
 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:		
Wastewater Utility:		
Revenue bonds:		
Sewage Works Improvement	\$ <u>237,000</u>	\$ <u>19,035</u>

TOWN OF LARWILL
EXAMINATION RESULT AND COMMENT

SUPPORTING DOCUMENTATION

Of the claims reviewed, two were paid from monthly statements with no supporting documentation. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF LARWILL
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2011, with Renee S. Sills, Clerk-Treasurer.