

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF HYMERA

SULLIVAN COUNTY, INDIANA

January 1, 2009 to December 31, 2010



FILED
12/06/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jillena M. Street	05-07-07 to 12-31-14
President of the Town Council	Russell Knight	01-01-09 to 12-31-11
Facility Manager	Nick Cullison	01-01-09 to 12-31-11



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF HYMERA, SULLIVAN COUNTY, INDIANA

We have examined the financial statements of the Town of Hymera (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 presents 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 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, 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

October 13, 2011

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Town. The financial statements and notes are presented as intended by the Town.

TOWN OF HYMERA
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	\$ 23,012	\$ 95,280	\$ 114,167	\$ 4,125
Mvh	28,735	27,750	36,235	20,250
Lrs	1,046	9,767	5,023	5,790
Cemetery	2,355	2,351	2,540	2,166
Riverboat	5,242	13,278	11,525	6,995
Clean Lot Fund	25	-	-	25
Dog Fine Fund	40	-	-	40
Gun Permit Fund	756	1,147	1,360	543
Cedit	34,416	36,246	30,884	39,778
Cci	11,623	2,656	10,102	4,177
Payroll	(40,613)	152,281	117,596	(5,928)
Sewer Utility Operations	2,134	202,870	204,729	275
Bny Bond And Interest	53,166	168,201	163,452	57,915
Sewage Utility Deposits	4,742	5,300	3,268	6,774
Bny Debt Service Reserve	55,328	33,923	12,453	76,798
Water Utility Operating	16,901	229,093	228,331	17,663
Water Utility Depreciation	8	-	-	8
Water Utility Meter Deposit	16,398	3,804	3,725	16,477
Totals	<u>\$ 215,314</u>	<u>\$ 983,947</u>	<u>\$ 945,390</u>	<u>\$ 253,871</u>

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

TOWN OF HYMERA
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	\$ 4,125	\$ 95,090	\$ 94,669	\$ 4,546
Mvh	20,250	27,681	41,219	6,712
Lrs	5,790	5,783	11,573	-
Cemetery	2,166	3,400	2,379	3,187
Riverboat	6,995	-	5,469	1,526
Clean Lot Fund	25	150	-	175
Police Car	-	500	500	-
Levy Excess	-	149	-	149
Dog Fine Fund	40	-	-	40
Gun Permit Fund	543	690	132	1,101
Cedit	39,778	44,055	36,220	47,613
Cci	4,177	2,439	6,276	340
Payroll	(5,928)	126,098	120,170	-
Sewer Utility Operations	275	196,831	200,457	(3,351)
Bny Bond And Interest	57,915	105,056	112,027	50,944
Sewage Utility Deposits	6,774	2,900	2,585	7,089
Bny Debt Service Reserve	76,798	27,213	-	104,011
Water Utility Operating	17,663	220,420	212,913	25,170
Water Utility Depreciation	8	5	-	13
Water Utility Meter Deposit	16,477	3,515	2,750	17,242
Totals	<u>\$ 253,871</u>	<u>\$ 861,975</u>	<u>\$ 849,339</u>	<u>\$ 266,507</u>

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

TOWN OF HYMERA
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 and wastewater.

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.

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 HYMERA
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 HYMERA
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 HYMERA
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's Annual Reports can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

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

	General	Mvh	Lrs	Cemetery	Riverboat	Clean Lot Fund	Dog Fine Fund
Cash and investments - beginning	\$ 23,012	\$ 28,735	\$ 1,046	\$ 2,355	\$ 5,242	\$ 25	\$ 40
Receipts:							
Taxes	55,310	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	15,213	27,373	-	-	10,478	-	-
Charges for services	-	-	-	2,351	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	24,757	377	9,767	-	2,800	-	-
Total receipts	<u>95,280</u>	<u>27,750</u>	<u>9,767</u>	<u>2,351</u>	<u>13,278</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	44,890	24,100	-	1,594	-	-	-
Supplies	3,930	8,636	1,916	313	7,692	-	-
Other services and charges	25,358	3,499	207	633	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	39,989	-	2,900	-	3,833	-	-
Total disbursements	<u>114,167</u>	<u>36,235</u>	<u>5,023</u>	<u>2,540</u>	<u>11,525</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(18,887)</u>	<u>(8,485)</u>	<u>4,744</u>	<u>(189)</u>	<u>1,753</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,125</u>	<u>\$ 20,250</u>	<u>\$ 5,790</u>	<u>\$ 2,166</u>	<u>\$ 6,995</u>	<u>\$ 25</u>	<u>\$ 40</u>

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

	Gun Permit Fund	Cedit	Cci	Payroll	Sewer Utility Operations	Bny Bond And Interest
Cash and investments - beginning	\$ 756	\$ 34,416	\$ 11,623	\$ (40,613)	\$ 2,134	\$ 53,166
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	1,147	-	-	-	-	-
Intergovernmental	-	36,246	2,554	-	-	-
Charges for services	-	-	-	-	-	-
Utility fees	-	-	-	-	192,605	-
Penalties	-	-	-	-	6,083	-
Other receipts	-	-	102	152,281	4,182	168,201
Total receipts	<u>1,147</u>	<u>36,246</u>	<u>2,656</u>	<u>152,281</u>	<u>202,870</u>	<u>168,201</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	1,360	-	7,174	-	-	-
Other services and charges	-	18,823	2,928	-	-	-
Debt service - principal and interest	-	-	-	-	-	163,452
Capital outlay	-	12,061	-	-	7,775	-
Utility operating expenses	-	-	-	-	38,966	-
Other disbursements	-	-	-	117,596	157,988	-
Total disbursements	<u>1,360</u>	<u>30,884</u>	<u>10,102</u>	<u>117,596</u>	<u>204,729</u>	<u>163,452</u>
Excess (deficiency) of receipts over disbursements	<u>(213)</u>	<u>5,362</u>	<u>(7,446)</u>	<u>34,685</u>	<u>(1,859)</u>	<u>4,749</u>
Cash and investments - ending	<u>\$ 543</u>	<u>\$ 39,778</u>	<u>\$ 4,177</u>	<u>\$ (5,928)</u>	<u>\$ 275</u>	<u>\$ 57,915</u>

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

	Sewage Utility Deposits	Bny Debt Service Reserve	Water Utility Operating	Water Utility Depreciation	Water Utility Meter Deposit	Totals
Cash and investments - beginning	\$ 4,742	\$ 55,328	\$ 16,901	\$ 8	\$ 16,398	\$ 215,314
Receipts:						
Taxes	-	-	-	-	-	55,310
Licenses and permits	-	-	-	-	-	1,147
Intergovernmental	-	-	-	-	-	91,864
Charges for services	-	-	-	-	-	2,351
Utility fees	-	-	189,847	-	-	382,452
Penalties	-	-	1,149	-	-	7,232
Other receipts	5,300	33,923	38,097	-	3,804	443,591
Total receipts	<u>5,300</u>	<u>33,923</u>	<u>229,093</u>	<u>-</u>	<u>3,804</u>	<u>983,947</u>
Disbursements:						
Personal services	-	-	-	-	-	70,584
Supplies	-	-	-	-	-	31,021
Other services and charges	-	-	-	-	-	51,448
Debt service - principal and interest	-	-	-	-	-	163,452
Capital outlay	-	-	-	-	-	19,836
Utility operating expenses	3,268	-	184,750	-	3,725	230,709
Other disbursements	-	12,453	43,581	-	-	378,340
Total disbursements	<u>3,268</u>	<u>12,453</u>	<u>228,331</u>	<u>-</u>	<u>3,725</u>	<u>945,390</u>
Excess (deficiency) of receipts over disbursements	<u>2,032</u>	<u>21,470</u>	<u>762</u>	<u>-</u>	<u>79</u>	<u>38,557</u>
Cash and investments - ending	<u>\$ 6,774</u>	<u>\$ 76,798</u>	<u>\$ 17,663</u>	<u>\$ 8</u>	<u>\$ 16,477</u>	<u>\$ 253,871</u>

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

	General	Mvh	Lrs	Cemetery	Riverboat	Clean Lot Fund	Police Car
Cash and investments - beginning	\$ 4,125	\$ 20,250	\$ 5,790	\$ 2,166	\$ 6,995	\$ 25	\$ -
Receipts:							
Taxes	62,694	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	16,235	27,681	3,434	-	-	-	500
Charges for services	-	-	-	3,400	-	-	-
Fines and forfeits	125	-	-	-	-	150	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	16,036	-	2,349	-	-	-	-
Total receipts	95,090	27,681	5,783	3,400	-	150	500
Disbursements:							
Personal services	44,327	19,489	-	1,489	-	-	-
Supplies	4,934	17,949	11,573	312	5,469	-	-
Other services and charges	27,452	3,662	-	578	-	-	-
Debt service - principal and interest	500	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	500
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	17,456	119	-	-	-	-	-
Total disbursements	94,669	41,219	11,573	2,379	5,469	-	500
Excess (deficiency) of receipts over disbursements	421	(13,538)	(5,790)	1,021	(5,469)	150	-
Cash and investments - ending	\$ 4,546	\$ 6,712	\$ -	\$ 3,187	\$ 1,526	\$ 175	\$ -

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

	Levy Excess	Dog Fine Fund	Gun Permit Fund	Cedit	Cci	Payroll	Sewer Utility Operations
Cash and investments - beginning	\$ -	\$ 40	\$ 543	\$ 39,778	\$ 4,177	\$ (5,928)	\$ 275
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	690	-	-	-	-
Intergovernmental	149	-	-	44,055	2,439	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	189,657
Penalties	-	-	-	-	-	-	6,146
Other receipts	-	-	-	-	-	126,098	1,028
Total receipts	<u>149</u>	<u>-</u>	<u>690</u>	<u>44,055</u>	<u>2,439</u>	<u>126,098</u>	<u>196,831</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	132	-	3,928	-	-
Other services and charges	-	-	-	8,963	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	3,620
Utility operating expenses	-	-	-	-	-	-	41,353
Other disbursements	-	-	-	27,257	2,348	120,170	155,484
Total disbursements	<u>-</u>	<u>-</u>	<u>132</u>	<u>36,220</u>	<u>6,276</u>	<u>120,170</u>	<u>200,457</u>
Excess (deficiency) of receipts over disbursements	<u>149</u>	<u>-</u>	<u>558</u>	<u>7,835</u>	<u>(3,837)</u>	<u>5,928</u>	<u>(3,626)</u>
Cash and investments - ending	<u>\$ 149</u>	<u>\$ 40</u>	<u>\$ 1,101</u>	<u>\$ 47,613</u>	<u>\$ 340</u>	<u>\$ -</u>	<u>\$ (3,351)</u>

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

	Bny Bond And Interest	Sewage Utility Deposits	Bny Debt Service Reserve	Water Utility Operating	Water Utility Depreciation	Water Utility Meter Deposit	Totals
Cash and investments - beginning	\$ 57,915	\$ 6,774	\$ 76,798	\$ 17,663	\$ 8	\$ 16,477	\$ 253,871
Receipts:							
Taxes	-	-	-	-	-	-	62,694
Licenses and permits	-	-	-	-	-	-	690
Intergovernmental	-	-	-	4,648	-	-	99,141
Charges for services	-	-	-	-	-	-	3,400
Fines and forfeits	-	-	-	-	-	-	275
Utility fees	-	-	-	193,731	-	-	383,388
Penalties	-	-	-	1,166	-	-	7,312
Other receipts	105,056	2,900	27,213	20,875	5	3,515	305,075
Total receipts	105,056	2,900	27,213	220,420	5	3,515	861,975
Disbursements:							
Personal services	-	-	-	-	-	-	65,305
Supplies	-	-	-	-	-	-	44,297
Other services and charges	-	-	-	-	-	-	40,655
Debt service - principal and interest	112,027	-	-	-	-	-	112,527
Capital outlay	-	-	-	-	-	-	4,120
Utility operating expenses	-	2,585	-	146,851	-	2,750	193,539
Other disbursements	-	-	-	66,062	-	-	388,896
Total disbursements	112,027	2,585	-	212,913	-	2,750	849,339
Excess (deficiency) of receipts over disbursements	(6,971)	315	27,213	7,507	5	765	12,636
Cash and investments - ending	\$ 50,944	\$ 7,089	\$ 104,011	\$ 25,170	\$ 13	\$ 17,242	\$ 266,507

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Capital leases:			
Backhoe:	\$ 31,261	\$ 8,963	
Revenue bonds:			
State Revolving Fund loan to upgrade system	291,906	44,015	Wastewater
Supplemental loan to consolidate old loans	<u>132,000</u>	<u>56,975</u>	Wastewater
Total debt	<u>\$ 455,167</u>	<u>\$ 109,953</u>	

TOWN OF HYMERA
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS (Town and Utilities)

Capital asset records are in use, but have not been recently updated.

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)

OVERDRAWN FUND BALANCES (Town and Wastewater Utility)

The Sewer Utility Operations Fund was overdrawn in 2010, and the Payroll Fund was overdrawn in 2009.

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)

UTILITY RATES AND CHARGES (Wastewater Utility)

Disbursements of the Sewer Utility Operations Fund exceeded receipts in 2009 and 2010. The Sewer Utility Operations Fund had a negative balance of \$3,351 at December 31, 2010.

Indiana Code 8-1.5-3-8 (d) states in part: "(d) It is the intent of this section that the rates and charges produce an income sufficient to maintain the utility property in a sound physical and financial condition to render adequate and efficient service. Rates and charges too low to meet these requirements are unlawful."

APPROPRIATIONS (Town)

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General	2009	\$ 1,007
General	2010	3,903
Cemetery	2009	1,081
CEDIT	2010	887

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF HYMERA
EXIT CONFERENCE

The contents of this report were discussed on October 13, 2011, with Jillena M. Street, Clerk-Treasurer, and Russell Knight, President of the Town Council. The officials concurred with our findings.