

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

HARRISON COUNTY TOURISM COMMISSION

HARRISON COUNTY, INDIANA

January 1, 2010 to December 31, 2010



**FILED**

04/05/2012



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Herman E. Pitman Claudia Yundt	01-01-10 to 12-31-10 01-01-11 to 12-31-12
President of the Tourism Commission	Michael B. Wiseman	01-01-10 to 12-31-12



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE HARRISON COUNTY TOURISM  
COMMISSION, HARRISON COUNTY, INDIANA

We have examined the financial statement of the Harrison County Tourism Commission (Commission), for the period of January 1, 2010 to December 31, 2010. The Commission's management is responsible for the financial statement. 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 statement 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 Commission prepares its financial statement 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 statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Commission for the year ended December 31, 2010, on the basis of accounting described in Note 1.

The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis as listed in the Table of Contents, is presented for additional analysis and is not a required part of the financial statement. It has not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on it.

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

STATE BOARD OF ACCOUNTS

January 31, 2012

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## FINANCIAL STATEMENT

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

HARRISON COUNTY TOURISM COMMISSION  
 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 Reserve	\$ 52,466	\$ 110,182	\$ 51,039	\$ 111,609
General	41,038	1,004,019	954,448	90,609
Capital Development	<u>211,936</u>	<u>50,856</u>	<u>114,758</u>	<u>148,034</u>
Totals	<u>\$ 305,440</u>	<u>\$ 1,165,057</u>	<u>\$ 1,120,245</u>	<u>\$ 350,252</u>

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

HARRISON COUNTY TOURISM COMMISSION  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

The Commission was established under the laws of the State of Indiana. The Commission operates under an appointed governing board. The Commission provides services for promotion of tourism in the County.

*B. Basis of Accounting*

The financial statement is 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 statement. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: County innkeepers tax and other taxes that are set by the Commission.

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.

HARRISON COUNTY TOURISM COMMISSION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*E. Disbursements*

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

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.

*F. Interfund Transfers*

The Commission 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 Commission. 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 Commission. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level.

**Note 3. 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 Commission 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.

## SUPPLEMENTARY INFORMATION – UNAUDITED

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

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the Commission which is 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 approved by management of the Commission. It is presented as intended by the Commission.

HARRISON COUNTY TOURISM COMMISSION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	<u>General Reserve</u>	<u>General</u>	<u>Capital Development</u>	<u>Totals</u>
Cash and investments - beginning	\$ 52,466	\$ 41,038	\$ 211,936	\$ 305,440
Receipts:				
Taxes	110,182	1,004,019	856	1,115,057
Other receipts	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Total receipts	<u>110,182</u>	<u>1,004,019</u>	<u>50,856</u>	<u>1,165,057</u>
Disbursements:				
Other disbursements	<u>51,039</u>	<u>954,448</u>	<u>114,758</u>	<u>1,120,245</u>
Excess (deficiency) of receipts over disbursements	<u>59,143</u>	<u>49,571</u>	<u>(63,902)</u>	<u>44,812</u>
Cash and investments - ending	<u>\$ 111,609</u>	<u>\$ 90,609</u>	<u>\$ 148,034</u>	<u>\$ 350,252</u>

HARRISON COUNTY TOURISM COMMISSION  
EXAMINATION RESULT AND COMMENT

***ANNUAL FINANCIAL REPORT***

The 2010 Annual Financial Report prepared by the Commission contained numerous errors and did not agree with the financial records presented for examination. Management approved adjustments to the financial statement presented in this report, so that the financial information would fairly present the Commission's financial records for 2010.

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."

HARRISON COUNTY TOURISM COMMISSION  
EXIT CONFERENCE

The contents of this report were discussed on January 31, 2012, with Michael B. Wiseman, President of the Tourism Commission; Jim Epperson, President of First Capitol Tourism Development Corporation; and Jeremy Yackle, Assistant Director of First Capitol Tourism Development Corporation. The officials concurred with our finding.