

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF CORUNNA

DEKALB COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
10/12/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Cassandra Lynch	01-01-08 to 12-31-15
President of the Town Council	Steve Faulkner	01-01-10 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF CORUNNA, DEKALB COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Corunna (Town), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements 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.

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, 2010 and 2011, on the basis of accounting described in Note 1.

Our examination 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 Debt, and Schedule of Capital Assets, 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 others within the entity 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 27, 2012

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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 CORUNNA  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 115,888	\$ 105,785	\$ 138,977	\$ 82,696
Motor Vehicle Highway	42,981	22,869	16,513	49,337
Local Road And Street	4,827	1,407	161	6,073
Riverboat	-	1,590	-	1,590
Rainy Day	5,127	-	-	5,127
Levy Excess	-	210	-	210
Cumulative Capital Development	18,788	922	-	19,710
Cumulative Capital Improvement	14,764	744	-	15,508
County Economic Development Income Tax	35,223	8,069	-	43,292
Payroll	987	46,930	46,964	953
Hospital Aid	1,426	-	-	1,426
Fire Station Replacement	1,498	-	1,498	-
Wastewater Utility Bond And Interest	18,893	23,304	22,810	19,387
Wastewater Utility Depreciation	16,588	-	-	16,588
Wastewater Utility Operating	34,673	51,591	53,726	32,538
Water Utility Bond And Interest	7,785	18,263	18,322	7,726
Water Utility Depreciation	5,779	1,200	-	6,979
Water Utility Customer Deposit	1,215	200	-	1,415
Water Utility Construction	19,692	1,056	-	20,748
Water Utility Operating	38,256	47,835	44,839	41,252
Totals	<u>\$ 384,390</u>	<u>\$ 331,975</u>	<u>\$ 343,810</u>	<u>\$ 372,555</u>

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

TOWN OF CORUNNA  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 82,696	\$ 112,141	\$ 133,548	\$ 61,289
Motor Vehicle Highway	49,337	13,036	16,871	45,502
Local Road And Street	6,073	1,372	-	7,445
Riverboat	1,590	1,590	-	3,180
Rainy Day	5,127	-	-	5,127
Levy Excess	210	-	-	210
Cumulative Capital Development	19,710	778	-	20,488
Cumulative Capital Improvement	15,508	729	-	16,237
County Economic Development Income Tax	43,292	7,819	-	51,111
Payroll	953	46,983	47,150	786
Hospital Aid	1,426	-	-	1,426
Wastewater Utlity Operating	32,538	49,193	43,327	38,404
Wastewater Utility Depreciation	16,588	-	-	16,588
Wastewater Utility Bond And Interest	19,387	23,304	22,275	20,416
Water Utility Operating	41,252	43,320	45,790	38,782
Water Utility Customer Deposit	1,415	-	200	1,215
Water Utility Depreciation	6,979	1,200	-	8,179
Water Utility Construction	20,748	1,056	-	21,804
Water Utility Bond And Interest	7,726	18,264	18,154	7,836
Totals	<u>\$ 372,555</u>	<u>\$ 320,785</u>	<u>\$ 327,315</u>	<u>\$ 366,025</u>

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

TOWN OF CORUNNA  
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, trash, and urban redevelopment and housing.

The accompanying financial statements present the financial information for the Town.

*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 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.

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,

TOWN OF CORUNNA  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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, cable tv receipts, ordinance violations, fines and fees.

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.

Penalties which include fees received for late payments.

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 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.

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.

TOWN OF CORUNNA  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

**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.

TOWN OF CORUNNA  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 any replacement items purchased.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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 approved by management of the Town. It is presented as intended by the Town.

TOWN OF CORUNNA  
 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	Riverboat	Rainy Day	Levy Excess	Cumulative Capital Development
Cash and investments - beginning	\$ 115,888	\$ 42,981	\$ 4,827	\$ -	\$ 5,127	\$ -	\$ 18,788
Receipts:							
Taxes	57,131	-	-	-	-	210	-
Licenses and permits	-	-	-	-	-	-	72
Intergovernmental	29,612	15,990	1,407	1,590	-	-	850
Charges for services	18,458	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	584	6,879	-	-	-	-	-
Total receipts	<u>105,785</u>	<u>22,869</u>	<u>1,407</u>	<u>1,590</u>	<u>-</u>	<u>210</u>	<u>922</u>
Disbursements:							
Personal services	27,257	-	-	-	-	-	-
Supplies	10,285	369	161	-	-	-	-
Other services and charges	88,569	16,144	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	12,866	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>138,977</u>	<u>16,513</u>	<u>161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(33,192)</u>	<u>6,356</u>	<u>1,246</u>	<u>1,590</u>	<u>-</u>	<u>210</u>	<u>922</u>
Cash and investments - ending	<u>\$ 82,696</u>	<u>\$ 49,337</u>	<u>\$ 6,073</u>	<u>\$ 1,590</u>	<u>\$ 5,127</u>	<u>\$ 210</u>	<u>\$ 19,710</u>

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

	Cumulative Capital Improvement	County Economic Development Income Tax	Payroll	Hospital Aid	Fire Station Replacement	Wastewater Utility Bond And Interest	Wastewater Utility Depreciation
Cash and investments - beginning	\$ 14,764	\$ 35,223	\$ 987	\$ 1,426	\$ 1,498	\$ 18,893	\$ 16,588
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	744	8,069	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	46,930	-	-	23,304	-
Total receipts	<u>744</u>	<u>8,069</u>	<u>46,930</u>	<u>-</u>	<u>-</u>	<u>23,304</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	22,810	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	46,964	-	1,498	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>46,964</u>	<u>-</u>	<u>1,498</u>	<u>22,810</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>744</u>	<u>8,069</u>	<u>(34)</u>	<u>-</u>	<u>(1,498)</u>	<u>494</u>	<u>-</u>
Cash and investments - ending	<u>\$ 15,508</u>	<u>\$ 43,292</u>	<u>\$ 953</u>	<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 19,387</u>	<u>\$ 16,588</u>

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

	Wastewater Utility Operating	Water Utility Bond And Interest	Water Utility Depreciation	Water Utility Customer Deposit	Water Utility Construction	Water Utility Operating	Totals
Cash and investments - beginning	\$ 34,673	\$ 7,785	\$ 5,779	\$ 1,215	\$ 19,692	\$ 38,256	\$ 384,390
Receipts:							
Taxes	-	-	-	-	-	-	57,341
Licenses and permits	-	-	-	-	-	-	72
Intergovernmental	-	-	-	-	-	-	58,262
Charges for services	-	-	-	-	-	-	18,458
Utility fees	51,429	-	-	-	-	47,575	99,004
Other receipts	162	18,263	1,200	200	1,056	260	98,838
Total receipts	51,591	18,263	1,200	200	1,056	47,835	331,975
Disbursements:							
Personal services	-	-	-	-	-	-	27,257
Supplies	-	-	-	-	-	-	10,815
Other services and charges	-	-	-	-	-	-	104,713
Debt service - principal and interest	-	18,322	-	-	-	-	41,132
Capital outlay	-	-	-	-	-	-	12,866
Utility operating expenses	30,165	-	-	-	-	20,017	50,182
Other disbursements	23,561	-	-	-	-	24,822	96,845
Total disbursements	53,726	18,322	-	-	-	44,839	343,810
Excess (deficiency) of receipts over disbursements	(2,135)	(59)	1,200	200	1,056	2,996	(11,835)
Cash and investments - ending	\$ 32,538	\$ 7,726	\$ 6,979	\$ 1,415	\$ 20,748	\$ 41,252	\$ 372,555

TOWN OF CORUNNA  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	General	Motor Vehicle Highway	Local Road And Street	Riverboat	Rainy Day	Levy Excess	Cumulative Capital Development
Cash and investments - beginning	\$ 82,696	\$ 49,337	\$ 6,073	\$ 1,590	\$ 5,127	\$ 210	\$ 19,710
Receipts:							
Taxes	46,552	5,732	-	-	-	-	708
Intergovernmental	30,240	7,304	1,372	1,590	-	-	70
Charges for services	29,798	-	-	-	-	-	-
Fines and forfeits	101	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	5,450	-	-	-	-	-	-
Total receipts	<u>112,141</u>	<u>13,036</u>	<u>1,372</u>	<u>1,590</u>	<u>-</u>	<u>-</u>	<u>778</u>
Disbursements:							
Personal services	26,425	-	-	-	-	-	-
Supplies	3,949	7,195	-	-	-	-	-
Other services and charges	74,618	9,298	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	22,426	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	6,130	378	-	-	-	-	-
Total disbursements	<u>133,548</u>	<u>16,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(21,407)</u>	<u>(3,835)</u>	<u>1,372</u>	<u>1,590</u>	<u>-</u>	<u>-</u>	<u>778</u>
Cash and investments - ending	<u>\$ 61,289</u>	<u>\$ 45,502</u>	<u>\$ 7,445</u>	<u>\$ 3,180</u>	<u>\$ 5,127</u>	<u>\$ 210</u>	<u>\$ 20,488</u>

TOWN OF CORUNNA  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Cumulative Capital Improvement	County Economic Development Income Tax	Payroll	Hospital Aid	Wastewater Utility Operating	Wastewater Utility Depreciation	Wastewater Utility Bond And Interest
Cash and investments - beginning	\$ 15,508	\$ 43,292	\$ 953	\$ 1,426	\$ 32,538	\$ 16,588	\$ 19,387
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	729	7,819	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	49,111	-	-
Other receipts	-	-	46,983	-	82	-	23,304
Total receipts	729	7,819	46,983	-	49,193	-	23,304
Disbursements:							
Personal services	-	-	47,150	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	22,275
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	20,022	-	-
Other disbursements	-	-	-	-	23,305	-	-
Total disbursements	-	-	47,150	-	43,327	-	22,275
Excess (deficiency) of receipts over disbursements	729	7,819	(167)	-	5,866	-	1,029
Cash and investments - ending	\$ 16,237	\$ 51,111	\$ 786	\$ 1,426	\$ 38,404	\$ 16,588	\$ 20,416

TOWN OF CORUNNA  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Water Utility Operating	Water Utility Customer Deposit	Water Utility Depreciation	Water Utility Construction	Water Utility Bond And Interest	Totals
Cash and investments - beginning	\$ 41,252	\$ 1,415	\$ 6,979	\$ 20,748	\$ 7,726	\$ 372,555
Receipts:						
Taxes	-	-	-	-	-	52,992
Intergovernmental	-	-	-	-	-	49,124
Charges for services	-	-	-	-	-	29,798
Fines and forfeits	-	-	-	-	-	101
Utility fees	43,226	-	-	-	-	92,337
Other receipts	94	-	1,200	1,056	18,264	96,433
Total receipts	43,320	-	1,200	1,056	18,264	320,785
Disbursements:						
Personal services	-	-	-	-	-	73,575
Supplies	-	-	-	-	-	11,144
Other services and charges	-	-	-	-	-	83,916
Debt service - principal and interest	-	-	-	-	18,154	40,429
Capital outlay	-	-	-	-	-	22,426
Utility operating expenses	20,377	200	-	-	-	40,599
Other disbursements	25,413	-	-	-	-	55,226
Total disbursements	45,790	200	-	-	18,154	327,315
Excess (deficiency) of receipts over disbursements	(2,470)	(200)	1,200	1,056	110	(6,530)
Cash and investments - ending	\$ 38,782	\$ 1,215	\$ 8,179	\$ 21,804	\$ 7,836	\$ 366,025

TOWN OF CORUNNA  
SCHEDULE OF DEBT  
December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater:			
Revenue bonds	1986 Sewage Works Construction	\$ 94,500	\$ 9,600
Revenue bonds	2005 Sewage Works Extensions	<u>127,000</u>	<u>12,140</u>
Total Wastewater		<u>221,500</u>	<u>21,740</u>
Water:			
Revenue bonds	1993 Waterworks Construction	121,000	9,722
Notes and loans payable	2003 Water Tower Repairs	<u>17,265</u>	<u>8,264</u>
Total Wastewater		<u>138,265</u>	<u>17,986</u>
Total		<u>\$ 359,765</u>	<u>\$ 39,726</u>

TOWN OF CORUNNA  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 60,000
Buildings	663,058
Machinery, equipment and vehicles	265,500
Total governmental activities	988,558
Sewer Utility:	
Land	12,692
Improvements other than buildings	712,331
Machinery, equipment and vehicles	9,008
Total Sewer Utility	734,031
Water Utility:	
Land	3,760
Improvements other than buildings	685,880
Total Water Utility	689,640
Total capital assets	\$ 1,423,671

TOWN OF CORUNNA  
EXAMINATION RESULTS AND COMMENTS

**RECEIPT DEPOSITS**

We observed several instances of utility collections being held for up to two weeks prior to being deposited in the bank. We also noted that receipts issued did not indicate method of payment (i.e. cash, check, etc.).

Indiana Code 5-13-6-1(d) states in part: "A city . . . or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories: (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

Public funds shall be deposited in the same form in which they were received. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

**APPROPRIATIONS**

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

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General Fund	2010	\$ 28,826
General Fund	2011	23,397

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 CORUNNA  
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2012, with Cassandra Lynch, Clerk-Treasurer, and Steve Faulkner, President of the Town Council. The officials concurred with our findings.