

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF LIZTON

HENDRICKS COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/26/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Tonya Perry	01-01-08 to 12-31-15
President of the Town Council	Brett Boyer	01-01-10 to 08-08-11
	Bob Fisher	08-09-11 to 12-31-11
	Bob Uhrick	01-01-12 to 12-31-12



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF LIZTON, HENDRICKS COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Lizton (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. 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, 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 Leases and 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

September 18, 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 LIZTON
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	\$ 274,270	\$ 160,377	\$ 300,911	\$ 133,736
Motor Vehicle Highway	940	10,326	8,258	3,008
Local Road And Street	18,879	12,910	17,461	14,328
Donations	47,562	242	-	47,804
Economic Development Operating	41,088	13,735	54,164	659
Law Enforcement Continuing Education	4,807	321	12	5,116
Riverboat	8,001	2,328	-	10,329
Comprehensive Plan Grant	4,260	-	-	4,260
Rainy Day	-	23,105	-	23,105
Levy Excess	1,770	232	1,770	232
Police Uniform Donation	9	-	-	9
Cumulative Capital Improvement Cigarette Tax	149	1,090	5	1,234
Payroll	368	114,749	114,750	367
Wastewater Utility - Operating	-	202,269	158,967	43,302
Wastewater Utility - Bond & Interest	70,804	64,469	67,848	67,425
Wastewater Utility - Debt Reserve	65,840	23,995	-	89,835
Water Escrow Fund	17,805	10	1,800	16,015
Totals	<u>\$ 556,552</u>	<u>\$ 630,158</u>	<u>\$ 725,946</u>	<u>\$ 460,764</u>

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

TOWN OF LIZTON
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	\$ 133,736	\$ 488,842	\$ 600,558	\$ 22,020
Motor Vehicle Highway	3,008	7,803	8,434	2,377
Local Road and Street	14,328	15,570	14,250	15,648
Donations	47,804	48,070	47,947	47,927
Economic Developing Operating	659	14,136	14,594	201
Comprehensive Plan Grant	4,260	-	-	4,260
Law Enforcement Continuing Education	5,116	100	-	5,216
Riverboat	10,329	2,328	5,601	7,056
Rainy Day	23,105	2,941	-	26,046
Levy Excess	232	-	-	232
Cumulative Capital Improvement Cigarette Tax	1,234	1,068	892	1,410
Police Uniform Donation	9	-	-	9
GO Bond 2011 Construction	-	84,000	21,436	62,564
Payroll	367	119,919	119,982	304
Wastewater Utility - Operating	43,302	192,391	235,693	-
Wastewater Utility - Improvement	-	1,500	-	1,500
Wastewater Utility - Bond & Interest	67,425	115,575	101,783	81,217
Wastewater Utility - Debt Reserve	89,835	-	-	89,835
Water Escrow Fund	16,015	7	2,250	13,772
Stormwater Utility - Operating	-	11,257	7,811	3,446
Stormwater Utility - Construction	-	690,458	445,830	244,628
Totals	<u>\$ 460,764</u>	<u>\$ 1,795,965</u>	<u>\$ 1,627,061</u>	<u>\$ 629,668</u>

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

TOWN OF LIZTON
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 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 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, local road and street distribution received from the state, financial institution tax received

TOWN OF LIZTON
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 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 LIZTON
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 LIZTON
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/.

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 LIZTON
 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	Donations	Economic Development Operating	Law Enforcement Continuing Education
Cash and investments - beginning	\$ 274,270	\$ 940	\$ 18,879	\$ 47,562	\$ 41,088	\$ 4,807
Receipts:						
Taxes	92,258	-	-	-	-	-
Licenses and permits	276	-	-	-	-	190
Intergovernmental	61,511	10,326	12,910	-	13,735	-
Charges for services	1,969	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	131
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	4,363	-	-	242	-	-
Total receipts	<u>160,377</u>	<u>10,326</u>	<u>12,910</u>	<u>242</u>	<u>13,735</u>	<u>321</u>
Disbursements:						
Personal services	56,486	2,840	12,328	-	-	-
Supplies	5,656	-	-	-	-	-
Other services and charges	117,374	5,333	3,080	-	-	12
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	12,234	-	2,053	-	54,164	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	109,161	85	-	-	-	-
Total disbursements	<u>300,911</u>	<u>8,258</u>	<u>17,461</u>	<u>-</u>	<u>54,164</u>	<u>12</u>
Excess (deficiency) of receipts over disbursements	<u>(140,534)</u>	<u>2,068</u>	<u>(4,551)</u>	<u>242</u>	<u>(40,429)</u>	<u>309</u>
Cash and investments - ending	<u>\$ 133,736</u>	<u>\$ 3,008</u>	<u>\$ 14,328</u>	<u>\$ 47,804</u>	<u>\$ 659</u>	<u>\$ 5,116</u>

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

	Riverboat	Comprehensive Plan Grant	Rainy Day	Levy Excess	Police Uniform Donation	Cumulative Capital Improvement Cigarette Tax
Cash and investments - beginning	\$ 8,001	\$ 4,260	\$ -	\$ 1,770	\$ 9	\$ 149
Receipts:						
Taxes	-	-	-	232	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,328	-	3,256	-	-	1,090
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	19,849	-	-	-
Total receipts	2,328	-	23,105	232	-	1,090
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	1,770	-	5
Total disbursements	-	-	-	1,770	-	5
Excess (deficiency) of receipts over disbursements	2,328	-	23,105	(1,538)	-	1,085
Cash and investments - ending	<u>\$ 10,329</u>	<u>\$ 4,260</u>	<u>\$ 23,105</u>	<u>\$ 232</u>	<u>\$ 9</u>	<u>\$ 1,234</u>

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

	Payroll	Wastewater Utility - Operating	Wastewater Utility - Bond & Interest	Wastewater Utility - Debt Reserve	Water Escrow Fund	Totals
Cash and investments - beginning	\$ 368	\$ -	\$ 70,804	\$ 65,840	\$ 17,805	\$ 556,552
Receipts:						
Taxes	-	-	-	-	-	92,490
Licenses and permits	-	-	-	-	-	466
Intergovernmental	-	-	-	-	-	105,156
Charges for services	-	-	-	-	-	1,969
Fines and forfeits	-	-	-	-	-	131
Utility fees	-	174,317	-	-	-	174,317
Penalties	-	2,313	-	-	-	2,313
Other receipts	114,749	25,639	64,469	23,995	10	253,316
Total receipts	114,749	202,269	64,469	23,995	10	630,158
Disbursements:						
Personal services	-	-	-	-	-	71,654
Supplies	-	-	-	-	-	5,656
Other services and charges	-	-	-	-	-	125,799
Debt service - principal and interest	-	-	67,728	-	-	67,728
Capital outlay	-	20,398	-	-	-	88,849
Utility operating expenses	-	129,769	-	-	1,800	131,569
Other disbursements	114,750	8,800	120	-	-	234,691
Total disbursements	114,750	158,967	67,848	-	1,800	725,946
Excess (deficiency) of receipts over disbursements	(1)	43,302	(3,379)	23,995	(1,790)	(95,788)
Cash and investments - ending	\$ 367	\$ 43,302	\$ 67,425	\$ 89,835	\$ 16,015	\$ 460,764

TOWN OF LIZTON
 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	Donations	Economic Developing Operating	Comprehensive Plan Grant	Law Enforcement Continuing Education	Riverboat
Cash and investments - beginning	\$ 133,736	\$ 3,008	\$ 14,328	\$ 47,804	\$ 659	\$ 4,260	\$ 5,116	\$ 10,329
Receipts:								
Taxes	91,110	-	9,056	-	-	-	-	-
Licenses and permits	6,658	-	-	-	-	-	-	-
Intergovernmental	42,236	7,803	6,514	-	14,136	-	-	2,328
Charges for services	1,896	-	-	-	-	-	100	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	346,942	-	-	48,070	-	-	-	-
Total receipts	488,842	7,803	15,570	48,070	14,136	-	100	2,328
Disbursements:								
Personal services	58,276	2,963	7,057	-	-	-	-	-
Supplies	4,555	-	-	-	-	-	-	-
Other services and charges	147,756	5,471	3,594	20	-	-	-	-
Debt service - principal and interest	12,254	-	-	-	14,594	-	-	-
Capital outlay	8,012	-	3,599	-	-	-	-	5,601
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	369,705	-	-	47,927	-	-	-	-
Total disbursements	600,558	8,434	14,250	47,947	14,594	-	-	5,601
Excess (deficiency) of receipts over disbursements	(111,716)	(631)	1,320	123	(458)	-	100	(3,273)
Cash and investments - ending	\$ 22,020	\$ 2,377	\$ 15,648	\$ 47,927	\$ 201	\$ 4,260	\$ 5,216	\$ 7,056

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

	Rainy Day	Levy Excess	Cumulative Capital Improvement Cigarette Tax	Police Uniform Donation	GO Bond 2011 Construction	Payroll	Wastewater Utility - Operating
Cash and investments - beginning	\$ 23,105	\$ 232	\$ 1,234	\$ 9	\$ -	\$ 367	\$ 43,302
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,941	-	1,068	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	180,613
Penalties	-	-	-	-	-	-	2,412
Other receipts	-	-	-	-	84,000	119,919	9,366
Total receipts	2,941	-	1,068	-	84,000	119,919	192,391
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	892	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	6,417
Capital outlay	-	-	-	-	21,436	-	-
Utility operating expenses	-	-	-	-	-	-	146,927
Other disbursements	-	-	-	-	-	119,982	82,349
Total disbursements	-	-	892	-	21,436	119,982	235,693
Excess (deficiency) of receipts over disbursements	2,941	-	176	-	62,564	(63)	(43,302)
Cash and investments - ending	\$ 26,046	\$ 232	\$ 1,410	\$ 9	\$ 62,564	\$ 304	\$ -

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

	Wastewater Utility - Improvement	Wastewater Utility - Bond & Interest	Wastewater Utility - Debt Reserve	Water Escrow Fund	Stormwater Utility - Operating	Stormwater Utility - Construction	Totals
Cash and investments - beginning	\$ -	\$ 67,425	\$ 89,835	\$ 16,015	\$ -	\$ -	\$ 460,764
Receipts:							
Taxes	-	-	-	-	-	-	100,166
Licenses and permits	-	-	-	-	-	-	6,658
Intergovernmental	-	-	-	-	-	341,958	418,984
Charges for services	-	-	-	-	-	-	1,996
Utility fees	1,500	-	-	-	11,148	-	193,261
Penalties	-	-	-	-	109	-	2,521
Other receipts	-	115,575	-	7	-	348,500	1,072,379
Total receipts	<u>1,500</u>	<u>115,575</u>	<u>-</u>	<u>7</u>	<u>11,257</u>	<u>690,458</u>	<u>1,795,965</u>
Disbursements:							
Personal services	-	-	-	-	-	-	68,296
Supplies	-	-	-	-	-	-	4,555
Other services and charges	-	-	-	-	-	-	157,733
Debt service - principal and interest	-	101,763	-	-	-	54,806	189,834
Capital outlay	-	-	-	-	-	357,860	396,508
Utility operating expenses	-	-	-	-	-	-	146,927
Other disbursements	-	20	-	2,250	7,811	33,164	663,208
Total disbursements	<u>-</u>	<u>101,783</u>	<u>-</u>	<u>2,250</u>	<u>7,811</u>	<u>445,830</u>	<u>1,627,061</u>
Excess (deficiency) of receipts over disbursements	<u>1,500</u>	<u>13,792</u>	<u>-</u>	<u>(2,243)</u>	<u>3,446</u>	<u>244,628</u>	<u>168,904</u>
Cash and investments - ending	<u>\$ 1,500</u>	<u>\$ 81,217</u>	<u>\$ 89,835</u>	<u>\$ 13,772</u>	<u>\$ 3,446</u>	<u>\$ 244,628</u>	<u>\$ 629,668</u>

TOWN OF LIZTON
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Lizton Town Hall Building Corporation First Mortgage Bonds Series 2003	\$ 81,232	\$ 14,531
General obligation bonds	General Obligation Bonds of 2011	<u>84,000</u>	<u>4,733</u>
Total governmental activities		<u>165,232</u>	<u>19,264</u>
Wastewater:			
Revenue bonds	Sewage Works Refunding Revenue Bonds of 2011	350,000	33,005
Revenue bonds	Sewage Works Revenue Bonds of 2005	197,000	17,539
Revenue bonds	Sewage Works Revenue Bonds of 1998	<u>954,000</u>	<u>46,930</u>
Total Wastewater		<u>1,501,000</u>	<u>97,474</u>
Totals		<u>\$ 1,666,232</u>	<u>\$ 116,738</u>

TOWN OF LIZTON
 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:	
Infrastructure	\$ 634,400
Buildings	900,700
Machinery, equipment and vehicles	951,544
Construction in progress	120,608
Total governmental activities	2,607,252
Wastewater:	
Buildings	72,000
Improvements other than buildings	2,261,011
Construction in progress	7,200
Total Wastewater	2,340,211
Stormwater:	
Construction in progress	357,860
Total capital assets	\$ 5,305,323

TOWN OF LIZTON
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

Numerous posting errors were discovered during the examination. In 2010, these errors included a Local Road and Street distribution posted to the General Fund, multiple local distributions posted to the wrong funds, as well as improper classification of receipts within the financial system. In 2011, these errors included a material overstatement of receipts and disbursements in the General Fund in the amount of \$105,773.95, multiple Local Road and Street and Motor Vehicle Highway distributions posted to the wrong funds, one Wheel/Surtax distribution improperly posted to the General Fund, one CAGIT distribution improperly posted to the Rainy Day Fund, as well as improper classifications of multiple receipts within the financial accounting system.

The Town's 2011 financial statement presented reflects an adjustment to the original financial statement to correct the material error in the General Fund. The adjustment was approved by Town officials.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

As noted in prior Report B37271, a list of employees was not certified to the County Treasurer for three out of the four reporting periods required during the examination period.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

TOWN OF LIZTON
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2012, with Tonya Perry, Clerk-Treasurer, and Bob Uhrick, President of Town Council.