

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF MT. SUMMIT

HENRY COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
11/28/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sharon Jessup	02-22-08 to 12-31-14
President of the Town Council	Max Lines Betty Gipe	01-01-10 to 10-11-11 10-11-11 to 12-31-12
Superintendent of Water Utility	Kenny Stockton	01-01-10 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MT. SUMMIT, HENRY COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Mt. Summit (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 Receivables, 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

October 11, 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 MT. SUMMIT  
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	\$ 10,846	\$ 22,350	\$ 23,342	\$ 9,854
Motor Vehicle Highway	25,592	12,042	4,786	32,848
Local Road And Street	10,067	1,718	5,238	6,547
Cemetery Operating	34,547	11,408	14,143	31,812
Flag Fund	10	-	-	10
L.E.E.F.	232	56	210	78
Riverboat	5,896	1,959	-	7,855
Christmas Decorations	-	830	-	830
Rainy Day	256	-	-	256
Levy Excess	17	-	-	17
Operation Pullover	-	378	378	-
Water Bond and Interest	8,477	24,000	32,362	115
Hydrant Fund	72	3,732	274	3,530
Cemetery Endowment	56,715	759	-	57,474
Payroll	(10,516)	57,836	33,722	13,598
Water Operating	20,013	168,374	182,861	5,526
Water Depreciation	25,962	14,401	5,802	34,561
Grant Fund	(240)	16,080	16,000	(160)
Srf Reserve Fund	17,684	9,592	-	27,276
Trash	-	16,468	17,253	(785)
Water Meter Deposits	5,115	1,960	922	6,153
Totals	<u>\$ 210,745</u>	<u>\$ 363,943</u>	<u>\$ 337,293</u>	<u>\$ 237,395</u>

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

TOWN OF MT. SUMMIT  
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	\$ 9,854	\$ 24,626	\$ 15,116	\$ 19,364
Motor Vehicle Highway	32,848	12,015	8,845	36,018
Local Road And Street	6,547	1,829	3,680	4,696
L.E.E.F.	78	-	-	78
Riverboat	7,855	1,959	9,814	-
Rainy Day	256	-	256	-
Levy Excess	17	-	17	-
Hydrant Fund	3,530	3,925	5,400	2,055
Cemetery Operating	31,812	23,636	19,427	36,021
Flag Fund	10	40	50	-
Christmas Decorations	830	2	-	832
Operation Pullover	-	189	189	-
Cemetery Endowment	57,474	1,000	241	58,233
Payroll	13,598	22,533	36,131	-
Water Operating	5,526	171,271	161,026	15,771
Water Meter Deposits	6,153	920	1,750	5,323
Water Depreciation	34,561	14,400	30,687	18,274
Water Bond and Interest	115	26,874	26,989	-
Trash	(785)	18,831	18,117	(71)
Grant	(160)	160	-	-
SRF Reserve	27,276	-	-	27,276
Totals	<u>\$ 237,395</u>	<u>\$ 324,210</u>	<u>\$ 337,735</u>	<u>\$ 223,870</u>

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

TOWN OF MT. SUMMIT  
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 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 non-businesses 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

TOWN OF MT. SUMMIT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

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.

TOWN OF MT. SUMMIT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 MT. SUMMIT  
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.

**Note 6. *Pension Plan***

*Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

TOWN OF MT. SUMMIT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

## 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 MT. SUMMIT  
 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	Cemetery Operating	Flag Fund	L.E.E.F.	Riverboat	Christmas Decorations
Cash and investments - beginning	\$ 10,846	\$ 25,592	\$ 10,067	\$ 34,547	\$ 10	\$ 232	\$ 5,896	\$ -
Receipts:								
Taxes	7,142	-	-	-	-	-	-	-
Intergovernmental	4,177	12,042	1,718	-	-	-	1,959	-
Charges for services	37	-	-	10,715	-	-	-	-
Fines and forfeits	-	-	-	-	-	56	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	10,994	-	-	693	-	-	-	830
Total receipts	<u>22,350</u>	<u>12,042</u>	<u>1,718</u>	<u>11,408</u>	<u>-</u>	<u>56</u>	<u>1,959</u>	<u>830</u>
Disbursements:								
Personal services	5,167	-	-	-	-	-	-	-
Supplies	469	4,346	467	142	-	210	-	-
Other services and charges	17,706	440	4,771	14,001	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>23,342</u>	<u>4,786</u>	<u>5,238</u>	<u>14,143</u>	<u>-</u>	<u>210</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(992)</u>	<u>7,256</u>	<u>(3,520)</u>	<u>(2,735)</u>	<u>-</u>	<u>(154)</u>	<u>1,959</u>	<u>830</u>
Cash and investments - ending	<u>\$ 9,854</u>	<u>\$ 32,848</u>	<u>\$ 6,547</u>	<u>\$ 31,812</u>	<u>\$ 10</u>	<u>\$ 78</u>	<u>\$ 7,855</u>	<u>\$ 830</u>

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

	Rainy Day	Levy Excess	Operation Pullover	Water Bond And Interest	Hydrant Fund	Cemetery Endowment	Payroll
Cash and investments - beginning	\$ 256	\$ 17	\$ -	\$ 8,477	\$ 72	\$ 56,715	\$ (10,516)
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	378	-	3,732	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	24,000	-	759	57,836
Total receipts	-	-	378	24,000	3,732	759	57,836
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	250	-	-
Other services and charges	-	-	378	-	24	-	-
Debt service - principal and interest	-	-	-	26,540	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	5,822	-	-	33,722
Total disbursements	-	-	378	32,362	274	-	33,722
Excess (deficiency) of receipts over disbursements	-	-	-	(8,362)	3,458	759	24,114
Cash and investments - ending	<u>\$ 256</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 115</u>	<u>\$ 3,530</u>	<u>\$ 57,474</u>	<u>\$ 13,598</u>

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

	Water Operating	Water Depreciation	Grant Fund	Srf Reserve Fund	Trash	Water Meter Deposits	Totals
Cash and investments - beginning	\$ 20,013	\$ 25,962	\$ (240)	\$ 17,684	\$ -	\$ 5,115	\$ 210,745
Receipts:							
Taxes	-	-	-	-	-	-	7,142
Intergovernmental	-	-	15,840	-	-	-	35,736
Charges for services	-	-	-	-	-	-	14,862
Fines and forfeits	-	-	-	-	-	-	56
Utility fees	128,425	-	-	-	-	-	128,425
Penalties	1,184	-	-	-	-	-	1,184
Other receipts	38,765	14,401	240	9,592	16,468	1,960	176,538
Total receipts	<u>168,374</u>	<u>14,401</u>	<u>16,080</u>	<u>9,592</u>	<u>16,468</u>	<u>1,960</u>	<u>363,943</u>
Disbursements:							
Personal services	-	-	-	-	-	-	5,167
Supplies	-	-	-	-	-	-	5,884
Other services and charges	-	-	-	-	-	-	37,320
Debt service - principal and interest	-	-	-	-	-	-	26,540
Capital outlay	3,798	5,802	-	-	-	-	9,600
Utility operating expenses	73,305	-	16,000	-	17,253	922	107,480
Other disbursements	105,758	-	-	-	-	-	145,302
Total disbursements	<u>182,861</u>	<u>5,802</u>	<u>16,000</u>	<u>-</u>	<u>17,253</u>	<u>922</u>	<u>337,293</u>
Excess (deficiency) of receipts over disbursements	<u>(14,487)</u>	<u>8,599</u>	<u>80</u>	<u>9,592</u>	<u>(785)</u>	<u>1,038</u>	<u>26,650</u>
Cash and investments - ending	<u>\$ 5,526</u>	<u>\$ 34,561</u>	<u>\$ (160)</u>	<u>\$ 27,276</u>	<u>\$ (785)</u>	<u>\$ 6,153</u>	<u>\$ 237,395</u>

TOWN OF MT. SUMMIT  
 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	L.E.E.F.	Riverboat	Rainy Day	Levy Excess	Hydrant Fund
Cash and investments - beginning	\$ 9,854	\$ 32,848	\$ 6,547	\$ 78	\$ 7,855	\$ 256	\$ 17	\$ 3,530
Receipts:								
Taxes	6,889	-	-	-	-	-	-	-
Intergovernmental	4,888	12,015	1,829	-	1,959	-	-	-
Charges for services	1,875	-	-	-	-	-	-	3,925
Fines and forfeits	175	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	10,799	-	-	-	-	-	-	-
Total receipts	24,626	12,015	1,829	-	1,959	-	-	3,925
Disbursements:								
Personal services	5,483	-	-	-	-	-	-	-
Supplies	71	-	-	-	-	-	-	-
Other services and charges	9,562	8,845	3,680	-	-	-	-	5,400
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	9,814	256	17	-
Total disbursements	15,116	8,845	3,680	-	9,814	256	17	5,400
Excess (deficiency) of receipts over disbursements	9,510	3,170	(1,851)	-	(7,855)	(256)	(17)	(1,475)
Cash and investments - ending	\$ 19,364	\$ 36,018	\$ 4,696	\$ 78	\$ -	\$ -	\$ -	\$ 2,055

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

	Cemetery Operating	Flag Fund	Christmas Decorations	Operation Pullover	Cemetery Endowment	Payroll	Water Operating
Cash and investments - beginning	\$ 31,812	\$ 10	\$ 830	\$ -	\$ 57,474	\$ 13,598	\$ 5,526
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	23,636	-	-	-	-	-	-
Fines and forfeits	-	-	-	189	-	-	-
Utility fees	-	-	-	-	-	-	122,882
Penalties	-	-	-	-	-	-	1,288
Other receipts	-	40	2	-	1,000	22,533	47,101
Total receipts	<u>23,636</u>	<u>40</u>	<u>2</u>	<u>189</u>	<u>1,000</u>	<u>22,533</u>	<u>171,271</u>
Disbursements:							
Personal services	-	-	-	-	-	34,110	-
Supplies	-	-	-	-	-	-	-
Other services and charges	19,427	50	-	189	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	101,089
Other disbursements	-	-	-	-	241	2,021	59,937
Total disbursements	<u>19,427</u>	<u>50</u>	<u>-</u>	<u>189</u>	<u>241</u>	<u>36,131</u>	<u>161,026</u>
Excess (deficiency) of receipts over disbursements	<u>4,209</u>	<u>(10)</u>	<u>2</u>	<u>-</u>	<u>759</u>	<u>(13,598)</u>	<u>10,245</u>
Cash and investments - ending	<u>\$ 36,021</u>	<u>\$ -</u>	<u>\$ 832</u>	<u>\$ -</u>	<u>\$ 58,233</u>	<u>\$ -</u>	<u>\$ 15,771</u>

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

	Water Meter Deposits	Water Depreciation	Water Bond and Interest	Trash	Grant	SRF Reserve	Totals
Cash and investments - beginning	\$ 6,153	\$ 34,561	\$ 115	\$ (785)	\$ (160)	\$ 27,276	\$ 237,395
Receipts:							
Taxes	-	-	-	-	-	-	6,889
Intergovernmental	-	-	-	-	-	-	20,691
Charges for services	-	-	-	-	-	-	29,436
Fines and forfeits	-	-	-	-	-	-	364
Utility fees	-	-	-	18,831	-	-	141,713
Penalties	-	-	-	-	-	-	1,288
Other receipts	920	14,400	26,874	-	160	-	123,829
Total receipts	920	14,400	26,874	18,831	160	-	324,210
Disbursements:							
Personal services	-	-	-	-	-	-	39,593
Supplies	-	-	-	-	-	-	71
Other services and charges	-	-	-	-	-	-	47,153
Debt service - principal and interest	-	-	26,989	-	-	-	26,989
Capital outlay	-	28,301	-	-	-	-	28,301
Utility operating expenses	-	2,386	-	18,117	-	-	121,592
Other disbursements	1,750	-	-	-	-	-	74,036
Total disbursements	1,750	30,687	26,989	18,117	-	-	337,735
Excess (deficiency) of receipts over disbursements	(830)	(16,287)	(115)	714	160	-	(13,525)
Cash and investments - ending	\$ 5,323	\$ 18,274	\$ -	\$ (71)	\$ -	\$ 27,276	\$ 223,870

TOWN OF MT. SUMMIT  
SCHEDULE OF RECEIVABLES  
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Receivable</u>
Mt. Summit Water Utility	\$ 40,545
Total	<u>\$ 40,545</u>

TOWN OF MT. SUMMIT  
 SCHEDULE OF DEBT  
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Mt. Summit Water Utility:			
Revenue bonds	STATE REVOLVING FUND	\$ 134,000	\$ 1,943
Revenue bonds	STATE REVOLVING FUND	<u>87,000</u>	<u>1,262</u>
Totals		<u>\$ 221,000</u>	<u>\$ 3,205</u>

TOWN OF MT. SUMMIT  
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.

	<u>Ending Balance</u>
Mt. Summit Water Utility:	
Land	2,000
Buildings	7,100
Improvements other than buildings	1,425,052
Machinery, equipment and vehicles	<u>114,912</u>
Total capital assets	<u>\$ 1,549,064</u>

TOWN OF MT. SUMMIT  
EXAMINATION RESULTS AND COMMENTS

***OFFICIAL BONDS NOT RECORDED***

The official bonds for the Clerk - Treasurer were not filed in the Office of the County Recorder.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

***CONDITION OF RECORDS***

The annual reports for 2010 and 2011 did not present information that the Town gave money to the Prairie Township Volunteer Fire Department.

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 Townships, Chapter 13)

TOWN OF MT. SUMMIT  
EXIT CONFERENCE

The contents of this report were discussed on October 11, 2012, with Sharon Jessup, Clerk-Treasurer, and Betty Gipe, President of the Town Council. The officials concurred with our findings.