

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF MOUNT ETNA

HUNTINGTON COUNTY, INDIANA

January 1, 2010 to December 31, 2012



FILED
10/09/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Erica L. Dorsett	01-01-08 to 12-31-15
President of the Town Council	Ronald G. Hamblen Kenneth L. Deetz	01-01-10 to 06-30-10 07-01-10 to 12-31-13



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MOUNT ETNA, HUNTINGTON COUNTY, INDIANA

We have examined the accompanying financial statement of the Town of Mount Etna (Town), for the period of January 1, 2010 to December 31, 2012. The financial statement is the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statement 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 Town 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 effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2010 to December 31, 2012.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2010 to December 31, 2012, 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 statement. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, 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 statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

Bruce Hartman
State Examiner

September 18, 2013

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FINANCIAL STATEMENT

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

TOWN OF MOUNT ETNA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Years Ended December 31, 2010, 2011, And 2012

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 4,069	\$ 6,489	\$ 9,720	\$ 838
Motor Vehicle Highway	3,763	2,937	3,859	2,841
Local Road and Street	9,954	869	974	9,849
Rainy Day	473	-	-	473
CEDIT Special Revenue	23,605	5,114	-	28,719
Fire Protection Territory	963	600	790	773
Excess Levy	-	14	-	14
Capital Improvements	171	323	80	414
Wastewater Utility-Operating	26,207	87,455	95,758	17,904
Wastewater Utility-Bond and Interest	21,458	51,708	46,442	26,724
Wastewater Utility-Depreciation/Improvement	13,262	3,888	4,875	12,275
Wastewater Utility-Construction	17,859	-	6,344	11,515
Wastewater Utility-Debt Service Reserve	13,326	2,040	-	15,366
Totals	\$ 135,110	\$ 161,437	\$ 168,842	\$ 127,705

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 838	\$ 20,084	\$ 14,743	\$ 6,179
Motor Vehicle Highway	2,841	2,970	2,903	2,908
Local Road and Street	9,849	831	6,000	4,680
Rainy Day	473	-	-	473
CEDIT Special Revenue	28,719	3,937	6,662	25,994
Fire Protection Territory	773	-	600	173
Excess Levy	14	-	14	-
Capital Improvements	414	316	-	730
Wastewater Utility-Operating	17,904	88,982	96,293	10,593
Wastewater Utility-Bond and Interest	26,724	51,708	46,008	32,424
Wastewater Utility-Depreciation/Improvement	12,275	3,888	2,912	13,251
Wastewater Utility-Construction	11,515	-	-	11,515
Wastewater Utility-Debt Service Reserve	15,366	2,040	-	17,406
Totals	\$ 127,705	\$ 174,756	\$ 176,135	\$ 126,326

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 6,179	\$ 9,967	\$ 12,097	\$ 4,049
Motor Vehicle Highway	2,908	2,661	2,887	2,682
Local Road and Street	4,680	844	900	4,624
Rainy Day	473	-	-	473
CEDIT Special Revenue	25,994	4,386	-	30,380
Fire Protection Territory	173	-	173	-
Excess Levy	-	48	-	48
Capital Improvements	730	249	275	704
Wastewater Utility-Operating	10,593	86,745	91,183	6,155
Wastewater Utility-Bond and Interest	32,424	52,596	46,552	38,468
Wastewater Utility-Depreciation/Improvement	13,251	3,888	8,750	8,389
Wastewater Utility-Construction	11,515	-	-	11,515
Wastewater Utility-Debt Service Reserve	17,406	2,040	-	19,446
Totals	\$ 126,326	\$ 163,424	\$ 162,817	\$ 126,933

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

TOWN OF MOUNT ETNA
NOTES TO FINANCIAL STATEMENT

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, public improvements, planning and zoning, general administrative services, wastewater.

The accompanying financial statement presents the financial information for the Town.

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 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.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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).

TOWN OF MOUNT ETNA
NOTES TO FINANCIAL STATEMENT
(Continued)

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. 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.

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

TOWN OF MOUNT ETNA
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

TOWN OF MOUNT ETNA
NOTES TO FINANCIAL STATEMENT
(Continued)

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 statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

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

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 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 MOUNT ETNA
 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	Rainy Day	CEDIT Special Revenue	Fire Protection Territory	Excess Levy
Cash and investments - beginning	\$ 4,069	\$ 3,763	\$ 9,954	\$ 473	\$ 23,605	\$ 963	\$ -
Receipts:							
Taxes	3,088	2,937	869	-	5,114	-	14
Intergovernmental	1,273	-	-	-	-	-	-
Fines and forfeits	25	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,103	-	-	-	-	600	-
Total receipts	<u>6,489</u>	<u>2,937</u>	<u>869</u>	<u>-</u>	<u>5,114</u>	<u>600</u>	<u>14</u>
Disbursements:							
Personal services	2,000	-	-	-	-	790	-
Supplies	343	-	-	-	-	-	-
Other services and charges	6,172	2,859	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	605	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	600	1,000	974	-	-	-	-
Total disbursements	<u>9,720</u>	<u>3,859</u>	<u>974</u>	<u>-</u>	<u>-</u>	<u>790</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,231)</u>	<u>(922)</u>	<u>(105)</u>	<u>-</u>	<u>5,114</u>	<u>(190)</u>	<u>14</u>
Cash and investments - ending	<u>\$ 838</u>	<u>\$ 2,841</u>	<u>\$ 9,849</u>	<u>\$ 473</u>	<u>\$ 28,719</u>	<u>\$ 773</u>	<u>\$ 14</u>

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

	Capital Improvements	Wastewater Utility- Operating	Wastewater Utility- Bond and Interest	Wastewater Utility- Depreciation/ Improvement	Wastewater Utility- Construction	Wastewater Utility- Debt Service Reserve	Totals
Cash and investments - beginning	\$ 171	\$ 26,207	\$ 21,458	\$ 13,262	\$ 17,859	\$ 13,326	\$ 135,110
Receipts:							
Taxes	-	-	-	-	-	-	12,022
Intergovernmental	323	-	-	-	-	-	1,596
Fines and forfeits	-	-	-	-	-	-	25
Utility fees	-	84,842	-	-	-	-	84,842
Other receipts	-	2,613	51,708	3,888	-	2,040	62,952
Total receipts	<u>323</u>	<u>87,455</u>	<u>51,708</u>	<u>3,888</u>	<u>-</u>	<u>2,040</u>	<u>161,437</u>
Disbursements:							
Personal services	-	-	-	-	-	-	2,790
Supplies	-	-	-	-	-	-	343
Other services and charges	-	-	-	-	-	-	9,031
Debt service - principal and interest	-	-	46,442	-	-	-	46,442
Capital outlay	80	-	-	4,875	6,344	-	11,904
Utility operating expenses	-	30,943	-	-	-	-	30,943
Other disbursements	-	64,815	-	-	-	-	67,389
Total disbursements	<u>80</u>	<u>95,758</u>	<u>46,442</u>	<u>4,875</u>	<u>6,344</u>	<u>-</u>	<u>168,842</u>
Excess (deficiency) of receipts over disbursements	<u>243</u>	<u>(8,303)</u>	<u>5,266</u>	<u>(987)</u>	<u>(6,344)</u>	<u>2,040</u>	<u>(7,405)</u>
Cash and investments - ending	<u>\$ 414</u>	<u>\$ 17,904</u>	<u>\$ 26,724</u>	<u>\$ 12,275</u>	<u>\$ 11,515</u>	<u>\$ 15,366</u>	<u>\$ 127,705</u>

TOWN OF MOUNT ETNA
 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	Rainy Day	CEDIT Special Revenue	Fire Protection Territory	Excess Levy
Cash and investments - beginning	\$ 838	\$ 2,841	\$ 9,849	\$ 473	\$ 28,719	\$ 773	\$ 14
Receipts:							
Taxes	4,347	-	-	-	-	-	-
Intergovernmental	3,011	2,970	831	-	3,937	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	12,726	-	-	-	-	-	-
Total receipts	<u>20,084</u>	<u>2,970</u>	<u>831</u>	<u>-</u>	<u>3,937</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	4,833	-	-	-	-	600	-
Supplies	434	-	-	-	-	-	-
Other services and charges	9,476	2,903	-	-	-	-	14
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	6,000	-	6,662	-	-
Total disbursements	<u>14,743</u>	<u>2,903</u>	<u>6,000</u>	<u>-</u>	<u>6,662</u>	<u>600</u>	<u>14</u>
Excess (deficiency) of receipts over disbursements	<u>5,341</u>	<u>67</u>	<u>(5,169)</u>	<u>-</u>	<u>(2,725)</u>	<u>(600)</u>	<u>(14)</u>
Cash and investments - ending	<u>\$ 6,179</u>	<u>\$ 2,908</u>	<u>\$ 4,680</u>	<u>\$ 473</u>	<u>\$ 25,994</u>	<u>\$ 173</u>	<u>\$ -</u>

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

	Capital Improvements	Wastewater Utility- Operating	Wastewater Utility- Bond and Interest	Wastewater Utility- Depreciation/ Improvement	Wastewater Utility- Construction	Wastewater Utility- Debt Service Reserve	Totals
Cash and investments - beginning	\$ 414	\$ 17,904	\$ 26,724	\$ 12,275	\$ 11,515	\$ 15,366	\$ 127,705
Receipts:							
Taxes	-	-	-	-	-	-	4,347
Intergovernmental	316	-	-	-	-	-	11,065
Utility fees	-	83,390	-	-	-	-	83,390
Other receipts	-	5,592	51,708	3,888	-	2,040	75,954
Total receipts	<u>316</u>	<u>88,982</u>	<u>51,708</u>	<u>3,888</u>	<u>-</u>	<u>2,040</u>	<u>174,756</u>
Disbursements:							
Personal services	-	-	-	-	-	-	5,433
Supplies	-	-	-	-	-	-	434
Other services and charges	-	-	-	-	-	-	12,393
Utility operating expenses	-	38,657	-	2,912	-	-	41,569
Other disbursements	-	57,636	46,008	-	-	-	116,306
Total disbursements	<u>-</u>	<u>96,293</u>	<u>46,008</u>	<u>2,912</u>	<u>-</u>	<u>-</u>	<u>176,135</u>
Excess (deficiency) of receipts over disbursements	<u>316</u>	<u>(7,311)</u>	<u>5,700</u>	<u>976</u>	<u>-</u>	<u>2,040</u>	<u>(1,379)</u>
Cash and investments - ending	<u>\$ 730</u>	<u>\$ 10,593</u>	<u>\$ 32,424</u>	<u>\$ 13,251</u>	<u>\$ 11,515</u>	<u>\$ 17,406</u>	<u>\$ 126,326</u>

TOWN OF MOUNT ETNA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	General	Motor Vehicle Highway	Local Road and Street	Rainy Day	CEDIT Special Revenue	Fire Protection Territory	Excess Levy
Cash and investments - beginning	\$ 6,179	\$ 2,908	\$ 4,680	\$ 473	\$ 25,994	\$ 173	\$ -
Receipts:							
Taxes	6,172	-	-	-	-	-	19
Intergovernmental	1,745	2,661	844	-	4,386	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,050	-	-	-	-	-	29
Total receipts	<u>9,967</u>	<u>2,661</u>	<u>844</u>	<u>-</u>	<u>4,386</u>	<u>-</u>	<u>48</u>
Disbursements:							
Personal services	2,000	-	-	-	-	-	-
Supplies	1,803	-	-	-	-	-	-
Other services and charges	6,993	2,887	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,301	-	900	-	-	173	-
Total disbursements	<u>12,097</u>	<u>2,887</u>	<u>900</u>	<u>-</u>	<u>-</u>	<u>173</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,130)</u>	<u>(226)</u>	<u>(56)</u>	<u>-</u>	<u>4,386</u>	<u>(173)</u>	<u>48</u>
Cash and investments - ending	<u>\$ 4,049</u>	<u>\$ 2,682</u>	<u>\$ 4,624</u>	<u>\$ 473</u>	<u>\$ 30,380</u>	<u>\$ -</u>	<u>\$ 48</u>

TOWN OF MOUNT ETNA
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Capital Improvements	Wastewater Utility- Operating	Wastewater Utility- Bond and Interest	Wastewater Utility- Depreciation/ Improvement	Wastewater Utility- Construction	Wastewater Utility- Debt Service Reserve	Totals
Cash and investments - beginning	\$ 730	\$ 10,593	\$ 32,424	\$ 13,251	\$ 11,515	\$ 17,406	\$ 126,326
Receipts:							
Taxes	-	-	-	-	-	-	6,191
Intergovernmental	249	-	-	-	-	-	9,885
Utility fees	-	75,150	-	-	-	-	75,150
Other receipts	-	11,595	52,596	3,888	-	2,040	72,198
Total receipts	<u>249</u>	<u>86,745</u>	<u>52,596</u>	<u>3,888</u>	<u>-</u>	<u>2,040</u>	<u>163,424</u>
Disbursements:							
Personal services	-	-	-	-	-	-	2,000
Supplies	-	-	-	-	-	-	1,803
Other services and charges	-	-	-	-	-	-	9,880
Utility operating expenses	-	32,659	-	-	-	-	32,659
Other disbursements	275	58,524	46,552	8,750	-	-	116,475
Total disbursements	<u>275</u>	<u>91,183</u>	<u>46,552</u>	<u>8,750</u>	<u>-</u>	<u>-</u>	<u>162,817</u>
Excess (deficiency) of receipts over disbursements	<u>(26)</u>	<u>(4,438)</u>	<u>6,044</u>	<u>(4,862)</u>	<u>-</u>	<u>2,040</u>	<u>607</u>
Cash and investments - ending	<u>\$ 704</u>	<u>\$ 6,155</u>	<u>\$ 38,468</u>	<u>\$ 8,389</u>	<u>\$ 11,515</u>	<u>\$ 19,446</u>	<u>\$ 126,933</u>

TOWN OF MOUNT ETNA
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2012

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 550	\$ -
Wastewater	933	3,683
Totals	\$ 1,483	\$ 3,683

TOWN OF MOUNT ETNA
 SCHEDULE OF LEASES AND DEBT
 December 31, 2012

Description of Debt		Ending	Principal and
Type	Purpose	Principal	Interest Due
		Balance	Within One
			Year
Business-type Activities:			
Wastewater Utility:			
Revenue bonds:			
1998 Wastewater	Wastewater Improvement	\$ 69,000	\$ 5,060
2008 Wastewater Series A	Wastewater Improvement	273,000	15,218
2008 Wastewater Series B	Wastewater Improvement	<u>524,000</u>	<u>25,868</u>
Totals		<u>\$ 866,000</u>	<u>\$ 46,146</u>

TOWN OF MOUNT ETNA
SCHEDULE OF CAPITAL ASSETS
December 31, 2012

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	\$ 4,600
Infrastructure	190,000
Buildings	73,900
Improvements other than buildings	15,000
Machinery, equipment, and vehicles	51,000
Books and other	5,000
Total governmental activities	339,500
Wastewater:	
Land	50,000
Infrastructure	1,000,000
Buildings	73,900
Improvements other than buildings	15,600
Machinery, equipment, and vehicles	50,000
Books and other	5,000
Total Wastewater	1,194,500
Total capital assets	\$ 1,534,000

TOWN OF MOUNT ETNA
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The following expenditures exceeded budgeted appropriations:

Fund	Year	Excess Amount Expended
General	2011	\$ 5,996
General	2012	868

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 MOUNT ETNA
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2013, with Erica L. Dorsett, Clerk-Treasurer. The official concurred with our finding.