

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT

OF

TOWN OF ALTON

CRAWFORD COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED
08/30/2006

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Berton J. Parr

01-01-03 to 12-31-06

President of the Town Council

Lee Goffinet

01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ALTON, CRAWFORD COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Town of Alton (Town), for the period of January 1, 2004 to December 31, 2005. The Town's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Town for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 17, 2006

TOWN OF ALTON
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 5,328	\$ 1,241	\$ 1,403	\$ 5,166
Motor Vehicle Highway	5,792	5,208	5,553	5,447
Local Road and Street	2,650	1,001	2,350	1,301
Cumulative Capital Improvement	1,360	198	-	1,558
County Economic Development Income Tax	943	1,316	1,500	759
Totals	<u>\$ 16,073</u>	<u>\$ 8,964</u>	<u>\$ 10,806</u>	<u>\$ 14,231</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 5,166	\$ 2,393	\$ 1,533	\$ 6,026
Motor Vehicle Highway	5,447	3,564	1,805	7,206
Local Road and Street	1,301	1,006	440	1,867
Cumulative Capital Improvement	1,558	164	-	1,722
County Economic Development Income Tax	759	1,436	-	2,195
Totals	<u>\$ 14,231</u>	<u>\$ 8,563</u>	<u>\$ 3,778</u>	<u>\$ 19,016</u>

The accompanying notes are an integral part of the schedules.

TOWN OF ALTON
NOTES TO SCHEDULES

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: highways and streets, public improvements, and general administrative services.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes 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.

TOWN OF ALTON
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

Minutes of meetings of the governing body were not available for the audit period.

Indiana Code 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

RECEIPT ISSUANCE

Receipts were not issued for all monies received.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PRESCRIBED FORMS

The following prescribed or approved forms were not always in use:

General Form 352, Receipt

Town Form 109, Ledger of Appropriations, Encumbrances, Disbursements and Balances

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)

TOWN OF ALTON
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2006, with Berton J. Parr, Clerk-Treasurer. The official concurred with our findings.