

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

EXAMINATION REPORT  
OF  
TOWN OF LADOGA  
MONTGOMERY COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
09/20/2006



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Viki Powers

01-01-04 to 12-31-07

President of the Town Council

Harley Barnard  
Sandra E. Powers

01-01-04 to 04-08-05  
04-09-05 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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF LADOGA, MONTGOMERY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Town of Ladoga (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

August 3, 2006

TOWN OF LADOGA  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY 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	\$ 200,732	\$ 245,752	\$ 197,007	\$ 249,477
Motor Vehicle Highway	119,181	40,367	86,879	72,669
Local Road and Street	22,572	5,354	10,147	17,779
Fire Report	101	-	101	-
Arson Investigation	71	-	71	-
Law Enforcement Continuing Education	930	10,758	10,602	1,086
Riverboat	-	6,602	-	6,602
Rainy Day	47,354	405	13,000	34,759
Indiana Housing Finance Grant	-	3,000	3,000	-
Cumulative Capital Improvement	31,624	3,998	15,000	20,622
Cumulative Capital Development	33,198	10,800	-	43,998
Proprietary Funds:				
Water Utility - Operating	131,772	396,286	496,002	32,056
Water Utility - Customer Deposit	6,828	1,560	1,605	6,783
Wastewater Utility - Operating	67,143	219,105	218,929	67,319
Wastewater Utility - Bond and Interest	36,337	100,020	101,149	35,208
Wastewater Utility - Reserve	133,757	58	-	133,815
Wastewater Utility - Construction	9,557	657	-	10,214
Electric Utility - Operating	85,552	601,392	585,019	101,925
Electric Utility - Customer Deposit	21,534	4,050	4,663	20,921
Fiduciary Fund:				
Payroll	4,541	232,032	229,395	7,178
Totals	<u>\$ 952,784</u>	<u>\$ 1,882,196</u>	<u>\$ 1,972,569</u>	<u>\$ 862,411</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 249,477	\$ 164,701	\$ 224,663	\$ 189,515
Motor Vehicle Highway	72,669	37,635	29,440	80,864
Local Road and Street	17,779	5,405	6,000	17,184
Law Enforcement Continuing Education	1,086	222	-	1,308
Riverboat	6,602	13,223	-	19,825
Rainy Day	34,759	349	-	35,108
Cumulative Capital Improvement	20,622	3,282	-	23,904
Cumulative Capital Development	43,998	6,419	-	50,417
Proprietary Funds:				
Water Utility - Operating	32,056	208,997	186,903	54,150
Water Utility - Customer Deposit	6,783	2,950	1,875	7,858
Wastewater Utility - Operating	67,319	343,353	253,353	157,319
Wastewater Utility - Bond and Interest	35,208	67,222	100,914	1,516
Wastewater Utility - Reserve	133,815	2,057	77,000	58,872
Wastewater Utility - Construction	10,214	5,439	11,570	4,083
Electric Utility - Operating	101,925	628,669	670,555	60,039
Electric Utility - Customer Deposit	20,921	6,600	4,575	22,946
Fiduciary Fund:				
Payroll	7,178	237,631	234,999	9,810
Totals	<u>\$ 862,411</u>	<u>\$ 1,734,154</u>	<u>\$ 1,801,847</u>	<u>\$ 794,718</u>

The accompanying notes are an integral part of the schedules.

TOWN OF LADOGA  
NOTES TO SCHEDULES

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, culture and recreation, 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. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. 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% 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 become delinquent if not paid by May 10 and November 10, respectively.

Note 5. 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 LADOGA  
NOTES TO SCHEDULES  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), 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 PERF 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% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

Note 7. Long-Term Debt

The Town has entered into debt such as bonds for a wastewater improvement project. The outstanding principal at December 31, 2005, was \$375,000.

TOWN OF LADOGA  
EXIT CONFERENCE

The contents of this report were discussed on August 3, 2006, with Viki Powers, Clerk-Treasurer; and Sandra E. Powers, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.