

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

EXAMINATION REPORT
OF
TOWN OF DUBLIN
WAYNE COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
12/27/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Julia A. McCarty	01-01-04 to 12-31-07
President of the Town Council	Dennis Lynch	01-01-04 to 12-31-06
Superintendent of Utilities	Lloyd Davis	01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF DUBLIN, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Dublin (Town), for the period of January 1, 2004 to December 31, 2005. The Town's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above present fairly, in all material respects, the financial information 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

October 30, 2006

TOWN OF DUBLIN
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			Cash and Investments
	01-01-04	Receipts	Disbursements	
Governmental Funds:				
General	\$ 10,357	\$ 92,461	\$ 75,694	\$ 27,124
Motor Vehicle Highway	29,504	40,825	28,618	41,711
Local Road and Street	16,687	7,508	-	24,195
Law Enforcement Continuing Education	343	120	305	158
Rainy Day	-	6,255	3,000	3,255
Donation	530	-	150	380
Cumulative Capital Improvement	7,520	2,601	-	10,121
Cumulative Capital Development	15,500	6,028	9,000	12,528
Refuse Collection	17,986	42,621	41,124	19,483
Law Enforcement Block Grant	3,977	1,655	5,632	-
Housing Grant	3,552	-	3,552	-
Economic Development Income Tax	43,685	25,708	27,699	41,694
Donation Fund Savings	-	1,000	-	1,000
Levy Excess	1,718	-	-	1,718
Business-Type Activities:				
Water Utility Operating	57,317	140,032	152,618	44,731
Water Utility Depreciation	54,503	13,531	2,263	65,771
Water Utility Meter Deposit	8,428	2,418	2,678	8,168
Water Utility Cash Reserve	8,522	14,969	7,575	15,916
Electric Utility Operating	2,444	380,501	380,697	2,248
Electric Utility Depreciation	9,418	13,017	6,869	15,566
Electric Utility Meter Deposit	35,947	8,165	13,235	30,877
Electric Utility Cash Reserve	13,966	12,822	7,575	19,213
Fiduciary Funds:				
WWRSD Clearing Account	5,958	93,744	93,958	5,744
Payroll	1,993	210,128	205,798	6,323
Totals	\$ 349,855	\$ 1,116,109	\$ 1,068,040	\$ 397,924

	Cash and Investments			Cash and Investments
	01-01-05	Receipts	Disbursements	
Governmental Funds:				
General	\$ 27,124	\$ 49,280	\$ 73,270	\$ 3,134
Motor Vehicle Highway	41,711	42,020	35,654	48,077
Local Road and Street	24,195	7,430	14,681	16,944
Law Enforcement Continuing Education	158	128	130	156
Rainy Day	3,255	10,145	1,183	12,217
Donation	380	-	-	380
Cumulative Capital Improvement	10,121	2,155	8,491	3,785
Cumulative Capital Development	12,528	3,857	2,351	14,034
Refuse Collection	19,483	40,398	37,140	22,741
Housing Grant	-	2,666	-	2,666
Economic Development Income Tax	41,694	25,422	47,938	19,178
Donation Fund Savings	1,000	-	1,000	-
Levy Excess	1,718	543	-	2,261
Business-Type Activities:				
Water Utility Operating	44,731	134,613	167,792	11,552
Water Utility Depreciation	65,771	11,792	610	76,953
Water Utility Meter Deposit	8,168	1,365	1,151	8,382
Water Utility Cash Reserve	15,916	24,292	7,216	32,992
Electric Utility Operating	2,248	410,088	405,666	6,670
Electric Utility Depreciation	15,566	11,351	2,788	24,129
Electric Utility Meter Deposit	30,877	5,200	5,312	30,765
Electric Utility Cash Reserve	19,213	15,253	5,773	28,693
Fiduciary Funds:				
WWRSD Clearing Account	5,744	89,458	89,757	5,445
Payroll	6,323	222,401	221,450	7,274
Totals	\$ 397,924	\$ 1,109,857	\$ 1,129,353	\$ 378,428

The accompanying notes are an integral part of the schedules.

TOWN OF DUBLIN
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, culture and recreation, planning and zoning, general administrative services, electric and water.

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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

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 DUBLIN
NOTES TO FINANCIAL INFORMATION
(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 a loan for the purchase of land. The outstanding principal at December 31, 2005, was \$13,747.

TOWN OF DUBLIN
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for audit indicated the following disbursements in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
General	2004	\$ 5,374
Rainy Day	2004	3,000
Refuse Collection	2005	1,200
Cumulative Capital Improvement	2005	4,091

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."

FINANCE CHARGES

The Town incurred, and subsequently paid, financial charges of \$214 for delinquent payment of vendor invoices during 2004-2005.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONDITION OF RECORDS - PAYROLL

Amounts withheld from employees did not agree to amounts paid to state and federal authorities.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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)

CUSTOMER DEPOSIT REGISTER

The detailed customer deposit register does not reconcile to the customer deposit amount recorded on the general ledger.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amounts needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF DUBLIN
EXIT CONFERENCE

The contents of this report were discussed on October 30, 2006, with Julia A. McCarty, Clerk-Treasurer; and Dennis Lynch, President of the Town Council. The officials concurred with our findings.