

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

EXAMINATION REPORT
OF
TOWN OF YEOMAN
CARROLL COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
10/30/2008

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Peggy L. Braden

01-01-05 to 12-31-08

President of the Town Council

Shirley A. Larson

01-01-06 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF YEOMAN, CARROLL COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Yeoman (Town), for the period of January 1, 2006 to December 31, 2007. 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 presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 25, 2008

TOWN OF YEOMAN
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 58,243	\$ 20,878	\$ 18,891	\$ 60,230
Motor Vehicle Highway	6,246	4,514	1,563	9,197
Local Road and Street	8,743	568	-	9,311
Park and Recreation	300	-	-	300
Levy Excess	531	190	-	721
Rainy Day	1,464	605	-	2,069
Building Donation	28,689	-	-	28,689
Cumulative Capital Improvement	2,991	343	800	2,534
County Economic Development Income Tax	5,220	464	-	5,684
Totals	<u>\$ 112,427</u>	<u>\$ 27,562</u>	<u>\$ 21,254</u>	<u>\$ 118,735</u>
	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 60,230	\$ 11,921	\$ 13,984	\$ 58,167
Motor Vehicle Highway	9,197	4,495	-	13,692
Local Road and Street	9,311	573	350	9,534
Park and Recreation	300	-	-	300
Levy Excess	721	-	-	721
Rainy Day	2,069	605	-	2,674
Building Donation	28,689	-	-	28,689
Cumulative Capital Improvement	2,534	338	-	2,872
County Economic Development Income Tax	5,684	433	-	6,117
Totals	<u>\$ 118,735</u>	<u>\$ 18,365</u>	<u>\$ 14,334</u>	<u>\$ 122,766</u>

The accompanying notes are an integral part of the financial information.

TOWN OF YEOMAN
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, health and social services, 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.

Note 6. Subsequent Event

The County (grantee) was awarded a Community Development Block Grant on behalf of the Town of Yeoman (sub-recipient) for the construction of a Community Center/Ambulance Garage. The award was for \$390,000. No funds have been received as of the date of this report.

The Town was also awarded a second Community Development Block Grant to be used for sewer planning. The award was for \$39,000 of which a total of \$23,760 has been received and disbursed in July of 2008.

TOWN OF YEOMAN
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2007

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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 15,000
Machinery and equipment	<u>2,629</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 17,629</u>

TOWN OF YEOMAN
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Some officials of the Town had money due from the Town, but a list of such officials was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

LOAN BETWEEN TOWN FUNDS

A temporary loan of \$10,000 was made in 2005 from the Motor Vehicle Highway Fund to the General Fund and not repaid by the date of this Report. A similar comment was noted in the prior Report B27376.

Indiana Code 36-1-8-4 concerning temporary loans, states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs, (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . ."

"(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

- (1) Passes an ordinance or a resolution that contains the following:
 - (A) A statement that the fiscal body has determined that an emergency exists.
 - (B) A brief description of the grounds for the emergency.
 - (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.
- (2) Immediately forwards the ordinance or resolution to the state board of accounts and department of local government finance."

TOWN OF YEOMAN
EXIT CONFERENCE

The contents of this report were discussed on September 25, 2008, with Peggy L. Braden, Clerk-Treasurer; and Shirley A. Larson, President of the Town Council. The officials concurred with our findings.