

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

EXAMINATION REPORT
OF
TOWN OF WESTPORT
DECATUR COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5-6
Supplementary Information: Schedule of Long-Term Debt	7
Examination Result and Comment: Capital Asset Records	8
Exit Conference.....	9

OFFICIALS

Office

Official

Term

Clerk-Treasurer

Barbara Hayden

01-01-04 to 12-31-11

President of the
Town Council

Dave Stults
Bryan Gatewood

01-01-06 to 12-31-07
01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF WESTPORT, DECATUR COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Westport (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 Long-Term Debt, 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

December 1, 2008

TOWN OF WESTPORT
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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 54,795	\$ 375,657	\$ 330,544	\$ 99,908
Motor Vehicle Highway	107,999	76,123	68,048	116,074
Local Road and Street	32,977	7,540	760	39,757
CEDIT	20,556	-	-	20,556
Law Enforcement Continuing Education	2,416	2,590	-	5,006
Riverboat	28,686	9,534	-	38,220
Accident Report	745	-	-	745
Cemetery	240,103	10,446	31,190	219,359
Cemetery Maintenance	21,465	2,499	-	23,964
Cemetery - Tree	(155)	-	-	(155)
Cumulative Capital Improvement	7,270	5,412	-	12,682
Cumulative Capital Development	110,530	18,013	25,388	103,155
Levy Excess	-	6,907	-	6,907
Proprietary Funds:				
Water Utility - Operating	39,985	460,257	485,577	14,665
Water Utility - Bond and Interest	95,042	70,786	64,396	101,432
Water Utility - Reserve	187,217	4,220	125,000	66,437
Water Utility - Customer Deposit	7,814	3,920	3,765	7,969
Water Utility - Improvement	74,135	-	-	74,135
Wastewater Utility - Operating	81,373	258,184	231,629	107,928
Wastewater Utility - Bond and Interest	59,057	33,279	34,270	58,066
Wastewater Utility - Reserve	47,955	14,400	-	62,355
Fiduciary Funds:				
Town Hall Rent Deposits	50	-	-	50
Payroll	1,899	482,245	481,915	2,229
Totals	<u>\$ 1,221,914</u>	<u>\$ 1,842,012</u>	<u>\$ 1,882,482</u>	<u>\$ 1,181,444</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 99,908	\$ 256,129	\$ 308,788	\$ 47,249
Motor Vehicle Highway	116,074	67,299	47,864	135,509
Local Road and Street	39,757	7,060	-	46,817
CEDIT	20,556	-	-	20,556
Law Enforcement Continuing Education	5,006	491	-	5,497
Riverboat	38,220	9,553	-	47,773
Accident Report	745	2,115	1,624	1,236
Cemetery	219,359	6,340	18,518	207,181
Cemetery Maintenance	23,964	2,950	8	26,906
Cemetery - Tree	(155)	-	-	(155)
Cumulative Capital Improvement	12,682	5,322	-	18,004
Cumulative Capital Development	103,155	10,762	47,205	66,712
Levy Excess	6,907	-	-	6,907
Proprietary Funds:				
Water Utility - Operating	14,665	400,636	401,744	13,557
Water Utility - Bond and Interest	101,432	50,605	63,460	88,577
Water Utility - Reserve	66,437	-	-	66,437
Water Utility - Customer Deposit	7,969	3,950	3,560	8,359
Water Utility - Improvement	74,135	23,704	74,135	23,704
Wastewater Utility - Operating	107,928	253,595	264,816	96,707
Wastewater Utility - Bond and Interest	58,066	33,291	33,415	57,942
Wastewater Utility - Reserve	62,355	14,400	-	76,755
Fiduciary Funds:				
Town Hall Rent Deposits	50	-	-	50
Payroll	2,229	535,018	534,211	3,036
Totals	<u>\$ 1,181,444</u>	<u>\$ 1,683,220</u>	<u>\$ 1,799,348</u>	<u>\$ 1,065,316</u>

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

TOWN OF WESTPORT
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, road and streets maintenance, cemetery, water and wastewater utilities, 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. 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 WESTPORT
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 various debts such as bonds for water and wastewater improvements. The outstanding principal at December 31, 2007, was \$272,000 and \$280,000, respectively.

TOWN OF WESTPORT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type Activities:		
Water Utility		
Revenue bonds:		
1999 Issue	\$ 242,000	\$ 50,867
1994 Issue	<u>30,000</u>	<u>16,342</u>
Total Water Utility	<u>272,000</u>	<u>67,209</u>
Wastewater Utility		
Revenue bonds:		
1994 Issue	<u>280,000</u>	<u>32,545</u>
Total business-type activities debt:	<u>\$ 552,000</u>	<u>\$ 99,754</u>

TOWN OF WESTPORT
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The Town does not maintain capital asset records.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF WESTPORT
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2008, with Barbara Hayden, Clerk-Treasurer; and Bryan Gatewood, President of the Town Council. The officials concurred with our finding.