

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

EXAMINATION REPORT  
OF  
TOWN OF STATE LINE CITY  
WARREN COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
01/20/2010



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Lela Fowler

01-01-04 to 12-31-11

President of the  
Town Council

Russell E. Rudolph

01-01-07 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF STATE LINE CITY, WARREN COUNTY, INDIANA

We have examined the financial information presented herein of the Town of State Line City (Town), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, 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

December 8, 2009

TOWN OF STATE LINE CITY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 26,650	\$ 22,035	\$ 28,635	\$ 20,050
Motor Vehicle Highway	29,507	6,267	1,950	33,824
Local Road and Street	9,095	848	-	9,943
Park and Recreation	2,834	550	-	3,384
County Economic Development Income Tax	11,485	2,334	2,118	11,701
Cumulative Capital Improvement	4,773	495	-	5,268
Cumulative Capital Development	7,562	1,133	-	8,695
Storm Sewer Construction	16,936	-	113	16,823
	<u>108,842</u>	<u>33,662</u>	<u>32,816</u>	<u>109,688</u>
Totals	<u>\$ 108,842</u>	<u>\$ 33,662</u>	<u>\$ 32,816</u>	<u>\$ 109,688</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 20,050	\$ 32,826	\$ 28,317	\$ 24,559
Motor Vehicle Highway	33,824	3,816	1,140	36,500
Local Road and Street	9,943	802	-	10,745
Park and Recreation	3,384	180	361	3,203
Rainy Day	-	1,563	-	1,563
County Economic Development Income Tax	11,701	2,259	-	13,960
Cumulative Capital Improvement	5,268	459	-	5,727
Cumulative Capital Development	8,695	2,379	4,228	6,846
Storm Sewer Construction	16,823	-	153	16,670
LOIT-Public Safety	-	2,253	-	2,253
	<u>109,688</u>	<u>46,537</u>	<u>34,199</u>	<u>122,026</u>
Totals	<u>\$ 109,688</u>	<u>\$ 46,537</u>	<u>\$ 34,199</u>	<u>\$ 122,026</u>

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

TOWN OF STATE LINE CITY  
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: highways and streets, 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. Property taxes collected by the County Treasurer were not distributed until January 10, 2008 and February 6, 2009 for the years 2007 and 2008 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 STATE LINE CITY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2008

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	\$ 1,500
Buildings	48,388
Improvements other than buildings	1,025
Machinery and equipment	<u>1,493</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 52,406</u>

TOWN OF STATE LINE CITY  
EXIT CONFERENCE

The contents of this report were discussed on December 8, 2009, with Lela Fowler, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.