

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

EXAMINATION REPORT  
OF  
TOWN OF ECONOMY  
WAYNE COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**  
11/19/2010



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Norma Mosier

01-01-04 to 12-31-11

President of the Town Council

Thomas Bungler

01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Town of Economy (Town), for the period of January 1, 2007 to December 31, 2009. 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, 2008, and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 8, 2010

TOWN OF ECONOMY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2007, 2008, And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 32,577	\$ 28,999	\$ 27,134	\$ 34,442
Motor Vehicle Highway	27,732	7,371	3,214	31,889
Local Road and Street	6,501	2,117	-	8,618
Riverboat	2,520	1,261	-	3,781
Rainy Day	1,874	-	100	1,774
Cumulative Capital Improvement	8,029	702	-	8,731
Economic Development Income Tax	10,865	3,784	-	14,649
	<u>90,098</u>	<u>44,234</u>	<u>30,448</u>	<u>103,884</u>
Totals	<u>\$ 90,098</u>	<u>\$ 44,234</u>	<u>\$ 30,448</u>	<u>\$ 103,884</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 34,442	\$ 40,525	\$ 29,940	\$ 45,027
Motor Vehicle Highway	31,889	5,568	2,616	34,841
Local Road and Street	8,618	1,948	-	10,566
Riverboat	3,781	1,254	-	5,035
Rainy Day	1,774	471	-	2,245
Cumulative Capital Improvement	8,731	651	-	9,382
Economic Development Income Tax	14,649	3,855	2,782	15,722
	<u>103,884</u>	<u>54,272</u>	<u>35,338</u>	<u>122,818</u>
Totals	<u>\$ 103,884</u>	<u>\$ 54,272</u>	<u>\$ 35,338</u>	<u>\$ 122,818</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 45,027	\$ 33,689	\$ 27,543	\$ 51,173
Motor Vehicle Highway	34,841	5,455	20,850	19,446
Local Road and Street	10,566	1,812	6,550	5,828
Riverboat	5,035	1,252	-	6,287
Rainy Day	2,245	35	25	2,255
Cumulative Capital Improvement	9,382	613	-	9,995
Economic Development Income Tax	15,722	4,142	-	19,864
	<u>122,818</u>	<u>46,998</u>	<u>54,968</u>	<u>114,848</u>
Totals	<u>\$ 122,818</u>	<u>\$ 46,998</u>	<u>\$ 54,968</u>	<u>\$ 114,848</u>

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

TOWN OF ECONOMY  
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. 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 ECONOMY  
EXIT CONFERENCE

The contents of this report were discussed on September 8, 2010, with Norma Mosier, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.