

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

EXAMINATION REPORT
OF
TOWN OF MONON
WHITE COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
08/18/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Michele J. Robinson	01-01-04 to 12-31-11
President of the Town Council	Bryan Rinker JJ J. Selagy (Interim)	01-01-09 to 04-19-11 04-19-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MONON, WHITE COUNTY, INDIANA

We have examined the financial statements of the Town of Monon (Town), for the period of January 1, 2009 to December 31, 2010. The Town's management is responsible for the financial statements. 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management and the Town Council, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 7, 2011

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FINANCIAL STATEMENT(S)

TOWN OF MONON
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General	\$ 418,614	\$ 492,296	\$ 395,892	\$ 515,018
Motor Vehicle Highway	150,681	74,055	43,190	181,546
Local Road And Street	3,078	5,656	-	8,734
Park	57,186	30,078	39,884	47,380
Community Development Block Grant	-	19,002	19,002	-
Law Enforcement Continuing Education	705	720	425	1,000
Unsafe Building Fund	2,519	1,784	1,869	2,434
Riverboat Gaming Tax Fund	38,585	10,845	14,000	35,430
Civic Center	1,483	3,160	1,694	2,949
Rainy Day Fund	57,929	-	31,336	26,593
County Economic Development Tax	82,914	36,072	39,098	79,888
Forfeited Property Fund	199	-	-	199
Operation Pullover Grant	-	2,455	2,455	-
Town Court Fees And Fines	2,965	5,811	6,688	2,088
Court Partial Payment Plan	99	-	99	-
Cumulative Capital Development	90,497	12,560	-	103,057
Historical Preservation	224	-	-	224
Cumulative Capital Improvement	35,390	5,328	311	40,407
Payroll	3,242	386,031	385,273	4,000
Wastewater Escrow Account	-	57,125	-	57,125
Wastewater Operating	323,029	286,275	376,561	232,743
Wastewater Bond And Interest	-	63,956	63,954	2
Wastewater Depreciation	153,020	35,065	7,078	181,007
Wastewater Construction	-	2,042,950	1,109,169	933,781
Wastewater Improvements	-	19,460	19,460	-
Wastewater Debt Reserve	-	22,433	4,050	18,383
Water Operating	12,147	220,518	209,728	22,937
Water Bond And Interest	280	50,060	49,970	370
Water Depreciation	20,319	346	6,802	13,863
Water Deposit	32,546	10,300	8,205	34,641
Water Debt Reserve	54,683	-	-	54,683
Totals	<u>\$ 1,542,334</u>	<u>\$ 3,894,341</u>	<u>\$ 2,836,193</u>	<u>\$ 2,600,482</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF MONON
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 515,018	\$ 733,880	\$ 378,566	\$ 870,332
Motor Vehicle Highway	181,546	84,016	75,803	189,759
Local Road And Street	8,734	6,417	15,151	-
Park	47,380	20,987	28,730	39,637
Law Enforcement Continued Education	1,000	599	556	1,043
Unsafe Building Fund	2,434	892	1,016	2,310
Riverboat Gaming Tax Fund	35,430	10,845	15,000	31,275
Civic Center	2,949	3,006	1,836	4,119
Rainy Day Fund	26,593	-	3,520	23,073
County Economic Development Tax	79,888	38,214	46,206	71,896
Forfeited Property Fund	199	-	-	199
Levy Excess	-	1,013	-	1,013
Operation Pullover Grant	-	1,575	1,325	250
Town Court Fees And Fines	2,088	793	913	1,968
Cumulative Capital Development	103,057	15,008	80,000	38,065
Historical Preservation	224	-	-	224
Cumulative Capital Improvement	40,407	8,795	29,538	19,664
Fire Truck Grant	-	289,156	289,156	-
Payroll	4,000	378,010	378,958	3,052
Wastewater Operating	232,743	320,693	425,336	128,100
Wastewater Bond And Interest	2	96,959	96,960	1
Wastewater Depreciation	181,007	80,289	41,065	220,231
Wastewater Construction	933,781	62,634	262,889	733,526
Wastewater Escrow	57,125	242	57,367	-
Wastewater Debt Reserve	18,383	33,959	-	52,342
Water Operating	22,937	214,908	236,692	1,153
Water Bond And Interest	370	53,404	53,657	117
Water Depreciation	13,863	16,415	5,012	25,266
Water Deposit	34,641	9,998	6,723	37,916
Water Debt Reserve	54,683	-	-	54,683
Totals	<u>\$ 2,600,482</u>	<u>\$ 2,482,707</u>	<u>\$ 2,531,975</u>	<u>\$ 2,551,214</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF MONON
NOTES TO FINANCIAL STATEMENT(S)

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement(s) present(s) the financial information for the Town (primary government), and does not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

B. Basis of Accounting

The financial statement(s) are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF MONON
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

TOWN OF MONON
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Town may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Town. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Town. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Town submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

TOWN OF MONON
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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 5. Risk Management

The Town may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

Note 6. Pension Plan(s)

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 percent 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:

TOWN OF MONON
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town of Monon's Annual Report(s) can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009

	General	Motor Vehicle Highway	Local Road And Street	Park	Community Development Block Grant	Law Enforcement Continuing Education	Unsafe Building Fund	Riverboat Gaming Tax Fund
Cash and investments - beginning	\$ 418,614	\$ 150,681	\$ 3,078	\$ 57,186	\$ -	\$ 705	\$ 2,519	\$ 38,585
Receipts:								
Taxes	281,563	25,956	-	-	-	-	-	-
Intergovernmental	158,759	46,670	5,656	1,903	19,002	-	-	10,845
Charges for services	39,377	900	-	19,438	-	313	-	-
Fines and forfeits	2,641	-	-	-	-	407	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	9,956	529	-	8,737	-	-	1,784	-
Total receipts	<u>492,296</u>	<u>74,055</u>	<u>5,656</u>	<u>30,078</u>	<u>19,002</u>	<u>720</u>	<u>1,784</u>	<u>10,845</u>
Disbursements:								
Personal services	191,248	29,255	-	15,233	-	-	-	-
Supplies	19,171	5,877	-	2,432	-	140	-	-
Other services and charges	170,672	7,112	-	8,466	19,002	285	1,869	14,000
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	14,801	946	-	7,496	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	6,257	-	-	-	-
Total disbursements	<u>395,892</u>	<u>43,190</u>	<u>-</u>	<u>39,884</u>	<u>19,002</u>	<u>425</u>	<u>1,869</u>	<u>14,000</u>
Excess (deficiency) of receipts over disbursements	<u>96,404</u>	<u>30,865</u>	<u>5,656</u>	<u>(9,806)</u>	<u>-</u>	<u>295</u>	<u>(85)</u>	<u>(3,155)</u>
Cash and investments - ending	<u>\$ 515,018</u>	<u>\$ 181,546</u>	<u>\$ 8,734</u>	<u>\$ 47,380</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 2,434</u>	<u>\$ 35,430</u>

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Civic Center	Rainy Day Fund	County Economic Development Tax	Forfeited Property Fund	Operation Pullover Grant	Town Court Fees And Fines	Court Partial Payment Plan	Cumulative Capital Development
Cash and investments - beginning	\$ 1,483	\$ 57,929	\$ 82,914	\$ 199	\$ -	\$ 2,965	\$ 99	\$ 90,497
Receipts:								
Taxes	-	-	-	-	-	-	-	10,558
Intergovernmental	-	-	36,072	-	2,455	-	-	1,998
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	5,811	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	3,160	-	-	-	-	-	-	4
Total receipts	3,160	-	36,072	-	2,455	5,811	-	12,560
Disbursements:								
Personal services	-	-	-	-	2,455	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	1,694	-	3,025	-	-	6,688	99	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	30,224	26,376	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	1,112	9,697	-	-	-	-	-
Total disbursements	1,694	31,336	39,098	-	2,455	6,688	99	-
Excess (deficiency) of receipts over disbursements	1,466	(31,336)	(3,026)	-	-	(877)	(99)	12,560
Cash and investments - ending	\$ 2,949	\$ 26,593	\$ 79,888	\$ 199	\$ -	\$ 2,088	\$ -	\$ 103,057

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Historical Preservation	Cumulative Capital Improvement	Payroll	Wastewater Escrow Account	Wastewater Operating	Wastewater Bond And Interest	Wastewater Depreciation	Wastewater Construction
Cash and investments - beginning	\$ 224	\$ 35,390	\$ 3,242	\$ -	\$ 323,029	\$ -	\$ 153,020	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	5,313	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	271,776	-	-	-
Penalties	-	-	-	-	5,996	-	-	-
Other receipts	-	15	386,031	57,125	8,503	63,956	35,065	2,042,950
Total receipts	-	5,328	386,031	57,125	286,275	63,956	35,065	2,042,950
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	311	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	63,204	-	-
Capital outlay	-	-	-	-	11,370	-	-	1,067,663
Utility operating expenses	-	-	-	-	224,013	-	-	-
Other disbursements	-	-	385,273	-	141,178	750	7,078	41,506
Total disbursements	-	311	385,273	-	376,561	63,954	7,078	1,109,169
Excess (deficiency) of receipts over disbursements	-	5,017	758	57,125	(90,286)	2	27,987	933,781
Cash and investments - ending	\$ 224	\$ 40,407	\$ 4,000	\$ 57,125	\$ 232,743	\$ 2	\$ 181,007	\$ 933,781

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Wastewater Improvements	Wastewater Debt Reserve	Water Operating	Water Bond And Interest	Water Depreciation	Water Deposit	Water Debt Reserve	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 12,147	\$ 280	\$ 20,319	\$ 32,546	\$ 54,683	\$ 1,542,334
Receipts:								
Taxes	-	-	-	-	-	-	-	318,077
Intergovernmental	-	-	-	-	-	-	-	288,673
Charges for services	-	-	-	-	-	-	-	60,028
Fines and forfeits	-	-	-	-	-	-	-	8,859
Utility fees	-	-	200,873	-	-	-	-	472,649
Penalties	-	-	-	-	-	-	-	5,996
Other receipts	19,460	22,433	19,645	50,060	346	10,300	-	2,740,059
Total receipts	19,460	22,433	220,518	50,060	346	10,300	-	3,894,341
Disbursements:								
Personal services	-	-	-	-	-	-	-	238,191
Supplies	-	-	-	-	-	-	-	27,620
Other services and charges	-	-	-	-	-	-	-	233,223
Debt service - principal and interest	-	4,050	-	49,570	-	-	-	116,824
Capital outlay	-	-	1,547	-	-	-	-	1,160,423
Utility operating expenses	19,460	-	135,969	-	6,802	100	-	386,344
Other disbursements	-	-	72,212	400	-	8,105	-	673,568
Total disbursements	19,460	4,050	209,728	49,970	6,802	8,205	-	2,836,193
Excess (deficiency) of receipts over disbursements	-	18,383	10,790	90	(6,456)	2,095	-	1,058,148
Cash and investments - ending	\$ -	\$ 18,383	\$ 22,937	\$ 370	\$ 13,863	\$ 34,641	\$ 54,683	\$ 2,600,482

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Motor Vehicle Highway	Local Road And Street	Park	Law Enforcement Continued Education	Unsafe Building Fund	Riverboat Gaming Tax Fund
Cash and investments - beginning	\$ 515,018	\$ 181,546	\$ 8,734	\$ 47,380	\$ 1,000	\$ 2,434	\$ 35,430
Receipts:							
Taxes	470,088	37,670	-	8,245	-	-	-
Intergovernmental	176,606	45,446	6,417	1,039	-	-	10,845
Charges for services	75,663	900	-	9,000	286	-	-
Fines and forfeits	423	-	-	-	313	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	11,100	-	-	2,703	-	892	-
Total receipts	<u>733,880</u>	<u>84,016</u>	<u>6,417</u>	<u>20,987</u>	<u>599</u>	<u>892</u>	<u>10,845</u>
Disbursements:							
Personal services	183,521	28,312	-	15,161	-	-	-
Supplies	22,489	6,813	-	3,025	300	-	-
Other services and charges	163,434	30,678	15,151	7,766	256	1,016	15,000
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	8,771	10,000	-	2,778	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	351	-	-	-	-	-	-
Total disbursements	<u>378,566</u>	<u>75,803</u>	<u>15,151</u>	<u>28,730</u>	<u>556</u>	<u>1,016</u>	<u>15,000</u>
Excess (deficiency) of receipts over disbursements	<u>355,314</u>	<u>8,213</u>	<u>(8,734)</u>	<u>(7,743)</u>	<u>43</u>	<u>(124)</u>	<u>(4,155)</u>
Cash and investments - ending	<u>\$ 870,332</u>	<u>\$ 189,759</u>	<u>\$ -</u>	<u>\$ 39,637</u>	<u>\$ 1,043</u>	<u>\$ 2,310</u>	<u>\$ 31,275</u>

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Civic Center	Rainy Day Fund	County Economic Development Tax	Forfeited Property Fund	Levy Excess	Operation Pullover Grant
Cash and investments - beginning	\$ 2,949	\$ 26,593	\$ 79,888	\$ 199	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	38,214	-	-	1,575
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,006	-	-	-	1,013	-
Total receipts	<u>3,006</u>	<u>-</u>	<u>38,214</u>	<u>-</u>	<u>1,013</u>	<u>1,575</u>
Disbursements:						
Personal services	-	-	-	-	-	1,325
Supplies	-	-	-	-	-	-
Other services and charges	1,836	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	3,520	46,206	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>1,836</u>	<u>3,520</u>	<u>46,206</u>	<u>-</u>	<u>-</u>	<u>1,325</u>
Excess (deficiency) of receipts over disbursements	<u>1,170</u>	<u>(3,520)</u>	<u>(7,992)</u>	<u>-</u>	<u>1,013</u>	<u>250</u>
Cash and investments - ending	<u>\$ 4,119</u>	<u>\$ 23,073</u>	<u>\$ 71,896</u>	<u>\$ 199</u>	<u>\$ 1,013</u>	<u>\$ 250</u>

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Town Court Fees And Fines	Cumulative Capital Development	Historical Preservation	Cumulative Capital Improvement	Fire Truck Grant	Payroll
Cash and investments - beginning	\$ 2,088	\$ 103,057	\$ 224	\$ 40,407	\$ -	\$ 4,000
Receipts:						
Taxes	-	13,348	-	-	-	-
Intergovernmental	-	1,660	-	5,074	-	-
Charges for services	-	-	-	-	281,406	-
Fines and forfeits	793	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	3,721	7,750	378,010
Total receipts	<u>793</u>	<u>15,008</u>	<u>-</u>	<u>8,795</u>	<u>289,156</u>	<u>378,010</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	913	20,000	-	29,538	6,000	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	60,000	-	-	283,156	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	378,958
Total disbursements	<u>913</u>	<u>80,000</u>	<u>-</u>	<u>29,538</u>	<u>289,156</u>	<u>378,958</u>
Excess (deficiency) of receipts over disbursements	<u>(120)</u>	<u>(64,992)</u>	<u>-</u>	<u>(20,743)</u>	<u>-</u>	<u>(948)</u>
Cash and investments - ending	<u>\$ 1,968</u>	<u>\$ 38,065</u>	<u>\$ 224</u>	<u>\$ 19,664</u>	<u>\$ -</u>	<u>\$ 3,052</u>

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Wastewater Operating	Wastewater Bond And Interest	Wastewater Depreciation	Wastewater Construction	Wastewater Escrow	Wastewater Debt Reserve
Cash and investments - beginning	\$ 232,743	\$ 2	\$ 181,007	\$ 933,781	\$ 57,125	\$ 18,383
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	315,192	-	-	-	-	-
Other receipts	5,501	96,959	80,289	62,634	242	33,959
Total receipts	<u>320,693</u>	<u>96,959</u>	<u>80,289</u>	<u>62,634</u>	<u>242</u>	<u>33,959</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	96,460	-	-	-	-
Capital outlay	2,930	-	-	262,889	-	-
Utility operating expenses	213,388	-	-	-	-	-
Other disbursements	209,018	500	41,065	-	57,367	-
Total disbursements	<u>425,336</u>	<u>96,960</u>	<u>41,065</u>	<u>262,889</u>	<u>57,367</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(104,643)</u>	<u>(1)</u>	<u>39,224</u>	<u>(200,255)</u>	<u>(57,125)</u>	<u>33,959</u>
Cash and investments - ending	<u>\$ 128,100</u>	<u>\$ 1</u>	<u>\$ 220,231</u>	<u>\$ 733,526</u>	<u>\$ -</u>	<u>\$ 52,342</u>

TOWN OF MONON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Water Operating	Water Bond And Interest	Water Depreciation	Water Deposit	Water Debt Reserve	Totals
Cash and investments - beginning	\$ 22,937	\$ 370	\$ 13,863	\$ 34,641	\$ 54,683	\$ 2,600,482
Receipts:						
Taxes	-	-	-	-	-	529,351
Intergovernmental	-	-	-	-	-	286,876
Charges for services	-	-	-	-	-	367,255
Fines and forfeits	-	-	-	-	-	1,529
Utility fees	192,640	-	-	-	-	507,832
Other receipts	22,268	53,404	16,415	9,998	-	789,864
Total receipts	<u>214,908</u>	<u>53,404</u>	<u>16,415</u>	<u>9,998</u>	<u>-</u>	<u>2,482,707</u>
Disbursements:						
Personal services	-	-	-	-	-	228,319
Supplies	-	-	-	-	-	32,627
Other services and charges	-	-	-	-	-	291,588
Debt service - principal and interest	-	53,257	-	-	-	149,717
Capital outlay	428	-	-	-	-	680,678
Utility operating expenses	144,991	-	-	6,723	-	365,102
Other disbursements	91,273	400	5,012	-	-	783,944
Total disbursements	<u>236,692</u>	<u>53,657</u>	<u>5,012</u>	<u>6,723</u>	<u>-</u>	<u>2,531,975</u>
Excess (deficiency) of receipts over disbursements	<u>(21,784)</u>	<u>(253)</u>	<u>11,403</u>	<u>3,275</u>	<u>-</u>	<u>(49,268)</u>
Cash and investments - ending	<u>\$ 1,153</u>	<u>\$ 117</u>	<u>\$ 25,266</u>	<u>\$ 37,916</u>	<u>\$ 54,683</u>	<u>\$ 2,551,214</u>

TOWN OF MONON
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,000
Buildings	295,466
Improvements other than buildings	105,763
Machinery and equipment	<u>234,231</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 638,460</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 65,351
Infrastructure	1,026,224
Buildings	572,454
Improvements other than buildings	1,416,296
Machinery and equipment	<u>549,500</u>
Total Water Utility capital assets	<u>3,629,825</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	3,750
Infrastructure	5,386,429
Buildings	612,850
Improvements other than buildings	12,750
Machinery and equipment	<u>1,601,188</u>
Total Wastewater Utility capital assets	<u>7,616,967</u>
Total business-type activities capital assets	<u>\$ 11,246,792</u>

TOWN OF MONON
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

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:		
2000 Water Tower and Water Lines	\$ 385,000	\$ 51,652
Wastewater Utility:		
Revenue bonds:		
2009 Wastewater Improvements	<u>1,715,000</u>	<u>141,847</u>
Total business-type activities debt	<u>\$ 2,100,000</u>	<u>\$ 193,499</u>

TOWN OF MONON
EXAMINATION RESULT(S) AND COMMENT(S)

CONDITION OF RECORDS - TOWN COURT

Financial records presented for examination were incomplete and not reflective of the activity of the Town Court Fund. The records presented did not provide sufficient information to examine or establish beginning balances, receipts, disbursements, ending balances, or the accuracy or correctness of the transactions. A similar comment was in prior Report B35071.

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 City and Town Courts, Chapter 4)

TOWN OF MONON
EXIT CONFERENCE

The contents of this report were discussed on June 7, 2011, with Michele J. Robinson, Clerk-Treasurer; and JJ J. Selagy, Interim President of the Town Council. The officials concurred with our finding.