

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

CITY OF WOODBURN

ALLEN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
05/21/2012



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Lesa Meadows Holly Sarrazine	01-01-08 to 07-15-11 07-16-11 to 12-31-15
Mayor	Richard A. Hoeppe	01-01-08 to 12-31-15
President of the Board of Public Works and Safety	Richard A. Hoeppe	01-01-11 to 12-31-12
President of the Common Council	Richard A. Hoeppe	01-01-11 to 12-31-12



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF WOODBURN, ALLEN COUNTY, INDIANA

We have examined the financial statement of the City of Woodburn (City), for the period of January 1, 2011 to December 31, 2011. The City's management is responsible for the financial statement. 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 statement 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 City prepares its financial statement 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 statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2011, on the basis of accounting described in Note 1.

The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the financial statement. It has not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management, Common Council, and others within the entity, 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

April 16, 2012

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## FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

CITY OF WOODBURN  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 213,004	\$ 182,689	\$ 206,759	\$ 188,934
Motor Vehicle Highway	42,560	80,078	38,384	84,254
Local Road and Street	22,235	18,379	12,438	28,176
Economic Development (CEDIT)	105,341	107,203	71,713	140,831
Law Enforcement Continuing Education	2,707	1,133	91	3,749
Riverboat	35,531	9,881	3,377	42,035
Rainy Day	103,750	-	1,660	102,090
Cumulative Capital Development	25,789	51,523	7,203	70,109
Cumulative Capital Improvement	17,227	4,535	5,924	15,838
Police Department	1,176	-	-	1,176
Industrial Loan	-	9,625	-	9,625
Payroll	-	41,998	39,802	2,196
Trash and Garbage Pickup	8,764	70,204	60,417	18,551
Wastewater Utility SRF Debt Reserve	54,875	30,179	-	85,054
Wastewater Sewage Utility SRF Bond and Interest	90,248	134,521	128,532	96,237
Wastewater Utility SRF Construction	-	671,170	671,170	-
Wastewater Utility Operating	212,508	357,945	373,894	196,559
Wastewater Utility Bond and Interest	-	33,789	62,399	(28,610)
Wastewater Utility Depreciation	33,946	7,500	1,975	39,471
Wastewater Utility Construction	-	-	704	(704)
Wastewater H/W Debt Retirement Fund	8,011	891	-	8,902
Wastewater Bond Debt Reserve	-	197,188	97,833	99,355
Water Utility Operating	153,296	356,469	363,639	146,126
Water Utility Bond and Interest	65,005	97,514	104,890	57,629
Water Utility Depreciation	32,960	8,000	961	39,999
Water Utility Meter Deposit	7,845	2,100	1,964	7,981
Water Utility Construction	-	-	8,497	(8,497)
Water Bond Debt Reserve	107,625	-	-	107,625
Totals	<u>\$ 1,344,403</u>	<u>\$ 2,474,514</u>	<u>\$ 2,264,226</u>	<u>\$ 1,554,691</u>

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

CITY OF WOODBURN  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor 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, storm water, trash, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City (primary government), and does not include financial information for any of the City'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 City (primary government).

*B. Basis of Accounting*

The financial statement is 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 statement. 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, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

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.

CITY OF WOODBURN  
NOTES TO FINANCIAL STATEMENT  
(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, recycling fees, dog pound fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures.

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 statement. 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, over-time 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 City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF WOODBURN  
NOTES TO FINANCIAL STATEMENT  
(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 City 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 City. 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 City. 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 City 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 City 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 City 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.

CITY OF WOODBURN  
NOTES TO FINANCIAL STATEMENT  
(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 City 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 City 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 City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. 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 City by recording as a disbursement any replacement items purchased.

**Note 6. Pension Plan**

*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 Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the City 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.

INPRS 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:

CITY OF WOODBURN  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 2011 Annual Report information can be found on the Indiana Transparency Portal website: <https://gateway.ifionline.org/>

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the City which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the City. It is presented as intended by the City.

CITY OF WOODBURN  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	General	Motor Vehicle Highway	Local Road and Street	Economic Development (CEDIT)	Law Enforcement Continuing Education	Riverboat	Rainy Day	Cumulative Capital Development
Cash and investments - beginning	\$ 213,004	\$ 42,560	\$ 22,235	\$ 105,341	\$ 2,707	\$ 35,531	\$ 103,750	\$ 25,789
Receipts:								
Taxes	119,291	31,403	-	-	-	-	-	50,566
Licenses and permits	5,987	-	-	-	-	-	-	-
Intergovernmental	50,247	47,052	18,379	107,203	-	9,881	-	957
Charges for services	2,400	1,623	-	-	-	-	-	-
Fines and forfeits	876	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	3,888	-	-	-	1,133	-	-	-
<b>Total receipts</b>	<b>182,689</b>	<b>80,078</b>	<b>18,379</b>	<b>107,203</b>	<b>1,133</b>	<b>9,881</b>	<b>-</b>	<b>51,523</b>
Disbursements:								
Personal services	127,404	-	-	-	-	-	-	-
Supplies	13,361	503	-	-	-	-	-	-
Other services and charges	48,204	29,081	12,438	-	91	-	-	-
Debt service - principal and interest	-	-	-	28,411	-	-	-	-
Capital outlay	16,812	-	-	-	-	28	-	7,203
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	978	8,800	-	43,302	-	3,349	1,660	-
<b>Total disbursements</b>	<b>206,759</b>	<b>38,384</b>	<b>12,438</b>	<b>71,713</b>	<b>91</b>	<b>3,377</b>	<b>1,660</b>	<b>7,203</b>
Excess (deficiency) of receipts over disbursements	(24,070)	41,694	5,941	35,490	1,042	6,504	(1,660)	44,320
Cash and investments - ending	\$ 188,934	\$ 84,254	\$ 28,176	\$ 140,831	\$ 3,749	\$ 42,035	\$ 102,090	\$ 70,109

CITY OF WOODBURN  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Cumulative Capital Improvement	Police Department	Industrial Loan	Payroll	Trash and Garbage Pickup	Wastewater Utility SRF Debt Reserve	Wastewater Sewage Utility SRF Bond and Interest
Cash and investments - beginning	\$ 17,227	\$ 1,176	\$ -	\$ -	\$ 8,764	\$ 54,875	\$ 90,248
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	4,535	-	-	-	-	-	-
Charges for services	-	-	9,625	-	69,098	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	1,106	-	-
Other receipts	-	-	-	41,998	-	30,179	134,521
Total receipts	<u>4,535</u>	<u>-</u>	<u>9,625</u>	<u>41,998</u>	<u>70,204</u>	<u>30,179</u>	<u>134,521</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	2,295	-	-	-	60,417	-	-
Debt service - principal and interest	-	-	-	-	-	-	128,532
Capital outlay	3,629	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	39,802	-	-	-
Total disbursements	<u>5,924</u>	<u>-</u>	<u>-</u>	<u>39,802</u>	<u>60,417</u>	<u>-</u>	<u>128,532</u>
Excess (deficiency) of receipts over disbursements	<u>(1,389)</u>	<u>-</u>	<u>9,625</u>	<u>2,196</u>	<u>9,787</u>	<u>30,179</u>	<u>5,989</u>
Cash and investments - ending	<u>\$ 15,838</u>	<u>\$ 1,176</u>	<u>\$ 9,625</u>	<u>\$ 2,196</u>	<u>\$ 18,551</u>	<u>\$ 85,054</u>	<u>\$ 96,237</u>

CITY OF WOODBURN  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Wastewater Utility SRF Construction	Wastewater Utility Operating	Wastewater Utility Bond and Interest	Wastewater Utility Depreciation	Wastewater Utility Construction	Wastewater H/W Debt Retirement Fund	Wastewater Bond Debt Reserve
Cash and investments - beginning	\$ -	\$ 212,508	\$ -	\$ 33,946	\$ -	\$ 8,011	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	333,099	-	-	-	-	-
Penalties	-	6,604	-	-	-	-	-
Other receipts	671,170	18,242	33,789	7,500	-	891	197,188
Total receipts	<u>671,170</u>	<u>357,945</u>	<u>33,789</u>	<u>7,500</u>	<u>-</u>	<u>891</u>	<u>197,188</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	32,220	-	-	-	-
Capital outlay	-	1,123	-	1,975	704	-	-
Utility operating expenses	-	165,748	-	-	-	-	-
Other disbursements	671,170	207,023	30,179	-	-	-	97,833
Total disbursements	<u>671,170</u>	<u>373,894</u>	<u>62,399</u>	<u>1,975</u>	<u>704</u>	<u>-</u>	<u>97,833</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(15,949)</u>	<u>(28,610)</u>	<u>5,525</u>	<u>(704)</u>	<u>891</u>	<u>99,355</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 196,559</u>	<u>\$ (28,610)</u>	<u>\$ 39,471</u>	<u>\$ (704)</u>	<u>\$ 8,902</u>	<u>\$ 99,355</u>

CITY OF WOODBURN  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Water Utility Operating	Water Utility Bond and Interest	Water Utility Depreciation	Water Utility Meter Deposit	Water Utility Construction	Water Bond Debt Reserve	Totals
Cash and investments - beginning	\$ 153,296	\$ 65,005	\$ 32,960	\$ 7,845	\$ -	\$ 107,625	\$ 1,344,403
Receipts:							
Taxes	-	-	-	-	-	-	201,260
Licenses and permits	-	-	-	-	-	-	5,987
Intergovernmental	-	-	-	-	-	-	238,254
Charges for services	-	-	-	-	-	-	82,746
Fines and forfeits	-	-	-	-	-	-	876
Utility fees	326,701	-	-	-	-	-	659,800
Penalties	4,450	-	-	-	-	-	12,160
Other receipts	25,318	97,514	8,000	2,100	-	-	1,273,431
Total receipts	356,469	97,514	8,000	2,100	-	-	2,474,514
Disbursements:							
Personal services	-	-	-	-	-	-	127,404
Supplies	-	-	-	-	-	-	13,864
Other services and charges	-	-	-	-	-	-	152,526
Debt service - principal and interest	-	103,815	-	-	-	-	292,978
Capital outlay	5,674	-	961	-	8,497	-	46,606
Utility operating expenses	145,087	-	-	-	-	-	310,835
Other disbursements	212,878	1,075	-	1,964	-	-	1,320,013
Total disbursements	363,639	104,890	961	1,964	8,497	-	2,264,226
Excess (deficiency) of receipts over disbursements	(7,170)	(7,376)	7,039	136	(8,497)	-	210,288
Cash and investments - ending	\$ 146,126	\$ 57,629	\$ 39,999	\$ 7,981	\$ (8,497)	\$ 107,625	\$ 1,554,691

CITY OF WOODBURN  
EXAMINATION RESULTS AND COMMENTS

**OFFICIAL BOND**

No official bond for 2011 for the former Clerk-Treasurer (resigned July 15, 2011) was filed in the Office of the County Recorder.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

**OVERDRAWN CASH BALANCES**

The Water Utility Construction Fund, Wastewater Utility Bond and Interest Fund, and Wastewater Utility Construction Fund had cash and investment overdrafts of \$8,497, \$28,610, and \$704, respectively, as of December 31, 2011.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

**PENALTIES, INTEREST, AND OTHER CHARGES**

Penalties and interest totaling \$917.39 were paid to the Indiana Department of Revenue as follows:

- \$230.54 on March 2, 2011, for December 31, 2009 Utility Receipts Tax
- \$180.16 on July 25, 2011, for May 31, 2011 Sales Tax
- \$506.69 on October 28, 2011, for December 31, 2011 Utility Receipts Tax

The former Clerk-Treasurer reimbursed the City \$180.16 for the second item listed above. We requested the former Clerk-Treasurer to reimburse the City \$737.23 for the remaining two penalty and interest payments. On March 29, 2012, Lesa Meadows, former Clerk-Treasurer, reimbursed \$737.23.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF WOODBURN  
EXIT CONFERENCE

The contents of this report were discussed on April 16, 2012, with Holly Sarrazine, Clerk-Treasurer, and Richard A. Hoeppner, Mayor. The officials concurred with our findings.

CITY OF WOODBURN  
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Lesa Meadows, former Clerk-Treasurer:			
Penalties, Interest, and Other Charges, page 18	<u>\$ 737.23</u>	<u>\$ 737.23</u>	<u>\$ -</u>