

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF UPLAND

GRANT COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/11/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jane E. Rockwell	01-01-08 to 12-31-15
President of the Town Council	Michael T. Cooper (Vacant) Charles Jagers	01-01-10 to 06-30-12 07-01-12 to 07-23-12 07-24-12 to 12-31-12
Town Manager	Bruce Long, Jr.	01-01-10 to 12-31-12



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 UPLAND, GRANT COUNTY, INDIANA

We have examined the financial statements of the Town of Upland (Town), for the period of January 1, 2010 to December 31, 2011. 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. The basis noted above is a different basis than that used in the prior year.

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, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, 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, Town 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

August 21, 2012

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FINANCIAL STATEMENTS

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

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

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 65,885	\$ 597,431	\$ 611,393	\$ 51,923
Motor Vehicle Highway	42,878	98,088	113,029	27,937
Local Road And Street	24,738	36,087	43,915	16,910
Recreation Donation	77,757	55	42,393	35,419
Law Enforcement Continuing Education	2,257	920	1,130	2,047
Riverboat	72,806	23,800	-	96,606
Rainy Day	9,706	912	-	10,618
Levy Excess	-	875	-	875
Cumulative Capital Development	64,853	17,457	-	82,310
Donation	25,150	-	24,237	913
Cumulative Capital Improvement	39,696	11,135	13,000	37,831
Payroll	7,412	501,214	504,784	3,842
Wastewater Operating	27,646	644,491	615,261	56,876
Wastewater Bond And Interest	50,060	209,297	183,333	76,024
Wastewater Depreciation	3,018	-	-	3,018
Wastewater Debt Reserve	189,000	-	-	189,000
Water Operating	106,648	620,333	561,302	165,679
Water Bond And Interest	136,548	234,108	186,356	184,300
Water Depreciation	68,524	-	-	68,524
Water Customer Deposit	54,632	11,375	9,445	56,562
Water Construction	340	-	-	340
Water Debt Reserve	225,379	7,869	-	233,248
Totals	<u>\$ 1,294,933</u>	<u>\$ 3,015,447</u>	<u>\$ 2,909,578</u>	<u>\$ 1,400,802</u>

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

TOWN OF UPLAND
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	\$ 51,923	\$ 809,882	\$ 590,734	\$ 271,071
Motor Vehicle Highway	27,937	96,940	106,449	18,428
Local Road And Street	16,910	34,161	45,493	5,578
Law Enforcement Continuing Education	2,047	550	-	2,597
Rainy Day	10,618	-	-	10,618
Levy Excess	875	-	875	-
Cumulative Capital Development	82,310	26,564	-	108,874
Cumulative Capital Improvement	37,831	10,921	20,000	28,752
Riverboat	96,606	23,799	-	120,405
Recreation Donation	35,419	69,794	37,413	67,800
Donation	913	20,237	-	21,150
Payroll	3,842	599,691	600,273	3,260
Wastewater Operating	56,876	651,329	508,808	199,397
Wastewater Depreciation	3,018	10,000	-	13,018
Wastewater Bond And Interest	76,024	87,436	163,460	-
Wastewater Debt Reserve	189,000	2,442	86,942	104,500
Water Operating	165,679	615,151	547,386	233,444
Water Customer Deposits	56,562	10,440	7,608	59,394
Water Depreciation	68,524	25,000	-	93,524
Water Debt Reserve	233,248	1,574	-	234,822
Water Bond And Interest	184,300	234,393	222,151	196,542
Water Construction	340	-	-	340
Storm Water Non-Reverting	-	34,060	5,173	28,887
Totals	<u>\$ 1,400,802</u>	<u>\$ 3,364,364</u>	<u>\$ 2,942,765</u>	<u>\$ 1,822,401</u>

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

TOWN OF UPLAND
NOTES TO FINANCIAL STATEMENTS

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, storm water, trash, and urban redevelopment and housing.

The accompanying financial statements present the financial information for the Town.

B. Basis of Accounting

The financial statements 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 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.

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

TOWN OF UPLAND
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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

Penalties which include fees received for late payments.

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 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.

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.

TOWN OF UPLAND
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 UPLAND
NOTES TO FINANCIAL STATEMENTS
(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 any replacement items purchased.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

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

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

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

TOWN OF UPLAND
 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	Recreation Donation	Law Enforcement Continuing Education	Riverboat	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 65,885	\$ 42,878	\$ 24,738	\$ 77,757	\$ 2,257	\$ 72,806	\$ 9,706	\$ -
Receipts:								
Taxes	286,946	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	770	-	-	-
Intergovernmental	145,046	94,939	36,087	-	-	23,800	912	875
Charges for services	114,017	-	-	-	150	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	51,422	3,149	-	55	-	-	-	-
Total receipts	597,431	98,088	36,087	55	920	23,800	912	875
Disbursements:								
Personal services	247,944	59,386	-	-	-	-	-	-
Supplies	33,994	16,412	-	-	-	-	-	-
Other services and charges	222,562	32,231	-	-	-	-	-	-
Debt service - principal and interest	44,450	-	-	-	-	-	-	-
Capital outlay	57,695	5,000	43,915	-	880	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	4,748	-	-	42,393	250	-	-	-
Total disbursements	611,393	113,029	43,915	42,393	1,130	-	-	-
Excess (deficiency) of receipts over disbursements	(13,962)	(14,941)	(7,828)	(42,338)	(210)	23,800	912	875
Cash and investments - ending	\$ 51,923	\$ 27,937	\$ 16,910	\$ 35,419	\$ 2,047	\$ 96,606	\$ 10,618	\$ 875

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

	Cumulative Capital Development	Donation	Cumulative Capital Improvement	Payroll	Wastewater Operating	Wastewater Bond And Interest	Wastewater Depreciation	Wastewater Debt Reserve
Cash and investments - beginning	\$ 64,853	\$ 25,150	\$ 39,696	\$ 7,412	\$ 27,646	\$ 50,060	\$ 3,018	\$ 189,000
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	17,401	-	11,135	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	620,927	-	-	-
Penalties	-	-	-	-	10,295	-	-	-
Other receipts	56	-	-	501,214	13,269	209,297	-	-
Total receipts	17,457	-	11,135	501,214	644,491	209,297	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	16,035	183,333	-	-
Capital outlay	-	-	13,000	-	45,957	-	-	-
Utility operating expenses	-	-	-	-	318,204	-	-	-
Other disbursements	-	24,237	-	504,784	235,065	-	-	-
Total disbursements	-	24,237	13,000	504,784	615,261	183,333	-	-
Excess (deficiency) of receipts over disbursements	17,457	(24,237)	(1,865)	(3,570)	29,230	25,964	-	-
Cash and investments - ending	\$ 82,310	\$ 913	\$ 37,831	\$ 3,842	\$ 56,876	\$ 76,024	\$ 3,018	\$ 189,000

TOWN OF UPLAND
 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 Customer Deposit	Water Construction	Water Debt Reserve	Totals
Cash and investments - beginning	\$ 106,648	\$ 136,548	\$ 68,524	\$ 54,632	\$ 340	\$ 225,379	\$ 1,294,933
Receipts:							
Taxes	-	-	-	-	-	-	286,946
Licenses and permits	-	-	-	-	-	-	770
Intergovernmental	-	-	-	-	-	-	330,195
Charges for services	-	-	-	-	-	-	114,167
Utility fees	514,347	-	-	-	-	-	1,135,274
Penalties	2,384	-	-	-	-	-	12,679
Other receipts	103,602	234,108	-	11,375	-	7,869	1,135,416
Total receipts	620,333	234,108	-	11,375	-	7,869	3,015,447
Disbursements:							
Personal services	-	-	-	-	-	-	307,330
Supplies	-	-	-	-	-	-	50,406
Other services and charges	-	-	-	-	-	-	254,793
Debt service - principal and interest	-	186,356	-	-	-	-	430,174
Capital outlay	61,103	-	-	-	-	-	227,550
Utility operating expenses	212,721	-	-	9,445	-	-	540,370
Other disbursements	287,478	-	-	-	-	-	1,098,955
Total disbursements	561,302	186,356	-	9,445	-	-	2,909,578
Excess (deficiency) of receipts over disbursements	59,031	47,752	-	1,930	-	7,869	105,869
Cash and investments - ending	\$ 165,679	\$ 184,300	\$ 68,524	\$ 56,562	\$ 340	\$ 233,248	\$ 1,400,802

TOWN OF UPLAND
 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	Law Enforcement Continuing Education	Rainy Day	Levy Excess	Cumulative Capital Development	Cumulative Capital Improvement
Cash and investments - beginning	\$ 51,923	\$ 27,937	\$ 16,910	\$ 2,047	\$ 10,618	\$ 875	\$ 82,310	\$ 37,831
Receipts:								
Taxes	464,902	-	-	-	-	-	25,705	-
Licenses and permits	-	-	-	330	-	-	-	-
Intergovernmental	157,591	96,940	34,161	-	-	-	859	10,921
Charges for services	170,310	-	-	220	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	17,079	-	-	-	-	-	-	-
Total receipts	<u>809,882</u>	<u>96,940</u>	<u>34,161</u>	<u>550</u>	<u>-</u>	<u>-</u>	<u>26,564</u>	<u>10,921</u>
Disbursements:								
Personal services	255,339	77,086	-	-	-	-	-	-
Supplies	23,837	14,423	-	-	-	-	-	-
Other services and charges	245,847	11,345	-	-	-	-	-	-
Debt service - principal and interest	45,914	1,465	-	-	-	-	-	-
Capital outlay	19,797	2,130	45,493	-	-	-	-	20,000
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	875	-	-
Total disbursements	<u>590,734</u>	<u>106,449</u>	<u>45,493</u>	<u>-</u>	<u>-</u>	<u>875</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of receipts over disbursements	<u>219,148</u>	<u>(9,509)</u>	<u>(11,332)</u>	<u>550</u>	<u>-</u>	<u>(875)</u>	<u>26,564</u>	<u>(9,079)</u>
Cash and investments - ending	<u>\$ 271,071</u>	<u>\$ 18,428</u>	<u>\$ 5,578</u>	<u>\$ 2,597</u>	<u>\$ 10,618</u>	<u>\$ -</u>	<u>\$ 108,874</u>	<u>\$ 28,752</u>

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

	Riverboat	Recreation Donation	Donation	Payroll	Wastewater Operating	Wastewater Depreciation	Wastewater Bond And Interest	Wastewater Debt Reserve
Cash and investments - beginning	\$ 96,606	\$ 35,419	\$ 913	\$ 3,842	\$ 56,876	\$ 3,018	\$ 76,024	\$ 189,000
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	23,799	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	651,264	-	-	-
Other receipts	-	69,794	20,237	599,691	65	10,000	87,436	2,442
Total receipts	23,799	69,794	20,237	599,691	651,329	10,000	87,436	2,442
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	732	-	163,460	86,942
Capital outlay	-	-	-	-	4,092	-	-	-
Utility operating expenses	-	-	-	-	397,884	-	-	-
Other disbursements	-	37,413	-	600,273	106,100	-	-	-
Total disbursements	-	37,413	-	600,273	508,808	-	163,460	86,942
Excess (deficiency) of receipts over disbursements	23,799	32,381	20,237	(582)	142,521	10,000	(76,024)	(84,500)
Cash and investments - ending	\$ 120,405	\$ 67,800	\$ 21,150	\$ 3,260	\$ 199,397	\$ 13,018	\$ -	\$ 104,500

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

	Water Operating	Water Customer Deposits	Water Depreciation	Water Debt Reserve	Water Bond And Interest	Water Construction	Storm Water Non-Reverting	Totals
Cash and investments - beginning	\$ 165,679	\$ 56,562	\$ 68,524	\$ 233,248	\$ 184,300	\$ 340	\$ -	\$ 1,400,802
Receipts:								
Taxes	-	-	-	-	-	-	-	490,607
Licenses and permits	-	-	-	-	-	-	-	330
Intergovernmental	-	-	-	-	-	-	-	324,271
Charges for services	-	-	-	-	-	-	-	170,530
Utility fees	610,633	10,440	-	-	-	-	34,060	1,306,397
Other receipts	4,518	-	25,000	1,574	234,393	-	-	1,072,229
Total receipts	<u>615,151</u>	<u>10,440</u>	<u>25,000</u>	<u>1,574</u>	<u>234,393</u>	<u>-</u>	<u>34,060</u>	<u>3,364,364</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	332,425
Supplies	-	-	-	-	-	-	-	38,260
Other services and charges	-	-	-	-	-	-	-	257,192
Debt service - principal and interest	1,465	-	-	-	222,151	-	-	522,129
Capital outlay	7,351	-	-	-	-	-	-	98,863
Utility operating expenses	233,548	-	-	-	-	-	5,173	636,605
Other disbursements	305,022	7,608	-	-	-	-	-	1,057,291
Total disbursements	<u>547,386</u>	<u>7,608</u>	<u>-</u>	<u>-</u>	<u>222,151</u>	<u>-</u>	<u>5,173</u>	<u>2,942,765</u>
Excess (deficiency) of receipts over disbursements	<u>67,765</u>	<u>2,832</u>	<u>25,000</u>	<u>1,574</u>	<u>12,242</u>	<u>-</u>	<u>28,887</u>	<u>421,599</u>
Cash and investments - ending	<u>\$ 233,444</u>	<u>\$ 59,394</u>	<u>\$ 93,524</u>	<u>\$ 234,822</u>	<u>\$ 196,542</u>	<u>\$ 340</u>	<u>\$ 28,887</u>	<u>\$ 1,822,401</u>

TOWN OF UPLAND
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 14,451	\$ 17,637
Wastewater	5,120	64,509
Water	3,161	43,165
Storm water	-	4,140
	\$ 22,732	\$ 129,451
Totals	\$ 22,732	\$ 129,451

TOWN OF UPLAND
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	2 Mowers	\$ 21,237	\$ 8,788
Notes and loans payable	Town Hall Loan	<u>220,750</u>	<u>44,450</u>
Total governmental activities		<u>241,987</u>	<u>53,238</u>
Wastewater:			
Revenue bonds	Refunded 1998 Revenue Bonds	<u>970,000</u>	<u>179,374</u>
Water:			
Revenue bonds	Improvements to Collection System	215,000	115,160
Notes and loans payable	State Revolving Fund Loan	<u>2,500,852</u>	<u>***</u>
Total Water		<u>2,715,852</u>	<u>115,160</u>
Totals		<u>\$ 3,927,839</u>	<u>\$ 347,772</u>

***Draws on loan only recently completed: repayments schedule has not yet been determined.

TOWN OF UPLAND
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 63,256
Infrastructure	499,829
Buildings	1,390,837
Improvements other than buildings	990,882
Machinery, equipment and vehicles	406,317
Total governmental activities	3,351,121
Wastewater:	
Land	60,445
Infrastructure	2,041,468
Buildings	139,564
Improvements other than buildings	2,827,572
Machinery, equipment and vehicles	1,470,965
Total Wastewater	6,540,014
Water:	
Land	25,701
Infrastructure	3,451,929
Buildings	71,409
Improvements other than buildings	3,725,746
Machinery, equipment and vehicles	791,166
Construction in progress	56,996
Total Water	8,122,947
Storm water:	
Infrastructure	78,340
Total capital assets	\$ 18,092,422

TOWN OF UPLAND
EXAMINATION RESULTS AND COMMENTS

FUND SOURCES AND USES

The Town received an Energy Efficiency and Conservation Block Grant in the amount of \$61,489. The Recreation Donation Fund and the Donation Fund were used to account for these grant receipts and disbursements in the amount of \$42,752 and 18,737, respectively.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DELINQUENT WASTEWATER ACCOUNTS

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property. This comment also appeared in prior Report B37087.

Indiana Code 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

- (1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:
 - (A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent;
 - (B) A description of the premises, as shown by the records of the county auditor; and
 - (C) The amount of the delinquent fees, together with the penalty; or
- (2) An individual instrument for each lot or parcel of real property on which the fees are delinquent."

"(c) The officer shall record a copy of each list or each individual instrument with the county recorder . . ."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . . ."

TOWN OF UPLAND
EXIT CONFERENCE

The contents of this report were discussed on August 21, 2012, with Jane E. Rockwell, Clerk-Treasurer. The official concurred with our findings.