

B37673

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

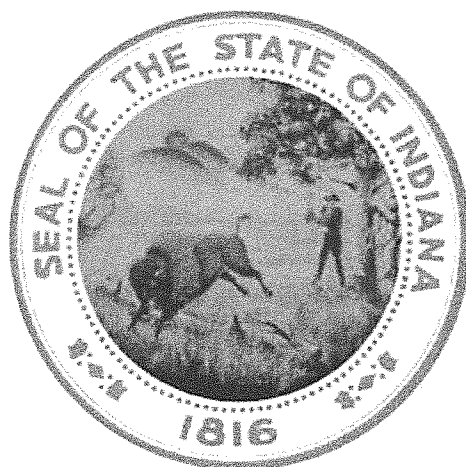
EXAMINATION REPORT

OF

CITY OF RISING SUN

OHIO COUNTY, INDIANA

January 1, 2009 to December 31, 2009



**FILED**  
10/18/2010



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information: Schedule of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5-7
Supplementary Information: Schedule of Capital Assets.....	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Rae Baker Gipson	01-01-08 to 12-31-11
Mayor	William A. Marksberry	01-01-08 to 12-31-11
President of the Board of Public Works	William A. Marksberry	01-01-08 to 12-31-11
President of Common Council	William A. Marksberry	01-01-08 to 12-31-11
President of the Utility Service Board	Sue Hart	01-01-09 to 12-31-10
Superintendent of Utilities	Myron Dennis	01-01-09 to 12-31-10
Utility Office Manager	Evon Sue Bovard	01-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

**INDEPENDENT ACCOUNTANT'S REPORT**

**TO: THE OFFICIALS OF THE CITY OF RISING SUN, OHIO COUNTY, INDIANA**

We have examined the financial information presented herein of the City of Rising Sun (City), for the period of January 1, 2009 to December 31, 2009. The City's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the City for the year ended December 31, 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

July 28, 2010

CITY OF RISING SUN  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
<b>Governmental Funds:</b>				
General	\$ 6,914	\$ 2,030,247	\$ 1,744,712	\$ 292,449
Motor Vehicle Highway	123,495	289,356	397,171	15,680
Local Road and Street	35,077	10,401	-	45,478
Park and Recreation	84,389	182,384	192,526	74,247
Park and Recreation #3 New Fairgrounds	297,782	320,564	476,620	141,726
Park Nonreverting Capital	-	12,000	-	12,000
Economic Development	138,332	111,200	135,174	114,358
Criminal Investigation	3,344	2,000	2,994	2,350
Law Enforcement Continuing Education	5,909	1,490	2,992	4,407
Rainy Day	77,766	10,428	-	88,194
Riverboat	9,493,036	8,982,195	15,214,200	3,261,031
Revenue Sharing	150	1,288,804	1,287,010	1,944
Cumulative Capital Improvement	17,088	7,574	-	24,662
Cumulative Capital Development	99,833	30,073	-	129,906
Rebuild America Redevelopment	-	19,276	-	19,276
Redevelopment General	-	202,091	78,288	123,803
Redevelopment Capital RLF	-	342,073	94,000	248,073
TF Facades Grant	100,000	100,000	28,386	171,614
Website Grant	12,950	-	6,527	6,423
Shroeder Park Arena Grant	50,000	-	50,000	-
OCCF Energy EFF Grant	-	2,700	2,500	200
OCCF American In Bloom Grant	-	2,500	2,500	-
OCCF Bldg. Inventory Grant	2,130	-	-	2,130
RSRF News Park Exhbt. Hall	50,000	50,000	100,000	-
Park Insurance Barn Roof Repair	-	15,120	15,120	-
Signage Grant	8,231	-	8,231	-
Spring Leadership Grant # 16	-	15,000	15,000	-
Navy Bean	-	52,171	38,026	14,145
Sheriff Sale Adm RSRF Concrete Grant	-	25,000	25,000	-
Tree Grant # 3	-	5,000	194	4,806
Energy EFF Grant	-	2,700	2,500	200
Park Grant	100	6,477	3,500	3,077
RSRF Street Lift Grant	-	33,680	33,680	-
Criminal Justice-State OCCF	-	2,500	2,500	-
Donation	-	1,102	-	1,102
Animal Control Grant	-	975	-	975
Trash and Garbage Pickup	15,262	95,183	87,532	22,913
<b>Proprietary Funds:</b>				
Electric Operating	1,664,278	4,374,830	4,176,729	1,862,379
Electric Working	1,200	-	-	1,200
Electric Customer Deposit	130,846	19,648	16,550	133,944
Water Operating	717,970	607,426	711,919	613,477
Water Capacity	69,934	1,625	-	71,559
Water Customer Deposit	23,852	5,750	4,725	24,877
Wastewater Operating	152,620	787,472	708,442	231,650
Wastewater Retainage - Reynold's	2,500	-	-	2,500
Wastewater Capacity	61,631	1,478	46	63,063
Payroll - Utility	390	768,057	762,203	6,244
Broadband	48,836	238,930	277,583	10,183
<b>Fiduciary Funds:</b>				
Payroll - City	16,419	2,084,365	2,095,690	5,094
Heritage Hall Security Deposit	-	350	350	-
Park Security Deposit	601	9,510	6,925	3,186
<b>Totals</b>	<b>\$ 13,512,865</b>	<b>\$ 23,151,705</b>	<b>\$ 28,808,045</b>	<b>\$ 7,856,525</b>

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

CITY OF RISING SUN  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The City was established under the laws of the State of Indiana. The City provides 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, electric, water, wastewater, sanitation, broadband, urban redevelopment, and economic development.

Note 2. Fund Accounting

The City uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the City in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the 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.

CITY OF RISING SUN  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The City contributes to the Indiana Public Employees' Retirement Fund (PERF), 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 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% 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:

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.

B. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The City contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55.

The plan also provides for death and disability benefits. PERF 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 RISING SUN  
NOTES TO FINANCIAL INFORMATION  
(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 Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF.

CITY OF RISING SUN  
EXIT CONFERENCE

The contents of this report were discussed on July 28, 2010, with Rae Baker Gipson, Clerk-Treasurer, and Myron Dennis, Superintendent of Utilities. Our examination disclosed no material items that warrant comment at this time.