

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
TOWN OF WESTFIELD
HAMILTON COUNTY, INDIANA
January 1, 2005 to December 31, 2005



FILED
09/20/2006

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Cindy J. Gossard

01-01-04 to 12-31-07

President of the Town Council

Teresa Otis Skelton
Robert J. Smith

01-01-05 to 12-31-05
01-01-06 to 12-31-06



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 WESTFIELD, HAMILTON COUNTY, INDIANA

We have examined the schedule of receipts, disbursements, and cash and investment balances of the Town of Westfield (Town), for the period of January 1, 2005 to December 31, 2005. The Town's management is responsible for the schedule. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedule referred to above presents fairly, in all material respects, the cash transactions of the Town for the year ended December 31, 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 10, 2005

TOWN OF WESTFIELD
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2005

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 539,785	\$ 3,850,249	\$ 4,208,311	\$ 181,723
Motor Vehicle Highway	127,331	422,625	320,224	229,732
Local Road and Street	3,740	134,210	43,197	94,753
Park and Recreation	86,182	105,021	7,389	183,814
Law Enforcement Continuing Education	10,434	46,598	28,308	28,724
Fire Operations	-	3,454,862	3,454,862	-
Greenspace Beautification	5,000	-	-	5,000
Economic Development	13,086	-	-	13,086
Police Donation	3,307	680	-	3,987
LEAF	-	1,117	-	1,117
Community Development	22,789	10,000	32	32,757
Road and Street Improvement	379,350	932,446	799,776	512,020
Emergency Medical Service	103,511	63,125	68,850	97,786
Special County Option Income Tax	588,571	131,000	165,993	553,578
2001 Bond Debt Service	34,672	147,246	155,950	25,968
2005 Bond Debt Service	-	64,100	4,931	59,169
Public Safety Building Lease Rental	299,163	529,024	790,320	37,867
Cumulative Capital Improvement	115,641	28,728	46,807	97,562
Cumulative Capital Development	168,947	380,676	537,374	12,249
Capital Improvement	17,074	107,074	62,074	62,074
PSB/ADM Capital Improvement	388,559	-	85,892	302,667
GO Bond 2001 Proceeds	104,113	-	104,113	-
GO Bond 2005 Technology	-	1,582,830	827,651	755,179
GO Bond 2005 Park	-	1,658,924	187,963	1,470,961
Proprietary Funds:				
Water Utility - Operating	558,419	5,458,010	5,314,529	701,900
Water Utility - Tap Fee	490,888	510,265	195,565	805,588
Water Utility - Availability	3,868,664	2,180,389	668,863	5,380,190
Water Utility - Construction	129,287	-	128,946	341
Water Utility - Energy Savings Account	-	867,282	-	867,282
Water Utility - Bond and Interest	195,385	994,230	773,797	415,818
Water Utility - Depreciation	103,711	120,000	-	223,711
Water Utility - Debt Service Reserve	247,149	2,716	2,681	247,184
Water Utility - Bond Proceeds	32,390	-	32,390	-
Wastewater Utility - Operating	714,619	6,688,031	6,174,701	1,227,949
Wastewater Utility - Tap Fee	1,342,034	888,277	581,524	1,648,787
Wastewater Utility - Availability	2,940,388	3,119,939	1,599,606	4,460,721
Wastewater Utility - Construction	8,179,945	155,995	6,981,415	1,354,525
Wastewater Utility - Energy Savings Account	-	2,502,685	-	2,502,685
Wastewater Utility - Developer Fees	-	1,140	-	1,140
Wastewater Utility - Bond and Interest	900,213	2,852,350	2,415,296	1,337,267
Wastewater Utility - Depreciation	74,055	-	-	74,055
Wastewater Utility - Debt Service Reserve	817,803	4,094	2,764	819,133
Wastewater Utility - Expansion	141,757	7,616	6,283	143,090
Wastewater Utility - Plant Equipment	2,562	75	-	2,637
Wastewater Utility - Bond Proceeds	32,714	-	32,714	-
Fiduciary Funds:				
Payroll	107,219	6,897,147	6,951,131	53,235
Levy Excess	-	13,327	13,327	-
Totals	<u>\$ 23,890,457</u>	<u>\$ 46,914,103</u>	<u>\$ 43,775,549</u>	<u>\$ 27,029,011</u>

The accompanying notes are an integral part of the schedules.

TOWN OF WESTFIELD
NOTES TO SCHEDULE

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety (police and fire), highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, and wastewater.

Note 2. Fund Accounting

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

Note 3. Budgets

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

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

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

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF WESTFIELD
NOTES TO SCHEDULE
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town 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 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% 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.

Note 7. Long-Term Debt

The Town has entered into various debts such as general obligation bonds for thoroughfare improvements, capital leases for equipment, and a note for an ambulance. The outstanding principal at December 31, 2005, was \$4,421,000, \$7,579,413, and \$28,209, respectively.

Note 8. Subsequent Event

Capital Asset Purchases

As of August 10, 2006, the Town Council has approved an aggregate total amount of \$903,631 for the purchase of various assets, including police cars and equipment, public works vehicles and equipment, tornado sirens, and an ambulance.

Contracts

On June 12, 2006, the Town Council approved a \$1,456,500 contract for the Quaker and Asa Bales Park project.

TOWN OF WESTFIELD
EXIT CONFERENCE

The contents of this report were discussed on August 10, 2006, with Cindy J. Gossard, Clerk-Treasurer; and Robert J. Smith, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.