

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

EXAMINATION REPORT

OF

TOWN OF OWENSVILLE

GIBSON COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED
10/11/2006

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Kristy York

01-01-04 to 12-31-07

President of the Town Council

Michael Taylor

01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF OWENSVILLE, GIBSON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Town of Owensville (Town), for the period of January 1, 2004 to December 31, 2005. The Town's management is responsible for the schedules. 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Town for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 11, 2006

TOWN OF OWENSVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 153,104	\$ 390,128	\$ 283,837	\$ 259,395
Motor Vehicle Highway	219,784	51,424	108,236	162,972
Local Road and Street	35,808	5,792	9,476	32,124
Park and Recreation	93,428	84,177	89,392	88,213
Law Enforcement Continuing Education	2,573	445	392	2,626
Riverboat	8,359	8,405	-	16,764
Rainy Day	-	34,683	-	34,683
Cumulative Capital Improvement	37,349	5,139	775	41,713
Cumulative Capital Development	47,749	5,940	-	53,689
Economic Development Income Tax	295,726	64,155	-	359,881
Proprietary Funds:				
Water Utility - Operating	211,928	210,426	206,790	215,564
Water Utility - Depreciation	91,871	14,977	-	106,848
Water Utility - Customer Deposit	11,755	4,300	4,400	11,655
Wastewater Utility - Operating	104,540	553,008	492,181	165,367
Wastewater Utility - Bond and Interest	73,263	45,000	81,722	36,541
Wastewater Utility - Cash with Fiscal Agent	36,342	26,471	27,118	35,695
Fiduciary Funds:				
Excess Levy	4,361	-	4,361	-
Payroll	886	337,525	337,077	1,334
Totals	<u>\$ 1,428,826</u>	<u>\$ 1,841,995</u>	<u>\$ 1,645,757</u>	<u>\$ 1,625,064</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 259,395	\$ 372,137	\$ 319,523	\$ 312,009
Motor Vehicle Highway	162,972	50,100	121,847	91,225
Local Road and Street	32,124	26,151	20,839	37,436
Park and Recreation	88,213	78,747	87,437	79,523
Law Enforcement Continuing Education	2,626	1,420	1,490	2,556
Riverboat	16,764	8,757	-	25,521
Rainy Day	34,683	33,166	-	67,849
Cumulative Capital Improvement	41,713	4,936	1,212	45,437
Cumulative Capital Development	53,689	6,725	230	60,184
Economic Development Income Tax	359,881	73,695	3,193	430,383
Proprietary Funds:				
Water Utility - Operating	215,564	214,613	289,275	140,902
Water Utility - Depreciation	106,848	16,856	-	123,704
Water Utility - Customer Deposit	11,655	5,200	5,000	11,855
Wastewater Utility - Operating	165,367	324,981	343,382	146,966
Wastewater Utility - Bond and Interest	36,541	104,165	84,917	55,789
Wastewater Utility - Cash with Fiscal Agent	35,695	1,288	26,139	10,844
Fiduciary Funds:				
Excess Levy	-	13,596	-	13,596
Payroll	1,334	367,318	368,469	183
Totals	<u>\$ 1,625,064</u>	<u>\$ 1,703,851</u>	<u>\$ 1,672,953</u>	<u>\$ 1,655,962</u>

The accompanying notes are an integral part of the schedules.

TOWN OF OWENSVILLE
NOTES TO SCHEDULES

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, health and social services, culture and recreation, 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.

TOWN OF OWENSVILLE
NOTES TO SCHEDULES
(Continued)

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.

Note 6. Long-Term Debt

The Town has entered into a state revolving loan for wastewater improvements. The outstanding principal at December 31, 2005, was \$995,353.

Note 7. Matured Unpaid Bonds and Coupons

The Wastewater Utility has matured unpaid bonds and coupons outstanding from the 1966 bond issue in the amount \$9,812. The funds to pay these unpaid bonds and coupons are reported in the cash with fiscal agent fund. The remaining balance of that fund represents interest earned on the account. If the bonds and coupons are not redeemed within three years, the paying agent will remit \$9,812 to the State of Indiana. The interest earned on the account will be remitted to the Town.

TOWN OF OWENSVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 11, 2006, with Kristy York, Clerk-Treasurer; and Bernard Thompson, Councilman. Our examination disclosed no material items that warrant comment at this time.