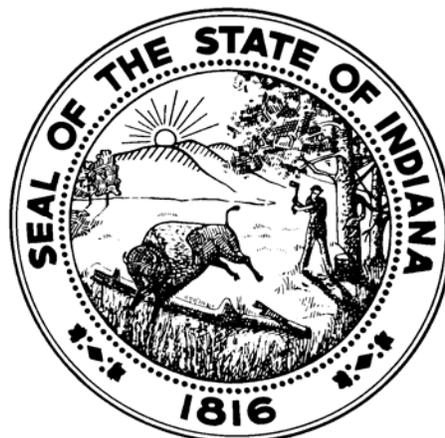


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
TOWN OF RIDGEVILLE
RANDOLPH COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
10/31/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules	5
Exit Conference.....	6

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Arlinda Hardwick	01-01-04 to 12-31-07
President of the Town Council	Jeffrey Champ	01-01-04 to 12-31-04
	Dale Phillips	01-01-05 to 12-31-05
	Gary Davis	01-01-06 to 12-31-06
Superintendent of the Utilities	Mark Ramsey	01-01-04 to 05-20-06



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF RIDGEVILLE, RANDOLPH COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Town of Ridgeville (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

October 12, 2006

TOWN OF RIDGEVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, FIDUCIARY, AND PROPRIETARY 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	\$ 66,137	\$ 240,737	\$ 175,324	\$ 131,550
Motor Vehicle Highway	24,591	26,198	29,606	21,183
Local Road and Street	5,733	4,400	-	10,133
Trash	2,307	26,318	27,671	954
Law Enforcement Continuing Education	461	340	-	801
Riverboat	-	5,316	-	5,316
Rainy Day	-	10,791	-	10,791
Excess Levy	4,222	-	4,222	-
Cumulative Capital Improvement	17,725	3,146	1,995	18,876
Cumulative Capital Development	7,556	4,945	-	12,501
Economic Development Income Tax	31,069	54,929	43,632	42,366
State Library/Fire Department Grant	7,530	-	7,530	-
Fiduciary Fund:				
Payroll	-	171,160	171,160	-
Business-Type Funds:				
Water Utility Operating	42,935	97,579	98,440	42,074
Water Utility Depreciation	10,654	9,423	19,596	481
Water Customer Deposit	10,356	2,548	3,731	9,173
Wastewater Operating	38,567	127,915	116,546	49,936
Wastewater Bond and Interest	22,524	6	22,530	-
Totals	\$ 292,367	\$ 785,751	\$ 721,983	\$ 356,135

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 131,550	\$ 244,461	\$ 223,081	\$ 152,930
Motor Vehicle Highway	21,183	25,627	25,340	21,470
Local Road and Street	10,133	4,357	14,128	362
Trash	954	29,627	29,934	647
Law Enforcement Continuing Education	801	314	258	857
Riverboat	5,316	5,315	-	10,631
Rainy Day	10,791	-	-	10,791
Excess Levy	-	9,284	-	9,284
Cumulative Capital Improvement	18,876	2,606	9,078	12,404
Cumulative Capital Development	12,501	4,249	8,684	8,066
Economic Development Income Tax	42,366	130,353	22,083	150,636
Fiduciary Fund:				
Payroll	-	168,471	168,471	-
Business-Type Funds:				
Water Utility Operating	42,074	97,469	88,704	50,839
Water Utility Depreciation	481	9,042	1,543	7,980
Water Customer Deposit	9,173	2,975	2,144	10,004
Wastewater Operating	49,936	116,665	113,048	53,553
Totals	\$ 356,135	\$ 850,815	\$ 706,496	\$ 500,454

The accompanying notes are an integral part of the schedules.

TOWN OF RIDGEVILLE
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, and general administrative services.

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 RIDGEVILLE
EXIT CONFERENCE

The contents of this report were discussed on October 12, 2006, with Arlinda Hardwick Clerk-Treasurer; and Gary Davis, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.