

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

EXAMINATION REPORT  
OF  
TOWN OF WOLCOTT  
WHITE COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
03/30/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Linda S. Bajzatt	01-01-04 to 12-31-07
President of the Town Council	Robin Hensler	01-01-05 to 12-31-07



**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 WOLCOTT, WHITE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Wolcott (Town), for the period of January 1, 2005 to December 31, 2006. The Town'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 Town for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not a required part of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

February 28, 2007

TOWN OF WOLCOTT  
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, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
<b>Governmental Funds:</b>				
General	\$ 114,530	\$ 279,516	\$ 288,934	\$ 105,112
Motor Vehicle Highway	94,248	53,057	83,310	63,995
Local Road and Street	18,925	4,539	-	23,464
Park and Recreation	5,990	16,833	11,649	11,174
Law Enforcement Continuing Education	1,268	169	-	1,437
Riverboat	12,490	6,236	-	18,726
Rainy Day	30,139	-	10,000	20,139
Police Donation	1,000	-	-	1,000
Cumulative Capital Improvement	4,585	1,741	3,034	3,292
Cumulative Capital Development	63,054	8,688	-	71,742
Ambulance Fund	78,676	59,697	48,449	89,924
CEDIT	7,320	17,641	8,118	16,843
<b>Proprietary Funds:</b>				
Water Utility - Operating	23,219	171,825	180,536	14,508
Water Utility - Bond and Interest	15,320	29,759	24,165	20,914
Water Utility - Depreciation	71,467	12,400	48,837	35,030
Water Utility - Customer Deposit	10,914	4,050	4,255	10,709
Water Utility - Construction	8,882	5	8,887	-
Water Utility - Improvement	136	225	232	129
Wastewater Utility - Operating	141,200	157,597	197,799	100,998
Wastewater Utility - Bond and Interest	35,943	27,600	25,175	38,368
Wastewater Utility - Depreciation	22,143	2,760	-	24,903
Wastewater Utility - Planning Study	-	18,000	18,000	-
<b>Fiduciary Fund:</b>				
Payroll	5,166	277,035	282,118	83
<b>Totals</b>	<b>\$ 766,615</b>	<b>\$ 1,149,373</b>	<b>\$ 1,243,498</b>	<b>\$ 672,490</b>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
<b>Governmental Funds:</b>				
General	\$ 105,112	\$ 336,091	\$ 272,466	\$ 168,737
Motor Vehicle Highway	63,995	75,048	57,098	81,945
Local Road and Street	23,464	4,366	-	27,830
Park and Recreation	11,174	16,508	14,507	13,175
Law Enforcement Continuing Education	1,437	1,523	174	2,786
Riverboat	18,726	6,224	-	24,950
Rainy Day	20,139	-	18,430	1,709
Police Donation	1,000	-	-	1,000
Cumulative Capital Improvement	3,292	3,533	2,947	3,878
Cumulative Capital Development	71,742	10,170	137	81,775
Ambulance Fund	89,924	72,731	32,479	130,176
CEDIT	16,843	19,761	2,329	34,275
Levy Excess	-	3,343	-	3,343
<b>Proprietary Funds:</b>				
Water Utility - Operating	14,508	197,765	204,385	7,888
Water Utility - Bond and Interest	20,914	34,232	23,765	31,381
Water Utility - Depreciation	35,030	14,267	3,240	46,057
Water Utility - Customer Deposit	10,709	3,225	2,800	11,134
Water Utility - Improvement	129	-	107	22
Wastewater Utility - Operating	100,998	160,517	189,766	71,749
Wastewater Utility - Bond and Interest	38,368	27,600	29,463	36,505
Wastewater Utility - Depreciation	24,903	2,760	-	27,663
Wastewater Utility - Planning Study	-	12,000	12,000	-
<b>Fiduciary Fund:</b>				
Payroll	83	299,345	298,359	1,069
<b>Totals</b>	<b>\$ 672,490</b>	<b>\$ 1,301,009</b>	<b>\$ 1,164,452</b>	<b>\$ 809,047</b>

The accompanying notes are an integral part of the schedules.

TOWN OF WOLCOTT  
NOTES TO FINANCIAL INFORMATION

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 WOLCOTT  
NOTES TO FINANCIAL INFORMATION  
(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.

TOWN OF WOLCOTT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2006

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 11,500
Infrastructure	608,931
Buildings	154,564
Improvements other than buildings	16,512
Machinery and equipment	<u>515,180</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>1,306,687</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 22,159
Infrastructure	754,304
Buildings	102,439
Improvements other than buildings	1,852,137
Machinery and equipment	<u>127,231</u>
 Total water utility capital assets	 <u>2,858,270</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	24,000
Infrastructure	566,135
Buildings	1,291,204
Improvements other than buildings	1,301,714
Machinery and equipment	<u>115,959</u>
 Total wastewater utility capital assets	 <u>3,299,012</u>
 Total business-type activities capital assets	 \$ <u>6,157,282</u>

TOWN OF WOLCOTT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2006

Description of Debt	Ending Balance	Due Within One Year
Business-type Activities:		
Water Utility		
Revenue bonds:		
Waterworks Bonds of 2001	\$ 265,000	\$ 10,000
Wastewater Utility		
Revenue bonds:		
Sewage Refunding Bonds of 2002	<u>100,000</u>	<u>25,000</u>
Total business-type activities long-term debt:	<u>\$ 365,000</u>	<u>\$ 35,000</u>

TOWN OF WOLCOTT  
EXIT CONFERENCE

The contents of this report were discussed on February 28, 2007, with Linda S. Bajzatt, Clerk-Treasurer; and Merri K. Schieler, Deputy Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.