

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

EXAMINATION REPORT  
OF  
TOWN OF OSCEOLA  
ST. JOSEPH COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
08/01/2007



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Robert E. Mark

01-01-04 to 12-31-07

President of the Town Council

Gregory Burriss

01-01-05 to 12-31-07



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF OSCEOLA, ST. JOSEPH COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Osceola (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 present 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, 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

June 27, 2007

TOWN OF OSCEOLA  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL 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	\$ 184,072	\$ 292,924	\$ 228,153	\$ 248,843
Motor Vehicle Highway	101,091	91,566	87,756	104,901
Local Road and Street	17,995	24,155	3,935	38,215
Law Enforcement Continuing Education	5,697	1,607	44	7,260
Rainy Day	6,179	-	2,500	3,679
Donation	3,423	285	106	3,602
Cumulative Capital Improvement	65,546	5,746	-	71,292
Cumulative Capital Development	58,345	19,090	20,601	56,834
Cumulative Fire Fighting Equipment	10,080	6,390	3,000	13,470
County Economic Development Income Tax	58,827	10,736	-	69,563
Wheel Tax	38,181	37,427	34,896	40,712
<b>Fiduciary Fund:</b>				
Levy Excess	908	490	-	1,398
<b>Totals</b>	<u>\$ 550,344</u>	<u>\$ 490,416</u>	<u>\$ 380,991</u>	<u>\$ 659,769</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
<b>Governmental Funds:</b>				
General	\$ 248,843	\$ 232,675	\$ 234,693	\$ 246,825
Motor Vehicle Highway	104,901	109,838	89,406	125,333
Local Road and Street	38,215	23,870	23,000	39,085
Law Enforcement Continuing Education	7,260	2,036	1,569	7,727
Rainy Day	3,679	-	2,444	1,235
Donation	3,602	225	350	3,477
Cumulative Capital Improvement	71,292	6,641	8,242	69,691
Cumulative Capital Development	56,834	14,612	1,960	69,486
Cumulative Fire Fighting Equipment	13,470	4,890	-	18,360
County Economic Development Income Tax	69,563	12,974	-	82,537
Wheel Tax	40,712	36,489	27,899	49,302
Major Moves Construction	-	221,156	-	221,156
<b>Fiduciary Fund:</b>				
Levy Excess	1,398	-	1,398	-
<b>Totals</b>	<u>\$ 659,769</u>	<u>\$ 665,406</u>	<u>\$ 390,961</u>	<u>\$ 934,214</u>

The accompanying notes are an integral part of the schedules.

TOWN OF OSCEOLA  
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 OSCEOLA  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 134,900
Buildings	318,000
Improvements other than buildings	134,231
Machinery and equipment	<u>561,177</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,148,308</u>

TOWN OF OSCEOLA  
EXIT CONFERENCE

The contents of this report were discussed on June 27, 2007, with Robert E. Mark, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.