

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

EXAMINATION REPORT
OF
TOWN OF ROSSVILLE
CLINTON COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
08/08/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4-5
Notes to Financial Information.....	6-7
Supplementary Information:	
Schedule of Capital Assets.....	8
Schedule of Long-Term Debt.....	9
Exit Conference.....	10

OFFICIALS

Office

Official

Term

Clerk-Treasurer

Patricia McIlrath

01-01-04 to 12-31-07

President of the Town Council

Allen Remaly

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 ROSSVILLE, CLINTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Rossville (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 required parts 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

July 23, 2007

TOWN OF ROSSVILLE
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
Governmental Funds:				
General	\$ 133,919	\$ 235,473	\$ 249,743	\$ 119,649
Motor Vehicle Highway	72,077	109,019	98,646	82,450
Local Road and Street	36,798	5,733	10,365	32,166
Law Enforcement Continuing Education	138	214	228	124
Riverboat Sharing	19,108	9,540	18,000	10,648
Recycle Fund	1,356	6,006	5,134	2,228
County Economic Development Income Tax	51,101	14,968	14,399	51,670
Special Park Donation	3,711	8,135	6,500	5,346
Rainy Day	32,780	5,000	6,380	31,400
Mural Donation	270	70	-	340
Retirement Donation	23	-	23	-
CC Community Donation	-	5,000	5,000	-
Promotional Fund	-	923	-	923
Operation Pullover	-	475	475	-
Volunteer Fire Department CORR Fund	-	5,908	2,658	3,250
Cumulative Capital Improvement	34,914	4,677	6,389	33,202
Cumulative Capital Development	28,394	12,753	-	41,147
Proprietary Funds:				
Water Utility - Operating	89,190	203,603	210,417	82,376
Water Utility - Bond and Interest	24,498	57,661	58,136	24,023
Water Utility - Depreciation	56,447	5,301	5,746	56,002
Water Utility - Customer Deposit	23,453	5,550	4,173	24,830
Water Utility - Debt Service	65,063	3,661	-	68,724
Water Utility - Improvement	18,030	2,400	-	20,430
Wastewater Utility - Operating	49,801	290,640	255,586	84,855
Wastewater Utility - Bond and Interest	34,294	80,940	80,902	34,332
Wastewater Utility - Depreciation	35,850	3,000	-	38,850
Wastewater Utility - Customer Deposit	23,010	7,730	5,265	25,475
Wastewater Utility - Debt Service	42,900	2,400	-	45,300
Wastewater Utility - Improvement	23,288	3,000	-	26,288
Wastewater Utility - Construction	72,707	4,630	72,057	5,280
Fiduciary Funds:				
Payroll	418	234,483	234,483	418
PERF	4,116	17,970	22,086	-
Totals	<u>\$ 977,654</u>	<u>\$ 1,346,863</u>	<u>\$ 1,372,791</u>	<u>\$ 951,726</u>

The accompanying notes are an integral part of the financial information.

TOWN OF ROSSVILLE
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
(Continued)

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 119,649	\$ 245,265	\$ 232,771	\$ 132,143
Motor Vehicle Highway	82,450	117,410	112,818	87,042
Local Road and Street	32,166	5,511	10,000	27,677
Law Enforcement Continuing Education	124	450	338	236
Riverboat Sharing	10,648	9,521	-	20,169
Recycle Fund	2,228	9,268	8,291	3,205
County Economic Development Income Tax	51,670	15,855	5,910	61,615
Special Park Donation	5,346	3,601	4,763	4,184
Rainy Day	31,400	10,000	-	41,400
Mural Donation	340	-	-	340
Promotional Fund	923	344	-	1,267
Operation Pullover	-	2,170	2,170	-
Volunteer Fire Department CORR Fund	3,250	692	246	3,696
Police Donation	-	250	250	-
Cumulative Capital Improvement	33,202	5,405	-	38,607
Cumulative Capital Development	41,147	12,225	-	53,372
Proprietary Funds:				
Water Utility - Operating	82,376	204,225	191,853	94,748
Water Utility - Bond and Interest	24,023	57,396	57,889	23,530
Water Utility - Depreciation	56,002	4,605	-	60,607
Water Utility - Customer Deposit	24,830	5,360	3,920	26,270
Water Utility - Debt Service	68,724	3,725	-	72,449
Water Utility - Improvement	20,430	3,725	-	24,155
Wastewater Utility - Operating	84,855	283,453	280,815	87,493
Wastewater Utility - Bond and Interest	34,332	81,565	80,456	35,441
Wastewater Utility - Depreciation	38,850	4,449	-	43,299
Wastewater Utility - Customer Deposit	25,475	8,154	5,274	28,355
Wastewater Utility - Debt Service	45,300	4,091	-	49,391
Wastewater Utility - Improvement	26,288	3,566	-	29,854
Wastewater Utility - Construction	5,280	-	5,280	-
Fiduciary Funds:				
Payroll	418	250,786	250,783	421
PERF	-	23,105	23,105	-
Totals	<u>\$ 951,726</u>	<u>\$ 1,376,172</u>	<u>\$ 1,276,932</u>	<u>\$ 1,050,966</u>

The accompanying notes are an integral part of the financial information.

TOWN OF ROSSVILLE
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 ROSSVILLE
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 ROSSVILLE
 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.

General infrastructure assets completed in the current and prior years has been reported.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 81,439
Infrastructure	31,300
Buildings	47,421
Improvements other than buildings	37,371
Machinery and equipment	<u>480,877</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>678,408</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 31,350
Buildings	10,756
Improvements other than buildings	8,167,258
Machinery and equipment	<u>75,413</u>
 Total Water Utility capital assets	 <u>8,284,777</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	600
Buildings	2,837,277
Improvements other than buildings	758,899
Machinery and equipment	<u>287,179</u>
 Total Wastewater Utility capital assets	 <u>3,883,955</u>
 Total business-type activities capital assets	 \$ <u>12,168,732</u>

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

Description of Debt	Principal 12/31/2006	Due Within One Year
Business-type Activities:		
Water Utility		
Revenue bonds:		
1994 Water Improvement Revenue Bonds	\$ 25,000	\$ 10,000
2001 Waterworks Refunding Bonds	<u>440,000</u>	<u>14,000</u>
Total Water Utility	<u>465,000</u>	<u>24,000</u>
Wastewater Utility		
Revenue bonds:		
1999 Sewage Works Refunding Bonds	121,000	47,000
2004 Sewage Works Revenue Bonds	<u>440,000</u>	<u>11,000</u>
Total Wastewater Utility	<u>561,000</u>	<u>58,000</u>
Total business-type activities long-term debt:	<u>\$ 1,026,000</u>	<u>\$ 82,000</u>

TOWN OF ROSSVILLE
EXIT CONFERENCE

The contents of this report were discussed on July 23, 2007, with Patricia McIlrath, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.