

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

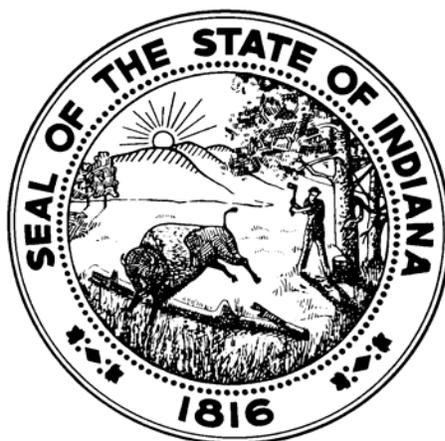
EXAMINATION REPORT

OF

TOWN OF PLAINVILLE

DAVISS COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED
11/14/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Angelia Shake	01-01-04 to 12-31-07
President of the Town Council	Lee Coffman	01-01-06 to 12-31-07
Superintendent of Wastewater Utility	Marcus L. Bryant Edward Smith	01-01-06 to 03-31-06 04-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF PLAINVILLE, DAVIESS COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Plainville, for the period of January 1, 2006 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 year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, 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

September 17, 2007

TOWN OF PLAINVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES
As Of And For The Year Ended December 31, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 74,538	\$ 67,915	\$ 60,099	\$ 82,354
Motor Vehicle Highway	21,288	32,087	19,636	33,739
Local Road and Street	777	2,416	2,360	833
Park and Recreation	61,725	5,253	5,456	61,522
Fire	18,569	17,029	15,661	19,937
Cumulative Capital Improvement	7,731	-	800	6,931
Cumulative Capital Development	20,396	3,442	-	23,838
Proprietary Funds:				
Wastewater Utility - Operating	9,755	91,996	97,111	4,640
Wastewater Utility - Bond and Interest	7,500	133	-	7,633
Wastewater Utility - Reserve	25,959	-	-	25,959
Totals	<u>\$ 248,238</u>	<u>\$ 220,271</u>	<u>\$ 201,123</u>	<u>\$ 267,386</u>

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

TOWN OF PLAINVILLE
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 PLAINVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

<u>Description of Asset</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type Activities:		
Wastewater Utility:		
Notes and loans payable	<u>95,648</u>	<u>25,300</u>

TOWN OF PLAINVILLE
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The following prescribed or approved form was not in use: Capital Assets Ledger, City and Town Form Number 211.

The Town and Wastewater Utility do not maintain sufficient detailed records of capital assets. Upon purchase, the costs of the capital assets are added to an aggregate Capital Asset account, and to subsidiary accounts for land, buildings, etc., in the General Ledger. However, records providing historical costs for some of the capital assets are not available, and records classifying and summarizing the Town's capital assets are incomplete. Deletions or disposals of capital assets are not recorded.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF PLAINVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2007, with Angelia Shake, Clerk-Treasurer; and Lee Coffman, President of the Town Council. The officials concurred with our finding.