

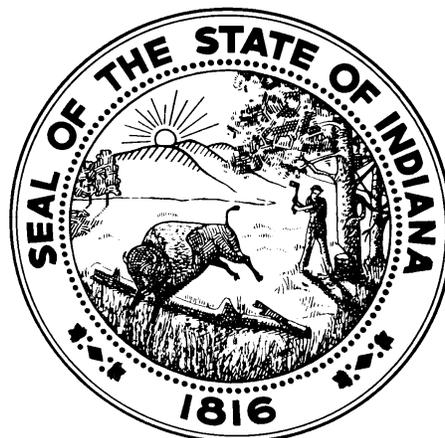
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STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
JOHNSON COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED
12/26/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jackie L. Smith	01-01-05 to 12-31-07
President of the Town Council	Bill Davis	01-01-05 to 12-31-07
Director of Utilities	Michael R. Weddle John R. Drybread	01-01-05 to 03-30-05 04-01-05 to 12-31-07
Electric Superintendent	Darrell Burton	01-01-05 to 12-31-07
Water Superintendent	Mike Pendleton	01-01-05 to 12-31-07
Wastewater Superintendent	Glen Giles	01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE WATER, WASTEWATER, AND ELECTRIC UTILITIES, TOWN OF EDINBURGH, JOHNSON COUNTY, INDIANA

We have audited the accompanying financial statements of the business-type activities of the Water, Wastewater, and Electric Utilities (Utilities), a department of the Town of Edinburgh, as of and for the years ended December 31, 2005 and 2006. These financial statements are the responsibility of the Utilities' management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as described below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note I, the financial statements of the Water, Wastewater, and Electric Utilities, Town of Edinburgh, are intended to present the financial position, and the changes in financial position and cash flows of only that portion of the business-type activities of the Town that is attributable to the transactions of the Utilities. They do not purport to, and do not, present fairly the financial position of the Town of Edinburgh as of December 31, 2005 and 2006, and the changes in its financial position and its cash flows, where applicable, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Water, Wastewater, and Electric Utilities did not maintain sufficient capital asset records. Due to the lack of supporting documentation, capital asset valuation cannot be verified. As the capital assets constitute the major portion of the Statement of Net Assets, any uncertainty concerning capital assets similarly affects the Statement of Net Assets.

In our opinion, except for the effects, if any, of the deficiency in capital assets records discussed in the preceding paragraph, the financial statements of the enterprise funds present fairly, in all material respects, the financial position of each major proprietary fund as of December 31, 2005 and 2006, and the respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Town has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

STATE BOARD OF ACCOUNTS

October 3, 2007

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
STATEMENT OF NET ASSETS
December 31, 2005 And 2006

<u>Assets</u>	2005			2006		
	Water	Wastewater	Electric	Water	Wastewater	Electric
Current assets:						
Cash and cash equivalents	\$ 266,531	\$ 48,523	\$ 951,227	\$ 166,904	\$ 113,166	\$ 873,748
Investments	50,000	500,000	100,000	50,000	300,000	100,000
Interest receivable	1,412	8,045	2,824	2,014	11,608	4,028
Accounts receivable - customer	63,266	117,238	576,428	65,509	116,260	617,898
Accounts receivable - other	996	1,688	544	996	1,688	544
Interfund receivables:						
Due from Water	-	-	707	-	-	4,868
Due from Wastewater	-	-	34,147	-	-	152,749
Due from Town	-	-	10,525	-	-	10,525
Due from Electric	186	-	-	186	-	-
Inventories	78,626	-	543,275	82,022	-	530,490
Prepaid items	8,257	15,058	18,036	9,597	14,007	19,299
Total current assets	469,274	690,552	2,237,713	377,228	556,729	2,314,149
Noncurrent assets:						
Restricted cash, cash equivalents and investments:						
Depreciation cash and cash equivalents	7,306	11,546	17,983	7,306	11,546	31,057
Depreciation investments	-	-	500,000	-	-	500,000
Bond and interest cash and cash equivalents	103,374	306,014	-	21,850	484,610	-
Construction cash and cash equivalents	9,100	17,970	-	3,875,784	17,970	-
Reserve cash and cash equivalents	25,771	227,122	55,257	273,116	312,838	55,257
Reserve investments	130,000	130,000	-	130,000	130,000	-
Customer deposits cash and cash equivalents	41,941	17,200	129,199	43,001	21,547	136,271
Customer deposits investments	-	-	100,000	-	-	100,000
Interest receivable	3,253	3,254	14,393	4,927	4,927	21,016
Total restricted assets	320,745	713,106	816,832	4,355,984	983,438	843,601
Deferred charges	7,209	43,595	-	68,825	37,005	-
Capital assets:						
Land, improvements to land and construction in progress	51,321	5,520,515	11,807	315,485	52,792	11,807
Other capital assets (net of accumulated depreciation)	1,778,965	4,952,557	2,016,134	1,757,926	10,534,041	1,868,371
Total capital assets	1,830,286	10,473,072	2,027,941	2,073,411	10,586,833	1,880,178
Total noncurrent assets	2,158,240	11,229,773	2,844,773	6,498,220	11,607,276	2,723,779
Total assets	2,627,514	11,920,325	5,082,486	6,875,448	12,164,005	5,037,928
<u>Liabilities</u>						
Current liabilities:						
Accounts payable	9,677	19,298	439,557	27,027	32,680	458,765
Interfund payables:						
Due to Water	-	-	186	-	-	186
Due to Electric	707	34,147	-	4,868	152,749	-
Wages payable	3,528	3,599	7,807	4,029	4,391	8,297
Taxes payable	1,860	-	10,539	2,095	-	10,850
Current liabilities payable from restricted assets:						
Customer deposits	41,921	17,200	229,199	43,001	21,547	236,271
Loans payable	-	-	400,000	-	-	250,000
Capital leases payable	10,475	20,063	10,399	10,475	23,999	10,609
Bonds payable	90,000	190,000	-	150,000	200,000	-
Accrued interest payable	20,191	96,124	6,540	9,066	126,578	6,424
Total current liabilities	178,359	380,431	1,104,227	250,561	561,944	981,402
Noncurrent liabilities:						
Revenue bonds payable (net of unamortized discounts and deferred amount on refunding)						
Capital leases payable	579,549	1,473,600	-	4,803,374	1,289,143	-
State revolving fund loans payable	71,286	86,758	71,286	61,422	69,497	60,677
	-	5,177,844	-	-	5,130,658	-
Total noncurrent liabilities	650,835	6,738,202	71,286	4,864,796	6,489,298	60,677
Total liabilities	829,194	7,118,633	1,175,513	5,115,357	7,051,242	1,042,079
<u>Net Assets</u>						
Invested in capital assets, net of related debt	1,078,974	3,524,807	1,546,254	914,904	3,870,096	1,558,892
Restricted for debt service	259,145	663,136	55,257	424,966	927,449	55,257
Restricted for customer deposits	41,941	17,200	229,199	43,001	21,547	236,271
Restricted for depreciation	7,306	11,546	517,983	7,306	11,546	531,057
Restricted for construction	9,100	17,970	-	3,875,784	17,970	-
Unrestricted	401,854	567,033	1,558,280	(3,505,870)	264,155	1,614,372
Total net assets	\$ 1,798,320	\$ 4,801,692	\$ 3,906,973	\$ 1,760,091	\$ 5,112,763	\$ 3,995,849

The notes to the financial statements are an integral part of this statement.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
As Of And For The Years Ended December 31, 2005 And 2006

	2005			2006		
	Water	Wastewater	Electric	Water	Wastewater	Electric
Operating revenues:						
Residential sales	\$ 233,492	\$ 566,312	\$ 1,495,918	\$ 229,981	\$ 581,928	\$ 1,573,910
Commercial and industrial sales	181,893	545,648	3,284,056	178,929	554,342	3,561,011
Primary sales	-	-	1,013,393	-	-	1,567,360
Public street and highway lighting	-	-	18,746	-	-	18,746
Security lights	-	-	43,896	-	-	51,292
Storm sewer rental	-	68,280	-	-	68,280	-
Fire protection revenue	188,326	-	-	201,508	-	-
Penalties	4,238	9,513	25,824	4,149	8,361	25,961
Other water revenue	3,919	-	-	15,378	-	-
Other	11,536	16,484	-	9,975	15,225	-
Total operating revenues	<u>623,404</u>	<u>1,206,237</u>	<u>5,881,833</u>	<u>639,920</u>	<u>1,228,136</u>	<u>6,798,280</u>
Operating expenses:						
Power supply expense:						
Power purchased	-	-	4,600,654	-	-	5,456,648
Distribution expense:						
Operation supply labor	-	-	78,977	-	-	72,146
Salaries and wages	-	-	250,951	-	-	224,633
Meter expense	-	-	2,218	-	-	9,670
Transportation expense	-	-	14,890	-	-	21,771
Other	-	-	37,339	-	-	62,618
Plant Operation:						
Salaries and wages	192,213	216,767	-	194,468	255,258	-
Fuel and power purchased	39,018	77,566	-	43,690	73,916	-
Materials and supplies	4,811	11,840	-	5,332	10,680	-
Contractual services	-	37,080	-	-	62,441	-
Other	7,891	33,325	-	25,033	47,907	-
Maintenance expense:						
Materials and supplies	38,374	30,025	-	32,096	34,180	-
Overhead lines	-	-	5,256	-	-	21,311
Underground lines	-	-	3,310	-	-	36,823
Line transformer	-	-	186	-	-	3,646
Street and signal	-	-	4,502	-	-	21,685
Repair of equipment	-	-	29,531	-	-	28,480
Other	62	-	2,496	-	-	57,124
Customer accounts:						
Records and collections	33,325	34,251	71,790	26,588	36,077	75,399
General:						
Office salaries	-	-	48,177	-	-	82,144
Office supplies	8,461	9,127	6,245	13,173	17,168	6,610
Outside services	48,819	14,439	62,675	66,885	9,997	91,026
Insurance	74,609	69,336	117,428	78,311	79,240	129,686
Other	10,164	14,293	10,671	36,407	20,668	22,490
Employee pension and benefits	30,558	30,017	98,275	30,392	35,393	95,886
Amortization of bond issue costs	2,708	6,591	-	2,483	6,591	-
Depreciation	98,715	130,413	274,183	109,110	156,987	333,107
Total operating expenses	<u>589,728</u>	<u>715,070</u>	<u>5,719,754</u>	<u>663,968</u>	<u>846,503</u>	<u>6,852,903</u>
Operating income (loss)	<u>33,676</u>	<u>491,167</u>	<u>162,079</u>	<u>(24,048)</u>	<u>381,633</u>	<u>(54,623)</u>
Nonoperating revenues (expenses):						
Interest and investment revenue	13,656	27,924	44,556	19,622	45,691	65,946
Rental income	-	-	18,120	-	-	18,875
Miscellaneous revenue	-	-	66,897	-	-	80,461
Interest expense	(45,607)	(114,339)	(6,472)	(33,803)	(116,253)	(21,783)
Total nonoperating revenues (expenses)	<u>(31,951)</u>	<u>(86,415)</u>	<u>123,101</u>	<u>(14,181)</u>	<u>(70,562)</u>	<u>143,499</u>
Income (loss)	1,725	404,752	285,180	(38,229)	311,071	88,876
Change in net assets	1,725	404,752	285,180	(38,229)	311,071	88,876
Total net assets - beginning	<u>1,796,595</u>	<u>4,396,940</u>	<u>3,621,793</u>	<u>1,798,320</u>	<u>4,801,692</u>	<u>3,906,973</u>
Total net assets - ending	<u>\$ 1,798,320</u>	<u>\$ 4,801,692</u>	<u>\$ 3,906,973</u>	<u>\$ 1,760,091</u>	<u>\$ 5,112,763</u>	<u>\$ 3,995,849</u>

The notes to the financial statements are an integral part of this statement.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
As Of And For The Years Ended December 31, 2005 And 2006

	2005			2006		
	Water	Wastewater	Electric	Water	Wastewater	Electric
Cash flows from operating activities:						
Receipts from customers and users	\$ 607,081	\$ 1,169,240	\$ 5,726,579	\$ 628,782	\$ 1,213,889	\$ 6,672,650
Payments to suppliers and contractors	(274,736)	(288,208)	(4,969,190)	(310,505)	(254,100)	(6,044,987)
Payments to employees	(223,087)	(246,429)	(476,381)	(224,359)	(290,651)	(474,809)
Other receipts	11,536	16,484	85,017	9,975	15,225	99,336
Net cash provided by operating activities	120,794	651,087	366,025	103,893	684,363	252,190
Cash flows from capital and related financing activities:						
Proceeds from capital debt	-	2,397,991	-	4,392,137	33,814	-
Acquisition and construction of capital assets	(73,904)	(2,588,355)	(105,168)	(352,235)	(261,959)	(185,344)
Principal paid on capital debt	(90,798)	(269,041)	(864)	(100,475)	(293,114)	(160,399)
Interest paid on capital debt	(41,492)	(80,054)	(4,182)	(40,149)	(70,257)	(21,899)
Bond issue costs	-	-	-	(86,579)	-	-
Net cash provided (used) by capital and related financing activities	(206,194)	(539,459)	(110,214)	3,812,699	(591,516)	(367,642)
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	180,000	630,000	700,000	180,000	500,000	700,000
Purchase of investments	(180,000)	(630,000)	(700,000)	(180,000)	(300,000)	(700,000)
Interest received	11,197	22,102	34,957	17,346	40,455	58,119
Net cash provided by investing activities	11,197	22,102	34,957	17,346	240,455	58,119
Net increase (decrease) in cash and cash equivalents	(74,203)	133,730	290,768	3,933,938	333,302	(57,333)
Cash and cash equivalents, January 1	528,226	494,645	862,898	454,023	628,375	1,153,666
Cash and cash equivalents, December 31	\$ 454,023	\$ 628,375	\$ 1,153,666	\$ 4,387,961	\$ 961,677	\$ 1,096,333
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income	\$ 33,676	\$ 491,167	\$ 162,079	\$ (24,048)	\$ 381,633	\$ (54,623)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization expense	101,423	137,004	274,183	111,593	163,578	333,107
Other receipts	-	-	85,017	-	-	99,336
(Increase) decrease in assets:						
Accounts receivable	(4,598)	(24,473)	(101,498)	(2,243)	978	(41,470)
Interfund services provided or used	-	34,147	(34,147)	-	118,602	(122,763)
Inventories	(831)	-	(122,442)	(3,396)	-	12,785
Prepaid items	2,894	3,222	1,678	(1,340)	1,051	(1,263)
Increase (decrease) in liabilities:						
Accounts payable	(11,245)	5,705	94,975	17,350	13,382	19,208
Interfund payables	-	-	-	4,161	-	-
Wages payable	(316)	355	1,505	501	792	490
Taxes payable	(20)	-	(1,050)	235	-	311
Customer deposits	(189)	3,960	5,725	1,080	4,347	7,072
Total adjustments	87,118	159,920	203,946	127,941	302,730	306,813
Net cash provided by operating activities	\$ 120,794	\$ 651,087	\$ 366,025	\$ 103,893	\$ 684,363	\$ 252,190
Noncash investing, capital and financing activities:						
Capital assets added by capital lease	\$ 80,964	\$ 80,965	\$ 80,965	\$ -	\$ 8,790	\$ -

The notes to the financial statements are an integral part of this statement.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements reflect only the activity of the Utilities and are not intended to present fairly the position of the Town of Edinburgh (Town), and the results of its operations and cash flows of its enterprise funds. The Utilities, whose operations are controlled by the Town, represent the Town's enterprise funds.

B. Fund Financial Statements

Business-type activity financial statements consist of the Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows. Business-type activities rely to a significant extent on fees and charges for support.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounts of the business-type activity are maintained and the financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The Utilities' cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the Utilities 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.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Inventories and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

3. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets balance sheet because their use is limited by applicable bond covenants.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the financial statements.

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.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets are as follows:

	Capitalization Threshold	Depreciation Method	Depreciation Rate
Water Utility:			
Buildings	\$ 500	Composite rate	1.5%
Improvements other than buildings	500	Composite rate	1.5%
Machinery and equipment	500	Composite rate	10.0%
Transportation equipment	500	Composite rate	10.0%
Wastewater Utility:			
Buildings	500	Composite rate	1.5%
Improvements other than buildings	500	Composite rate	1.5%
Machinery and equipment	500	Composite rate	10.0%
Transportation equipment	500	Composite rate	10.0%
Electric Utility:			
Buildings	500	Composite rate	3%
Improvements other than buildings	500	Composite rate	3%
Machinery and equipment	500	Composite rate	10.0%
Transportation equipment	500	Composite rate	10.0%

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest paid by the Wastewater Utility during 2005 and 2006 was \$190,761 and \$254,037, respectively. Of those amounts, \$140,296 in 2005 and \$168,232 in 2006 were included as part of the cost of capital assets under construction in connection with the Biosolids Handling Improvement Project.

5. Compensated Absences

- a. Sick Leave – The Utilities' employees earn sick leave at the rate of 6 days per year. Unused sick leave may be accumulated to a maximum of 12 days. Accumulated sick leave is not paid to employees upon retirement or termination.
- b. Vacation Leave – The Utilities' employees earn vacation leave at rates from 5 days to 25 days per year based upon the number of years of service. Vacation leave does not accumulate from year to year. Accumulated vacation leave is paid to employees through cash payments upon retirement or termination.

No liability is reported for vacation and sick leave.

6. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

II. Detailed Notes on All Funds

A. 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.

B. Capital Assets

Capital asset activity for the years ended December 31, 2005 and 2006 was as follows:

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
2005 Water Utility:				
Capital assets, not being depreciated:				
Land	\$ 10,521	\$ -	\$ -	\$ 10,521
Construction in progress	-	40,800	-	40,800
	<u>10,521</u>	<u>40,800</u>	<u>-</u>	<u>51,321</u>
Total capital assets, not being depreciated				
	10,521	40,800	-	51,321
Capital assets, being depreciated:				
Improvements other than buildings	2,563,782	28,426	-	2,592,208
Machinery and equipment	572,375	4,679	-	577,054
Transportation equipment	21,920	80,965	-	102,885
	<u>3,158,077</u>	<u>114,070</u>	<u>-</u>	<u>3,272,147</u>
Totals				
	3,158,077	114,070	-	3,272,147
Less accumulated depreciation				
	<u>1,394,467</u>	<u>98,715</u>	<u>-</u>	<u>1,493,182</u>
Total capital assets, being depreciated, net				
	1,763,610	15,355	-	1,778,965
Total capital assets, net				
	<u>\$ 1,774,131</u>	<u>\$ 56,155</u>	<u>\$ -</u>	<u>\$ 1,830,286</u>
2005 Wastewater Utility:				
Capital assets, not being depreciated:				
Land	\$ 52,792	\$ -	\$ -	\$ 52,792
Construction in progress	2,929,435	2,538,288	-	5,467,723
	<u>2,982,227</u>	<u>2,538,288</u>	<u>-</u>	<u>5,520,515</u>
Total capital assets, not being depreciated				
	2,982,227	2,538,288	-	5,520,515
Capital assets, being depreciated:				
Improvements other than buildings	6,799,781	50,067	70,696	6,779,152
Machinery and equipment	383,291	-	-	383,291
Transportation equipment	127,596	80,965	-	208,561
	<u>7,310,668</u>	<u>131,032</u>	<u>70,696</u>	<u>7,371,004</u>
Totals				
	7,310,668	131,032	70,696	7,371,004
Less accumulated depreciation				
	<u>2,358,730</u>	<u>130,413</u>	<u>70,696</u>	<u>2,418,447</u>
Total capital assets, being depreciated, net				
	4,951,938	619	-	4,952,557
Total capital assets, net				
	<u>\$ 7,934,165</u>	<u>\$ 2,538,907</u>	<u>\$ -</u>	<u>\$ 10,473,072</u>

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2005 Electric Utility:				
Capital assets, not being depreciated:				
Land	\$ 11,807	\$ -	\$ -	\$ 11,807
Construction in progress	<u>1,071,203</u>	<u>28,764</u>	<u>1,099,967</u>	<u>-</u>
Total capital assets, not being depreciated	<u>1,083,010</u>	<u>28,764</u>	<u>1,099,967</u>	<u>11,807</u>
Capital assets, being depreciated:				
Improvements other than buildings	3,346,666	895,910	-	4,242,576
Buildings	268,361	-	-	268,361
Machinery and equipment	985,572	361,426	-	1,346,998
Transportation equipment	<u>605,186</u>	<u>-</u>	<u>-</u>	<u>605,186</u>
Totals	5,205,785	1,257,336	-	6,463,121
Less accumulated depreciation	<u>4,172,804</u>	<u>274,183</u>	<u>-</u>	<u>4,446,987</u>
Total capital assets, being depreciated, net	<u>1,032,981</u>	<u>983,153</u>	<u>-</u>	<u>2,016,134</u>
Total capital assets, net	<u>\$ 2,115,991</u>	<u>\$ 1,011,917</u>	<u>\$ 1,099,967</u>	<u>\$ 2,027,941</u>
2006 Water Utility:				
Capital assets, not being depreciated:				
Land	\$ 10,521	\$ -	\$ -	\$ 10,521
Construction in progress	<u>40,800</u>	<u>264,164</u>	<u>-</u>	<u>304,964</u>
Total capital assets, not being depreciated	<u>51,321</u>	<u>264,164</u>	<u>-</u>	<u>315,485</u>
Capital assets, being depreciated:				
Improvements other than buildings	2,592,208	51,471	-	2,643,679
Machinery and equipment	577,054	36,600	-	613,654
Transportation equipment	<u>102,885</u>	<u>-</u>	<u>-</u>	<u>102,885</u>
Totals	3,272,147	88,071	-	3,360,218
Less accumulated depreciation	<u>1,493,182</u>	<u>109,110</u>	<u>-</u>	<u>1,602,292</u>
Total capital assets, being depreciated, net	<u>1,778,965</u>	<u>(21,039)</u>	<u>-</u>	<u>1,757,926</u>
Total capital assets, net	<u>\$ 1,830,286</u>	<u>\$ 243,125</u>	<u>\$ -</u>	<u>\$ 2,073,411</u>

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2006 Wastewater Utility:				
Capital assets, not being depreciated:				
Land	\$ 52,792	\$ -	\$ -	\$ 52,792
Construction in progress	<u>5,467,723</u>	<u>201,710</u>	<u>5,669,433</u>	<u>-</u>
 Total capital assets, not being depreciated	 <u>5,520,515</u>	 <u>201,710</u>	 <u>5,669,433</u>	 <u>52,792</u>
Capital assets, being depreciated:				
Improvements other than buildings	6,779,152	5,681,783	-	12,460,935
Machinery and equipment	383,291	42,488	-	425,779
Transportation equipment	<u>208,561</u>	<u>14,200</u>	<u>-</u>	<u>222,761</u>
 Totals	 7,371,004	 5,738,471	 -	 13,109,475
 Less accumulated depreciation	 <u>2,418,447</u>	 <u>156,987</u>	 <u>-</u>	 <u>2,575,434</u>
 Total capital assets, being depreciated, net	 <u>4,952,557</u>	 <u>5,581,484</u>	 <u>-</u>	 <u>10,534,041</u>
 Total capital assets, net	 <u>\$ 10,473,072</u>	 <u>\$ 5,783,194</u>	 <u>\$ 5,669,433</u>	 <u>\$ 10,586,833</u>
2006 Electric Utility:				
Capital assets, not being depreciated:				
Land	\$ 11,807	\$ -	\$ -	\$ 11,807
Capital assets, being depreciated:				
Improvements other than buildings	4,242,576	150,602	-	4,393,178
Buildings	268,361	1,269	-	269,630
Machinery and equipment	1,346,998	33,473	-	1,380,471
Transportation equipment	<u>605,186</u>	<u>-</u>	<u>-</u>	<u>605,186</u>
 Totals	 6,463,121	 185,344	 -	 6,648,465
 Less accumulated depreciation	 <u>4,446,987</u>	 <u>333,107</u>	 <u>-</u>	 <u>4,780,094</u>
 Total capital assets, being depreciated, net	 <u>2,016,134</u>	 <u>(147,763)</u>	 <u>-</u>	 <u>1,868,371</u>
 Total capital assets, net	 <u>\$ 2,027,941</u>	 <u>\$ (147,763)</u>	 <u>\$ -</u>	 <u>\$ 1,880,178</u>

Depreciation expense was charged to functions/programs of the Utilities as follows:

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

	2005	2006
Water	\$ 98,715	\$ 109,110
Wastewater	130,413	156,987
Electric	274,183	333,107
 Total depreciation expense	 \$ 503,311	 \$ 599,204

C. Construction Commitments

Construction work in progress is composed of the following:

Project	Total Project Authorized	Expended to December 31, 2006	Committed	Required Future Funding
Waterworks system improvements	\$ 331,223	\$ 304,964	\$ -	\$ 26,259

D. Interfund Balances and Activity

Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2005 and 2006, were as follows:

Due To	Due From				Totals
	General Fund	Water Utility	Wastewater Utility	Electric Utility	
2005:					
Water Utility	\$ -	\$ -	\$ -	\$ 186	\$ 186
Electric Utility	10,525	707	34,147	-	45,379
Totals	\$ 10,525	\$ 707	\$ 34,147	\$ 186	\$ 45,565
2006:					
Water Utility	\$ -	\$ -	\$ -	\$ 186	\$ 186
Electric Utility	10,525	4,868	152,749	-	168,142
Totals	\$ 10,525	\$ 4,868	\$ 152,749	\$ 186	\$ 168,328

Interfund balances resulted from expenditures mistakenly being paid from the wrong fund.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Leases

Capital Leases

The Utilities have entered into various capital leases for a backhoe and a vactor. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2006, are as follows:

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Electric Utility</u>
2007	\$ 13,675	\$ 27,739	\$ 13,675
2008	13,675	22,311	13,675
2009	13,675	14,477	13,675
2010	13,675	13,675	13,675
2011	13,675	13,675	13,675
2012-2016	<u>13,675</u>	<u>13,675</u>	<u>13,675</u>
Total minimum lease payments	82,050	105,552	82,050
Less amount representing interest	<u>10,153</u>	<u>12,056</u>	<u>10,764</u>
Present value of net minimum lease payments	<u>\$ 71,897</u>	<u>\$ 93,496</u>	<u>\$ 71,286</u>

Assets acquired through capital leases still in effect are as follows:

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Electric Utility</u>
Machinery and equipment	\$ 80,965	\$ 137,055	\$ 80,965
Accumulated depreciation	<u>4,048</u>	<u>11,534</u>	<u>4,048</u>
Totals	<u>\$ 76,917</u>	<u>\$ 125,521</u>	<u>\$ 76,917</u>

F. Short-Term Liabilities

The Utilities may use short-term notes and loans to finance a variety of public projects, including Electric Utility transformers.

Short-term debt activity for the year ended December 31, 2006, was as follows:

	<u>Beginning Balance</u>	<u>Issued/ Draws</u>	<u>Redeemed/ Repayments</u>	<u>Ending Balance</u>
Electric transformer loan	<u>\$ 400,000</u>	<u>\$ 250,000</u>	<u>\$ 400,000</u>	<u>\$ 250,000</u>

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Long-Term Liabilities

1. Revenue Bonds

The Utilities issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
2006 Water refunding bond	5%	\$ 5,000,000
1993 Wastewater refunding bond	3% to 6%	345,000
2001 Wastewater revenue bond, biosolids project	5.25%	<u>1,188,000</u>
Total		<u>\$ 6,533,000</u>

Revenue bonds debt service requirements to maturity are as follows:

Year Ended December 31	Water Utility		Wastewater Utility	
	Principal	Interest	Principal	Interest
2007	\$ 150,000	\$ 143,684	\$ 200,000	\$ 83,070
2008	160,000	239,565	211,000	71,745
2009	165,000	232,365	221,000	59,805
2010	175,000	224,940	107,000	47,303
2011	185,000	217,065	114,000	41,685
2012-2016	1,070,000	937,622	680,000	111,195
2017-2021	1,360,000	643,211	-	-
2022-2026	<u>1,735,000</u>	<u>267,962</u>	-	-
Totals	<u>\$ 5,000,000</u>	<u>\$ 2,906,414</u>	<u>\$ 1,533,000</u>	<u>\$ 414,803</u>

2. Notes and Loans Payable

The Wastewater Utility has entered into a state revolving fund (SRF) loan. The Wastewater Utility has not drawn the full amount of the SRF loan. So, the annual debt service requirements to maturity for the loan are undeterminable.

3. Advance Refunding

On December 21, 2006, Edinburgh Water Utility issued \$566,568 in refunding revenue bonds to refund \$600,000 of outstanding 1993 and 1997 series bonds. The net proceeds of \$539,038 (after payment of \$27,530 in issuance costs) and local contributions of \$86,579 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 and 1997 series bonds. As a result, these bonds are considered to be defeased and

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

the liability for those bonds has been removed from the Statement of Net Assets. The refunding resulted in the accounting loss of \$46,626, which has been recognized on the Statement of Net Assets as Deferral of Loss on Refunding. This amount will be amortized using the straight-line method and charged to interest expense over the next 19.5 years. Edinburgh Water Utility in effect lowered its aggregate debt service payment by \$53,147 over the next 19.5 years and realized an economic loss (difference between the present values of the old and new debt service payments) of \$57,154.

In prior years, the Wastewater Utility defeased certain revenue and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The following outstanding bonds, at December 31, 2006, were considered defeased:

	Amount
1993 Water revenue bond	\$ 115,000
1997 Water revenue bond	485,000
1962 Wastewater revenue bond	165,000
1988 Wastewater revenue bond	1,175,000

4. Changes in Long-Term Liabilities

Long-term liability activity for the years ended December 31, 2005 and 2006, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2005:					
Revenue bonds payable:					
Water Utility	\$ 780,000	\$ -	\$ 90,000	\$ 690,000	\$ 90,000
Less bond discount	(5,187)	-	(648)	(4,539)	-
Less deferred amount on refunding	(20,458)	-	(4,546)	(15,912)	-
	754,355	-	84,806	669,549	90,000
Total Water Utility bonds payable					
Wastewater Utility	1,898,000	-	175,000	1,723,000	190,000
Less bond discount	(8,000)	-	(667)	(7,333)	-
Less deferred amount on refunding	(66,943)	-	(14,876)	(52,067)	-
	1,823,057	-	159,457	1,663,600	190,000
Total Wastewater bonds payable					
Capital leases payable:					
Water Utility	1,594	80,965	798	81,761	10,475
Wastewater Utility	35,897	80,965	10,041	106,821	20,063
Electric Utility	1,584	80,965	864	81,685	10,399
	39,075	242,895	11,703	270,267	40,937
Total capital leases payable					
Loans payable:					
Wastewater Utility	2,863,853	2,397,991	84,000	5,177,844	-
Total long-term liabilities	\$ 5,480,340	\$ 2,640,886	\$ 339,966	\$ 7,781,260	\$ 320,937

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

2006:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable:					
Water Utility	\$ 690,000	\$ 5,000,000	\$ 690,000	\$ 5,000,000	\$ 150,000
Less bond discount	(4,539)	-	(4,539)	-	-
Less deferred amount on refunding	(15,912)	(46,626)	(15,912)	(46,626)	-
Total Water Utility bonds payable	<u>669,549</u>	<u>4,953,374</u>	<u>669,549</u>	<u>4,953,374</u>	<u>150,000</u>
Wastewater Utility	1,723,000	-	190,000	1,533,000	200,000
Less bond discount	(7,333)	-	(667)	(6,666)	-
Less deferred amount on refunding	(52,067)	-	(14,876)	(37,191)	-
Total Wastewater Utility bonds payable	<u>1,663,600</u>	<u>-</u>	<u>174,457</u>	<u>1,489,143</u>	<u>200,000</u>
Capital leases payable:					
Water Utility	81,761	-	9,864	71,897	10,475
Wastewater Utility	106,821	8,790	22,115	93,496	23,999
Electric Utility	81,685	-	10,399	71,286	10,609
Total capital leases payable	<u>270,267</u>	<u>8,790</u>	<u>42,378</u>	<u>236,679</u>	<u>45,083</u>
Loans payable:					
Wastewater Utility	<u>5,177,844</u>	<u>33,814</u>	<u>81,000</u>	<u>5,130,658</u>	<u>-</u>
Total long-term liabilities	<u>\$ 7,781,260</u>	<u>\$ 4,995,978</u>	<u>\$ 967,384</u>	<u>\$ 11,809,854</u>	<u>\$ 395,083</u>

III. Other Information

A. Risk Management

The Utility is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Job Related Illnesses or Injuries to Employees

During 1991, the Town joined with other governmental entities in the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for approximately 350 member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of job related illnesses or injuries to employees. The Town pays an annual premium to the risk pool for its job related illnesses or injuries to employees coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Rate Structure

1. Water Utility

The current rate structure was approved by the Indiana Utility Regulatory Commission on November 27, 2006. The Utility has 1,774 customers.

2. Wastewater Utility

The current rate structure was approved by the Town Council on November 24, 2003. The Utility has 1,701 customers.

3. Electric Utility

The current rate structure was approved by the Indiana Utility Regulatory Commission on May 24, 2004. The Utility has 2,654 customers.

C. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town, including the Utilities, 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 the 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 Utilities 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 member's 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. The 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 plan members for PERF are established by the Board of Trustees of PERF. The Utilities annual pension cost and related information, as provided by the actuary, is presented in this note.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

Information to segregate the assets/liabilities and the actuarial study figures between the Town and the Utilities is not available. Therefore, the liability for Net Pension Obligation (NPO) is considered an obligation of the Town as a whole and is not presented as an asset/liability of the proprietary funds.

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 110,959
Interest on net pension obligation	(5,009)
Adjustment to annual required contribution	5,708
Annual pension cost	111,658
Contributions made	83,108
Increase in net pension obligation	28,550
Net pension obligation, beginning of year	(69,093)
Net pension obligation, end of year	\$ (40,543)
Contribution rates:	
Utilities	5.75%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
NOTES TO FINANCIAL STATEMENTS
(Continued)

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-04	\$ 71,358	127%	\$ (53,344)
	06-30-05	76,393	121%	(69,093)
	06-30-06	111,658	109%	(40,543)

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

PERF Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 2,234,058	\$ 2,200,805	\$ 33,253	102%	\$ 1,774,375	2%
07-01-05	2,306,342	2,612,842	(306,500)	88%	1,861,185	(16%)
07-01-06	2,219,824	2,690,496	(470,672)	83%	1,922,544	(24%)

The above schedule represents data for Town and Utility employees. Information is not available to distinguish between Town and Utility employees.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
AUDIT RESULTS AND COMMENTS

DEPOSITS (Utility Department)

As stated in the prior Report B29780, in numerous instances, receipts were deposited later than the next business day. Deposits were made up to four business days after the receipt date.

Indiana Code 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

DELINQUENT UTILITY ACCOUNTS

Delinquent utility fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

- (1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:
 - (A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent.
 - (B) A description of the premises, as shown by the records of the county auditor.
 - (C) The amount of the delinquent fees, together with the penalty.
- (2) An individual instrument for each lot or parcel of real property on which the fees are delinquent."

(c) The officer shall record a copy of each list or each individual instrument with the county recorder . . ."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . . ."

OPTICAL IMAGES OF WARRANTS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. In 2005, both sides of the cancelled checks were printed on the bank statements. In 2006, the bank stopped printing the back side of the checks.

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 5-15-6-3, concerning optical imaging of checks, states in part:

"(a) . . . 'original records' . . . includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . ."

Further, Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

CAPITAL ASSET RECORDS

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

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 form. 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)

WATER, WASTEWATER, AND ELECTRIC UTILITIES
TOWN OF EDINBURGH
EXIT CONFERENCE

The contents of this report were discussed on November 14, 2007, with Jackie L. Smith, Clerk-Treasurer; and John R. Drybread, Director of Utilities.