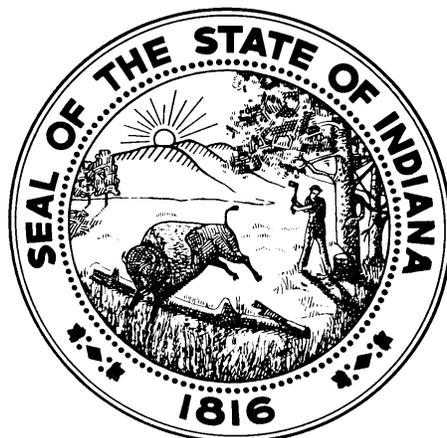


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2006

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
CITY OF CRAWFORDSVILLE
MONTGOMERY COUNTY, INDIANA



FILED
12/31/2007

CRAWFORDSVILLE ELECTRIC LIGHT & POWER

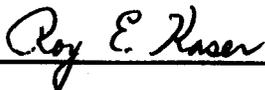
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CRAWFORDSVILLE ELECTRIC LIGHT & POWER

January 1, 2006 to December 31, 2006
Herewith is the Annual Report for the Year 2006 covering the
operations of the Crawfordsville Electric Light & Power:

Thomas J. Sheets	President of Utility Board	811 West Main Street Crawfordsville, Indiana
Donald L. Fine	Vice-President of Utility Board	2718 Eagles Way Crawfordsville, Indiana
Michael R. Zurawski	Secretary of Utility Board	700 South Water Street Crawfordsville, Indiana
Samuel H. Hildebrand	Board Member	412 West Main Street Crawfordsville, Indiana
Dennis J. Hohlbein	Board Member	407 East Main Street Crawfordsville, Indiana
Roy E. Kaser	Manager	532 South Golf Blvd. Crawfordsville, Indiana
Terry Harris	Utility Attorney	1415 Durham Drive Crawfordsville, Indiana
Loran Rutledge	Council Liaison to Utility Board	1715 Lebanon Road Crawfordsville, Indiana
John P. Zumer	Mayor	1403 Darlington Ave Crawfordsville, Indiana
Nellie Thompson	City Clerk-Treasurer	806 South Green Street Crawfordsville, Indiana
John F. Lamb	Chief Accountant	6 Hickory Lane North Crawfordsville, Indiana



Roy E. Kaser, Manager



John F. Lamb, Chief Accountant



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CRAWFORDSVILLE ELECTRIC LIGHT AND POWER,
CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

We have audited the accompanying financial statements of the business-type activities of the Crawfordsville Electric Light and Power, a department of the City of Crawfordsville, as of and for the year ended December 31, 2006. These financial statements are the responsibility of the Utility's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 Electric Utility, City of Crawfordsville, 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 City that is attributable to the transactions of the Utility. They do not purport to, and do not, present the financial position of the City of Crawfordsville as of December 31, 2006, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities for the Electric Utility, as of December 31, 2006, and the respective changes in financial position and cash flows thereof for the year 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 Management's Discussion and Analysis and the various schedules presented as supplemental information are presented for purposes of additional analysis and are not required parts of the basic financial statements. The Management's Discussion and Analysis and the supplemental information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

December 13, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

This discussion and analysis of Crawfordsville Electric Light and Power's consolidated financial performance provides an overview of the utility's activities for the fiscal year ended December 31, 2006. This discussion includes only the activity of Crawfordsville Electric Light and Power and its telecom division, Accelplus and does not present information relative to the activities and financial performance of the City of Crawfordsville. Please read it in conjunction with the accompanying basis consolidated financial statements and the accompanying notes to the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements presented herein include all the activities of Crawfordsville Electric Light and Power and its divisions. The utility follows the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission and approved by the Indiana Utility Regulatory Commission. These statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principals. CEL&P and its divisions have implemented all the Governmental Accounting Standards Board pronouncements and any applicable Financial Accounting Standards pronouncements that do not conflict.

The consolidated statements of revenues, expenses and changes in net assets and cash flows present all the activity of Crawfordsville Electric Light & Power and its divisions and uses the concepts as prescribed by GASB Statement Number 34.

CONDENSED COMPARITIVE FINANCIAL DATA

Net Assets	2006	2005
Current and other assets	\$ 8,094,763	\$ 5,002,262
Capital Assets	<u>20,811,812</u>	<u>23,776,151</u>
Total Assets	\$ 28,905,775	\$ 28,748,413
Long-Term Liabilities	\$ 160,000	\$ 485,000
Other Liabilities	<u>3,473,815</u>	<u>3,438,156</u>
Total Liabilities	\$ 3,633,815	\$ 3,923,156
Net Assets:		
Invested in capital assets, net of Related debt	\$ 20,486,012	\$ 17,892,039
Restricted	2,831,756	4,238,772
Unrestricted	<u>1,954,192</u>	<u>2,724,446</u>
Total Net Assets	\$ 25,271,960	\$ 24,855,257

A condensed comparative financial statement follows:

INCOME	2006	2005
Operating Revenues	\$ 30,283,764	\$ 28,223,696
Expense		
Fuel Expense	\$ 1,017,627	\$ 1,398,264
Purchased Power Expense	20,926,512	18,880,667
Other Operating Expense	4,285,271	4,141,179
Maintenance Expense	1,517,832	1,488,335
Depreciation Expense	1,341,471	1,344,697
Taxes	<u>830,933</u>	<u>792,369</u>
Total Operating Expense	29,919,646	28,045,511
Other Income	422,661	304,025
Other Expense	<u>178,442</u>	<u>168,832</u>
Net Income	\$ 608,337	\$ 313,378

The primary revenue source is from the sale of electricity to utility customers.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes are presented in the supplemental data section of this report.

FINANCIAL HIGHLIGHTS

The assets of Crawfordsville Electric Light & Power, electric utility division, exceeded the liabilities at the close of fiscal year 2006 by \$25.5 million. The utility's total net assets increased by \$555,963, primarily attributable to the net profit realized in 2006. Our total revenue and the average per KWH increased in the year 2006.

The following items attributed to the increase in net income:

1. Total KWH purchased increased by 4.5% and the average price per KWH increased .005/KWH.
2. Net KWH unaccounted for or system losses were 10,237,710 KWH (2.3% of total salable).
3. During the year 2006 all Energy Cost Adjustments (ECA) were positive and previous quarters' collections were less than the estimated collections.
4. Operating expenses, other than purchased power, decreased to \$8,782,076, a .03% decrease.

SIGNIFICANT CAPITAL ASSET ADDITIONS

During the year 2006, Crawfordsville Electric Light and Power added \$2,892,742 in capital assets. The major projects included in this total are as follows:

1. The construction of a new garage and remodel of the service building at a cost of \$1,715,763
2. We installed new street lights on Washington St at a cost of \$309,913.
3. We purchase a new line bucket truck at a cost of \$187,524.

SIGNIFICANT EVENTS

CEL&P has a number of construction projects proposed for the year of 2007. We are still in the process of replacing street lights in the downtown area. This project will continue on into 2007. There will be a new circuit build out of the Kentucky Street substation that will be able to feed the North and East side of the service area.

COMPANY DEBT

CEL&P did not incur any additional long-term debt during the year of 2006. Details of changes in long-term debt may be found in the notes to the financial statements for Revenue Bonds of 1992.

The Accelplus Building Corporation secured financing for the fiber-to-the-home project. The Building Corporation issued \$16,660,000 in Communication Lease Revenue Bonds. Once the bonds were secured, construction began on the project. Contracts were bid upon and granted and construction began in August. The construction of the outside plant is scheduled to be completed by July 2007.

Crawfordsville Electric Light & Power
Statement of Net Assets
ELECTRIC UTILITY ALL DIVISIONS
December 31, 2006

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUNDS</u>	<u>ENTERPRISE FUNDS</u>
ASSETS		
Current Assets		
Cash	\$ 368,724.26	\$ 575,095.18
Cash Equivalents	2,367,187.36	2,157,218.32
Interest Receivable	3,690.20	17,306.08
Customer Receivables, (net)	1,143,635.10	840,899.27
Project SAFE Vouchers	-	7,196.37
Due From Other Funds	-	3,670.00
Fuel Stock	222,938.84	197,870.88
Plant Materials and Operating Supplies	669,491.81	698,333.88
Prepaid Maintenance Charges	48,781.45	74,216.76
Prepaid Insurance	121,733.03	116,736.86
Other Prepayments	75,152.95	69,886.56
Accrued Employee Flex Plan	316.24	
Temporary Facilities	12,625.68	10,966.55
Misc. Deferred Debits Less Amortization	8,577.12	14,152.32
Other Deferred Debits	183,582.62	215,411.39
Transportation Clearing	4,025.86	3,301.14
Total Current Assets	<u>\$ 5,230,462.52</u>	<u>\$ 5,002,261.56</u>
Noncurrent Assets		
Restricted Assets		
Cash	\$ 5,758.02	\$ 5,239.01
Cash equivalents	568,641.01	974,989.95
Investments	2,257,356.77	1,898,324.36
Interest Receivable	32,544.53	-
Capital Assets		
Land and Intangibles	2,121,697.17	3,733,686.64
Buildings and Improvements, (net)	3,655,276.38	2,009,781.47
Equipment, (net)	15,034,038.68	15,154,129.64
Total Noncurrent Assets	<u>\$ 23,675,312.56</u>	<u>\$ 23,776,151.07</u>
Total Assets	<u>\$ 28,905,775.08</u>	<u>\$ 28,778,412.63</u>

Crawfordsville Electric Light & Power
Statement of Net Assets
ELECTRIC UTILITY ALL DIVISIONS
December 31, 2006
(Continued)

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUNDS</u>	<u>ENTERPRISE FUNDS</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 2,945,205.94	\$ 2,880,289.85
Accrued Taxes Payable	17,782.30	9,656.45
Accrued Interest Payable	5.60	-
Unemployment Reserve	4,830.66	4,830.66
State Sales Tax Payable	61,696.13	58,025.55
Pension Fund Payable (Employer's Contribution)	51,313.59	49,305.95
Retirement Benefits Reserve	11,800.00	18,414.70
Accrued Payroll	65,276.25	71,723.20
Project SAFE Vouchers Received (Not Applied)	14.10	48,865.00
Due To Other Funds	4,743.37	7,447.53
Customers Meter Deposits Payable	146,147.23	134,597.23
Revenue Bonds 1992 Issue (Current)	165,000.00	155,000.00
Total Current Liabilities	<u>\$ 3,473,815.17</u>	<u>\$ 3,438,156.12</u>
Noncurrent Liabilities		
Revenue Bonds Payable		
1992 Issue	\$ 160,000.00	\$ 485,000.00
Total Noncurrent Liabilities	<u>\$ 160,000.00</u>	<u>\$ 485,000.00</u>
Total Liabilities	<u>\$ 3,633,815.17</u>	<u>\$ 3,923,156.12</u>
NET ASSETS		
Invested in capital assets	\$ 20,486,012.23	\$ 17,892,038.92
Restricted Funds	2,831,755.80	4,238,772.17
Unrestricted	1,954,191.88	2,724,445.42
Total Net Assets	<u>\$ 25,271,959.91</u>	<u>\$ 24,855,256.51</u>

Crawfordsville Electric Light & Power
Statement of Revenues, Expenses, and Changes in Fund Net Assets
ELECTRIC UTILITY ALL DIVISIONS
For the Year Ended December 31, 2006

	2006	2005
	ENTERPRISE FUNDS	ENTERPRISE FUNDS
OPERATING REVENUES		
Residential Sales	\$ 6,394,217.55	\$ 6,173,401.45
Commercial and Industrial Sales	20,231,642.46	18,427,902.38
Outdoor and Street Lighting Sales	248,689.42	240,889.83
Sales to Other Authorities	98,736.94	86,427.93
Sales for Resale	2,956,356.67	2,986,185.37
Telecom Sales	100,610.29	102,450.92
Other Operating Revenue	253,511.02	206,437.84
Total Operating Revenues	\$ 30,283,764.35	\$ 28,223,695.72
OPERATING EXPENSES		
Utility Operating Expense	\$ 2,625,006.29	\$ 3,231,070.41
Steam Power Generation	20,926,512.10	18,880,666.78
Purchased Power	1,330,785.57	1,149,097.14
Transmission & Distribution	399,745.08	372,875.00
Customer Accounts Expense	2,189,587.80	2,141,869.00
Administrative & General	239,870.03	126,278.41
Telecom Expense	1,362,762.50	1,344,696.51
Depreciation	6,588.72	6,588.72
Amortization of U.S.P.	379,982.57	356,027.84
Utility Receipts Tax	244,511.32	240,970.94
F.I.C.A. Tax	214,113.60	191,500.00
Contribution in Lieu of Taxes	-	3,690.00
Unemployment Tax	180.00	180.00
Other Taxes	-	-
Total Operating Expenses	\$ 29,919,645.58	\$ 28,045,510.75
Operating Income (Loss)	\$ 364,118.77	\$ 178,184.97
NONOPERATING REVENUES (EXPENSES)		
Interest Income	\$ 174,505.66	\$ 156,657.31
Miscellaneous Income	138,028.96	3,080.28
Revenue From Contract Work	110,126.45	135,832.25
Cost of Contract Work	(88,273.01)	(81,001.99)
Gain/Loss on Disposal Assets	(8,800.70)	8,454.66
Interest on Long Term Debt 1992	(30,239.99)	(46,090.66)
Other Interest	-	(35,681.65)
Amortization of Research and Development Expenses	(44,884.52)	-
Amortization of Debt Discount	(5,575.20)	(5,575.20)
Miscellaneous Income Deductions	(669.00)	(482.00)
Total Nonoperating Revenue (Expenses)	\$ 244,218.65	\$ 135,193.00
Net Income before Capital Contributions and Transfers	\$ 608,337.42	\$ 313,377.97
TRANSFERS OUT -		
Prior Period Adjustment	\$ (198,886.34)	\$ (221,500.00)
Change in Net Assets	7,252.32	(9,499.93)
	416,703.40	82,378.04
Total Net Assets - Beginning	\$ 24,855,256.51	\$ 24,772,878.47
Total Net Assets - Ending	\$ 25,271,959.91	\$ 24,855,256.51

**Crawfordsville Electric Light & Power
Statement of Cash Flows
ELECTRIC UTILITY ALL DIVISIONS
For the Year Ended December 31, 2006**

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUND</u>	<u>ENTERPRISE FUND</u>
CASH FLOWS FROM OPERATION ACTIVITIES		
Receipts from Customers	\$ 29,807,539	\$ 28,060,852
Payments to Suppliers	(24,403,280)	(22,608,990)
Payments to Employees	(4,171,359)	(3,659,875)
Internal Activity - Payments From (To) Other Funds	-	174,502
Other Receipts	408,826	(52,673)
Net Cash Provided (Used) By Operation Activities	<u>\$ 1,641,726</u>	<u>\$ 1,913,816</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property, Sales, and Use Taxes	\$ -	\$ -
Rents and Concessions	-	-
Transfers Out	(198,886)	(221,500)
Interfund Loans - Proceeds and Collections	-	-
Net Cash Provided by Noncapital Financing Activities	<u>\$ (198,886)</u>	<u>\$ (221,500)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCIAL ACTIVITIES		
Purchases and Construction of Capital Assets	\$ (1,326,505)	\$ (2,846,126)
Principal Paid on Capital Debt	(315,000)	(290,000)
Interest Paid on Capital Debt	(30,234)	(46,091)
Proceeds from Sale of Assets	43,739	-
Capital Contributions	-	-
Net Cash Used By Capital and Related Financing Activities	<u>\$ (1,628,000)</u>	<u>\$ (3,182,217)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	\$ (4,877,887)	\$ 462,728
Investments Sold or Matured	\$ 4,518,855	-
Interest and Dividends	141,961	156,657
Net Cash Provided by Investing Activities	<u>\$ (217,071)</u>	<u>\$ 619,385</u>
Net Increase in Cash and Cash Equivalents	<u>\$ (402,231)</u>	<u>\$ (870,516)</u>
Balances - Beginning of the Year	\$ 3,712,541	\$ 4,583,057
Balances - End of the Year	<u>\$ 3,310,310</u>	<u>\$ 3,712,541</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ 364,119	\$ 178,185
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities:		
Depreciation Expense	1,369,351	1,351,285
Non-Operating Income/Expense--Transfers	157,665	12,248
Changes In Assets and Liabilities		
Receivables, Net	(302,736)	(112,059)
Prepaid and other Assets	27,673	-
Accounts and Other Payables	25,653	484,157
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,641,726</u>	<u>\$ 1,913,816</u>

Crawfordsville Electric Light & Power
Statement of Net Assets
ELECTRIC UTILITY
December 31, 2006

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUNDS</u>	<u>ENTERPRISE FUNDS</u>
ASSETS		
Current Assets		
Cash	\$ 357,621.03	\$ 567,223.68
Cash Equivalents	2,367,187.36	2,157,218.32
Interest Receivable	3,690.20	17,306.08
Customer Receivables, (net)	1,133,317.52	833,548.96
Project SAFE Vouchers	-	7,196.37
Due From Other Funds	-	3,670.00
Due From TELECOM Division	154,408.99	1,043,479.55
Interfund Loan Receivable	1,150,000.00	-
Fuel Stock	222,938.84	197,870.88
Plant Materials and Operating Supplies	669,491.81	698,333.88
Prepaid Maintenance Charges	48,781.45	74,216.76
Prepaid Insurance	121,733.03	116,736.86
Other Prepayments	75,152.95	69,886.56
Accrued Employee Flex Plan	316.24	
Temporary Facilities	12,625.68	10,966.55
Misc. Deferred Debits Less Amortization	8,577.12	14,152.32
Other Deferred Debits	183,582.62	215,411.39
Transportation Clearing	4,025.86	3,301.14
Total Current Assets	<u>\$ 6,513,450.70</u>	<u>\$ 6,030,519.30</u>
Noncurrent Assets		
Restricted Assets		
Cash	\$ 5,758.02	\$ 5,239.01
Cash Equivalents	568,641.01	974,989.95
Investments	2,257,356.77	1,898,324.36
Interest Receivable	32,544.53	
Capital Assets		
Land and Intangibles	1,162,280.81	2,828,255.30
Buildings and Improvements, (net)	3,655,276.38	2,009,781.47
Equipment, (net)	15,007,352.57	15,154,129.64
Total Noncurrent Assets	<u>\$ 22,689,210.09</u>	<u>\$ 22,870,719.73</u>
Total Assets	<u>\$ 29,202,660.79</u>	<u>\$ 28,901,239.03</u>

Crawfordsville Electric Light & Power
Statement of Net Assets
ELECTRIC UTILITY
December 31, 2006
(Continued)

	<u>2006</u> <u>ENTERPRISE FUNDS</u>	<u>2005</u> <u>ENTERPRISE FUNDS</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 2,945,205.94	\$ 2,875,883.72
Accrued Taxes Payable	17,782.30	9,656.45
Accrued Interest Payable	5.60	-
Unemployment Reserve	4,830.66	4,830.66
State Sales Tax Payable	61,696.13	58,025.55
Pension Fund Payable (Employer's Contribution)	51,313.59	49,305.95
Retirement Benefits Reserve	11,800.00	18,414.70
Accrued Payroll	65,276.25	71,723.20
Project SAFE Vouchers Received (Not Applied)	14.10	48,865.00
Due To Telecom	30,423.44	-
Due To Other Funds	4,743.37	7,447.53
Customers Meter Deposits Payable	146,147.23	134,597.23
Revenue Bonds 1992 Issue (Current)	165,000.00	155,000.00
Total Current Liabilities	<u>\$ 3,504,238.61</u>	<u>\$ 3,433,749.99</u>
Noncurrent Liabilities		
Revenue Bonds Payable 1992 Issue	<u>\$ 160,000.00</u>	<u>\$ 485,000.00</u>
Total Liabilities	<u>\$ 3,664,238.61</u>	<u>\$ 3,918,749.99</u>
NET ASSETS		
Invested in capital assets	\$ 19,499,909.76	\$ 18,019,241.45
Restricted Funds	2,831,755.80	4,238,772.17
Unrestricted	3,206,756.62	2,724,445.42
Total Net Assets	<u>\$ 25,538,422.18</u>	<u>\$ 24,982,459.04</u>

Crawfordsville Electric Light & Power
Statement of Revenues, Expenses, and Changes in Fund Net Assets
ELECTRIC UTILITY
For the Year Ended December 31, 2006

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUNDS</u>	<u>ENTERPRISE FUNDS</u>
OPERATING REVENUES		
Residential Sales	\$ 6,394,217.55	\$ 6,173,401.45
Commercial and Industrial Sales	20,231,642.46	18,427,902.38
Outdoor and Street Lighting Sales	248,689.42	240,889.83
Sales to Other Authorities	98,736.94	86,427.93
Sales for Resale	2,956,356.67	2,986,185.37
Other Operating Revenue	253,511.02	206,437.84
Total Operating Revenues	<u>\$ 30,183,154.06</u>	<u>\$ 28,121,244.80</u>
OPERATING EXPENSES		
Utility Operating Expense	\$ 2,625,006.29	\$ 3,231,070.41
Steam Power Generation	20,926,512.10	18,880,666.78
Purchased Power	1,330,785.57	1,149,097.14
Transmission & Distribution	399,745.08	372,875.00
Customer Accounts Expense	2,218,735.14	2,141,869.00
Administrative & General	1,341,470.65	1,324,361.55
Depreciation	6,588.72	6,588.72
Amortization of U.S.P.	379,982.57	354,593.53
Utility Receipts Tax	236,655.83	236,592.11
F.I.C.A. Tax	214,113.60	191,500.00
Contribution in Lieu of Taxes	-	3,690.00
Unemployment Tax	180.00	180.00
Other Taxes	-	-
Total Operating Expenses	<u>\$ 29,679,775.55</u>	<u>\$ 27,893,084.24</u>
Operating Income (Loss)	<u>\$ 503,378.51</u>	<u>\$ 228,160.56</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Income	\$ 174,505.66	\$ 156,657.31
Miscellaneous Income	138,028.96	3,080.28
Revenue From Contract Work	110,126.45	135,832.25
Cost of Contract Work	(88,273.01)	(81,001.99)
Gain/Loss on Disposal Assets	(8,800.70)	8,454.66
Interest on Long Term Debt 1992	(30,239.99)	(46,090.66)
Amortization of Research and Development	(44,884.52)	-
Amortization of Debt Discount	(5,575.20)	(5,575.20)
Miscellaneous Income Deductions	(669.00)	(482.00)
Total Nonoperating Revenue (Expenses)	<u>\$ 244,218.65</u>	<u>\$ 170,874.65</u>
Net Income before Capital Contributions and Transfers	<u>\$ 747,597.16</u>	<u>\$ 399,035.21</u>
TRANSFERS OUT -	(198,886.34)	(221,500.00)
Prior Period Adjustment	7,252.32	(9,499.93)
Change in Net Assets	555,963.14	168,035.28
Total Net Assets - Beginning	<u>\$ 24,982,459.04</u>	<u>\$ 24,814,423.76</u>
Total Net Assets - Ending	<u>\$ 25,538,422.18</u>	<u>\$ 24,982,459.04</u>

Crawfordsville Electric Light & Power
Statement of Cash Flows
ELECTRIC UTILITY
For the Year Ended December 31, 2006

	2006	2005
	ENTERPRISE FUND	ENTERPRISE FUND
CASH FLOWS FROM OPERATION ACTIVITIES		
Receipts from Customers	\$ 29,709,896	\$ 27,944,506
Payments to Suppliers	(24,388,316)	(22,476,899)
Payments to Employees	(3,960,636)	(3,659,875)
Internal Activity - Payments From (To) Other Funds	27,719.00	-
Other Receipts	147,897	\$ (52,673)
Net Cash Provided (Used) By Operation Activities	\$ 1,536,560	\$ 1,755,059
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property, Sales, and Use Taxes	\$ -	\$ -
Rents and Concessions	-	-
Transfers Out	(198,886)	(221,500)
Interfund Loans - Proceeds and Collections	-	-
Net Cash Provided by Noncapital Financing Activities	\$ (198,886)	\$ (221,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCIAL ACTIVITIES		
Purchases and Construction of Capital Assets	\$ (1,224,572)	\$ (2,685,832)
Principal Paid on Capital Debt	(315,000)	(290,000)
Interest Paid on Capital Debt	(30,234)	(46,091)
Proceeds from Sale of Assets	43,739	-
Capital Contributions	-	-
Net Cash Used By Capital and Related Financing Activities	\$ (1,526,067)	\$ (3,021,923)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	\$ (4,877,887)	\$ 462,729
Investments Sold or Matured	\$ 4,518,855	-
Interest and Dividends	141,961	156,657
Net Cash Provided by Investing Activities	\$ (217,071)	\$ 619,386
Net Increase in Cash and Cash Equivalents	\$ (405,464)	\$ (868,977)
Balances - Beginning of the Year	\$ 3,704,671	\$ 4,573,648
Balances - End of the Year	\$ 3,299,207	\$ 3,704,671
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ 503,379	\$ 228,161
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities:		
Depreciation Expense	1,348,059	1,330,950
Non-Operating Income/Expense--Transfers	157,665	47,930
Changes In Assets and Liabilities		
Receivables, Net	(299,770)	(125,955)
Prepaid and other Assets	(232,940)	(330,898)
Accounts and Other Payables	60,167	604,871
Net Cash Provided (Used) by Operating Activities	\$ 1,536,560	\$ 1,755,059

**Crawfordsville Electric Light & Power
Statement of Net Assets
TELECOM DIVISION
December 31, 2006**

	<u>2006</u> <u>ENTERPRISE FUNDS</u>	<u>2005</u> <u>ENTERPRISE FUNDS</u>
ASSETS		
Current Assets		
Cash	\$ 11,103.23	\$ 7,871.50
Customer Receivables, (net)	10,317.58	7,350.31
Due From Electric	30,423.44	-
Total Current Assets	<u>\$ 51,844.25</u>	<u>\$ 15,221.81</u>
Noncurrent Assets		
Restricted Assets		
Capital Assets		
Land and Intangibles	\$ 959,416.36	\$ 905,461.34
Equipment, (net)	26,686.11	-
Total Noncurrent Assets	<u>\$ 986,102.47</u>	<u>\$ 905,461.34</u>
Total Assets	<u>\$ 1,037,946.72</u>	<u>\$ 920,683.15</u>

Crawfordsville Electric Light & Power
Statement of Net Assets
TELECOM DIVISION
December 31, 2006
(Continued)

	<u>2006</u>	<u>2005</u>
	<u>ENTERPRISE FUNDS</u>	<u>ENTERPRISE FUNDS</u>
LIABILITIES		
Current Liabilities		
Account Payable	\$ -	\$ 4,406.13
Due To Electric Funds	154,408.99	-
Interfund Loans Payable	1,150,000.00	1,043,479.55
Total Liabilities	<u>\$ 1,304,408.99</u>	<u>\$ 1,047,885.68</u>
NET ASSETS		
Invested in capital assets	\$ (163,897.53)	\$ (127,202.53)
Unrestricted	(102,564.74)	-
Total Net Assets	<u>\$ (266,462.27)</u>	<u>\$ (127,202.53)</u>

Crawfordsville Electric Light & Power
Statement of Revenues, Expenses, and Changes in Fund Net Assets
TELECOM DIVISION
For the Year Ended December 31, 2006

	<u>2006</u> <u>ENTERPRISE FUNDS</u>	<u>2005</u> <u>ENTERPRISE FUNDS</u>
OPERATING REVENUES		
Internet Revenue	\$ 100,610.29	\$ 102,450.92
OPERATING EXPENSES		
Operating Expense	\$ 105,493.38	\$ 87,170.00
Wages	98,055.91	39,108.41
Maintenance Expenses	7,173.40	-
Depreciation	21,291.85	20,334.96
Utility Receipts Tax	-	1,434.31
Payroll Taxes	7,855.49	4,378.83
Total Operating Expenses	<u>\$ 239,870.03</u>	<u>\$ 152,426.51</u>
Operating Income (Loss)	<u>\$ (139,259.74)</u>	<u>\$ (49,975.59)</u>
NONOPERATING REVENUES (EXPENSES)		
Other Interest	<u>\$ -</u>	<u>\$ (35,681.65)</u>
Net Income before Capital Contributions and Transfers	<u>\$ (139,259.74)</u>	<u>\$ (85,657.24)</u>
Change in Net Assets	(139,259.74)	(85,657.24)
Total Net Assets - Beginning	<u>(127,202.53)</u>	<u>(41,545.29)</u>
Total Net Assets - Ending	<u>\$ (266,462.27)</u>	<u>\$ (127,202.53)</u>

**Crawfordsville Electric Light & Power
Statement of Cash Flows
TELECOM DIVISION
For the Year Ended December 31, 2006**

	<u>2006</u> <u>ENTERPRISE FUND</u>	<u>2005</u> <u>ENTERPRISE FUND</u>
CASH FLOWS FROM OPERATION ACTIVITIES		
Receipts from Customers	\$ 97,643	\$ 116,346
Payments to Suppliers	(109,899)	(132,091)
Payments to Employees	(113,085)	-
Internal Activity - Payments From (To) Other Funds	230,506	174,502
Net Cash Provided (Used) By Operation Activities	<u>\$ 105,165</u>	<u>\$ 158,757</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCIAL ACTIVITIES		
Purchases and Construction of Capital Assets	\$ (101,933)	\$ (160,294)
Net Cash Used By Capital and Related Financing Activities	<u>\$ (101,933)</u>	<u>\$ (160,294)</u>
Net Increase in Cash and Cash Equivalents	<u>\$ 3,232</u>	<u>\$ (1,537)</u>
Balances - Beginning of the Year	\$ 7,872	\$ 9,409
Balances - End of the Year	<u>\$ 11,103</u>	<u>\$ 7,872</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ (139,260)	\$ (49,976)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities:		
Depreciation Expense	21,292	20,335
Non-Operating Income/Expense--Transfers		(35,682)
Changes In Assets and Liabilities		-
Receivables, Net	(2,967)	13,896
Prepaid and other Assets	(30,423)	
Accounts and Other Payables	256,523	210,184
Net Cash Provided (Used) by Operating Activities	<u>\$ 105,165</u>	<u>\$ 158,757</u>

**CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2006

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements reflect only the activity of the Utility and are not intended to present fairly the position of the City of Crawfordsville (City), and the results of its operations and cash flows of its enterprise funds. The Utility, whose operations are controlled by the City, represents a substantial portion of the City's enterprise funds.

Fund Financial Statements

Crawfordsville Electric Light and Power in 2004, created Accelplus, an internet service and cable television service provider. 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 Net Cash Flows. Statements are presented consolidated for Crawfordsville Electric Light and Power and for each division. Business-type activities rely to a significant extent on fees and charges for support.

Income Recognition

Utility income and expense are recognized on a full accrual basis in accord with generally accepted accounting principals.

Utility Plant and Depreciation

Fixed assets, included in the utility plant account, are carried at cost and are depreciated rateably during the year at 3% per year on the cost price for all assets purchased prior to 1-1-80; all purchased after 1-1-80, are depreciated per an acceptable table of life years per asset type.

Inventories

The utility's inventory is comprised of fuel stock and plant material and operating supplies. All inventory is carried primarily on a weighted average basis.

NOTE II - INVESTMENTS

At December 31, 2006, the following amounts remain invested under certificate of deposit agreements that were purchased pursuant to Crawfordsville Electric Light and Power Utility's policy to invest in excess of current requirements.

<u>Fund</u>	<u>Purchase Date</u>	<u>Original Cost</u>	<u>Maturity Date</u>	<u>Maturity Value</u>	<u>Interest Rate</u>
Depreciation	7/31/2006	\$ 150,000.00	1/31/2007	\$ 154,249.64	5.62%
	7/31/2006	150,000.00	2/28/2007	154,913.75	5.64%
	8/31/2006	150,000.00	3/30/2007	154,817.83	5.48%
	8/31/2006	150,000.00	4/30/2007	155,525.67	5.48%
	9/29/2006	150,000.00	5/31/2007	155,665.48	5.65%
	9/29/2006	150,000.00	6/29/2007	156,383.71	5.69%
	10/31/2006	150,000.00	7/31/2007	156,170.55	5.50%
	11/30/2006	150,000.00	8/31/2007	156,215.67	5.52%
	11/30/2006	150,000.00	9/28/2007	156,714.33	5.41%
	12/29/2006	<u>150,000.00</u>	10/31/2007	<u>156,614.63</u>	5.26%
		1,500,000.00		1,557,271.26	
Bond & Interest	12/29/2006	340,210.81	6/26/2007	349,405.26	5.42%
Cash Reserve	12/29/2005	130,096.30	1/10/2007	136,855.28	5.03%
	3/30/2006	108,459.29	1/10/2007	112,827.50	5.14%
	8/31/2006	<u>178,590.37</u>	1/10/2007	<u>182,181.36</u>	5.56%
		<u>417,145.96</u>		<u>431,864.14</u>	
Total		<u>\$ 2,257,356.77</u>		<u>\$ 2,338,540.66</u>	

**CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31 2006

**Summary of Accounting Policies
(Continued)**

NOTE III - CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in money market savings accounts and certificate of deposits with maturity dates within three months of the date acquired.

<u>Fund</u>	<u>Purchase Date</u>	<u>Original Cost</u>	<u>Maturity Date</u>	<u>Maturity Value</u>	<u>Interest Rate</u>
General					
Chase MM	Daily	\$ 298,964.53	Daily	\$ 298,964.63	Daily
TriCounty MM	Daily	679,222.83	Daily	679,222.83	Daily
	12/29/2006	<u>1,389,000.00</u>	1/16/2007	<u>1,392,569.26</u>	5.21%
		2,367,187.36		2,370,756.72	
Depreciation					
National City MM	Daily	\$ 40,739.88	Daily	\$ 40,739.88	Daily
TriCounty MM	Daily	<u>261,364.55</u>	Daily	<u>261,364.55</u>	Daily
		302,104.43		302,104.43	
Cash Reserve	12/29/2006	142,536.58	1/10/2007	142,804.97	5.15%
Meter Deposit	12/29/2006	<u>124,000.00</u>	1/31/2007	<u>124,577.36</u>	5.15%
		<u>2,935,828.37</u>		<u>2,940,243.48</u>	

NOTE IV - ACCOUNTS RECEIVABLE

Customer accounts receivable balances at December 31, 2006 and 2005 are comprised of the following amounts:

	<u>2006</u>	<u>2005</u>
Accounts Receivable - Electric	\$ 1,113,442.15	\$ 811,144.17
Accounts Receivable - Other	19,875.37	22,404.79
Accounts Receivable - Telecom	10,317.58	7,350.31
	<u>\$ 1,143,635.10</u>	<u>\$ 840,899.27</u>

NOTE V - DETAIL OF OTHER OPERATING INCOME

	<u>2006</u>	<u>2005</u>
Forfeited Discounts	\$ 76,235.52	\$ 73,297.19
Sale of Scrap, etc.	96,674.61	76,032.31
Surge Protection, Fiber Lease	80,600.89	57,108.34
	<u>\$ 253,511.02</u>	<u>\$ 206,437.84</u>

NOTE VI - INTEREST INCOME

	<u>2006</u>	<u>2005</u>
General Fund	\$ 60,764	\$ 37,797
Depreciation Fund	69,460	90,715
Cash Reserve Fund	16,898	11,481
Bond & Interest Fund	21,325	13,252
Meter Deposit Fund	6,058	3,412
	<u>\$ 174,506</u>	<u>\$ 156,657</u>

NOTE VII CAPACITY PAYMENT AND PURCHASED POWER

To conform with generally accepted accounting practices, sales of our generation to IMPA should be reflected as wholesale sales of electricity and not as credit to the purchased power account (expense).

**CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2006

**Summary of Accounting Policies
(Continued)**

NOTE VIII - DETAIL OF DECEMBER 31, 2006 INVENTORIES

	<u>2006</u>	<u>2005</u>
Line, Meter Stock	\$ 492,266.46	\$ 510,691.66
Boiler Parts	177,225.35	187,641.72
	\$ 669,491.81	\$ 698,333.38

NOTE IX - DETAIL OF SALES FOR RESALE OF IMPA

Demand Charged	Energy Charges		Cents
<u>(Capacity Payments)</u>	<u>(Fuel Expenses)</u>	<u>KWH</u>	<u>Per KWH</u>
2,013,552.35	942,804.32	24,333,300	0.121494

NOTE X - DETAIL OF PURCHASED POWER

<u>Demand Charges</u>	<u>Energy Charges</u>	<u>Other Charges</u>	<u>Total Charges</u>	<u>KWH</u>	<u>Cents Per KWH</u>
11,743,907.10	8,007,481.24	1,175,124.76	20,926,513.10	448,819,396	0.046626

NOTE XI - RATE INCREASE

The most recent general rate increase proceedings were instituted during the year of 1992 with the Indiana Utility Regulatory Commission. Formal approval of Cause #39381 representing an average increase of 1.11% was approved December 2, 1992. Revenues in this financial statement reflect the implementation of the rates as approved in Cause #39381.

NOTE XII - ECA FACTOR APPLIED 2006-2005

Pursuant to Rate Tariffs as approved by the Indiana Utility Regulatory Commission in Cause #39381. Energy Cost Adjustment Factors have been applied to customer's billing on a per KWH basis and on a per KVA/KWH basis for Primary Power customers.

NOTE XIII - CONSTRUCTION WORK IN PROGRESS

The Construction Work in Progress balance at December 31, 2006, consists of projects worked on by outside contracts and utility personnel. All costs are accumulated until the projects are completed and then are transferred to fixed assets and depreciation is begun. Individual projects within this account are:

South Loop Rebuild	\$	24,271.82
Brookstone Subdivision		4,640.71
Wabash College New Transformer		402.41
Downtown Street Lights		90,183.75
Bridge 87		831.45
Power Plant Projects		7,405.49
Managerial Projects		165,320.35
Kentucky Street Tie		22,451.20
		22,451.20
Total	\$	315,507.18

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2006

Summary of Accounting Policies

(Continued)

NOTE XIV- REVENUE RECOGNIZED

Crawfordsville Electric Light and Power records total revenues as billed to its customers. The utility does not recognize any unbilled portion which exists at year-end.

NOTE XV - PENSIONS

The utility contributes to the Public Employees' Retirement Fund (PERF), an agent multiple-employer public employee retirement system which acts as a common investment and administrative agent for state employees of the various subdivisions of the State of Indiana.

All full-time employees are eligible to participate in this defined benefit plan. State statutes (Indiana Code 5-10.2 and 5-10.3) govern most requirements of the system, including the benefits which vest after ten years of service and give the utility authority to contribute. Employees who have reached fifty years of age may receive retirement benefits with fifteen years of service. An employee may receive benefits at age sixty-five with ten years of service.

Employees are required to contribute 3% of compensation to an annuity savings account. These accumulated employee contributions and allocated interest income are maintained by PERF in a separate system wide fund for all members. Upon retirement, members may select a lump sum distribution of all or part of the savings account. Employees who leave employment before qualifying for benefits receive a refund of this savings account.

Since employees may receive a refund of this savings account, and the employer financed pension is not affected by it, the corresponding information for the savings account is not included in the determination of the pension benefit obligation or related funding and has not been included in this report.

No obligation is attributed to the utility because PERF pools the risk related to retired employees for all employers. Accordingly, the utility's separate actuarial valuation covers only current and terminated employees.

NOTE XVI - BAD DEBTS

Crawfordsville Electric Light & Power's policy in regards to write off of uncollectible accounts is that an account will be declared uncollectible if after pursuit of all legal collection action has been completed and no contact is made, bankruptcies which have been completed, and deceased accounts are written off at year end.

Note XVII- Deferred Debits

Bond issuance costs are amortized using straight-line method over the terms of the related issues. Research and development costs are amortized using straight-line method over a five year period.

Note XVIII - 1992 Revenue Bonds

On October 7, 1992, the Crawfordsville Electric Light and Power Utility issued \$3,160,000.00 in Electric Revenue Bonds with an average interest rate of 5.49%. The net proceeds of \$3,112,600.00 (after issuance cost of \$47,400.00 representing underwriter discount) was used to finance a capital improvement project necessary to comply with environmental regulations contained in an Agreed Order with the Indiana Department of Environmental Management and certain costs relative to the issuance of the bonds.

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

NOTES TO FINANCIAL STATEMENTS

December 31, 2006

Summary of Accounting Policies
(Continued)

NOTE XIX - 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 not significant reductions in insurance by major category of risk.

Job Related Illnesses or Injuries To Employees

During 1990, the Utility joined together with other governmental entities to form the Indiana Public Employers' Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for seven hundred sixty two member governmental entities. 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 Utility 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.

NOTE XX - POST EMPLOYMENT BENEFITS

In additions to the pension benefits described in note XV, the Utility provides postemployment health insurance benefits until the age of sixty-five, as authorized by IC 5-10-8, to all employees who retire from the Utility on or after attaining age sixty with at least fifteen years of service whose years of service plus their age equals eighty-five or greater. Benefits are based on the employee's age at retirement according to the following schedule:

	Age 55-59	Age 60	Age 61	Age 62-65
Utility Pays	-0-	25%	50%	100%

Currently, no retirees meets these eligibility requirements. The Utility also sponsors a Utility Retirement Payment. This payment is based upon the number of years of service for the utility and the number of unused sick days at the time of retirement. The employee must meet PERF eligibility requirements. The Utility will pay \$20 per each year of service and \$5 per day of unused sick leave if 110 days or greater or \$3 per day of unused sick leave if less than 110 days. In 2006, we had three employees meet the requirements for this payment. Expenditures are recognized on a pay-as-you-go basis and we recognized \$3275.00 for this benefit in 2006.

NOTE XXI - REVENUE BONDS

Crawfordsville Electric Light & Power did not incur any additional long-term debt during the year of 2006. During the year the following changes occurred for the year ending December 31, 2006.

Balance				Balance
	January-06	Additions	Reductions	December-06
	640,000.00	0	315,000.00	325,000.00

NOTE XXII - ACCELPLUS BONDS

In June 2006, Accelplus Building Corporation issued \$16,660,000 in Communication Lease Revenue Bonds. The proceeds from these bonds will be used to construct a fiber optic communications network and are being held with a fiscal agent. Once the project is complete, the Building Corporation will lease the facilities to Accelplus. This will be considered a capital lease for Accelplus with revenue going to satisfy the debt incurred by the Building Corporation.

Crawfordsville Electric Light and Power
and
Accelplus
2006 Annual Report
Supplemental Information

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
Electric Utility Division
STATEMENT OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2006

	<u>1/1/2006</u>	<u>12/31/2006</u>	<u>CHANGE</u>
<u>Assets</u>			
Cash	\$ 572,462.69	\$ 363,379.05	\$ (209,083.64)
Cash Equivalents	3,132,208.27	2,935,828.37	(196,379.90)
Investments	1,898,324.36	2,257,356.77	359,032.41
Fuel Stock	197,870.88	222,938.84	25,067.96
Plant Materials & Supplies	698,333.88	669,491.81	(28,842.07)
Prepaid Expenses	260,840.18	245,667.43	(15,172.75)
Interfund Receivables	1,043,479.55	1,304,408.99	260,929.44
Deferred Debits	215,411.39	183,582.62	(31,828.77)
Interest Receivable	17,306.08	36,234.73	18,928.65
Accounts Receivable (Net)	840,745.33	1,133,317.52	292,572.19
Other Receivables	17,937.69	16,967.78	(969.91)
Utility Plant in Service (Net of Depr. And Amort.)	18,019,241.37	19,509,402.58	1,490,161.21
Construction Work in Progress	1,972,895.04	315,507.18	(1,657,387.86)
Unamortized Debt Discount	14,152.32	8,577.12	(5,575.20)
Total Assets	<u>\$ 28,901,209.03</u>	<u>\$ 29,202,660.79</u>	<u>\$ 301,451.76</u>
	-	-	-
<u>Liabilities</u>			
Accounts Payable	\$ 2,875,883.72	\$ 2,945,205.94	\$ 69,322.22
Customer Meter Deposits	134,597.23	146,147.23	11,550.00
Accrued Interest	-	-	-
Accrued Taxes	9,656.45	17,782.30	8,125.85
Tax Collection Payable	58,025.55	61,696.13	3,670.58
Misc. Accruals	195,756.38	163,576.35	(32,180.03)
Unemployment Reserve	4,830.66	4,830.66	-
Bonds Payable	640,000.00	325,000.00	(315,000.00)
Total Liabilities	<u>\$ 3,918,749.99</u>	<u>\$ 3,664,238.61</u>	<u>\$ (254,511.38)</u>
<u>Capital</u>			
Retained Earnings	\$ 23,832,971.57	\$ 24,349,821.29	\$ 516,849.72
Contributions	1,149,487.47	1,188,600.89	39,113.42
Total Capital	<u>\$ 24,982,459.04</u>	<u>\$ 25,538,422.18</u>	<u>\$ 555,963.14</u>
TOTAL LIABILITIES & CAPITAL	<u>\$ 28,901,209.03</u>	<u>\$ 29,202,660.79</u>	<u>\$ 301,451.76</u>

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

Utility Plant In Service 2006
December 31, 2006

	Beginning Balance 1/1/2006	Additions	Retirements	Ending Balance 12/31/2006
INTANGIBLE PLANT				
Organization	\$ 183,203.25	\$ -	\$ -	\$ 183,203.25
Franchises and Consent	386.29	-	-	386.29
Misc. Tangible Plant	125.00	-	-	125.00
Total Intangible Plant	<u>\$ 183,714.54</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,714.54</u>
PRODUCTION PLANT				
Steam Production				
Land and Land Rights	\$ 48,978.22	\$ -	\$ -	\$ 48,978.22
Structures and Improvements	2,734,787.78	-	-	2,734,787.78
Boiler Plant Equipment	6,902,097.24	1,245.00	-	6,903,342.24
Engine Driven Generators	309,738.81	-	-	309,738.81
Turbogenerator Units	1,939,070.13	6,631.39	-	1,945,701.52
Accessory Electric Equipment	337,846.45	-	-	337,846.45
Misc. Power Plant Equipment	950,841.18	915.00	-	951,756.18
Total Steam Production	<u>\$ 13,223,359.81</u>	<u>\$ 8,791.39</u>	<u>\$ -</u>	<u>\$ 13,232,151.20</u>
TRANSMISSION PLANT				
Land and Land Rights	\$ 194,781.65	\$ -	\$ -	\$ 194,781.65
Station Equipment	2,235.19	-	-	2,235.19
Structures and Improvements	58,074.68	-	-	58,074.68
Poles and Fixtures	672,853.45	-	-	672,853.45
Overhead Conductor & Devices	701,939.76	-	-	701,939.76
Total Transmission Plant	<u>\$ 1,629,884.73</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,629,884.73</u>
DISTRIBUTION PLANT				
Land and Land Rights	\$ 128,097.00	\$ -	\$ -	\$ 128,097.00
Structures & Improvements	81,279.98	-	-	81,279.98
Station Equipment	10,433,627.80	72,450.96	-	10,506,078.76
Poles, Towers, and Fixtures	3,162,971.29	80,113.14	1,200.56	3,241,883.87
Overhead Conductors & Devices	2,651,342.53	161,317.21	344.48	2,812,315.26
Underground Conduit	320,353.42	13,920.44	123.47	334,150.39
Underground Conductors & Devices	918,083.32	39,892.92	146.92	957,829.32
Line Transformers	3,827,101.74	123,302.76	54,245.32	3,896,159.18
Services	310,734.11	13,325.20	274.29	323,785.02
Meters	1,465,422.70	60,740.53	11,849.99	1,514,313.24
Installation on Customer Premises	347,246.74	7,901.87	818.37	354,330.24
Leased Property	2,890.71	-	-	2,890.71
Street Lighting & Signal System	1,375,675.37	309,912.75	12,129.00	1,673,459.12
Total Distribution Plant	<u>\$ 25,024,826.71</u>	<u>\$ 882,877.78</u>	<u>\$ 81,132.40</u>	<u>\$ 25,826,572.09</u>

*See Note 1

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

Utility Plant In Service 2006
(Continued)

	Beginning Balance <u>1/1/2006</u>	<u>Additions</u>	<u>Retirements</u>	Ending Balance <u>12/31/2006</u>
GENERAL PLANT				
Land and Land Rights	\$ 299,758.85	\$ 1,911.06		\$ 301,669.91
Structures and Improvements	1,998,541.59	1,715,763.44	-	3,714,305.03
Office Furniture	940,236.13	75,232.51	-	1,015,468.64
Transportation Equipment	908,818.51	187,524.00	-	1,096,342.51
Stores Equipment	51,496.56	-	-	51,496.56
Tools, Shop, & Garage Equip.	198,833.73	5,454.76	-	204,288.49
Laboratory Equipment	260,920.14	1,995.00	-	262,915.14
Power Operated Equipment	82,868.20	11,078.33	8,411.03	85,535.50
Communication Equipment	829,825.80	2,883.01	-	832,708.81
Miscellaneous Equipment	132,478.08	499.98	-	132,978.06
Total General Plant	\$ 5,703,777.59	\$ 2,000,431.03	\$ 8,411.03	\$ 7,697,708.65
Other Tangible Property	\$ 142,087.04	\$ -	\$ -	\$ 142,087.04
Total Plant in Service	\$ 45,907,650.42	\$ 2,892,100.20	\$ 89,543.43	\$ 48,712,118.25

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

DEBT SERVICE REQUIREMENTS SCHEDULE

BOND & INTEREST REQUIREMENTS SCHEDULE REFUNDING ISSUE OF 1992

Dated October 1, 1992

	<u>Principal Balance</u>		<u>Principal Payment</u>		<u>Interest Payment</u>
July 1, 2007	\$ 325,000	\$	165,000	\$	8,734.37
January 1, 2008	\$ 160,000	\$	160,000	\$	4,300.00

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

COMBINED DEBT SERVICE REQUIREMENT SCHEDULE

1990, 1991, & 1992 ISSUES

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
July 1, 2007	\$ 165,000	\$ 8,734.37	\$ 173,734.37
January 1, 2008	<u>\$ 160,000</u>	<u>\$ 4,300.00</u>	<u>\$ 164,300.00</u>
	<u>\$ 325,000.00</u>	<u>\$ 13,034.37</u>	<u>\$ 338,034.37</u>

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

COMPARATIVE RETAIL SALES/KWH & DOLLARS BY CLASS

YEAR OF 2006

<u>KWH</u>	<u>2006</u>	<u>2005</u>	<u>% CHANGE</u>
Residential Service	81,936,091	84,542,664	-3.08%
General Power Service	49,541,816	50,501,257	-1.90%
Primary Power Service	302,402,751	300,032,899	0.79%
Outdoor Lights	1,107,521	1,109,989	-0.22%
Municipal Street Lights	1,160,327	1,149,834	0.91%
Traffic Signals	179,182	248,867	-28.00%
Municipal Electric Service	1,297,063	1,186,234	9.34%
	<u>437,624,751</u>	<u>438,771,744</u>	<u>-0.26%</u>
<u>REVENUE</u>			
Residential Service	\$ 6,394,217.55	\$ 6,173,401.45	3.58%
General Power Service	3,707,745.08	3,533,417.47	4.93%
Primary Power Service	16,523,897.38	14,894,484.91	10.94%
Outdoor Lights	94,092.18	92,743.98	1.45%
Municipal Street Lights	141,228.14	134,613.57	4.91%
Traffic Signals	13,369.10	13,762.60	-2.86%
Municipal Electric Service	98,736.94	88,561.50	11.49%
	<u>\$ 26,973,286.37</u>	<u>\$ 24,930,985.48</u>	<u>8.19%</u>

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

SALES GENERATED PER KWH - 2006

	Average Customers Billed	KWH	Sales	Sales Per KWH	Sales Per Customer Billed
RESIDENTIAL SALES					
Residential Sales	8,062	81,936,091	\$ 6,394,217.55	0.078039	793.13
COMMERCIAL & INDUSTRIAL SALES					
General Power	1,476	49,541,816	3,707,745.08	0.074841	2,512.02
Primary Power	96	302,402,751	16,523,897.38	0.054642	172,123.93
Outdoor Lighting	1,322	1,107,521	94,092.18	0.084957	71.17
PUBLIC STREET & HIGHWAY LIGHTING					
Municipal Street Lighting	1	1,160,327	141,228.14	0.121714	141,228.14
Traffic Signals	2	179,182	13,369.10	0.074612	6,684.55
OTHER SALES TO OTHER AUTHORITIES					
Municipal Electric Services	47	1,297,063	98,736.94	0.076123	2,100.79
Total Retail Sales	9,536	437,624,751	26,973,286.37	0.061636	2,828.57
Sales to IMPA (Wholesale)	<u>1</u>	<u>21,858,870</u>	<u>2,956,356.67</u>	0.135247	<u> </u>
Total Sales	<u><u>9,537</u></u>	<u><u>459,483,621</u></u>	<u><u>\$ 29,929,643.04</u></u>	0.065138	<u><u>2,828.57</u></u>

*(w/o outdoor lights)

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER

**MONTHLY DEMANDS & NET GENERATION
2006**

	System Maximum Peak <u>Kilowatts</u>	Co-incident Peak <u>Kilowatts</u>	System Peak <u>Day</u>	System Peak <u>Hour</u>	Net <u>KWH</u>	Additional <u>KWH Purchased</u>
January	60,912	60,912	1/18	11:00 AM	396,550	35,907,120
February	60,326	59,866	2/13	11:00 AM	4,657,030	29,827,872
March	58,864	58,784	3/22	11:00 AM	6,238,060	30,779,172
April	60,226	60,226	4/6	2:00 PM	4,621,360	29,340,828
May	75,922	75,922	5/30	3:00 PM	652,320	36,259,416
June	78,738	78,250	6/22	8:00 PM	665,610	39,060,360
July	83,822	83,084	7/31	3:00 PM	1,958,590	42,856,956
August	84,418	84,418	8/1	3:00 PM	1,247,720	43,371,432
September	65,160	65,160	9/7	3:00 PM	360	36,095,760
October	67,140	67,140	10/4	2:00 PM	290	36,064,728
November	59,220	56,988	11/16	1:00 PM	440	34,611,192
December	<u>62,656</u>	<u>61,902</u>	12/8	8:00 AM	<u>1,420,540</u>	<u>34,406,820</u>
	<u>817,404</u>	<u>812,652</u>			<u>21,858,870</u>	<u>428,581,656</u>

**CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
COMPARATIVE OPERATING REPORT**

	<u>2006</u>		<u>2005</u>	
	<u>TONS OF</u>	<u>COST OF</u>	<u>TONS OF</u>	<u>COST OF</u>
	<u>COAL</u>	<u>COAL</u>	<u>COAL</u>	<u>COAL</u>
PRODUCTION PLANT				
Balance January 1	2,181.66	\$ 134,312.42	1,826.20	\$ 67,381.51
Received during year	16,336.99	1,030,558.26	30,221.07	1,486,991.90
Total Available	18,518.65	1,164,870.68	32,047.27	1,554,373.41
Used during year	15,887.69	998,549.27	29,336.73	1,394,038.04
Adjustment	845.84	54,521.26	528.88	26,022.95
Balance December 31	3,476.80	\$ 220,842.67	2,181.66	\$ 134,312.42
Coal per KWH Generated		1.33LB		1.33LB
Coal per KWH Net		1.47LB		1.47LB
Additional KWH Purchased From IMPA		428,581,656		409,936,500
Highest Peak Registered		84,418 KW AUGUST 1 @ 3:00PM		83,694 KW JULY 25 @ 4:00PM
Co-incidental Peak Registered		84,418 KW AUGUST 1 @ 3:00PM		83,694 KW JULY 25 @ 4:00PM
Cost of Coal Per Ton		63.08		49.20
Total Generation		24,333,300		44,519,500
Station Power From Generation		2,474,930		4,736,500
Net Generation		21,858,370		39,783,000
Additional Purchased		428,581,656		409,936,500
Station Power Purchased From IMPA		1,621,130		1,229,390
Total Salable		448,818,896		448,490,110
Total Sold - Retail		437,624,751		438,771,744
Unaccounted For		11,194,145		9,718,366
Less: Service Building Use		956,435		762,263
Net Unaccounted For		10,237,710		8,956,103

ELECTRIC UTILITY
CITY OF CRAWFORDSVILLE
TEN YEAR STATISTICAL SUMMARY

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	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
OPERATING REVENUES	30,183,154	28,121,245	24,683,020	22,499,407	22,228,433	22,709,853	21,576,195	20,840,606	19,518,339	19,170,737
OPERATING EXPENSES	<u>29,708,588</u>	<u>27,893,084</u>	<u>24,095,026</u>	<u>22,320,785</u>	<u>20,493,162</u>	<u>21,629,040</u>	<u>20,554,808</u>	<u>19,944,892</u>	<u>18,328,766</u>	<u>17,825,380</u>
NET OPERATING INCOME	474,566	228,161	587,994	178,622	1,735,271	1,080,813	1,021,387	895,714	1,189,573	1,345,357
NONOPERATING REVENUES	446,073	223,022	148,787	137,567	235,092	440,869	624,852	566,434	500,320	453,634
NONOPERATING EXPENSES	165,789	273,648	288,734	341,472	406,990	526,184	449,164	522,054	564,253	605,367
EXTRAORDINARY INCOME	-	-	-	-	-	-	-	-	-	-
EXTRAORDINARY EXPENSE	<u>-</u>									
NET INCOME (LOSS)	<u>754,850</u>	<u>177,535</u>	<u>448,047</u>	<u>(25,283)</u>	<u>1,563,374</u>	<u>995,498</u>	<u>1,197,075</u>	<u>940,094</u>	<u>1,125,640</u>	<u>1,193,624</u>
UNRESTRICTED ASSETS	6,321,291	5,800,955	5,138,933	5,098,651	6,001,135	4,992,779	5,970,709	6,387,806	6,331,618	6,208,422
RESTRICTED ASSETS	2,864,300	2,878,553	4,629,984	4,568,594	4,383,662	4,811,317	5,515,485	4,995,930	4,594,591	4,095,827
UTILITY PLANT IN SERVICE	48,409,673	45,608,700	44,816,694	43,525,503	41,798,069	38,339,794	36,045,158	35,087,467	34,202,832	33,511,568
ACCUMULATED DEPRECIATION	(29,192,248)	(27,914,818)	(26,736,886)	(25,507,311)	(24,653,782)	(23,514,756)	(22,451,575)	(21,481,171)	(20,630,926)	(19,648,860)
CONSTRUCTION WORK IN PROCESS	305,039	1,972,895	345,626	202,580	281,165	2,367,955	1,508,307	1,147,843	611,396	236,694
UTILITY PLANT ACQUISITIONS (NET)	-	24,825	24,825	24,825	24,625	17,620	17,620	27,806	91,167	158,162
OTHER ASSETS	302,446	300,535	179,400	140,158	140,158	140,158	140,158	140,158	140,158	140,158
DEFERRED ASSETS	<u>192,160</u>	<u>229,564</u>	<u>19,728</u>	<u>32,803</u>	<u>92,972</u>	<u>111,691</u>	<u>228,475</u>	<u>319,960</u>	<u>403,794</u>	<u>509,903</u>
TOTAL ASSETS	<u>29,202,661</u>	<u>28,901,209</u>	<u>28,418,303</u>	<u>28,085,803</u>	<u>28,068,004</u>	<u>27,266,558</u>	<u>26,974,337</u>	<u>26,625,799</u>	<u>25,744,630</u>	<u>25,211,874</u>
CURRENT LIABILITIES	3,504,239	3,433,750	2,818,879	2,741,938	2,441,658	3,049,637	2,952,192	2,974,054	2,556,788	2,394,836
LONG-TERM LIABILITIES	160,000	485,000	785,000	1,070,000	1,340,000	1,580,000	2,425,000	3,315,000	4,150,000	4,925,000
CONTRIBUTIONS	1,188,601	1,149,487	1,149,487	1,056,975	1,048,756	967,874	923,596	860,271	501,462	481,298
RETAINED EARNINGS	<u>24,349,821</u>	<u>23,832,972</u>	<u>23,664,936</u>	<u>23,216,890</u>	<u>23,237,590</u>	<u>21,669,047</u>	<u>20,673,549</u>	<u>19,476,474</u>	<u>18,536,380</u>	<u>17,410,740</u>
TOTAL LIABILITIES, CONTRIBUTIONS AND RETAINED EARNINGS	<u>29,202,661</u>	<u>28,901,209</u>	<u>28,418,303</u>	<u>28,085,803</u>	<u>28,068,004</u>	<u>27,266,558</u>	<u>26,974,337</u>	<u>26,625,799</u>	<u>25,744,630</u>	<u>25,211,874</u>
NUMBER OF CUSTOMERS	9,537	9,586	9,536	9,490	9,444	9,378	9,251	9,116	9,086	9,058

CRAWFORDSVILLE ELECTRIC LIGHT & POWER

COMPARISON TO BUDGET

A comparison of the income statement to the 2006 budget is presented on the following table.

ACCOUNT	BUDGETED AMOUNT	ACTUAL AMOUNT	VARIANCE
INCOME			
RETAIL SALES	\$ 26,493,958	\$ 26,973,286	\$ 479,328
OTHER REVENUE	<u>3,169,317</u>	<u>3,209,868</u>	<u>40,551</u>
TOTAL REVENUE	29,663,275	30,183,154	519,879
OPERATING EXPENSES			
STEAM POWER GENERATION	\$ 3,015,246	\$ 2,625,006	\$ (390,240)
PURCHASED POWER	19,598,157	20,926,512	1,328,355
DISTRIBUTION	1,214,162	1,334,773	120,611
CUSTOMER ACCOUNTS	491,448	399,745	(91,703)
ADMINISTRATIVE AND GENERAL	2,274,278	2,218,735	(55,543)
TAXES AND DEPRECIATION	<u>2,189,883</u>	<u>2,203,817</u>	<u>13,934</u>
TOTAL EXPENSES	\$ 28,783,174	\$ 29,708,588	\$ 925,414
NON-OPERATING INCOME	\$ 73,209	\$ 446,073	\$ 372,864
NON-OPERATING EXPENSE	\$ 36,609	\$ 165,790	\$ 129,181
TRANSFER TO CITY	<u>\$ 221,500</u>	<u>\$ 198,886</u>	<u>\$ (22,614)</u>
NET INCOME	<u><u>\$ 695,201</u></u>	<u><u>\$ 555,963</u></u>	<u><u>\$ (139,238)</u></u>

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
AUDIT RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

The Utility does maintain detailed records of capital assets for its Utility Plant in Service accounts but there were at least five posting errors between the general ledger and the detailed capital asset ledger. The detail capital asset ledger was understated by a net amount of \$62,944.98. The detail capital asset ledger should be regularly reconciled to the control (general ledger).

The description of capital assets is sometimes insufficient to determine if the asset being observed is the asset on the listing. Descriptions should but do not always include makes, models, serial numbers or vehicle identification numbers, and other identifying notations.

The Utility records capital asset additions, but disposals are not always being recorded in its records. As of December 31, 2006, a 1983 GMC truck number 16 was traded in on a 2007 International digger/derrick. The new digger/derrick was added to the capital asset listing but the old truck was not removed. The net effect of these transactions was immaterial to the financial statements. When the Utility disposes of a capital asset, the cost of the asset and the related accumulated depreciation should also be recorded to the records as deletions.

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 reflect 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)

OPTICAL IMAGES OF WARRANTS

As discussed during the previous audit, 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.

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

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
AUDIT RESULTS AND COMMENTS
(Continued)

(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)."

PUBLIC RECORDS RETENTION

As discussed during the previous audit, accounts receivable detail for Accelplus was not presented for audit.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONDITION OF RECORDS

As also discussed during the previous audit, the financial statements were not ready for audit when the audit was begun. Numerous adjustments were necessary for fair presentation of financial statements. Additional audit time was required to document financial statements and obtain sufficient evidential matter to support the opinion.

Audit costs or other costs incurred because of poor records, nonexistent records or other inadequate bookkeeping practices may be the personal obligation of the responsible official or employee of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TIMELY RECORDKEEPING - CONSTRUCTION WORK IN PROGRESS

The Kentucky Street Tie project was reported as construction work in progress as of December 31, 2006, it should have been reclassified as a capital asset in 2005. This results in a misclassification of assets and understatement of depreciation expense and accumulated depreciation.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
AUDIT RESULTS AND COMMENTS
(Continued)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Crawfordsville Electric Light and Power failed to comply with directives of the Indiana Department of Revenue by not filing the 2006 Indiana Utility Receipts Tax Return and paying the balance due by April 15, 2007, as required.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CRAWFORDSVILLE ELECTRIC LIGHT AND POWER
EXIT CONFERENCE

The contents of this report were discussed on December 13, 2007, with Roy E. Kaser, Superintendent; John F. Lamb, Chief Accountant; and Thomas J. Sheets, President of Utility Board. The officials concurred with our audit findings.