

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

AUDIT REPORT

OF

TOWN OF FREMONT

STEUBEN COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
07/17/2008



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mary K. Parsons	01-01-04 to 12-31-11
President of the Town Council	Loretta S. Smart	01-01-06 to 12-31-08
Town Manager	Christopher A. Snyder	01-01-06 to 12-31-08
Superintendent of Water Utility	Steven P. Gard	01-01-06 to 12-31-08
Superintendent of Wastewater Utility	James C. Humbarger	01-01-06 to 12-31-08



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE TOWN OF FREMONT, STEUBEN COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Fremont (Town), as of and for the years ended December 31, 2006 and 2007, which collectively comprise the Town's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 opinions.

As discussed in Note I, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than 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 cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2006 and 2007, and the respective cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated June 25, 2008, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Town taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Funding Progress as listed in the Table of Contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Town has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

June 25, 2008



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF FREMONT, STEUBEN COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Fremont (Town), as of and for the years ended December 31, 2006 and 2007, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 25, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Town's management and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 25, 2008

TOWN OF FREMONT  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2006

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 329,401	\$ 7,398	\$ -	\$ -	\$ (322,003)	\$ -	\$ (322,003)
Public safety	667,085	193,768	-	-	(473,317)	-	(473,317)
Highways and streets	497,991	-	75,214	902,712	479,935	-	479,935
Sanitation	68,820	53,929	-	-	(14,891)	-	(14,891)
Economic development	176,712	-	-	-	(176,712)	-	(176,712)
Culture and recreation	18,706	150	-	-	(18,556)	-	(18,556)
Interest on long-term debt	118,678	-	-	-	(118,678)	-	(118,678)
Total governmental activities	1,877,393	255,245	75,214	902,712	(644,222)	-	(644,222)
Business-type activities:							
Water	401,452	416,644	-	-	-	15,192	15,192
Wastewater	869,059	653,392	-	-	-	(215,667)	(215,667)
Total business-type activities	1,270,511	1,070,036	-	-	-	(200,475)	(200,475)
Total primary government	\$ 3,147,904	\$ 1,325,281	\$ 75,214	\$ 902,712	(644,222)	(200,475)	(844,697)
General receipts:							
Property taxes					319,653	-	319,653
Other local sources					597,725	-	597,725
Bonds and loans					-	1,058,875	1,058,875
Grants and contributions not restricted to specific programs					10,673	-	10,673
Unrestricted investment earnings					64,175	32,375	96,550
Total general receipts					992,226	1,091,250	2,083,476
Change in net assets					348,004	890,775	1,238,779
Net assets - beginning					1,533,391	1,306,719	2,840,110
Net assets - ending					\$ 1,881,395	\$ 2,197,494	\$ 4,078,889
<u>Assets</u>							
Cash and investments					\$ 700,571	\$ 572,796	\$ 1,273,367
Restricted assets:							
Cash and investments					1,180,824	1,624,698	2,805,522
Total assets					\$ 1,881,395	\$ 2,197,494	\$ 4,078,889
<u>Net Assets</u>							
Restricted for:							
Debt service					\$ 32,015	\$ 257,756	\$ 289,771
Highways and streets					33,961	-	33,961
Construction					914,852	1,180,596	2,095,448
Sanitation					44,508	-	44,508
Culture and recreation					26,235	-	26,235
Other purposes					129,253	186,346	315,599
Unrestricted					700,571	572,796	1,273,367
Total net assets					\$ 1,881,395	\$ 2,197,494	\$ 4,078,889

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

TOWN OF FREMONT  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006

	General	Fire Department	Major Moves Construction	Other Governmental Funds	Totals
<b>Receipts:</b>					
Taxes	\$ 236,267	\$ -	\$ -	\$ 83,386	\$ 319,653
Licenses and permits	1,421	-	-	-	1,421
Intergovernmental	201,696	-	902,712	176,082	1,280,490
Charges for services	7,398	192,819	-	55,028	255,245
Fines and forfeits	218,976	-	-	-	218,976
Other	67,981	23,587	12,140	45,904	149,612
<b>Total receipts</b>	<b>733,739</b>	<b>216,406</b>	<b>914,852</b>	<b>360,400</b>	<b>2,225,397</b>
<b>Disbursements:</b>					
General government	265,169	-	-	17,538	282,707
Public safety	397,596	157,586	-	27,112	582,294
Highways and streets	222,385	-	-	77,045	299,430
Sanitation	-	-	-	68,820	68,820
Culture and recreation	-	-	-	18,706	18,706
Economic development	-	-	-	176,712	176,712
Debt service:					
Principal	-	56,203	-	35,000	91,203
Interest	-	3,856	-	114,822	118,678
Capital outlay:					
General government	11,694	-	-	-	11,694
Public safety	27,338	1,250	-	-	28,588
Highways and streets	133,475	-	-	65,086	198,561
<b>Total disbursements</b>	<b>1,057,657</b>	<b>218,895</b>	<b>-</b>	<b>600,841</b>	<b>1,877,393</b>
Excess (deficiency) of receipts over disbursements	(323,918)	(2,489)	914,852	(240,441)	348,004
Cash and investment fund balance - beginning	634,809	78,679	-	819,903	1,533,391
Cash and investment fund balance - ending	<u>\$ 310,891</u>	<u>\$ 76,190</u>	<u>\$ 914,852</u>	<u>\$ 579,462</u>	<u>\$ 1,881,395</u>
<b><u>Cash and Investment Assets - December 31</u></b>					
Cash and investments	\$ 310,891	\$ -	\$ -	\$ 389,680	\$ 700,571
Restricted assets:					
Cash and investments	-	76,190	914,852	189,782	1,180,824
<b>Total cash and investment assets - December 31</b>	<b><u>\$ 310,891</u></b>	<b><u>\$ 76,190</u></b>	<b><u>\$ 914,852</u></b>	<b><u>\$ 579,462</u></b>	<b><u>\$ 1,881,395</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 32,015	\$ 32,015
Highways and streets	-	-	-	33,961	33,961
Construction	-	-	914,852	-	914,852
Sanitation	-	-	-	44,508	44,508
Culture and recreation	-	-	-	26,235	26,235
Other purposes	-	76,190	-	53,063	129,253
Unrestricted	310,891	-	-	389,680	700,571
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 310,891</u></b>	<b><u>\$ 76,190</u></b>	<b><u>\$ 914,852</u></b>	<b><u>\$ 579,462</u></b>	<b><u>\$ 1,881,395</u></b>

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

TOWN OF FREMONT  
STATEMENT OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUNDS  
As of and for the Year Ended December 31, 2006

	Water Utility	Wastewater Utility	Totals
Operating receipts:			
Metered water receipts:			
Residential	\$ 176,741	\$ -	\$ 176,741
Commercial	47,098	-	47,098
Industrial	78,427	-	78,427
Fire protection receipts	61,138	-	61,138
Penalties	3,514	14,273	17,787
Other water receipts	49,726	-	49,726
Measured revenue:			
Residential	-	207,272	207,272
Commercial	-	277,541	277,541
Industrial	-	98,818	98,818
Other	-	55,488	55,488
	<u>416,644</u>	<u>653,392</u>	<u>1,070,036</u>
Operating disbursements:			
Equipment and capital improvements	26,760	30,831	57,591
Salaries and wages	116,706	147,280	263,986
Employee pensions and benefits	52,763	69,497	122,260
Purchased power	17,286	60,736	78,022
Materials and supplies	36,977	69,444	106,421
Contractual services	42,200	136,336	178,536
Insurance disbursements	12,716	16,570	29,286
Transportation disbursements	5,845	9,717	15,562
Miscellaneous disbursements	36,473	21,620	58,093
	<u>347,726</u>	<u>562,031</u>	<u>909,757</u>
Excess of operating receipts over operating disbursements	<u>68,918</u>	<u>91,361</u>	<u>160,279</u>
Nonoperating receipts (disbursements):			
Bond proceeds	-	1,058,875	1,058,875
Interest and investment receipts	10,065	22,310	32,375
Debt service payment of principal	(33,000)	(244,000)	(277,000)
Debt service payment of interest	(20,726)	(63,028)	(83,754)
	<u>(43,661)</u>	<u>774,157</u>	<u>730,496</u>
Excess of receipts over disbursements and nonoperating receipts (disbursements)	25,257	865,518	890,775
Cash and investment fund balance - beginning	<u>494,681</u>	<u>812,038</u>	<u>1,306,719</u>
Cash and investment fund balance - ending	<u>\$ 519,938</u>	<u>\$ 1,677,556</u>	<u>\$ 2,197,494</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 285,126	\$ 287,670	\$ 572,796
Restricted assets:			
Cash and investments	<u>234,812</u>	<u>1,389,886</u>	<u>1,624,698</u>
Total cash and investment assets - December 31	<u>\$ 519,938</u>	<u>\$ 1,677,556</u>	<u>\$ 2,197,494</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ 73,510	\$ 184,246	\$ 257,756
Construction	127,675	1,052,921	1,180,596
Other purposes	33,627	152,719	186,346
Unrestricted	<u>285,126</u>	<u>287,670</u>	<u>572,796</u>
Total cash and investment fund balance - December 31	<u>\$ 519,938</u>	<u>\$ 1,677,556</u>	<u>\$ 2,197,494</u>

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

TOWN OF FREMONT  
 STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 FIDUCIARY FUNDS  
 For The Year Ended December 31, 2006

	Agency Funds
Additions:	
Agency fund additions	\$ 2,038,007
Deductions:	
Agency fund deductions	2,124,496
Deficiency of total additions over total deductions	(86,489)
Cash and investment fund balance - beginning	176,278
Cash and investment fund balance - ending	\$ 89,789

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

TOWN OF FREMONT  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2007

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 568,988	\$ 8,359	\$ -	\$ -	\$ (560,629)	\$ -	\$ (560,629)
Public safety	535,486	128,842	-	-	(406,644)	-	(406,644)
Highways and streets	1,412,725	-	74,406	178,000	(1,160,319)	-	(1,160,319)
Sanitation	91,518	54,759	-	-	(36,759)	-	(36,759)
Economic development	57,221	-	-	-	(57,221)	-	(57,221)
Culture and recreation	16,255	275	-	-	(15,980)	-	(15,980)
Interest on long-term debt	122,239	-	-	-	(122,239)	-	(122,239)
Total governmental activities	<u>2,804,432</u>	<u>192,235</u>	<u>74,406</u>	<u>178,000</u>	<u>(2,359,791)</u>	<u>-</u>	<u>(2,359,791)</u>
Business-type activities:							
Water	335,641	409,181	-	-	-	73,540	73,540
Wastewater	1,502,924	769,644	-	-	-	(733,280)	(733,280)
Total business-type activities	<u>1,838,565</u>	<u>1,178,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(659,740)</u>	<u>(659,740)</u>
Total primary government	<u>\$ 4,642,997</u>	<u>\$ 1,371,060</u>	<u>\$ 74,406</u>	<u>\$ 178,000</u>	<u>(2,359,791)</u>	<u>(659,740)</u>	<u>(3,019,531)</u>
General receipts:							
Property taxes					716,547	-	716,547
Other local sources					710,374	-	710,374
Grants and contributions not restricted to specific programs					10,695	-	10,695
Unrestricted investment earnings					75,839	71,201	147,040
Total general receipts					<u>1,513,455</u>	<u>71,201</u>	<u>1,584,656</u>
Change in net assets					(846,336)	(588,539)	(1,434,875)
Net assets - beginning					<u>1,881,395</u>	<u>2,197,494</u>	<u>4,078,889</u>
Net assets - ending					<u>\$ 1,035,059</u>	<u>\$ 1,608,955</u>	<u>\$ 2,644,014</u>
<u>Assets</u>							
Cash and investments					\$ 717,051	\$ 705,633	\$ 1,422,684
Restricted assets:							
Cash and investments					<u>318,008</u>	<u>903,322</u>	<u>1,221,330</u>
Total assets					<u>\$ 1,035,059</u>	<u>\$ 1,608,955</u>	<u>\$ 2,644,014</u>
<u>Net Assets</u>							
Restricted for:							
Debt service					\$ 4,571	\$ 307,410	\$ 311,981
Highways and streets					26,009	-	26,009
Construction					54,619	391,847	446,466
Sanitation					7,749	-	7,749
Culture and recreation					32,147	-	32,147
Other purposes					192,913	204,065	396,978
Unrestricted					<u>717,051</u>	<u>705,633</u>	<u>1,422,684</u>
Total net assets					<u>\$ 1,035,059</u>	<u>\$ 1,608,955</u>	<u>\$ 2,644,014</u>

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

TOWN OF FREMONT  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2007

	General	Fire Department	Major Moves Construction	Other Governmental Funds	Totals
<b>Receipts:</b>					
Taxes	\$ 442,083	\$ 89,189	\$ -	\$ 185,275	\$ 716,547
Licenses and permits	1,371	-	-	-	1,371
Intergovernmental	194,286	1,446	-	394,448	590,180
Charges for services	8,359	127,737	-	56,139	192,235
Fines and forfeits	232,956	-	-	-	232,956
Other	57,777	77,431	25,637	63,962	224,807
<b>Total receipts</b>	<b>936,832</b>	<b>295,803</b>	<b>25,637</b>	<b>699,824</b>	<b>1,958,096</b>
<b>Disbursements:</b>					
General government	297,031	-	-	230,569	527,600
Public safety	327,055	156,864	-	16,250	500,169
Highways and streets	226,289	-	-	82,358	308,647
Sanitation	-	-	-	91,518	91,518
Culture and recreation	-	-	-	16,255	16,255
Economic development	-	-	-	57,221	57,221
Debt service:					
Principal	-	26,566	-	40,000	66,566
Interest	-	9,743	-	112,496	122,239
Capital outlay:					
General government	1,388	-	-	-	1,388
Public safety	3,227	5,524	-	-	8,751
Highways and streets	40,208	-	900,139	163,731	1,104,078
<b>Total disbursements</b>	<b>895,198</b>	<b>198,697</b>	<b>900,139</b>	<b>810,398</b>	<b>2,804,432</b>
Excess (deficiency) of receipts over disbursements	41,634	97,106	(874,502)	(110,574)	(846,336)
<b>Other financing sources (uses):</b>					
Transfers in	46,835	-	-	-	46,835
Transfers out	-	-	-	(46,835)	(46,835)
<b>Total other financing sources (uses)</b>	<b>46,835</b>	<b>-</b>	<b>-</b>	<b>(46,835)</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	88,469	97,106	(874,502)	(157,409)	(846,336)
Cash and investment fund balance - beginning	310,891	76,190	914,852	579,462	1,881,395
Cash and investment fund balance - ending	<u>\$ 399,360</u>	<u>\$ 173,296</u>	<u>\$ 40,350</u>	<u>\$ 422,053</u>	<u>\$ 1,035,059</u>
<b>Cash and Investment Assets - December 31</b>					
Cash and investments	\$ 399,360	\$ -	\$ -	\$ 317,691	\$ 717,051
Restricted assets:					
Cash and investments	-	173,296	40,350	104,362	318,008
<b>Total cash and investment assets - December 31</b>	<u>\$ 399,360</u>	<u>\$ 173,296</u>	<u>\$ 40,350</u>	<u>\$ 422,053</u>	<u>\$ 1,035,059</u>
<b>Cash and Investment Fund Balance - December 31</b>					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 4,571	\$ 4,571
Highways and streets	-	-	-	26,009	26,009
Construction	-	-	40,350	14,269	54,619
Sanitation	-	-	-	7,749	7,749
Culture and recreation	-	-	-	32,147	32,147
Other purposes	-	173,296	-	19,617	192,913
Unrestricted	399,360	-	-	317,691	717,051
<b>Total cash and investment fund balance - December 31</b>	<u>\$ 399,360</u>	<u>\$ 173,296</u>	<u>\$ 40,350</u>	<u>\$ 422,053</u>	<u>\$ 1,035,059</u>

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

TOWN OF FREMONT  
STATEMENT OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
PROPRIETARY FUNDS  
As of and for the Year Ended December 31, 2007

	Water Utility	Wastewater Utility	Totals
Operating receipts:			
Metered water receipts:			
Residential	\$ 182,634	\$ -	\$ 182,634
Commercial	49,940	-	49,940
Industrial	67,732	-	67,732
Fire protection receipts	69,401	-	69,401
Penalties	3,316	14,078	17,394
Other water revenue	36,158	-	36,158
Measured revenue:			
Residential	-	214,725	214,725
Commercial	-	369,668	369,668
Industrial	-	94,561	94,561
Other	-	76,612	76,612
	<u>409,181</u>	<u>769,644</u>	<u>1,178,825</u>
 Operating disbursements:			
Equipment and capital improvements	-	812,361	812,361
Salaries and wages	121,305	166,020	287,325
Employee pensions and benefits	47,384	62,488	109,872
Purchased power	16,001	68,373	84,374
Materials and supplies	31,322	71,177	102,499
Contractual services	18,751	101,776	120,527
Insurance disbursements	6,862	8,469	15,331
Transportation disbursements	5,104	9,679	14,783
Miscellaneous disbursements	36,084	23,044	59,128
	<u>282,813</u>	<u>1,323,387</u>	<u>1,606,200</u>
 Excess (deficiency) of operating receipts over operating disbursements	<u>126,368</u>	<u>(553,743)</u>	<u>(427,375)</u>
 Nonoperating receipts (disbursements):			
Interest and investment receipts	17,448	53,753	71,201
Debt service of principal	(34,000)	(105,000)	(139,000)
Debt service payment of interest	(18,828)	(74,537)	(93,365)
	<u>(35,380)</u>	<u>(125,784)</u>	<u>(161,164)</u>
 Excess (deficiency) of receipts over disbursements and nonoperating receipts (disbursements)	90,988	(679,527)	(588,539)
 Cash and investment fund balance - beginning	<u>519,938</u>	<u>1,677,556</u>	<u>2,197,494</u>
 Cash and investment fund balance - ending	<u>\$ 610,926</u>	<u>\$ 998,029</u>	<u>\$ 1,608,955</u>
 <u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 373,674	\$ 331,959	\$ 705,633
Restricted assets:			
Cash and investments	<u>237,252</u>	<u>666,070</u>	<u>903,322</u>
 Total cash and investment assets - December 31	<u>\$ 610,926</u>	<u>\$ 998,029</u>	<u>\$ 1,608,955</u>
 <u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ 75,882	\$ 231,528	\$ 307,410
Construction	127,675	\$ 264,172	391,847
Other purposes	33,695	170,370	204,065
Unrestricted	<u>373,674</u>	<u>331,959</u>	<u>705,633</u>
 Total cash and investment fund balance - December 31	<u>\$ 610,926</u>	<u>\$ 998,029</u>	<u>\$ 1,608,955</u>

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

TOWN OF FREMONT  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2007

	Agency Funds
Additions:	
Agency fund additions	\$ 2,236,510
Deductions:	
Agency fund deductions	2,224,259
Excess of total additions over total deductions	12,251
Cash and investment fund balance - beginning	89,789
Cash and investment fund balance - ending	\$ 102,040

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

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides the following services: public safety (police and fire), highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, and urban redevelopment and housing.

The Town's financial reporting entity is composed of the Primary Government.

In determining the financial reporting entity, the Town complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statements of Activities and Net Assets – Cash and Investment Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Department fund accounts for the operation of the fire protection function.

The Major Moves Construction fund accounts for a distribution from the state to be used for the construction of infrastructure.

The Town reports the following major proprietary funds:

The water utility fund accounts for the operation of the water distribution system.

The wastewater utility fund accounts for the operation of the wastewater treatment plant, pumping stations, and collection systems.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Additionally, the Town reports the following fund type:

Agency funds account for assets held by the Town as an agent for other governmental units or other Town funds.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the Town utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governmental funds and the proprietary funds. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Enterprise funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services and administrative costs. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. Internal service funds are used to account for activities provided to other departments or agencies primarily with the government. The Town does not have any internal service funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

4. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the Town's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the Town submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the Town receives approval of the Indiana Department of Local Government Finance.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The Town's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13.

B. Interfund Transfers

Interfund transfers for the years ended December 31, 2006 and 2007, were as follows:

Transfer From	Transfer To	2006	2007
Other governmental funds	General Fund	\$ -	\$ 46,835

The Town typically uses transfers for cash flow purposes as provided by various statutory provisions.

IV. Other Information

A. Risk Management

The Town 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.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Job Related Illness or Injuries to Employees (Workmen's Compensation)

During 1991, the Town joined the Indiana Public Employers' Plan, a public entity risk pool currently operating as a common risk management and insurance program for 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 Workers Compensation claims. The Town pays an annual premium to the risk pool for its 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. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Holding Corporation

The Town has entered into a capital lease with the Fremont Town Hall Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related party of the Town. Lease payments during the years 2006 and 2007 totaled \$92,906 and \$96,500, respectively.

C. Conduit Debt Obligation

From time to time, the Town has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Town, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying notes to the financial statements.

As of December 31, 2007, there was one series of Tax Increment Revenue Bonds (Metaldyne) outstanding with an aggregate principal amount payable of \$1,454,000.

D. Rate Structure – Enterprise Funds

Water Utility

On March 14, 1994, the Town Council adopted Ordinance No. 94-1 to withdraw from the jurisdiction of the Indiana Utility Regulatory Commission. The current rate structure was approved by the Council on April 19, 2005.

Wastewater Utility

The current rate structure was approved by the Town Council on November 21, 2006.

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

E. Pension Plan

Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in 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 Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of 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 Town's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the Town and the Utilities is not available.

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 38,236
Interest on net pension obligation	(831)
Adjustment to annual required contribution	947
Annual pension cost	38,352
Contributions made	30,896
Increase in net pension obligation	7,456
Net pension obligation, beginning of year	(11,457)
Net pension obligation, end of year	\$ (4,001)

TOWN OF FREMONT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

	<u>PERF</u>
Contribution rates:	
Town	5%
Plan members	3%
Actuarial valuation date	07-01-07
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

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%

Three Year Trend Information

	<u>Year</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
	<u>Ending</u>	<u>Pension Cost</u>	<u>of APC</u>	<u>Pension</u>
		<u>(APC)</u>	<u>Contributed</u>	<u>Obligation</u>
PERF	06-30-05	\$ 20,217	125%	\$ (8,478)
	06-30-06	24,824	112%	(11,457)
	06-30-07	38,352	81%	(4,001)

TOWN OF FREMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-05	\$ 520,446	\$ 538,379	\$ (17,933)	97%	\$ 457,968	(4%)
07-01-06	517,790	576,285	(58,495)	90%	563,854	(10%)
07-01-07	584,039	678,459	(94,420)	86%	600,624	(16%)

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006

	Motor Vehicle Highway	Local Road and Street	Park and Recreation	Law Enforcement Continuing Education	Riverboat	Records Perpetuation
Receipts:						
Taxes	\$ -	\$ -	\$ 9,722	\$ -	\$ -	\$ -
Intergovernmental	62,771	12,443	25	-	10,673	-
Charges for services	-	-	150	949	-	-
Other	-	-	108	-	-	13,218
<b>Total receipts</b>	<b>62,771</b>	<b>12,443</b>	<b>10,005</b>	<b>949</b>	<b>10,673</b>	<b>13,218</b>
Disbursements:						
General government	-	-	-	-	-	1,500
Public safety	-	-	-	-	-	-
Highways and streets	68,635	8,410	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	17,086	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
<b>Total disbursements</b>	<b>68,635</b>	<b>8,410</b>	<b>17,086</b>	<b>-</b>	<b>-</b>	<b>1,500</b>
Excess (deficiency) of receipts over disbursements	(5,864)	4,033	(7,081)	949	10,673	11,718
Cash and investment fund balance - beginning	25,364	10,428	23,507	16,194	32,113	15,880
Cash and investment fund balance - ending	<u>\$ 19,500</u>	<u>\$ 14,461</u>	<u>\$ 16,426</u>	<u>\$ 17,143</u>	<u>\$ 42,786</u>	<u>\$ 27,598</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ 17,143	\$ 42,786	\$ 27,598
Restricted assets:						
Cash and investments	19,500	14,461	16,426	-	-	-
<b>Total cash and investment assets - December 31</b>	<b><u>\$ 19,500</u></b>	<b><u>\$ 14,461</u></b>	<b><u>\$ 16,426</u></b>	<b><u>\$ 17,143</u></b>	<b><u>\$ 42,786</u></b>	<b><u>\$ 27,598</u></b>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	19,500	14,461	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	16,426	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	17,143	42,786	27,598
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 19,500</u></b>	<b><u>\$ 14,461</u></b>	<b><u>\$ 16,426</u></b>	<b><u>\$ 17,143</u></b>	<b><u>\$ 42,786</u></b>	<b><u>\$ 27,598</u></b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Trash Collections	Police Grants	Police Donations	Park and Recreation Donations	Park Community Foundation	Fire Special Donation
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	53,929	-	-	-	-	-
Other	-	-	610	125	-	31,419
<b>Total receipts</b>	<b>53,929</b>	<b>-</b>	<b>610</b>	<b>125</b>	<b>-</b>	<b>31,419</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	1,040	404	-	-	25,668
Highways and streets	-	-	-	-	-	-
Sanitation	68,820	-	-	-	-	-
Culture and recreation	-	-	-	1,537	83	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
<b>Total disbursements</b>	<b>68,820</b>	<b>1,040</b>	<b>404</b>	<b>1,537</b>	<b>83</b>	<b>25,668</b>
Excess (deficiency) of receipts over disbursements	(14,891)	(1,040)	206	(1,412)	(83)	5,751
Cash and investment fund balance - beginning	59,399	1,040	1,906	11,221	83	-
Cash and investment fund balance - ending	<u>\$ 44,508</u>	<u>\$ -</u>	<u>\$ 2,112</u>	<u>\$ 9,809</u>	<u>\$ -</u>	<u>\$ 5,751</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	44,508	-	2,112	9,809	-	5,751
<b>Total cash and investment assets - December 31</b>	<b><u>\$ 44,508</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,112</u></b>	<b><u>\$ 9,809</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,751</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Sanitation	44,508	-	-	-	-	-
Culture and recreation	-	-	-	9,809	-	-
Other purposes	-	-	2,112	-	-	5,751
Unrestricted	-	-	-	-	-	-
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 44,508</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,112</u></b>	<b><u>\$ 9,809</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5,751</u></b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Sidewalk Promissory Note	Health Insurance Deductible	Redevelopment Commission Sinking- Metaldyne	Lease Rental Payment	Cumulative Capital Improvement	Cumulative Capital Development
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 44,993	\$ -	\$ 28,671
Intergovernmental	-	-	-	-	6,059	73
Charges for services	-	-	-	-	-	-
Other	-	424	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>424</b>	<b>-</b>	<b>44,993</b>	<b>6,059</b>	<b>28,744</b>
Disbursements:						
General government	224	5,606	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	35,000	-	-
Interest	-	-	63,728	51,094	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	65,086
<b>Total disbursements</b>	<b>224</b>	<b>5,606</b>	<b>63,728</b>	<b>86,094</b>	<b>-</b>	<b>65,086</b>
Excess (deficiency) of receipts over disbursements	(224)	(5,182)	(63,728)	(41,101)	6,059	(36,342)
Cash and investment fund balance - beginning	224	29,675	95,433	41,411	40,776	100,521
Cash and investment fund balance - ending	\$ -	\$ 24,493	\$ 31,705	\$ 310	\$ 46,835	\$ 64,179
<b>Cash and Investment Assets - December 31</b>						
Cash and investments	\$ -	\$ 24,493	\$ -	\$ -	\$ 46,835	\$ 64,179
Restricted assets:						
Cash and investments	-	-	31,705	310	-	-
<b>Total cash and investment assets - December 31</b>	<b>\$ -</b>	<b>\$ 24,493</b>	<b>\$ 31,705</b>	<b>\$ 310</b>	<b>\$ 46,835</b>	<b>\$ 64,179</b>
<b>Cash and Investment Fund Balance - December 31</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 31,705	\$ 310	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	24,493	-	-	46,835	64,179
<b>Total cash and investment fund balance - December 31</b>	<b>\$ -</b>	<b>\$ 24,493</b>	<b>\$ 31,705</b>	<b>\$ 310</b>	<b>\$ 46,835</b>	<b>\$ 64,179</b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	CEDIT	Capital Grants	Redevelopment Commission Project- Metaldyne	Town Hall Project	Tax Incremental Financing	Totals
<b>Receipts:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,386
Intergovernmental	71,003	145	-	-	12,890	176,082
Charges for services	-	-	-	-	-	55,028
Other	-	-	-	-	-	45,904
<b>Total receipts</b>	<b>71,003</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>12,890</b>	<b>360,400</b>
<b>Disbursements:</b>						
General government	-	6,207	-	4,001	-	17,538
Public safety	-	-	-	-	-	27,112
Highways and streets	-	-	-	-	-	77,045
Sanitation	-	-	-	-	-	68,820
Culture and recreation	-	-	-	-	-	18,706
Economic development	19,712	-	157,000	-	-	176,712
Debt service:						
Principal	-	-	-	-	-	35,000
Interest	-	-	-	-	-	114,822
Capital outlay:						
Highways and streets	-	-	-	-	-	65,086
<b>Total disbursements</b>	<b>19,712</b>	<b>6,207</b>	<b>157,000</b>	<b>4,001</b>	<b>-</b>	<b>600,841</b>
Excess (deficiency) of receipts over disbursements	51,291	(6,062)	(157,000)	(4,001)	12,890	(240,441)
Cash and investment fund balance - beginning	23,468	14,103	202,200	74,957	-	819,903
Cash and investment fund balance - ending	<u>\$ 74,759</u>	<u>\$ 8,041</u>	<u>\$ 45,200</u>	<u>\$ 70,956</u>	<u>\$ 12,890</u>	<u>\$ 579,462</u>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ 74,759	\$ 8,041	\$ -	\$ 70,956	\$ 12,890	\$ 389,680
Restricted assets:						
Cash and investments	-	-	45,200	-	-	189,782
<b>Total cash and investment assets - December 31</b>	<b><u>\$ 74,759</u></b>	<b><u>\$ 8,041</u></b>	<b><u>\$ 45,200</u></b>	<b><u>\$ 70,956</u></b>	<b><u>\$ 12,890</u></b>	<b><u>\$ 579,462</u></b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,015
Highways and streets	-	-	-	-	-	33,961
Sanitation	-	-	-	-	-	44,508
Culture and recreation	-	-	-	-	-	26,235
Other purposes	-	-	45,200	-	-	53,063
Unrestricted	74,759	8,041	-	70,956	12,890	389,680
<b>Total cash and investment fund balance - December 31</b>	<b><u>\$ 74,759</u></b>	<b><u>\$ 8,041</u></b>	<b><u>\$ 45,200</u></b>	<b><u>\$ 70,956</u></b>	<b><u>\$ 12,890</u></b>	<b><u>\$ 579,462</u></b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007

	Motor Vehicle Highway	Local Road and Street	Park and Recreation	Law Enforcement Continuing Education	Rainy Day	Riverboat
Receipts:						
Taxes	\$ -	\$ -	\$ 18,244	\$ -	\$ -	\$ -
Intergovernmental	61,620	12,786	123	-	11,908	10,695
Charges for services	-	-	275	1,105	-	-
Other	-	-	-	-	-	-
<b>Total receipts</b>	<b>61,620</b>	<b>12,786</b>	<b>18,642</b>	<b>1,105</b>	<b>11,908</b>	<b>10,695</b>
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	150	-	-
Highways and streets	61,167	21,191	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	12,627	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
<b>Total disbursements</b>	<b>61,167</b>	<b>21,191</b>	<b>12,627</b>	<b>150</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	453	(8,405)	6,015	955	11,908	10,695
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements and other financing uses	453	(8,405)	6,015	955	11,908	10,695
Cash and investment fund balance - beginning	19,500	14,461	16,426	17,143	-	42,786
Cash and investment fund balance - ending	<u>\$ 19,953</u>	<u>\$ 6,056</u>	<u>\$ 22,441</u>	<u>\$ 18,098</u>	<u>\$ 11,908</u>	<u>\$ 53,481</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ 18,098	\$ 11,908	\$ 53,481
Restricted assets:						
Cash and investments	19,953	6,056	22,441	-	-	-
Total cash and investment assets - December 31	<u>\$ 19,953</u>	<u>\$ 6,056</u>	<u>\$ 22,441</u>	<u>\$ 18,098</u>	<u>\$ 11,908</u>	<u>\$ 53,481</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	19,953	6,056	-	-	-	-
Construction	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	22,441	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	-	-	-	18,098	11,908	53,481
Total cash and investment fund balance - December 31	<u>\$ 19,953</u>	<u>\$ 6,056</u>	<u>\$ 22,441</u>	<u>\$ 18,098</u>	<u>\$ 11,908</u>	<u>\$ 53,481</u>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007  
 (Continued)

	Records Perpetuation	Trash Collections	Police Donations	Park and Recreation Donations	Fire Special Donation	Health Insurance Deductible
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	54,759	-	-	-	-
Other	16,115	-	2,510	3,525	11,925	1,020
<b>Total receipts</b>	<b>16,115</b>	<b>54,759</b>	<b>2,510</b>	<b>3,525</b>	<b>11,925</b>	<b>1,020</b>
Disbursements:						
General government	6,993	-	-	-	-	5,807
Public safety	-	-	2,215	-	13,885	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	91,518	-	-	-	-
Culture and recreation	-	-	-	3,628	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
<b>Total disbursements</b>	<b>6,993</b>	<b>91,518</b>	<b>2,215</b>	<b>3,628</b>	<b>13,885</b>	<b>5,807</b>
Excess (deficiency) of receipts over disbursements	9,122	(36,759)	295	(103)	(1,960)	(4,787)
Other financing uses:						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements and other financing uses	9,122	(36,759)	295	(103)	(1,960)	(4,787)
Cash and investment fund balance - beginning	27,598	44,508	2,112	9,809	5,751	24,493
Cash and investment fund balance - ending	<u>\$ 36,720</u>	<u>\$ 7,749</u>	<u>\$ 2,407</u>	<u>\$ 9,706</u>	<u>\$ 3,791</u>	<u>\$ 19,706</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 36,720	\$ -	\$ -	\$ -	\$ -	\$ 19,706
Restricted assets:						
Cash and investments	-	7,749	2,407	9,706	3,791	-
<b>Total cash and investment assets - December 31</b>	<b>\$ 36,720</b>	<b>\$ 7,749</b>	<b>\$ 2,407</b>	<b>\$ 9,706</b>	<b>\$ 3,791</b>	<b>\$ 19,706</b>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Sanitation	-	7,749	-	-	-	-
Culture and recreation	-	-	-	9,706	-	-
Other purposes	-	-	2,407	-	3,791	-
Unrestricted	36,720	-	-	-	-	19,706
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 36,720</b>	<b>\$ 7,749</b>	<b>\$ 2,407</b>	<b>\$ 9,706</b>	<b>\$ 3,791</b>	<b>\$ 19,706</b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007  
 (Continued)

	Redevelopment Commission Sinking- Metaldyne	Redevelopment Commission Allocation- Metaldyne	Lease Rental Payment	Cumulative Capital Improvement	Cumulative Capital Development	CREDIT
Receipts:						
Taxes	\$ -	\$ -	\$ 99,872	\$ -	\$ 67,159	\$ -
Intergovernmental	-	-	822	5,957	-	73,343
Charges for services	-	-	-	-	-	-
Other	-	28,867	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>28,867</b>	<b>100,694</b>	<b>5,957</b>	<b>67,159</b>	<b>73,343</b>
Disbursements:						
General government	-	-	-	-	129,961	80,931
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	-	40,000	-	-	-
Interest	31,705	24,358	56,433	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
<b>Total disbursements</b>	<b>31,705</b>	<b>24,358</b>	<b>96,433</b>	<b>-</b>	<b>129,961</b>	<b>80,931</b>
Excess (deficiency) of receipts over disbursements	(31,705)	4,509	4,261	5,957	(62,802)	(7,588)
Other financing uses:						
Transfers out	-	-	-	(46,835)	-	-
Excess (deficiency) of receipts over disbursements and other financing uses	(31,705)	4,509	4,261	(40,878)	(62,802)	(7,588)
Cash and investment fund balance - beginning	31,705	-	310	46,835	64,179	74,759
Cash and investment fund balance - ending	\$ -	\$ 4,509	\$ 4,571	\$ 5,957	\$ 1,377	\$ 67,171
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ 5,957	\$ 1,377	\$ 67,171
Restricted assets:						
Cash and investments	-	4,509	4,571	-	-	-
<b>Total cash and investment assets - December 31</b>	<b>\$ -</b>	<b>\$ 4,509</b>	<b>\$ 4,571</b>	<b>\$ 5,957</b>	<b>\$ 1,377</b>	<b>\$ 67,171</b>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ 4,571	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Other purposes	-	4,509	-	-	-	-
Unrestricted	-	-	-	5,957	1,377	67,171
<b>Total cash and investment fund balance - December 31</b>	<b>\$ -</b>	<b>\$ 4,509</b>	<b>\$ 4,571</b>	<b>\$ 5,957</b>	<b>\$ 1,377</b>	<b>\$ 67,171</b>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For The Year Ended December 31, 2007  
 (Continued)

	Capital Grants	Redevelopment Commission Project- Metaldyne	Town Hall Project	Tax Incremental Financing	IEDC State By Pass Grant	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,275
Intergovernmental	-	-	-	39,194	178,000	394,448
Charges for services	-	-	-	-	-	56,139
Other	-	-	-	-	-	63,962
Total receipts	-	-	-	39,194	178,000	699,824
Disbursements:						
General government	-	-	6,877	-	-	230,569
Public safety	-	-	-	-	-	16,250
Highways and streets	-	-	-	-	-	82,358
Sanitation	-	-	-	-	-	91,518
Culture and recreation	-	-	-	-	-	16,255
Economic development	-	44,331	-	12,890	-	57,221
Debt service:						
Principal	-	-	-	-	-	40,000
Interest	-	-	-	-	-	112,496
Capital outlay:						
Highways and streets	-	-	-	-	163,731	163,731
Total disbursements	-	44,331	6,877	12,890	163,731	810,398
Excess (deficiency) of receipts over disbursements	-	(44,331)	(6,877)	26,304	14,269	(110,574)
Other financing uses:						
Transfers out	-	-	-	-	-	(46,835)
Excess (deficiency) of receipts over disbursements and other financing uses	-	(44,331)	(6,877)	26,304	14,269	(157,409)
Cash and investment fund balance - beginning	8,041	45,200	70,956	12,890	-	579,462
Cash and investment fund balance - ending	<u>\$ 8,041</u>	<u>\$ 869</u>	<u>\$ 64,079</u>	<u>\$ 39,194</u>	<u>\$ 14,269</u>	<u>\$ 422,053</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ 64,079	\$ 39,194	\$ -	\$ 317,691
Restricted assets:						
Cash and investments	8,041	869	-	-	14,269	104,362
Total cash and investment assets - December 31	<u>\$ 8,041</u>	<u>\$ 869</u>	<u>\$ 64,079</u>	<u>\$ 39,194</u>	<u>\$ 14,269</u>	<u>\$ 422,053</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,571
Highways and streets	-	-	-	-	-	26,009
Construction	-	-	-	-	14,269	14,269
Sanitation	-	-	-	-	-	7,749
Culture and recreation	-	-	-	-	-	32,147
Other purposes	8,041	869	-	-	-	19,617
Unrestricted	-	-	64,079	39,194	-	317,691
Total cash and investment fund balance - December 31	<u>\$ 8,041</u>	<u>\$ 869</u>	<u>\$ 64,079</u>	<u>\$ 39,194</u>	<u>\$ 14,269</u>	<u>\$ 422,053</u>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006

	<u>Payroll</u>	<u>User Fee</u>	<u>Court Costs Due County</u>	<u>Town Court</u>	<u>Construction Deposit</u>
Additions:					
Agency fund additions	\$ 661,669	\$ 19,698	\$ 96,949	\$ 1,245,476	\$ 8,000
Deductions:					
Agency fund deductions	<u>683,997</u>	<u>19,698</u>	<u>168,844</u>	<u>1,237,202</u>	<u>8,500</u>
Excess (deficiency) of total additions over total deductions	(22,328)	-	(71,895)	8,274	(500)
Cash and investment fund balance - beginning	<u>32,139</u>	<u>3</u>	<u>71,895</u>	<u>28,168</u>	<u>17,835</u>
Cash and investment fund balance - ending	<u>\$ 9,811</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 36,442</u>	<u>\$ 17,335</u>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2006  
 (Continued)

	Recapture Vistula Valley	NSBES Recapture	Clearing Account	Levy Excess	Totals
Additions:					
Agency fund additions	\$ -	\$ -	\$ 6,215	\$ -	\$ 2,038,007
Deductions:					
Agency fund deductions	-	-	6,255	-	2,124,496
Excess (deficiency) of total additions over total deductions	-	-	(40)	-	(86,489)
Cash and investment fund balance - beginning	500	7,074	46	18,618	176,278
Cash and investment fund balance - ending	<u>\$ 500</u>	<u>\$ 7,074</u>	<u>\$ 6</u>	<u>\$ 18,618</u>	<u>\$ 89,789</u>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2007

	<u>Payroll</u>	<u>User Fee</u>	<u>Court Costs Due County</u>	<u>Town Court</u>	<u>Construction Deposit</u>
Additions:					
Agency fund additions	\$ 717,048	\$ 22,428	\$ 110,275	\$ 1,377,586	\$ 4,500
Deductions:					
Agency fund deductions	<u>714,667</u>	<u>22,428</u>	<u>110,275</u>	<u>1,364,718</u>	<u>7,500</u>
Excess (deficiency) of total additions over total deductions	2,381	-	-	12,868	(3,000)
Cash and investment fund balance - beginning	<u>9,811</u>	<u>3</u>	<u>-</u>	<u>36,442</u>	<u>17,335</u>
Cash and investment fund balance - ending	<u>\$ 12,192</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 49,310</u>	<u>\$ 14,335</u>

TOWN OF FREMONT  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 AGENCY FUNDS  
 For The Year Ended December 31, 2007  
 (Continued)

	Recapture Vistula Valley	NSBES Recapture	Clearing Account	Levy Excess	Totals
Additions:					
Agency fund additions	\$ -	\$ -	\$ 4,673	\$ -	\$ 2,236,510
Deductions:					
Agency fund deductions	-	-	4,671	-	2,224,259
Excess (deficiency) of total additions over total deductions	-	-	2	-	12,251
Cash and investment fund balance - beginning	500	7,074	6	18,618	89,789
Cash and investment fund balance - ending	<u>\$ 500</u>	<u>\$ 7,074</u>	<u>\$ 8</u>	<u>\$ 18,618</u>	<u>\$ 102,040</u>

TOWN OF FREMONT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

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

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 531,654
Infrastructure	8,789,302
Buildings	1,432,264
Improvements other than buildings	259,026
Machinery and equipment	<u>957,630</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 11,969,876</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 600
Buildings	155,444
Improvements other than buildings	2,338,458
Machinery and equipment	<u>331,841</u>
Total Water Utility capital assets	<u>2,826,343</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	74,179
Construction in progress	809,593
Buildings	506,025
Improvements other than buildings	4,197,522
Machinery and equipment	<u>618,663</u>
Total Wastewater Utility capital assets	<u>6,205,982</u>
Total business-type activities capital assets	<u>\$ 9,032,325</u>

TOWN OF FREMONT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Town Hall Lease	\$ 1,230,000	\$ 47,687
Fire Trucks	<u>481,174</u>	<u>62,361</u>
Total governmental activities debt	<u>\$ 1,711,174</u>	<u>\$ 110,048</u>
Business-type Activities:		
Water Utility		
Notes and loans payable		
SRF Water Tower Loan	<u>\$ 548,748</u>	<u>\$ 53,594</u>
Wastewater Utility		
Revenue bonds:		
Sewage Works Refunding Bonds of 2004	895,000	141,607
Sewage Works Revenue Bonds of 2006	<u>1,060,000</u>	<u>67,651</u>
Total Wastewater Utility	<u>1,955,000</u>	<u>209,258</u>
Total business-type activities debt:	<u>\$ 2,503,748</u>	<u>\$ 262,852</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE TOWN OF FREMONT, STEUBEN COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Fremont (Town) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the years ended December 31, 2006 and 2007. The Town's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2006 and 2007.

Internal Control Over Compliance

The management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

A control deficiency in a Town's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the Town's management and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 25, 2008

TOWN OF FREMONT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For The Years Ended December 31, 2006 and 2007

Federal Grantor Agency/ Program Title/Project Title	Federal CFDA Number	Other Identifying Number	Total Federal Awards Expended 12-31-06	Total Federal Awards Expended 12-31-07
<u>U.S. DEPARTMENT OF COMMERCE</u>				
Direct Grant				
Investments for Public Works and Economic Development Facilities	11.300			
Industrial Roadway and Dedicated Sanitary Sewer Project		06-01-04973	\$ 82,100	\$ 1,318,407

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

TOWN OF FREMONT  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Fremont (Town) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of Towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

TOWN OF FREMONT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Program:

CFDA Number	Name of Federal Program or Cluster
----------------	------------------------------------

11.300	Investments for Public Works and Economic Development Facilities
--------	--

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF FREMONT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TOWN OF FREMONT  
EXIT CONFERENCE

The contents of this report were discussed on June 25, 2008, with Mary K. Parsons, Clerk-Treasurer; and Steve Brown, Council Member. Our audit disclosed no material items that warrant comment at this time.