

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

EXAMINATION REPORT
OF
TOWN OF PERRYSVILLE
VERMILLION COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
10/08/2008

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Madonna Haga

01-01-04 to 12-31-11

President of the Town Council

Michael Bowman

01-01-06 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF PERRYSVILLE, VERMILLION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Perrysville (Town), for the period of January 1, 2006 to December 31, 2007. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

August 19, 2008

TOWN OF PERRYSVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 728	\$ 60,646	\$ 39,788	\$ 21,586
Motor Vehicle Highway	66,860	21,184	39,816	48,228
Local Road and Street	29,258	2,528	16,000	15,786
Law Enforcement Continuing Education	6	-	-	6
Riverboat	9,505	3,159	6,300	6,364
Cumulative Capital Improvement	15,361	1,793	-	17,154
Cumulative Building and Fire Fighting Equipment	1,662	1,772	1,000	2,434
Proprietary Funds:				
Water Utility - Operating	76,274	100,200	118,468	58,006
Water Utility - Bond and Interest	14,874	154	-	15,028
Water Utility - Depreciation	42,141	5,600	30,835	16,906
Water Utility - Customer Deposit	2,806	545	335	3,016
Water Utility - Construction	31,264	51,855	51,756	31,363
Water Utility - Improvement	38,354	10,785	-	49,139
Totals	<u>\$ 329,093</u>	<u>\$ 260,221</u>	<u>\$ 304,298</u>	<u>\$ 285,016</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 21,586	\$ 33,739	\$ 37,272	\$ 18,053
Motor Vehicle Highway	48,228	20,596	3,090	65,734
Local Road and Street	15,786	2,538	400	17,924
Law Enforcement Continuing Education	6	-	-	6
Riverboat	6,364	3,166	3,000	6,530
Cumulative Capital Improvement	17,154	1,764	10,370	8,548
Cumulative Building and Fire Fighting Equipment	2,434	1,116	1,000	2,550
Proprietary Funds:				
Water Utility - Operating	58,006	97,012	109,206	45,812
Water Utility - Bond and Interest	15,028	183	-	15,211
Water Utility - Depreciation	16,906	5,600	3,042	19,464
Water Utility - Customer Deposit	3,016	935	1,360	2,591
Water Utility - Construction	31,363	51,780	51,376	31,767
Water Utility - Improvement	49,139	4,615	-	53,754
Totals	<u>\$ 285,016</u>	<u>\$ 223,044</u>	<u>\$ 220,116</u>	<u>\$ 287,944</u>

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

TOWN OF PERRYSVILLE
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety (police and fire), highways and streets, water services and general administrative services.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF PERRYSVILLE
 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
Business-type activities:		
Water Utility	\$ 604,244	\$ 51,668

TOWN OF PERRYSVILLE
EXAMINATION RESULT AND COMMENT

ORDINANCES AND RESOLUTIONS (Applies to Water Utility)

The Town Council adopted the current rate schedule for the Water Utility on April 15, 2002. However, the Town does not comply with the schedule and charges a flat rate due to mechanical deficiencies with its water meters.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF PERRYSVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 19, 2008, with Madonna Haga, Clerk-Treasurer; and Michael Bowman, President of the Town Council.