

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

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



FILED
10/17/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Teresa Baker	01-01-04 to 12-31-11
President of the Town Council	Larry Natalie	01-01-06 to 12-31-08
Superintendent of Water Utility	Susan Crossley	01-01-06 to 12-31-08
Superintendent of Wastewater Utility	George Royal	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 FAIRVIEW PARK, VERMILLION COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Fairview Park (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

September 18, 2008

TOWN OF FAIRVIEW PARK
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	\$ 5,033	\$ 132,321	\$ 105,383	\$ 31,971
Motor Vehicle Highway	35,609	65,518	66,262	34,865
Local Road and Street	38,710	15,957	42,127	12,540
Park and Recreation	2,000	-	1,630	370
Law Enforcement Continuing Education	821	508	627	702
Riverboat	18,866	9,414	5,968	22,312
Rainy Day	2,476	-	-	2,476
Flag Fund	-	880	-	880
Levy Excess	-	129	-	129
Cumulative Capital Improvement	11,652	5,344	10,000	6,996
Cumulative Capital Development	12,346	9,905	3,868	18,383
Cumulative Building and Fire Fighting Equipment	4,226	8,222	9	12,439
Proprietary Funds:				
Water Utility - Operating	5,425	171,337	150,079	26,683
Water Utility - Bond and Interest	-	51,646	51,646	-
Water Utility - Customer Deposit	5,870	1,000	1,650	5,220
Water Utility - Construction	19,314	-	-	19,314
Water Utility - Improvement	57,337	-	-	57,337
Wastewater Utility - Operating	51,110	396,311	398,763	48,658
Wastewater Utility - Bond and Interest	-	264,800	264,800	-
Wastewater Utility - Depreciation	3,155	37,860	-	41,015
Wastewater Utility - Construction	72	-	-	72
Totals	\$ 274,022	\$ 1,171,152	\$ 1,102,812	\$ 342,362

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 31,971	\$ 109,253	\$ 99,777	\$ 41,447
Motor Vehicle Highway	34,865	62,380	47,521	49,724
Local Road and Street	12,540	8,332	-	20,872
Park and Recreation	370	-	-	370
Law Enforcement Continuing Education	702	354	227	829
Riverboat	22,312	9,433	31,725	20
Rainy Day	2,476	-	2,476	-
Flag Fund	880	300	848	332
Levy Excess	129	-	-	129
Cumulative Capital Improvement	6,996	5,255	9,000	3,251
Cumulative Capital Development	18,383	5,443	2,267	21,559
Cumulative Building and Fire Fighting Equipment	12,439	4,518	-	16,957
Proprietary Funds:				
Water Utility - Operating	26,683	174,451	159,592	41,542
Water Utility - Bond and Interest	-	52,213	52,213	-
Water Utility - Customer Deposit	5,220	800	525	5,495
Water Utility - Construction	19,314	-	-	19,314
Water Utility - Improvement	57,337	-	-	57,337
Wastewater Utility - Operating	48,658	399,559	384,461	63,756
Wastewater Utility - Bond and Interest	-	265,330	265,330	-
Wastewater Utility - Depreciation	41,015	41,015	-	82,030
Wastewater Utility - Construction	72	23,700	23,678	94
Totals	\$ 342,362	\$ 1,162,336	\$ 1,079,640	\$ 425,058

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

TOWN OF FAIRVIEW PARK
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

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

Note 3. Budgets

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

Note 4. Property Taxes

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

Note 5. Deposits and Investments

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

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

Town of Fairview Park

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

The Town has entered into the following debt:

<u>Description of Debt</u>	<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
Business-type Activities:		
Water Utility		
Revenue bonds:		
Water Utility Improvements	\$ 400,000	\$ 12,311
Wastewater Utility		
Revenue bonds:		
Wastewater Utility Construction	\$ 4,421,000	\$ 264,718
Total business-type activities debt:	<u>\$ 4,821,000</u>	<u>\$ 277,029</u>

*Council: James Hall-Ward 1; Larry Natalie-Ward 2, President; Janet Troglio-Ward 3
David Crane-Ward 4; Norma Snedeker-Ward 5; Teresa Baker – Clerk-Treasurer*

TOWN OF FAIRVIEW PARK
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS (Town and Utilities)

The following prescribed forms were not always in use; General Form 99A-Employee's Service Record and General Form 101-Mileage Claim.

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)

LEVY EXCESS FUND (Town)

A Levy Excess Fund was established in 2006 since taxes received were greater than 100% of the tax levy for the General and Cumulative Capital Improvement Funds. The amount in the Levy Excess Fund was not disbursed back to its proper funds by December 31, 2007.

The statute provides that the Department of Local Government Finance may require a taxing unit to include the amount in its Levy Excess Fund in the taxing unit's budget. After the budget has been approved, the amount in the Levy Excess Fund should be transferred from the Levy Excess Fund by warrant (check) and quietus (receipt) to the fund or funds in which the reductions were made to reduce the amount to be raised by taxation. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF FAIRVIEW PARK
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2008, with Teresa Baker, Clerk-Treasurer; Susan Crossley, Superintendent of Water Utility; and Mary Kay Frazier, Utility Clerk. The officials concurred with our findings.