

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

EXAMINATION REPORT  
OF  
TOWN OF FRANCESVILLE  
PULASKI COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
03/09/2009



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Marla J. Dawson

01-01-04 to 12-31-11

President of the Town Council

Douglas Gutwein  
Pamela G. Antrim

01-01-07 to 11-17-08  
11-18-08 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF FRANCESVILLE, PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Francesville (Town), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

February 26, 2009

TOWN OF FRANCESVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 72,212	\$ 111,439	\$ 165,783	\$ 17,868
Motor Vehicle Highway	72,783	48,185	85,500	35,468
Local Road and Street	4,741	3,244	6,000	1,985
Park and Recreation	22,702	2,402	10,094	15,010
Law Enforcement Continuing Education	2,259	899	1,919	1,239
Cumulative Capital Improvement	3,789	3,178	5,284	1,683
County Economic Development Income Tax	14,203	17,895	9,785	22,313
Francesville/Salem Rescue	16,099	6,007	6,244	15,862
Sanitation	3,981	38,077	37,644	4,414
Zoning Permits	426	460	530	356
Downtown Revitalization	-	53,089	31,600	21,489
Proprietary Funds:				
Water Utility - Operating	23,315	181,456	188,985	15,786
Water Utility - Bond and Interest	4,035	48,355	48,420	3,970
Water Utility - Customer Deposit	9,710	1,900	1,090	10,520
Water Utility - Debt Reserve	49,836	-	-	49,836
Water Utility - Improvement	23,055	29,330	30,208	22,177
Wastewater Utility - Operating	22,392	181,167	191,430	12,129
Wastewater Utility - Bond and Interest	-	102,420	102,420	-
Wastewater Utility - Debt Reserve	106,407	-	-	106,407
Wastewater Utility - Replacement	29,622	20,725	-	50,347
Wastewater Utility - Improvement	52,402	16,000	31,681	36,721
Fiduciary Funds:				
Utility Clearing	329	390,264	390,216	377
Koebcke Trust	12,431	668	308	12,791
Excess Levy	432	1,948	-	2,380
Payroll	-	164,007	164,007	-
Totals	<u>\$ 547,161</u>	<u>\$ 1,423,115</u>	<u>\$ 1,509,148</u>	<u>\$ 461,128</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 17,868	\$ 263,179	\$ 172,227	\$ 108,820
Motor Vehicle Highway	35,468	110,305	66,038	79,735
Local Road and Street	1,985	3,045	3,000	2,030
Park and Recreation	15,010	15,615	11,820	18,805
Law Enforcement Continuing Education	1,239	2,254	1,227	2,266
Cumulative Capital Improvement	1,683	2,943	3,000	1,626
County Economic Development Income Tax	22,313	14,531	8,629	28,215
Francesville/Salem Rescue	15,862	5,044	5,901	15,005
Sanitation	4,414	57,451	54,159	7,706
Zoning Permits	356	420	375	401
Downtown Revitalization	21,489	17,235	28,835	9,889
Hail Damage Insurance Monies	-	139,218	46,744	92,474
Proprietary Funds:				
Water Utility - Operating	15,786	185,718	180,465	21,039
Water Utility - Bond and Interest	3,970	47,752	47,637	4,085
Water Utility - Customer Deposit	10,520	1,700	1,610	10,610
Water Utility - Debt Reserve	49,836	-	-	49,836
Water Utility - Improvement	22,177	33,330	17,090	38,417
Wastewater Utility - Operating	12,129	188,953	186,162	14,920
Wastewater Utility - Bond and Interest	-	104,880	104,880	-
Wastewater Utility - Debt Reserve	106,407	-	-	106,407
Wastewater Utility - Replacement	50,347	-	-	50,347
Wastewater Utility - Improvement	36,721	14,000	38,735	11,986
Fiduciary Funds:				
Utility Clearing	377	410,426	410,449	354
Koebcke Trust	12,791	12,387	12,215	12,963
Excess Levy	2,380	-	-	2,380
Payroll	-	176,170	176,170	-
Totals	<u>\$ 461,128</u>	<u>\$ 1,806,556</u>	<u>\$ 1,577,368</u>	<u>\$ 690,316</u>

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

TOWN OF FRANCESVILLE  
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).

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 FRANCESVILLE  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2008

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 553,800
Improvements other than buildings	101,684
Machinery and equipment	<u>735,626</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,391,110</u>
 Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Buildings	\$ 435,424
Improvements other than buildings	957,408
Machinery and equipment	<u>74,308</u>
 Total Water Utility capital assets	 <u>1,467,140</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	79,799
Improvements other than buildings	3,596,777
Machinery and equipment	<u>120,401</u>
 Total Wastewater Utility capital assets	 <u>3,796,977</u>
 Total business-type activities capital assets	 <u>\$ 5,264,117</u>

TOWN OF FRANCESVILLE  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2008

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		
Revenue bonds:		
Water Improvements	\$ 538,000	\$ 48,793
Total Water Utility	<u>538,000</u>	<u>48,793</u>
Wastewater Utility		
Revenue bonds:		
Sewer Improvements	<u>700,000</u>	<u>100,920</u>
Total Wastewater Utility	<u>700,000</u>	<u>100,920</u>
Total business-type activities debt:	<u>\$ 1,238,000</u>	<u>\$ 149,713</u>

TOWN OF FRANCESVILLE  
EXIT CONFERENCE

The contents of this report were discussed on February 26, 2009, with Marla J. Dawson, Clerk-Treasurer; and Pamela G. Antrim, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.