

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

EXAMINATION REPORT  
OF  
TOWN OF GREENTOWN  
HOWARD COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
11/03/2009



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Barbara Middleton

01-01-04 to 12-31-11

President of the  
Town Council

Joyce Higginbottom

01-01-07 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 GREENTOWN, HOWARD COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Greentown (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

September 29, 2009

TOWN OF GREENTOWN  
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
<b>Governmental Funds:</b>				
General	\$ 336,976	\$ 457,766	\$ 522,483	\$ 272,259
Motor Vehicle Highway	205,577	176,546	240,266	141,857
Local Road and Street	19,350	25,738	25,375	19,713
Law Enforcement Continuing Education	6,215	3,407	2,541	7,081
Riverboat	60,738	16,054	-	76,792
Cumulative Capital Improvement	76,901	8,943	2,275	83,569
Cumulative Capital Development	66,021	-	-	66,021
County Economic Development Income Tax	5,476	24,226	26,082	3,620
Levy Excess	-	6,482	-	6,482
<b>Proprietary Funds:</b>				
Water Utility - Operating	34,466	451,472	468,607	17,331
Water Utility - Bond and Interest	13,345	155,400	154,855	13,890
Water Utility - Depreciation	20,882	-	20,257	625
Water Utility - Customer Deposit	33,056	3,775	3,170	33,661
Water Utility - Construction	111,800	31,200	-	143,000
Wastewater Utility - Operating	55,404	616,700	519,477	152,627
Wastewater Utility - Bond and Interest	11,739	87,120	90,075	8,784
Wastewater Utility - Depreciation	19,985	-	-	19,985
Wastewater Utility - Construction	96,038	-	-	96,038
<b>Fiduciary Fund:</b>				
Payroll	2,217	495,008	494,457	2,768
<b>Totals</b>	<b>\$ 1,176,186</b>	<b>\$ 2,559,837</b>	<b>\$ 2,569,920</b>	<b>\$ 1,166,103</b>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
<b>Governmental Funds:</b>				
General	\$ 272,259	\$ 539,856	\$ 527,054	\$ 285,061
Motor Vehicle Highway	141,857	185,205	192,417	134,645
Local Road and Street	19,713	23,921	40,163	3,471
Law Enforcement Continuing Education	7,081	2,838	3,046	6,873
Riverboat	76,792	-	-	76,792
Cumulative Capital Improvement	83,569	8,280	55,100	36,749
Cumulative Capital Development	66,021	19,687	28,138	57,570
County Economic Development Income Tax	3,620	-	-	3,620
Levy Excess	6,482	-	6,482	-
<b>Proprietary Funds:</b>				
Water Utility - Operating	17,331	441,984	415,911	43,404
Water Utility - Bond and Interest	13,890	144,150	155,570	2,470
Water Utility - Depreciation	625	-	-	625
Water Utility - Customer Deposit	33,661	4,050	3,003	34,708
Water Utility - Construction	143,000	15,550	-	158,550
Wastewater Utility - Operating	152,627	687,564	609,559	230,632
Wastewater Utility - Bond and Interest	8,784	102,380	104,391	6,773
Wastewater Utility - Depreciation	19,985	-	-	19,985
Wastewater Utility - Construction	96,038	4,100	-	100,138
Wastewater Utility - Bond Proceeds	-	1,042,938	-	1,042,938
<b>Fiduciary Fund:</b>				
Payroll	2,768	484,244	483,831	3,181
<b>Totals</b>	<b>\$ 1,166,103</b>	<b>\$ 3,706,747</b>	<b>\$ 2,624,665</b>	<b>\$ 2,248,185</b>

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

TOWN OF GREENTOWN  
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.

TOWN OF GREENTOWN  
NOTES TO FINANCIAL INFORMATION  
(Continued)

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.

Note 6. 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 this 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 members' 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. That 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 the plan members for PERF are established by the Board of Trustees of PERF.

TOWN OF GREENTOWN  
 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:	
Infrastructure	\$ 25,525
Buildings	15,804
Improvements other than buildings	795,343
Machinery and equipment	<u>450,136</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,286,808</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 82,542
Buildings	445,634
Improvements other than buildings	1,584,556
Machinery and equipment	<u>139,417</u>
Total Water Utility capital assets	<u>2,252,149</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	41,878
Buildings	903,432
Improvements other than buildings	2,961,190
Machinery and equipment	<u>143,320</u>
Total Wastewater Utility capital assets	<u>4,049,820</u>
Total business-type activities capital assets	<u>\$ 6,301,969</u>

TOWN OF GREENTOWN  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2008

Description of Debt	Ending Balance	Due Within One Year
Business-type activities:		
Water Utility:		
Notes and loans payable	\$ 1,669,000	\$ 80,000
Wastewater Utility:		
Notes and loans payable	770,000	15,000
Revenue bonds:		
Wastewater improvements and construction	40,000	40,000
Wastewater improvements - Phase I	1,100,000	-
Total Wastewater Utility	1,910,000	55,000
Total business-type activities long-term debt	\$ 3,579,000	\$ 135,000

TOWN OF GREENTOWN  
EXIT CONFERENCE

The contents of this report were discussed on September 29, 2009, with Barbara Middleton, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.