

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

EXAMINATION REPORT

OF

TOWN OF JAMESTOWN

BOONE COUNTY, INDIANA

January 1, 2007 to December 31, 2008



FILED
12/09/2009

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Linda Isenhowe

01-01-04 to 12-31-11

President of the Town Council

Joe Thomas
Richard Caldwell

01-01-07 to 12-31-07
01-01-08 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 JAMESTOWN, BOONE COUNTY, INDIANA

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

October 22, 2009

TOWN OF JAMESTOWN
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			Cash and Investments
	01-01-07	Receipts	Disbursements	
Governmental Funds:				
General	\$ 14,959	\$ 313,920	\$ 309,747	\$ 19,132
Motor Vehicle Highway	32,921	36,121	45,491	23,551
Local Road and Street	11,343	5,401	10,000	6,744
Park and Recreation	6,658	20,211	17,745	9,124
Law Enforcement Continuing Education	3,428	1,704	1,376	3,756
Rainy Day	545	250	560	235
Cumulative Capital Improvement	-	3,112	3,112	-
Cumulative Capital Development	13,644	4,877	-	18,521
Cumulative Building and Fire Fighting Equipment	5,512	2,866	5,473	2,905
Proprietary Funds:				
Electric Utility - Operating	163,587	758,942	819,010	103,519
Electric Utility - Depreciation	309,966	47,380	33,901	323,445
Electric Utility - Customer Deposit	8,933	4,475	4,150	9,258
Electric Utility - Reserve	67,173	8,883	-	76,056
Water Utility - Operating	30,122	159,159	162,306	26,975
Water Utility - Depreciation	35,636	23,279	3,600	55,315
Water Utility - Customer Deposit	2,405	1,005	855	2,555
Wastewater Utility - Operating	2,902	257,961	254,774	6,089
Wastewater Utility - Bond and Interest	72,319	63,180	63,280	72,219
Wastewater Utility - Depreciation	184,799	27,703	13,073	199,429
Wastewater Utility - Customer Deposit	6,375	2,745	2,340	6,780
Fiduciary Funds:				
Town Court	2,077	25,900	26,021	1,956
Payroll	-	436,943	435,508	1,435
Totals	\$ 975,304	\$ 2,206,017	\$ 2,212,322	\$ 968,999

	Cash and Investments			Cash and Investments
	01-01-08	Receipts	Disbursements	
Governmental Funds:				
General	\$ 19,132	\$ 309,776	\$ 290,711	\$ 38,197
Motor Vehicle Highway	23,551	24,729	47,224	1,056
Local Road and Street	6,744	5,284	5,000	7,028
Park and Recreation	9,124	10,891	7,175	12,840
Law Enforcement Continuing Education	3,756	1,794	2,492	3,058
Rainy Day	235	-	-	235
Trash	-	10,544	6,230	4,314
Cumulative Capital Improvement	-	2,881	1,367	1,514
Cumulative Capital Development	18,521	6,597	-	25,118
Cumulative Building and Fire Fighting Equipment	2,905	3,835	4,675	2,065
Proprietary Funds:				
Electric Utility - Operating	103,519	826,745	834,802	95,462
Electric Utility - Depreciation	323,445	48,668	4,027	368,086
Electric Utility - Customer Deposit	9,258	3,165	3,515	8,908
Electric Utility - Reserve	76,056	8,950	-	85,006
Water Utility - Operating	26,975	162,578	181,965	7,588
Water Utility - Depreciation	55,315	23,440	8,514	70,241
Water Utility - Customer Deposit	2,555	675	740	2,490
Wastewater Utility - Operating	6,089	291,909	294,351	3,647
Wastewater Utility - Bond and Interest	72,219	63,180	62,810	72,589
Wastewater Utility - Depreciation	199,429	43,432	92,490	150,371
Wastewater Utility - Customer Deposit	6,780	2,039	2,144	6,675
Fiduciary Funds:				
Town Court	1,956	28,206	28,830	1,332
Payroll	1,435	454,169	454,471	1,133
Totals	\$ 968,999	\$ 2,333,487	\$ 2,333,533	\$ 968,953

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

TOWN OF JAMESTOWN
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, 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.

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 JAMESTOWN
NOTES TO FINANCIAL INFORMATION
(Continued)

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 JAMESTOWN
 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:		
Electric Utility:		
Loans payable:		
Municipal building	\$ 156,769	\$ 25,691
Water Utility:		
Loans payable:		
Water tower	173,012	16,077
Wastewater Utility:		
Loans payable:		
Plant expansion (SRF Loan)	<u>523,000</u>	<u>62,305</u>
Total business-type activities debt:	<u>\$ 852,781</u>	<u>\$ 104,073</u>

TOWN OF JAMESTOWN
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General	2007	\$ 58,971
Park and Recreation	2007	8,364
General	2008	56,636
Motor Vehicle Highway	2008	13,834

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF JAMESTOWN
EXIT CONFERENCE

The contents of this report were discussed on October 22, 2009, with Linda Isenhower, Clerk-Treasurer and Richard Caldwell, President of the Town Council.