

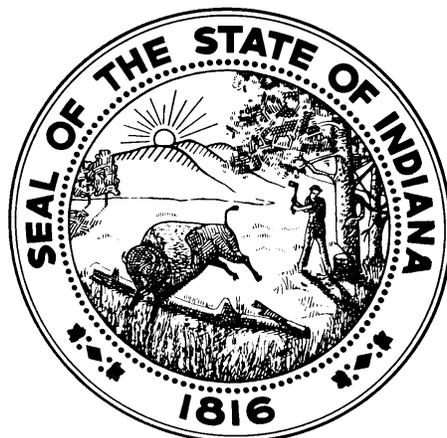
STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

ANNUAL FINANCIAL REPORT

2008

CITY OF CRAWFORDSVILLE

MONTGOMERY COUNTY, INDIANA



FILED
01/14/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Terri J. Gadd	01-01-08 to 12-31-11
Mayor	Charles E. Coons	01-01-08 to 12-31-11
President of the Common Council	Nellie Thompson	01-01-08 to 12-31-09
Superintendent of Wastewater Utility	Thomas W. Mitchell	01-01-08 to 12-31-09
Superintendent of Electric Utility	Roy E. Kaser	01-01-08 to 12-31-09
Controller of Electric Utility	John F. Lamb	01-01-08 to 12-31-09



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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the Wastewater Utility (a business-type activity), each major fund except the Electric Utility, and the aggregate remaining fund information of the City of Crawfordsville (City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We were engaged to audit the accompanying financial statements of the Electric Utility (a business-type activity) and the Electric Utility major fund of the City of Crawfordsville (City), as of and for the year ended December 31, 2008. These financial statements are the responsibility of the City's management.

Except as discussed in the following paragraphs, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note I, the City prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

We were unable to verify the financial activity of the Electric Utility (a business-type activity) and the Electric Utility major fund as presented in the accompanying financial statements. The management of the City failed to keep detailed records of receipts and disbursements as of and for the year ended December 31, 2008, to support the financial activity reported. The City's records did not permit alternative auditing procedures on the financial activity.

Since records for the Electric Utility (a business-type activity) and the Electric Utility major fund were not in the proper condition to audit as described in the preceding paragraph, and we were unable to apply alternative auditing procedures, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial statements.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

In our opinion, except for the Electric Utility (a business-type activity) and the Electric Utility major fund, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the Wastewater Utility, (a business-type activity), each major fund except the Electric Utility, and the aggregate remaining fund information of the City as of December 31, 2008, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated December 9, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedules of Funding Progress, and Schedules of Contributions From the Employer and Other Contributing Entities, as listed in the Table of Contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The City has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

December 9, 2009



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the Wastewater Utility (a business-type activity), each major fund except the Electric Utility, and the aggregate remaining fund information of the City of Crawfordsville (City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 9, 2009. We were unable to express, and did not express an opinion on the financial statements of the Electric Utility (a business-type activity) and the Electric Utility major fund. Except for the Electric Utility (a business-type activity) and the Electric Utility major fund, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in item 2008-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we consider item 2008-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management in a separate letter dated December 9, 2009.

The City's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 9, 2009

CITY OF CRAWFORDSVILLE
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2008

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 3,549,334	\$ 546,130	\$ -	\$ -	\$ (3,003,204)	\$ -	\$ (3,003,204)
Public safety	4,956,764	87,684	42,541	21,133	(4,805,406)	-	(4,805,406)
Highways and streets	1,456,489	-	-	-	(1,456,489)	-	(1,456,489)
Sanitation	228,043	-	-	-	(228,043)	-	(228,043)
Health and welfare	-	362,926	183,264	-	546,190	-	546,190
Economic development	1,219,516	-	-	972,810	(246,706)	-	(246,706)
Culture and recreation	1,753,326	356,327	-	-	(1,396,999)	-	(1,396,999)
Principal and interest on indebtedness	2,582,135	-	-	-	(2,582,135)	-	(2,582,135)
Total governmental activities	<u>15,745,607</u>	<u>1,353,067</u>	<u>225,805</u>	<u>993,943</u>	<u>(13,172,792)</u>	<u>-</u>	<u>(13,172,792)</u>
Business-type activities:							
Electric	64,536,980	64,641,561	-	-	-	104,581	104,581
Wastewater	2,669,402	2,796,666	-	-	-	127,264	127,264
Total business-type activities	<u>67,206,382</u>	<u>67,438,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,845</u>	<u>231,845</u>
Total primary government	<u>\$ 82,951,989</u>	<u>\$ 68,791,294</u>	<u>\$ 225,805</u>	<u>\$ 993,943</u>	<u>(13,172,792)</u>	<u>231,845</u>	<u>(12,940,947)</u>
General receipts:							
Property taxes					9,548,918	-	9,548,918
Intergovernmental					1,925,718	-	1,925,718
Other local sources					3,323,172	-	3,323,172
Net proceeds from borrowings					174,258	-	174,258
Grants and contributions not restricted to specific programs					21,266	-	21,266
Investment earnings					274,626	53,397	328,023
Total general receipts					<u>15,267,958</u>	<u>53,397</u>	<u>15,321,355</u>
Change in net assets					2,095,166	285,242	2,380,408
Net assets - beginning					<u>13,200,293</u>	<u>8,113,583</u>	<u>21,313,876</u>
Net assets - ending					<u>\$ 15,295,459</u>	<u>\$ 8,398,825</u>	<u>\$ 23,694,284</u>
<u>Assets</u>							
Cash and investments					\$ 11,735,962	\$ 8,398,825	\$ 20,134,787
Restricted assets:							
Cash and investments					<u>3,559,497</u>	<u>-</u>	<u>3,559,497</u>
Total assets					<u>\$ 15,295,459</u>	<u>\$ 8,398,825</u>	<u>\$ 23,694,284</u>
<u>Net Assets</u>							
Restricted for:							
General government					\$ 203,272	\$ -	\$ 203,272
Highways and streets					616,091	-	616,091
Debt service					1,254,187	-	1,254,187
Capital outlay					1,485,947	-	1,485,947
Unrestricted					<u>11,735,962</u>	<u>8,398,825</u>	<u>20,134,787</u>
Total net assets					<u>\$ 15,295,459</u>	<u>\$ 8,398,825</u>	<u>\$ 23,694,284</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CRAWFORDSVILLE
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2008

	General Fund	Other Governmental Funds	Totals
Receipts:			
Taxes	\$ 8,192,109	\$ 4,117,769	\$ 12,309,878
Licenses and permits	63,570	4,753	68,323
Intergovernmental	1,010,615	2,134,851	3,145,466
Charges for services	326,962	869,282	1,196,244
Fines and forfeits	8,706	6,655	15,361
Interfund loans	15,388	112,000	127,388
Other	<u>476,056</u>	<u>380,488</u>	<u>856,544</u>
Total receipts	<u>10,093,406</u>	<u>7,625,798</u>	<u>17,719,204</u>
Disbursements:			
General government	3,164,673	304,258	3,468,931
Public safety	4,476,868	132,844	4,609,712
Highways and streets	-	1,343,282	1,343,282
Sanitation	224,341	-	224,341
Economic development	150,043	140,083	290,126
Culture and recreation	-	1,685,494	1,685,494
Interfund loans	-	127,388	127,388
Debt service:			
Principal	-	2,175,000	2,175,000
Interest	-	407,135	407,135
Capital outlay:			
General government	6,378	74,025	80,403
Public safety	133,767	213,285	347,052
Highways and streets	-	113,207	113,207
Sanitation	3,702	-	3,702
Economic development	4,730	924,660	929,390
Culture and recreation	-	67,832	67,832
Total disbursements	<u>8,164,502</u>	<u>7,708,493</u>	<u>15,872,995</u>
Excess (deficiency) of receipts over disbursements	<u>1,928,904</u>	<u>(82,695)</u>	<u>1,846,209</u>
Other financing sources (uses):			
Net proceeds from borrowings	-	174,258	174,258
Transfers in	-	383,490	383,490
Transfers out	(297,142)	(86,348)	(383,490)
Other receipts	-	74,699	74,699
Total other financing sources (uses)	<u>(297,142)</u>	<u>546,099</u>	<u>248,957</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,631,762	463,404	2,095,166
Cash and investment fund balance - beginning	<u>5,019,707</u>	<u>8,180,586</u>	<u>13,200,293</u>
Cash and investment fund balance - ending	<u>\$ 6,651,469</u>	<u>\$ 8,643,990</u>	<u>\$ 15,295,459</u>
<u>Cash and Investment Assets - Ending</u>			
Cash and investments	\$ 6,651,469	\$ 5,084,493	\$ 11,735,962
Restricted assets:			
Cash and investments	-	3,559,497	3,559,497
Total cash and investment assets - ending	<u>\$ 6,651,469</u>	<u>\$ 8,643,990</u>	<u>\$ 15,295,459</u>
<u>Cash and Investment Fund Balance - Ending</u>			
Restricted for:			
General government	\$ -	\$ 203,272	\$ 203,272
Highways and streets	-	616,091	616,091
Debt service	-	1,254,187	1,254,187
Capital outlay	-	1,485,947	1,485,947
Unrestricted	<u>6,651,469</u>	<u>5,084,493</u>	<u>11,735,962</u>
Total cash and investment fund balance - ending	<u>\$ 6,651,469</u>	<u>\$ 8,643,990</u>	<u>\$ 15,295,459</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CRAWFORDSVILLE
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As Of And For The Year Ended December 31, 2008

	<u>Electric</u>	<u>Wastewater</u>	<u>Totals</u>
Operating receipts:			
Unmetered/flat rate	\$ -	\$ 2,515,704	\$ 2,515,704
Penalties	-	1,050	1,050
Miscellaneous	<u>64,641,561</u>	<u>279,912</u>	<u>64,921,473</u>
Total operating receipts	<u>64,641,561</u>	<u>2,796,666</u>	<u>67,438,227</u>
Operating disbursements:			
Salaries and wages	-	783,183	783,183
Employee pensions and benefits	-	114,568	114,568
Purchased water	-	3,530	3,530
Sludge removal	-	87,046	87,046
Purchased power	-	233,222	233,222
Fuel for power production	-	55,360	55,360
Chemicals	-	27,931	27,931
Material and supplies	-	195,146	195,146
Contractual services	-	114,461	114,461
Transportation	-	23,118	23,118
Insurance claims and expense	-	28,150	28,150
Customer accounts	-	100,200	100,200
Administration and general	-	67,661	67,661
Treatment and disposal	-	25,929	25,929
Equipment and capital improvements	-	66,180	66,180
Electric disbursements	64,536,980	-	64,536,980
Miscellaneous	<u>-</u>	<u>39,614</u>	<u>39,614</u>
Total operating disbursements	<u>64,536,980</u>	<u>1,965,299</u>	<u>66,502,279</u>
Excess (deficiency) of operating receipts over operating disbursements	<u>104,581</u>	<u>831,367</u>	<u>935,948</u>
Nonoperating receipts (disbursements):			
Investment income	-	53,397	53,397
Debt service of principal	-	(555,000)	(555,000)
Interest disbursements	<u>-</u>	<u>(149,103)</u>	<u>(149,103)</u>
Total nonoperating receipts (disbursements)	<u>-</u>	<u>(650,706)</u>	<u>(650,706)</u>
Excess (deficiency) of receipts over disbursements and nonoperating receipts (disbursements)	104,581	180,661	285,242
Transfers in	-	704,400	704,400
Transfers out	<u>-</u>	<u>(704,400)</u>	<u>(704,400)</u>
Excess (deficiency) of receipts, contributions and transfers in over disbursements and transfers out	104,581	180,661	285,242
Cash and investment fund balance - beginning	<u>5,490,123</u>	<u>2,623,460</u>	<u>8,113,583</u>
Cash and investment fund balance - ending	<u>\$ 5,594,704</u>	<u>\$ 2,804,121</u>	<u>\$ 8,398,825</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 5,594,704	\$ 2,804,121	\$ 8,398,825
Restricted assets:			
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 5,594,704</u>	<u>\$ 2,804,121</u>	<u>\$ 8,398,825</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Unrestricted	<u>\$ 5,594,704</u>	<u>\$ 2,804,121</u>	<u>\$ 8,398,825</u>
Total cash and investment fund balance - December 31	<u>\$ 5,594,704</u>	<u>\$ 2,804,121</u>	<u>\$ 8,398,825</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CRAWFORDSVILLE
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES
IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2008

	Pension Trust Funds	Agency Funds
Additions:		
Contributions:		
Employer	\$ 772,423	
Investment earnings:		
Interest	<u>22,314</u>	
Total additions	<u>794,737</u>	
Deductions:		
Benefits	973,744	
Administrative and general	<u>4,597</u>	
Total deductions	<u>978,341</u>	
Excess (deficiency) of total additions over total deductions	(183,604)	
Cash and investment fund balance - beginning	<u>1,052,079</u>	
Cash and investment fund balance - ending	<u>\$ 868,475</u>	<u>\$ 193,843</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, electric, wastewater, and urban redevelopment.

The City's financial reporting entity is composed of the following:

Primary Government: City of Crawfordsville

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental fund:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

The wastewater utility fund accounts for the operation of the wastewater treatment plant, pumping stations, and collection systems.

The electric utility fund accounts for the operation of the electric distribution system.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the City reports the following fund types:

The pension trust funds account for the activities of the police and fire pension funds, which accumulate resources for pension benefit payments.

Agency funds account for assets held by the City as an agent for various vendors and governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City and Wastewater and Electric Utilities. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Enterprise funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services and administrative costs. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. Internal service funds are used to account for activities provided to other departments or agencies primarily with the government. The City does not have any internal service funds.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the City in June and in 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). Ordinarily taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. In 2008, the installments were due September 9 and November 10.

3. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

5. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the City's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the City submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the City receives approval of the Indiana Department of Local Government Finance.

The City's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The City does not have a deposit policy for custodial credit risk. At December 31, 2008, the City had deposit balances in the amount of \$26,078,182.

The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2008, were as follows:

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Transfer From	Transfer To	2008
General Fund	Other governmental funds	\$ 297,142
Other governmental funds	Other governmental funds	86,348
Total		\$ 383,490

The City typically uses transfers for cash flow purposes as provided by various statutory provisions.

IV. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Mortgaged Property

On May 13, 2008, the City of Crawfordsville mortgaged five tracts of property to fund the construction of a new terminal building for the airport. The \$650,000 mortgage is to be repaid in monthly payments over 30 years.

C. Holding Corporation

Crawfordsville Electric Light and Power, as a department of the City of Crawfordsville, has entered into a capital lease with Accelplus Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing telecommunication facilities for lease to the City. The lessor has been determined to be a related party of the City. The principal amount of the capital lease is \$16,660,000. Lease payments made during 2008 were interest only.

D. Subsequent Events

Beginning in 2009, the State Pension Relief Fund shall pay to each unit of local government with Pre-1977 Local Police and Fire Fighter Pension obligations, the total amount of pension, disability, and survivor benefit payments. The Pre-1977 funds include the 1925 Police Pension Fund, the 1937 Firefighters' Fund, and the 1953 Police Pension Fund. For property taxes due and payable after December 31, 2008, the Indiana Department of Local Government Finance shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the State for the obligations.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The City plans to reconstruct the Mill Street roadway from South Boulevard to Elmore Avenue. The anticipated total cost for the project is \$3,900,282. On August 6, 2005, the City was approved to receive \$1,956,000 in federal funding. The City's required local match is \$884,551. Additional federal grants are being pursued to fund this project. To date, the City has paid \$629,867 in engineering costs. No federal funding has been drawn down.

The Crawfordsville Municipal Airport is preparing to complete a runway overlay. The total cost is estimated to be \$1,500,000. The Federal Aviation Administration granted the City \$1,370,000 for the project. On August 13, 2009, contracts were awarded in the amount of \$1,397,489.

Crawfordsville Electric Light and Power has established a line of credit to Accelplus in the amount of \$1,150,000. The principal and interest are due on or before January 1, 2029. This amount is to help continue with the construction of new customer installs and operating expenses.

Crawfordsville Electric Light and Power has filed a rate increase with the Indiana Utility Service Commission in September 2009. The rate study was conducted by The Prime Group and has been submitted to the Commission. The new rate schedule was passed by the Common Council of the City of Crawfordsville in September of 2009 on first reading. The second and final readings will take place after the Commission has issued its final opinion. The hearing is set for January 2010 and the new rates, if approved, will most likely be implemented near the second quarter of 2010.

In August 2009, Roy Kaser, Manager of Crawfordsville Electric Light and Power, announced his plans for retirement. His last day of employment will be January 14, 2010. He will be working with the Utility Service Board and Mayor Coons to find a replacement for his position and continue his daily duties until that time.

The Board of Works for the City of Crawfordsville in July 2009, decided to have Indiana American Water Company perform the billing and collection of wastewater for the City. Crawfordsville Electric Light and Power will continue to bill and collect monies for the Wastewater Department until December 31, 2009.

E. Conduit Debt Obligation

From time to time, the City has issued economic development revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying notes to the financial statements.

As of December 31, 2008, there were four series of economic development revenue bonds outstanding. The aggregate principal amount payable for the four series, could not be determined; however, their original issue amounts totaled \$19,500,000.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Rate Structure – Enterprise Funds

Wastewater Utility

The current rate structure was approved by the City Council on July 28, 2004.

Electric Utility

The current rate structure was approved by the Indiana Utility Regulatory Commission on January 14, 1994.

G. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

1. Public Employees' Retirement Fund

Plan Description

The City 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 the 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 City 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 member's 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. The 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 plan members for PERF are established by the Board of Trustees of PERF. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the City and the Utilities is not available.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. 1925 Police Officers' Pension Plan

Plan Description

The City contributes to the 1925 Police Officers' Pension Plan, which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. The City's annual pension cost and related information as provided by the actuary, is presented in this note.

The use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

3. 1937 Firefighters' Pension Plan

Plan Description

The City contributes to the 1937 Firefighters' Pension Plan, which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

The use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Annual required contribution	\$ 337,718	\$ 629,300	\$ 445,500
Interest on net pension obligation	(28,167)	122,100	100,800
Adjustment to annual required contribution	32,099	(154,000)	(127,200)
Annual pension cost	341,650	597,400	419,100
Contributions made	349,937	299,311	337,983
Increase (decrease) in net pension obligation	(8,287)	298,089	81,117
Net pension obligation, beginning of year	(388,515)	2,034,575	1,680,616
Net pension obligation, end of year	\$ (396,802)	\$ 2,332,664	\$ 1,761,733
	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Contribution rates:			
City	6%	448%	**
Plan members	3%	6%	6%
Actuarial valuation date	07-01-08	01-01-08	01-01-08
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	30 years	30 years	30 years
Amortization period (from date)	07-01-97	01-01-05	01-01-05
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year phase in of unrealized and realized capital	4 year phase in of unrealized and realized capital

**There was no covered payroll for this period.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Investment rate of return	7.25%	6%	6%
Projected future salary increases:			
Total	5%	4%	4%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	0%	0%
Cost-of-living adjustments	2%	2.75/4%*	2.75/4%*

*2.75% converted members; 4% nonconverted members

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 284,322	110%	\$ (390,978)
	06-30-07	322,333	99%	(388,515)
	06-30-08	341,650	102%	(396,802)
1925 Police Officers' Pension Plan	12-31-06	524,800	65%	1,807,850
	12-31-07	596,000	62%	2,034,575
	12-31-08	597,400	50%	2,332,664
1937 Firefighters' Pension Plan	12-31-06	531,500	72%	1,639,191
	12-31-07	466,000	91%	1,680,616
	12-31-08	419,100	81%	1,761,733

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2008, was comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retirees and beneficiaries currently receiving benefits	20	23
Terminated employees entitled to but not yet receiving benefits	0	0
Current active employees	1	0

CITY OF CRAWFORDSVILLE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 6,635,131	\$ 6,804,624	\$ (169,493)	98%	\$ 5,564,850	(3%)
07-01-07	7,053,594	7,340,844	(287,250)	96%	5,643,288	(5%)
07-01-08	7,592,519	7,860,631	(268,112)	97%	6,237,202	(4%)

1925 Police Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 661,329	\$ 6,755,000	\$ (6,093,671)	10%	\$ 157,900	(3,859%)
01-01-04	558,636	7,085,000	(6,526,364)	8%	162,500	(4,016%)
01-01-05	536,821	6,072,400	(5,535,579)	9%	84,800	(6,528%)
01-01-06	414,776	7,354,700	(6,939,924)	6%	86,400	(8,032%)
01-01-07	477,388	8,090,100	(7,612,712)	6%	137,700	(5,528%)
01-01-08	349,714	8,067,600	(7,717,886)	4%	140,400	(5,497%)

1937 Fire Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 671,274	\$ 7,305,600	\$ (6,634,326)	9%	\$ 157,900	(4,202%)
01-01-04	551,283	7,516,700	(6,965,417)	7%	121,900	(5,714%)
01-01-05	594,139	7,576,800	(6,982,661)	8%	127,100	(5,494%)
01-01-06	480,735	7,380,000	(6,899,265)	7%	129,700	(5,319%)
01-01-07	574,690	6,609,700	(6,035,010)	9%	45,900	(13,148%)
01-01-08	518,760	6,056,300	(5,537,540)	9%	-	0%

CITY OF CRAWFORDSVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CONTRIBUTIONS FROM THE
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

	Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
			City	State
1925 Police Officers' Pension Plan	12-31-03	\$ 820,200	71%	0%
	12-31-04	846,900	33%	0%
	12-31-05	449,300	70%	0%
	12-31-06	546,900	62%	0%
	12-31-07	622,300	59%	0%
	12-31-08	629,300	48%	0%
1937 Firefighters' Pension Plan	12-31-03	859,300	45%	0%
	12-31-04	892,700	38%	0%
	12-31-05	559,100	65%	0%
	12-31-06	551,800	69%	0%
	12-31-07	489,800	87%	0%
	12-31-08	445,500	76%	0%

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008

	Motor Vehicle Highway	Local Road And Street	Aviation	Parking Meter	Park Nonreverting Operating	Donations	Civil Defense
Receipts:							
Taxes	\$ 964,035	\$ -	\$ 62,026	\$ -	\$ -	\$ -	\$ 62,868
Licenses and permits	1,075	-	-	-	-	-	-
Intergovernmental	494,278	55,242	2,944	-	-	-	24,524
Charges for services	-	-	5,954	38,425	351,685	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	783	-	-	64	-	12
Total receipts	1,459,388	56,025	70,924	38,425	351,749	-	87,404
Disbursements:							
General government	-	-	136,206	-	-	-	-
Public safety	-	-	-	78,890	-	-	39,264
Highways and streets	1,256,949	19,729	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	377,633	-	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	41,030	72,177	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total disbursements	1,297,979	91,906	136,206	78,890	377,633	-	39,264
Excess (deficiency) of receipts over disbursements	161,409	(35,881)	(65,282)	(40,465)	(25,884)	-	48,140
Other financing sources (uses):							
Net proceeds from borrowings	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other receipts	-	-	24,040	-	4,896	-	-
Total other financing sources (uses)	-	-	24,040	-	4,896	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	161,409	(35,881)	(41,242)	(40,465)	(20,988)	-	48,140
Cash and investment fund balance - beginning	514,022	651,972	102,887	121,416	120,327	100	72,481
Cash and investment fund balance - ending	\$ 675,431	\$ 616,091	\$ 61,645	\$ 80,951	\$ 99,339	\$ 100	\$ 120,621
Cash and Investment Assets - Ending							
Cash and investments	\$ 675,431	\$ -	\$ 61,645	\$ 80,951	\$ 99,339	\$ 100	\$ 120,621
Restricted assets:							
Cash and investments	-	616,091	-	-	-	-	-
Total cash and investment assets - ending	\$ 675,431	\$ 616,091	\$ 61,645	\$ 80,951	\$ 99,339	\$ 100	\$ 120,621
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	616,091	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	675,431	-	61,645	80,951	99,339	100	120,621
Total cash and investment fund balance - ending	\$ 675,431	\$ 616,091	\$ 61,645	\$ 80,951	\$ 99,339	\$ 100	\$ 120,621

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Law Enforcement Continuing Education	Riverboat	Park And Recreation	Ambulance/Ems Nonreverting	Seized Assets	Golf Course	Aviation #2
Receipts:							
Taxes	\$ -	\$ -	\$ 876,163	\$ -	\$ -	\$ -	\$ -
Licenses and permits	3,678	-	-	-	-	-	-
Intergovernmental	-	95,620	47,469	183,264	-	-	-
Charges for services	4,000	-	40,672	16,000	-	356,327	-
Fines and forfeits	6,655	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	43,221	-	-	4,895	-
Total receipts	14,333	95,620	1,007,525	199,264	-	361,222	-
Disbursements:							
General government	-	36,937	-	-	-	-	-
Public safety	274	-	-	5,198	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	843,213	-	-	395,154	-
Interfund loans	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	5,531	-	-	179,414	-	-	-
Highways and streets	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	23,935	-	-	43,897	-
Total disbursements	5,805	36,937	867,148	184,612	-	439,051	-
Excess (deficiency) of receipts over disbursements	8,528	58,683	140,377	14,652	-	(77,829)	-
Other financing sources (uses):							
Net proceeds from borrowings	-	-	-	-	-	-	-
Transfers in	-	-	-	293,124	-	-	691
Transfers out	-	-	-	-	-	-	(10,722)
Other receipts	-	-	-	-	1,000	-	-
Total other financing sources (uses)	-	-	-	293,124	1,000	-	(10,031)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,528	58,683	140,377	307,776	1,000	(77,829)	(10,031)
Cash and investment fund balance - beginning	25,688	406,610	434,025	125,714	22	123,649	10,031
Cash and investment fund balance - ending	<u>\$ 34,216</u>	<u>\$ 465,293</u>	<u>\$ 574,402</u>	<u>\$ 433,490</u>	<u>\$ 1,022</u>	<u>\$ 45,820</u>	<u>\$ -</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 34,216	\$ 465,293	\$ 574,402	\$ 433,490	\$ 1,022	\$ 45,820	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 34,216</u>	<u>\$ 465,293</u>	<u>\$ 574,402</u>	<u>\$ 433,490</u>	<u>\$ 1,022</u>	<u>\$ 45,820</u>	<u>\$ -</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unrestricted	34,216	465,293	574,402	433,490	1,022	45,820	-
Total cash and investment fund balance - ending	<u>\$ 34,216</u>	<u>\$ 465,293</u>	<u>\$ 574,402</u>	<u>\$ 433,490</u>	<u>\$ 1,022</u>	<u>\$ 45,820</u>	<u>\$ -</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Abatement	Civil Defense #2	Communication Center	Park and Recreation Muffy	Park and Recreation Title III	Police/Child Victim
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	10,456	-
Charges for services	-	-	19,964	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	2,858	-	35,000	-	-
Total receipts	-	2,858	19,964	35,000	10,456	-
Disbursements:						
General government	-	-	1,845	-	-	-
Public safety	-	2,085	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	20,749	12,678	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	1,665	-	-	-
Public safety	-	7,114	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	9,199	3,510	20,749	12,678	-
Excess (deficiency) of receipts over disbursements	-	(6,341)	16,454	14,251	(2,222)	-
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	9,230	-
Transfers out	-	-	-	(9,230)	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(9,230)	9,230	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(6,341)	16,454	5,021	7,008	-
Cash and investment fund balance - beginning	347	31,400	16,510	24,442	(2,250)	1,821
Cash and investment fund balance - ending	<u>\$ 347</u>	<u>\$ 25,059</u>	<u>\$ 32,964</u>	<u>\$ 29,463</u>	<u>\$ 4,758</u>	<u>\$ 1,821</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 347	\$ 25,059	\$ 32,964	\$ 29,463	\$ 4,758	\$ 1,821
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 347	\$ 25,059	\$ 32,964	\$ 29,463	\$ 4,758	\$ 1,821
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	347	25,059	32,964	29,463	4,758	1,821
Total cash and investment fund balance - ending	\$ 347	\$ 25,059	\$ 32,964	\$ 29,463	\$ 4,758	\$ 1,821

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Rehabilitation	Wheel Tax Fund	Yard Waste Fees	Police Communication Non-Reverting	UDAG	Aviation Grant Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	139,768	-	-	-	940,814
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	12,020	-	-	25	8,849	-
Total receipts	12,020	139,768	-	25	8,849	940,814
Disbursements:						
General government	-	-	-	-	42,500	-
Public safety	7,133	-	-	-	-	-
Highways and streets	-	61,048	-	-	-	-
Economic development	-	-	-	-	-	63,085
Culture and recreation	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	763,882
Culture and recreation	-	-	-	-	-	-
Total disbursements	7,133	61,048	-	-	42,500	826,967
Excess (deficiency) of receipts over disbursements	4,887	78,720	-	25	(33,651)	113,847
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	41,188
Transfers out	-	-	-	-	-	(13,141)
Other receipts	8,000	-	-	-	-	-
Total other financing sources (uses)	8,000	-	-	-	-	28,047
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,887	78,720	-	25	(33,651)	141,894
Cash and investment fund balance - beginning	298,265	86,809	1,454	(25)	502,010	11,567
Cash and investment fund balance - ending	<u>\$ 311,152</u>	<u>\$ 165,529</u>	<u>\$ 1,454</u>	<u>\$ -</u>	<u>\$ 468,359</u>	<u>\$ 153,461</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 311,152	\$ 165,529	\$ 1,454	\$ -	\$ 468,359	\$ 153,461
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 311,152</u>	<u>\$ 165,529</u>	<u>\$ 1,454</u>	<u>\$ -</u>	<u>\$ 468,359</u>	<u>\$ 153,461</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	311,152	165,529	1,454	-	468,359	153,461
Total cash and investment fund balance - ending	<u>\$ 311,152</u>	<u>\$ 165,529</u>	<u>\$ 1,454</u>	<u>\$ -</u>	<u>\$ 468,359</u>	<u>\$ 153,461</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Golf Course Improvement Fund	Commerce Park Operating	Commerce Park	Kroger Pace Dairy	Crawfordsville Square Debt Reserve	Crawfordsville Square Bond And Interest
Receipts:						
Taxes	\$ -	\$ -	\$ 558,100	\$ 96,809	\$ -	\$ 940,645
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	28,234	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	53,000	-	-	53,000
Other	-	-	-	-	14,705	30,895
Total receipts	-	-	639,334	96,809	14,705	1,024,540
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	11,081	300	-	-	27,944
Culture and recreation	-	-	-	-	-	-
Interfund loans	-	-	53,000	-	-	59,000
Debt service:						
Principal	-	-	150,000	-	-	1,925,000
Interest	-	-	218,074	13,101	-	129,750
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	11,081	421,374	13,101	-	2,141,694
Excess (deficiency) of receipts over disbursements	-	(11,081)	217,960	83,708	14,705	(1,117,154)
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	11,377	4,018	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	6,504	9,803	-	-	-	-
Total other financing sources (uses)	6,504	21,180	4,018	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,504	10,099	221,978	83,708	14,705	(1,117,154)
Cash and investment fund balance - beginning	-	-	203,319	-	315,540	1,862,336
Cash and investment fund balance - ending	\$ 6,504	\$ 10,099	\$ 425,297	\$ 83,708	\$ 330,245	\$ 745,182
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 6,504	\$ 10,099	\$ -	\$ -	\$ 330,245	\$ -
Restricted assets:						
Cash and investments	-	-	425,297	83,708	-	745,182
Total cash and investment assets - ending	\$ 6,504	\$ 10,099	\$ 425,297	\$ 83,708	\$ 330,245	\$ 745,182
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Debt service	-	-	425,297	83,708	-	745,182
Capital outlay	-	-	-	-	-	-
Unrestricted	6,504	10,099	-	-	330,245	-
Total cash and investment fund balance - ending	\$ 6,504	\$ 10,099	\$ 425,297	\$ 83,708	\$ 330,245	\$ 745,182

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Police Building Debt	Cumulative Capital Improvement Cigarette Tax	Cumulative Capital Development	Park Nonreverting Capital	Crawfordsville Square TIF	Police Equipment (Not Debt Service)
Receipts:						
Taxes	\$ 119,673	\$ -	\$ 248,749	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,577	49,571	13,701	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	6,000	-	-	-	-	-
Other	363	-	-	-	6	4,661
Total receipts	132,613	49,571	262,450	-	6	4,661
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Interfund loans	15,388	-	-	-	-	-
Debt service:						
Principal	100,000	-	-	-	-	-
Interest	11,973	-	-	-	-	-
Capital outlay:						
General government	-	-	72,360	-	-	-
Public safety	-	-	-	-	-	5,177
Highways and streets	-	-	-	-	-	-
Economic development	-	1,500	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	127,361	1,500	72,360	-	-	5,177
Excess (deficiency) of receipts over disbursements	5,252	48,071	190,090	-	6	(516)
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,252	48,071	190,090	-	6	(516)
Cash and investment fund balance - beginning	467	430,484	1,100,355	5,338	2,407	6,966
Cash and investment fund balance - ending	\$ 5,719	\$ 478,555	\$ 1,290,445	\$ 5,338	\$ 2,413	\$ 6,450
Cash and Investment Assets - Ending						
Cash and investments	\$ 5,719	\$ 478,555	\$ -	\$ -	\$ 2,413	\$ 6,450
Restricted assets:						
Cash and investments	-	-	1,290,445	5,338	-	-
Total cash and investment assets - ending	\$ 5,719	\$ 478,555	\$ 1,290,445	\$ 5,338	\$ 2,413	\$ 6,450
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	1,290,445	5,338	-	-
Unrestricted	5,719	478,555	-	-	2,413	6,450
Total cash and investment fund balance - ending	\$ 5,719	\$ 478,555	\$ 1,290,445	\$ 5,338	\$ 2,413	\$ 6,450

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Fire Equipment (Not Debt Service)	Commerce Park TIF Proceeds	Cumulative Building	Cumulative Capital Improvement (Special Fire)	Crawfordsville Historic District	Aviation Hanger Rent
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 188,701	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	10,393	-	31,996
Charges for services	-	-	-	-	-	36,255
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	15,025	2,254	-	-	-	-
Total receipts	15,025	2,254	-	199,094	-	68,251
Disbursements:						
General government	-	-	-	-	40,000	46,770
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	22,693	-	-	-	-
Culture and recreation	-	-	-	-	36,067	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	34,237
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	16,049	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	16,049	22,693	-	-	76,067	81,007
Excess (deficiency) of receipts over disbursements	(1,024)	(20,439)	-	199,094	(76,067)	(12,756)
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	23,862
Transfers out	-	(11,377)	-	-	-	(41,878)
Other receipts	-	-	-	-	13,844	-
Total other financing sources (uses)	-	(11,377)	-	-	13,844	(18,016)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,024)	(31,816)	-	199,094	(62,223)	(30,772)
Cash and investment fund balance - beginning	17,052	131,341	150	165,752	152,712	57,857
Cash and investment fund balance - ending	<u>\$ 16,028</u>	<u>\$ 99,525</u>	<u>\$ 150</u>	<u>\$ 364,846</u>	<u>\$ 90,489</u>	<u>\$ 27,085</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 16,028	\$ -	\$ -	\$ 364,846	\$ -	\$ 27,085
Restricted assets:						
Cash and investments	-	99,525	150	-	90,489	-
Total cash and investment assets - ending	<u>\$ 16,028</u>	<u>\$ 99,525</u>	<u>\$ 150</u>	<u>\$ 364,846</u>	<u>\$ 90,489</u>	<u>\$ 27,085</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	99,525	150	-	90,489	-
Unrestricted	16,028	-	-	364,846	-	27,085
Total cash and investment fund balance - ending	<u>\$ 16,028</u>	<u>\$ 99,525</u>	<u>\$ 150</u>	<u>\$ 364,846</u>	<u>\$ 90,489</u>	<u>\$ 27,085</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Drainage Permits	Sidewalk Capital Project	Sidewalk Maintenance/ Improvement	Levy Excess	Aviation Construction	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,117,769
Licenses and permits	-	-	-	-	-	4,753
Intergovernmental	-	-	-	-	-	2,134,851
Charges for services	-	-	-	-	-	869,282
Fines and forfeits	-	-	-	-	-	6,655
Interfund loans	-	-	-	-	-	112,000
Other	-	-	-	203,272	1,580	380,488
Total receipts	-	-	-	203,272	1,580	7,625,798
Disbursements:						
General government	-	-	-	-	-	304,258
Public safety	-	-	-	-	-	132,844
Highways and streets	-	-	5,556	-	-	1,343,282
Economic development	-	-	-	-	14,980	140,083
Culture and recreation	-	-	-	-	-	1,685,494
Interfund loans	-	-	-	-	-	127,388
Debt service:						
Principal	-	-	-	-	-	2,175,000
Interest	-	-	-	-	-	407,135
Capital outlay:						
General government	-	-	-	-	-	74,025
Public safety	-	-	-	-	-	213,285
Highways and streets	-	-	-	-	-	113,207
Economic development	-	-	-	-	159,278	924,660
Culture and recreation	-	-	-	-	-	67,832
Total disbursements	-	-	5,556	-	174,258	7,708,493
Excess (deficiency) of receipts over disbursements	-	-	(5,556)	203,272	(172,678)	(82,695)
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	174,258	174,258
Transfers in	-	-	-	-	-	383,490
Transfers out	-	-	-	-	-	(86,348)
Other receipts	-	-	6,612	-	-	74,699
Total other financing sources (uses)	-	-	6,612	-	174,258	546,099
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	1,056	203,272	1,580	463,404
Cash and investment fund balance - beginning	15	2,998	44,203	-	-	8,180,586
Cash and investment fund balance - ending	<u>\$ 15</u>	<u>\$ 2,998</u>	<u>\$ 45,259</u>	<u>\$ 203,272</u>	<u>\$ 1,580</u>	<u>\$ 8,643,990</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 15	\$ 2,998	\$ 45,259	\$ -	\$ 1,580	\$ 5,084,493
Restricted assets:						
Cash and investments	-	-	-	203,272	-	3,559,497
Total cash and investment assets - ending	\$ 15	\$ 2,998	\$ 45,259	\$ 203,272	\$ 1,580	\$ 8,643,990
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
General government	\$ -	\$ -	\$ -	\$ 203,272	\$ -	\$ 203,272
Highways and streets	-	-	-	-	-	616,091
Debt service	-	-	-	-	-	1,254,187
Capital outlay	-	-	-	-	-	1,485,947
Unrestricted	15	2,998	45,259	-	1,580	5,084,493
Total cash and investment fund balance - ending	\$ 15	\$ 2,998	\$ 45,259	\$ 203,272	\$ 1,580	\$ 8,643,990

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2008

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Totals</u>
Additions:			
Contributions:			
Employer	\$ 346,627	\$ 425,796	\$ 772,423
Investment receipts:			
Interest	<u>10,105</u>	<u>12,209</u>	<u>22,314</u>
Total additions	<u>356,732</u>	<u>438,005</u>	<u>794,737</u>
Deductions:			
Benefits	482,258	491,486	973,744
Administrative and general	<u>2,148</u>	<u>2,449</u>	<u>4,597</u>
Total deductions	<u>484,406</u>	<u>493,935</u>	<u>978,341</u>
Excess (deficiency) of total additions over total deductions	(127,674)	(55,930)	(183,604)
Cash and investment fund balance - beginning	<u>477,388</u>	<u>574,691</u>	<u>1,052,079</u>
Cash and investment fund balance - ending	<u>\$ 349,714</u>	<u>\$ 518,761</u>	<u>\$ 868,475</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008

	Payroll	Celp Electric Inspection Fees	Totals
Additions:			
Agency fund additions	\$ 10,825,565	\$ 400	\$ 10,825,965
Deductions:			
Agency fund deductions	10,838,289	400	10,838,689
Excess (deficiency) of total additions over total deductions	(12,724)	-	(12,724)
Cash and investment fund balance - beginning	206,567	-	206,567
Cash and investment fund balance - ending	\$ 193,843	\$ -	\$ 193,843

CITY OF CRAWFORDSVILLE
 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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrekking (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,547,103
Infrastructure	62,468,816
Buildings	7,867,892
Improvements other than buildings	585,673
Machinery and equipment	7,779,385
Construction in progress	<u>1,814,186</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 84,063,055</u></u>
 Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 106,819
Buildings	13,821,601
Collection System/Infrastructure	5,954,414
Machinery and equipment	1,396,255
Bond Issue Cost	<u>36,289</u>
 Total Wastewater Utility Capital Assets	 <u><u>21,208,559</u></u>
 Electric Utility:	
Capital assets, not being depreciated:	
Land	376,201
Infrastructure	17,620,709
Buildings	6,588,448
Other/Misc	325,802
Machinery and equipment	<u>24,877,156</u>
 Total Electric Utility Capital Assets	 <u><u>49,788,316</u></u>
 Total business-type activities capital assets	 <u><u>\$ 70,996,875</u></u>

CITY OF CRAWFORDSVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2008

The City has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Golf Course Cart (Textron Financial)	\$ 27,216	\$ 11,664
Golf Course Pump (Toro Financing)	3,776	3,776
Golf Course John Deere Mower	21,379	6,839
Airport 2008 Ford Truck (Ford Motor Credit)	12,254	6,674
Loans:		
Golf Course Pole Barn (Main Source Bank)	28,254	8,422
Golf Course Sharpening Equipment (Main Source Bank)	1,039	1,039
Airport 2008 Construction Loan	475,743	-
Bonds payable:		
General obligation bonds:		
Police Building Bonds	105,000	110,513
Revenue bonds:		
Commerce Park Tif	<u>4,280,000</u>	<u>369,594</u>
Total governmental activities debt	<u>\$ 4,954,661</u>	<u>\$ 518,521</u>
Business-type activities:		
Wastewater Utility:		
Revenue bonds:		
\$2,000,000 Sewage Works Revenue Bonds of 1995	\$ 933,000	\$ 333,844
State Revolving Loan (Chase)	<u>3,185,864</u>	<u>372,390</u>
Total Wastewater Utility	<u>4,118,864</u>	<u>706,234</u>
Electric Utility:		
Capital leases:		
Accelplus	<u>16,660,000</u>	<u>978,820</u>
Total business-type activities debt	<u>\$ 20,778,864</u>	<u>\$ 1,685,054</u>

CITY OF CRAWFORDSVILLE
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the City related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the City to reduce risks to achievement of financial reporting objectives. The City has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to go undetected.
2. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's audited financial statements and then determining how those identified risks should be managed. The City has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.
3. Monitoring of Controls: Effective internal control over financial reporting requires the City Council to monitor and assess the quality of the City's system of internal control. The City Council has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the City at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objections, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF CRAWFORDSVILLE
AUDIT RESULTS AND COMMENTS
(Continued)

PARK NONREVERTING FUNDS

The Park and Recreation Board established, by Ordinance 38-1973, a nonreverting operating fund for which expenditures were made without appropriation in 2008.

The ordinance also states in part: ". . . activities operated from this non-reverting operating fund shall be paid for only by funds received from these activities." Thirteen of the sixty-nine activities listed in the non-reverting fund expended more than had been received and had negative fund balances at December 31, 2008.

IC 36-10-3-22 (b) states in part: "The unit's fiscal body may establish by ordinance, upon request of the board: (1) a special nonreverting operating fund for park purposes from which expenditures may be made as provided by ordinance, either by appropriation by the board or by the unit's fiscal body . . ."

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)

PARK DEPARTMENT - INTERNAL CONTROLS

The contractual requirements for the concession vendor require a payment based on total sales. The contractor provided no reports of sales or other computations to support his payments to the Parks Department.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Crawfordsville (City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in a City's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

December 9, 2009

CITY OF CRAWFORDSVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2008

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grants/State's Programs	14.228	DR1A-09-010	\$ 22,098
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205	STP 9954 (042) CN	22,374
Total for cluster			<u>22,374</u>
Pass-Through Montgomery County Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	K8-2008-02-03-20 154HE-2008-08-01-19 K4-2009-08-01-14	5,231 8,544 681
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	OP-08-01-01-64 OP-09-01-01-68	3,708 1,181
Total for cluster			<u>19,345</u>
Direct Grant Airport Improvement Program	20.106	3-18-0015-05 3-18-0015-06 3-18-0015-07	764,097 129,276 38,760
Total for program			<u>932,133</u>
Total for federal grantor agency			<u>973,852</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	MRC 08 1211	10,000
Pass-Through Area IV Agency on Aging Special Programs for the Aging - Title II, Part B - Grants for Supportive Services and Senior Centers	93.044	FY 08	10,218
Total for federal grantor agency			<u>20,218</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Public Assistance Grants	97.036	Disaster # 1766	80,792
Pass-Through Montgomery county Emergency Management Performance Grants	97.042	FY 2008	10,643
Pass-Through Indiana Department of Homeland Security State Homeland Security Program	97.073	EDS# C44P-7-339	183,264
Total for federal grantor agency			<u>274,699</u>
Total federal awards expended			<u>\$ 1,290,867</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF CRAWFORDSVILLE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Crawfordsville (City) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows for the year ended December 31, 2008:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>2008</u>
Medical Reserve Corps Small Grant	93.008	<u>\$ 9,382</u>

CITY OF CRAWFORDSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Disclaimer

Internal control over financial reporting:

Material weaknesses identified?	yes
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Significant deficiencies identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? yes

Section II – Financial Statement Findings

FINDING 2008-1, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the City related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the City to reduce risks to achievement of financial reporting objectives. The City has not separated incompatible activities related to receipts, disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to go undetected.

CITY OF CRAWFORDSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's audited financial statements and then determining how those identified risks should be managed. The City has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.

3. Monitoring of Controls: Effective internal control over financial reporting requires the City Council to monitor and assess the quality of the City's system of internal control. The City Council has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the City at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objections, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

We recommended that the City redistribute the receipt issuance duties to allow for better control. We recommended that stricter controls be placed on disbursements and that management oversight be increased. We also recommended that the City institute a verification process for the Cities and Towns Annual Report which is converted into the financial statements.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF CRAWFORDSVILLE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF
CRAWFORDSVILLE
P.O. Box 329
Crawfordsville, IN 47933

Terri J. Gadd
Clerk Treasurer

City Building
(765) 364-5150

Corrective Action Plan

Date: December 7, 2009

Contact Person: Terri Gadd, Clerk Treasurer *TJG*

Federal Finding 2009-1 Internal Controls Over Financial Transactions and Reporting

1. **"Lack of Segregation of Duties:** *Control activities should be selected and developed at various levels of the City to reduce risks to achievement of financial reporting objectives. The city has not separated incompatible activities related to receipts, (utility billings and collections) disbursements, payroll and related liabilities, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to undetected."*

Response: The responsible person will be the Clerk Treasurer. The Clerk Treasurer will implement the following control activities/action plan to segregate duties of the accounts payable clerk and payroll clerk, with regards to daily receipting, weekly disbursements, cash and investments and payroll processing. Completion Date: Implemented immediately.

Daily receipts – the daily receipting duties will be reassigned to part-time staff. In the event a part-time staff person is not available the responsibility will be delegated to the deputy clerk treasurer. The accounts payable staff person who prepares the daily deposits will no longer be responsible for daily receipting of funds from city departments.

Disbursements: Part-time staff will be assigned the task of verifying weekly appropriations and disbursements – comparing weekly appropriation reports with checks to be mailed to vendors.

Payroll: Part-time staff will be assigned the task of verifying bi-weekly and monthly payroll appropriations and disbursements. Part-time staff will be assigned the task of verifying and comparing monthly payroll appropriations and disbursements to vendors.

Cash Investments: The Clerk Treasurer will review and verify all bank statements monthly before the accounts payable clerk reconciles accounts. The Clerk Treasurer will monitor monthly bank reconciliation with the accounts payable clerk.

2. **"Prepare Financial Statements:** *Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's audited financial statements and then determining how those identified risks should be managed. The City has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements."*

Response: The responsible person will be the Clerk Treasurer. The Clerk Treasurer will implement the following action plan to analyze and identify risks of material misstatement related to the preparation of the city's financial statements. **Completion Date:** Implemented fiscal year 2009 annual reporting.

Annual Financial Reporting: The Clerk Treasurer will engage the professional services Crowe Horwath LLP to identify and analyze the risk of material misstatement of the City of Crawfordsville annual report before submitting to the SBA.

The Clerk Treasurer will continue participating in educational training provided by the Indiana League of Municipal Clerk Treasures Association and State Board of Accounts.

3. **"Monitoring of Controls:** *Effective internal control over financial reporting requires the City Council to monitor and assess the quality of the City's system of internal control. The City Council has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the City at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner."*

Response: The responsible person will be the Clerk Treasurer. The Clerk Treasurer will implement the following action plan to monitor and assess the internal controls for the city of Crawfordsville. **Completion Date:** Implemented fiscal year 2010.

Monitoring Controls: The Clerk Treasurer will engage the professional services of Crowe Horwath LLP to develop an action plan for evaluating internal controls. The Clerk Treasurer will provide reporting to the City Council quarterly, annually and or as requested for evaluation of implemented controls.

CITY OF CRAWFORDSVILLE
EXIT CONFERENCE

The contents of this report were discussed on December 9, 2009, with Terri J. Gadd, Clerk-Treasurer; Charles E. Coons, Mayor; Nellie Thompson, President of the Common Council; and Roger Neal, Park Director. The officials concurred with our audit findings.