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

ANNUAL FINANCIAL REPORT

2009

CITY OF CRAWFORDSVILLE

MONTGOMERY COUNTY, INDIANA



FILED
09/28/2010

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Terri 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 R. Thompson	01-01-09 to 12-31-10
Superintendent of Wastewater Utility	Thomas W. Mitchell	01-01-09 to 12-31-10
Superintendent of Electric Utility	Roy E. Kaser Phillip R. Goode	01-01-09 to 01-14-10 01-14-10 to 12-31-10
Controller of Electric Utility	John F. Lamb Position Vacant Ronald L. Gable	01-01-09 to 01-31-09 02-01-09 to 02-28-09 03-01-09 to 12-31-10
Superintendent of Storm Water Utility	Gary Weliver	01-01-09 to 12-31-10



STATE OF INDIANA
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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, 2009, 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 opinions 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, 2009. 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 opinions.

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, 2009, 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 activity.

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, and the aggregate remaining fund information of the City as of December 31, 2009, 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 August 5, 2010, 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 integral part of 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, 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

August 5, 2010



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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, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 5, 2010. 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 2009-1 of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

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.

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)

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. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above. However, of the significant deficiencies described above, we consider item 2009-1 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

August 5, 2010

CITY OF CRAWFORDSVILLE
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2009

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	\$ 4,579,388	\$ 536,804	\$ 1,111,006	\$ -	\$ (2,931,578)	\$ -	\$ (2,931,578)
Public safety	4,892,605	185,573	29,379	-	(4,677,653)	-	(4,677,653)
Highways and streets	1,504,367	30,981	-	397,978	(1,075,408)	-	(1,075,408)
Sanitation	220,956	676,132	-	-	455,176	-	455,176
Health and welfare	-	311,986	11,782	-	323,768	-	323,768
Economic development	1,814,567	-	-	-	(1,814,567)	-	(1,814,567)
Culture and recreation	1,589,343	684,632	-	-	(904,711)	-	(904,711)
Urban redevelopment and housing	34,832	-	-	-	(34,832)	-	(34,832)
Principal and interest on indebtedness	505,742	-	-	-	(505,742)	-	(505,742)
Total governmental activities	<u>15,141,800</u>	<u>2,426,108</u>	<u>1,152,167</u>	<u>397,978</u>	<u>(11,165,547)</u>	<u>-</u>	<u>(11,165,547)</u>
Business-type activities:							
Electric	63,743,405	61,843,186	-	225,720	-	(1,674,499)	(1,674,499)
Wastewater	2,591,438	2,404,510	-	-	-	(186,928)	(186,928)
Total business-type activities	<u>66,334,843</u>	<u>64,247,696</u>	<u>-</u>	<u>225,720</u>	<u>-</u>	<u>(1,861,427)</u>	<u>(1,861,427)</u>
Total primary government	<u>\$ 81,476,643</u>	<u>\$ 66,673,804</u>	<u>\$ 1,152,167</u>	<u>\$ 623,698</u>	<u>(11,165,547)</u>	<u>(1,861,427)</u>	<u>(13,026,974)</u>
General receipts:							
Property taxes					7,804,636	-	7,804,636
Intergovernmental					3,512,740	-	3,512,740
Other local sources					359,801	53,822	413,623
Net proceeds from borrowings					463,372	-	463,372
Grants and contributions not restricted to specific programs					96,667	-	96,667
Investment earnings					102,698	53,583	156,281
Interfund loans					(6,000)	-	(6,000)
Total general receipts					<u>12,333,914</u>	<u>107,405</u>	<u>12,441,319</u>
Change in net assets					1,168,367	(1,754,022)	(585,655)
Net assets - beginning					<u>15,295,270</u>	<u>8,791,187</u>	<u>24,086,457</u>
Net assets - ending					<u>\$ 16,463,637</u>	<u>\$ 7,037,165</u>	<u>\$ 23,500,802</u>
Assets							
Cash and investments					\$ 14,141,623	\$ 7,037,165	\$ 21,178,788
Restricted assets:							
Cash and investments					<u>2,322,014</u>	<u>-</u>	<u>2,322,014</u>
Total assets					<u>\$ 16,463,637</u>	<u>\$ 7,037,165</u>	<u>\$ 23,500,802</u>
Net Assets							
Restricted for:							
Highways and streets					\$ 324,543	\$ -	\$ 324,543
Debt service					549,679	-	549,679
Capital outlay					1,447,792	-	1,447,792
Unrestricted					<u>14,141,623</u>	<u>7,037,165</u>	<u>21,178,788</u>
Total net assets					<u>\$ 16,463,637</u>	<u>\$ 7,037,165</u>	<u>\$ 23,500,802</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, 2009

	General	Crawfordsville Square Bond and Interest	Other Governmental Funds	Totals
Receipts:				
Taxes	\$ 4,070,451	\$ -	\$ 2,529,174	\$ 6,599,625
Special assessments	-	-	1,632	1,632
Licenses and permits	40,366	-	1,050	41,416
Intergovernmental	2,740,690	-	2,325,059	5,065,749
Charges for services	1,521,071	-	732,470	2,253,541
Fines and forfeits	9,230	-	11,576	20,806
Interfund loans	-	6,000	30,000	36,000
Other	242,661	1,212,113	254,207	1,708,981
	<u>8,624,469</u>	<u>1,218,113</u>	<u>5,885,168</u>	<u>15,727,750</u>
Total receipts				
Disbursements:				
General government	3,450,664	-	762,917	4,213,581
Public safety	4,589,940	-	144,754	4,734,694
Highways and streets	-	-	1,159,140	1,159,140
Sanitation	219,200	-	-	219,200
Economic development	-	-	215,176	215,176
Culture and recreation	-	-	1,493,930	1,493,930
Urban redevelopment and housing	34,832	-	-	34,832
Interfund loans	-	30,000	6,000	36,000
Debt service:				
Principal	-	-	260,000	260,000
Interest	29,231	-	216,511	245,742
Capital outlay:				
General government	4,775	-	361,032	365,807
Public safety	127,545	-	30,366	157,911
Highways and streets	-	-	345,227	345,227
Sanitation	1,756	-	-	1,756
Economic development	-	-	1,599,391	1,599,391
Culture and recreation	-	-	95,413	95,413
	<u>8,457,943</u>	<u>30,000</u>	<u>6,689,857</u>	<u>15,177,800</u>
Total disbursements				
Excess (deficiency) of receipts over disbursements	<u>166,526</u>	<u>1,188,113</u>	<u>(804,689)</u>	<u>549,950</u>
Other financing sources (uses):				
Net proceeds from borrowings	-	-	463,372	463,372
Transfers in	-	332,660	230,885	563,545
Transfers out	(157,845)	-	(405,700)	(563,545)
Other receipts	95,714	-	59,331	155,045
	<u>(62,131)</u>	<u>332,660</u>	<u>347,888</u>	<u>618,417</u>
Total other financing sources (uses)				
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	104,395	1,520,773	(456,801)	1,168,367
Cash and investment fund balance - beginning	<u>6,651,469</u>	<u>745,182</u>	<u>7,898,619</u>	<u>15,295,270</u>
Cash and investment fund balance - ending	<u>\$ 6,755,864</u>	<u>\$ 2,265,955</u>	<u>\$ 7,441,818</u>	<u>\$ 16,463,637</u>
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	\$ 6,755,864	\$ 2,265,955	\$ 5,119,804	\$ 14,141,623
Restricted assets:				
Cash and investments	-	-	2,322,014	2,322,014
Total cash and investment assets - ending	<u>\$ 6,755,864</u>	<u>\$ 2,265,955</u>	<u>\$ 7,441,818</u>	<u>\$ 16,463,637</u>
<u>Cash and Investment Fund Balance - Ending</u>				
Restricted for:				
Highways and streets	\$ -	\$ -	\$ 324,543	\$ 324,543
Debt service	-	-	549,679	549,679
Capital outlay	-	-	1,447,792	1,447,792
Unrestricted	6,755,864	2,265,955	5,119,804	14,141,623
Total cash and investment fund balance - ending	<u>\$ 6,755,864</u>	<u>\$ 2,265,955</u>	<u>\$ 7,441,818</u>	<u>\$ 16,463,637</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, 2009

	<u>Electric</u>	<u>Wastewater</u>	<u>Totals</u>
Operating receipts:			
Metered/measured	\$ 35,261,266	\$ -	\$ 35,261,266
Fees	-	2,292,502	2,292,502
Penalties	-	1,313	1,313
Miscellaneous	<u>26,581,920</u>	<u>110,695</u>	<u>26,692,615</u>
Total operating receipts	<u>61,843,186</u>	<u>2,404,510</u>	<u>64,247,696</u>
Operating disbursements:			
Salaries and wages	-	923,678	923,678
Employee pensions and benefits	156,739	11,816	168,555
Sludge removal	-	84,057	84,057
Chemicals	-	27,718	27,718
Material and supplies	-	61,715	61,715
Contractual services	-	194,998	194,998
Insurance claims and expense	-	45,416	45,416
Refunds	53,365	-	53,365
Equipment and capital improvements	235,019	145,549	380,568
Miscellaneous	<u>63,298,282</u>	<u>389,829</u>	<u>63,688,111</u>
Total operating disbursements	<u>63,743,405</u>	<u>1,884,776</u>	<u>65,628,181</u>
Excess (deficiency) of operating receipts over operating disbursements	<u>(1,900,219)</u>	<u>519,734</u>	<u>(1,380,485)</u>
Nonoperating receipts (disbursements):			
Investment income	37,591	15,992	53,583
Refunds	53,365	457	53,822
Debt service of principal	<u>-</u>	<u>(706,662)</u>	<u>(706,662)</u>
Total nonoperating receipts (disbursements)	<u>90,956</u>	<u>(690,213)</u>	<u>(599,257)</u>
Excess (deficiency) of receipts over disbursements and nonoperating receipts (disbursements)	<u>(1,809,263)</u>	<u>(170,479)</u>	<u>(1,979,742)</u>
Capital contributions	225,720	-	225,720
Transfers in	14,539,597	705,600	15,245,197
Transfers out	<u>(14,539,597)</u>	<u>(705,600)</u>	<u>(15,245,197)</u>
Excess (deficiency) of receipts, contributions and transfers in over disbursements and transfers out	<u>(1,583,543)</u>	<u>(170,479)</u>	<u>(1,754,022)</u>
Cash and investment fund balance - beginning	<u>5,987,067</u>	<u>2,804,120</u>	<u>8,791,187</u>
Cash and investment fund balance - ending	<u>\$ 4,403,524</u>	<u>\$ 2,633,641</u>	<u>\$ 7,037,165</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 4,403,524	\$ 2,633,641	\$ 7,037,165
Cash with fiscal agent	-	-	-
Restricted assets:			
Cash and investments	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investment assets - December 31	<u>\$ 4,403,524</u>	<u>\$ 2,633,641</u>	<u>\$ 7,037,165</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ -	\$ -	\$ -
Other purposes	-	-	-
Unrestricted	<u>4,403,524</u>	<u>2,633,641</u>	<u>7,037,165</u>
Total cash and investment fund balance - December 31	<u>\$ 4,403,524</u>	<u>\$ 2,633,641</u>	<u>\$ 7,037,165</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, 2009

	Pension Trust Funds	Agency Funds
Additions:		
Contributions:		
Plan members	\$ 980,554	
Investment earnings:		
Interest	6,082	
Total additions	986,636	
Deductions:		
Benefits	939,259	
Administrative and general	4,248	
Total deductions	943,507	
Excess (deficiency) of total additions over total deductions	43,129	
Cash and investment fund balance - beginning	868,474	
Cash and investment fund balance - ending	\$ 911,603	\$ 171,490

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, wastewater, electric, storm water, 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 funds:

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 Crawfordsville Square Bond and Interest Fund accounts for the accumulation of property taxes and other revenues to satisfy principal and interest requirements on the Crawfordsville Square Bond Issue.

The City reports the following major enterprise 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 1925 police officers' and 1937 fire-fighters' pension plans, which accumulate resources for pension benefit payments.

Agency funds account for assets held by the City as an agent for federal and state revenue agencies and serve as control of accounts for cash transactions during the time they are a liability to the City.

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 its enterprise funds. 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 non-operating 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 non-operating 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.

When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, then unrestricted resources as they are needed.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Assets and Cash and Investment Balances

1. Restricted Assets

All restricted assets, as presented in the accompanying financial statements, are restricted due to enabling legislation.

2. 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.

3. Property Taxes

Normally, 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. 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 may become delinquent if not paid by May 10 and November 10, respectively. In 2009, taxes were due on July 31, and November 10.

4. 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.

5. Long-Term Debt

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

6. 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."

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 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 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 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.
4. Interfund loans – Flow of assets from one fund to another where repayment is expected is reported as interfund loans.

Government-Wide Financial Statements

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

CITY OF CRAWFORDSVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

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 loans and services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

A. 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. Prior to November 1, 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.

B. Cash and Investment Balance Deficits

At December 31, 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

Fund	2009
Park and Recreation - Title III	\$ <u>1,582</u>

Cash and investment deficits arose primarily from disbursements that will be reimbursed by federal grant monies; these deficits are to be repaid from future receipts.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. IC 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. State statute defines policies to limit custodial credit risk. The statute dictates that the City use only approved depositories to assure that all monies are insured. At December 31, 2009, the City had deposit balances in the amount of \$23,194,342.

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, 2009, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2009</u>
General Fund	Other Governmental Funds	\$ 157,845
Other Governmental Funds	Crawfordsville Square Bond and Interest	332,660
	Other Governmental Funds	<u>73,040</u>
Total		<u><u>\$ 563,545</u></u>

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

C. Restatements and Reclassifications

For the year ended December 31, 2008, certain changes have been made to the financial statements to more appropriately reflect financial activity of the City. The following schedule presents a summary of restated beginning balances by opinion unit. Prior period adjustments represent adjustments to the beginning balance of the Electric Utility.

<u>Opinion Unit</u>	<u>Balance as Reported December 31, 2008</u>	<u>Prior Period Adjustments</u>	<u>Balance as Restated January 1, 2009</u>
Electric Utility	\$ 5,594,704	\$ 392,363	\$ 5,987,067
Business-Type Activities	8,398,825	392,362	8,791,187

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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; 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; and natural disasters are covered by commercial insurance from independent third parties.

Settled claims from risks covered by commercial insurance have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Holding Corporation

The City 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 or reconstructing facilities for lease to the City. The lessor has been determined to be a related party of the City. Lease payments during the year 2009 totaled \$978,820.

C. Subsequent Events

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 and storm water charges for the City. Crawfordsville Electric Light and Power performed the Wastewater billing until December 31, 2009. The Storm Water Utility did not begin billing until 2010.

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 \$725,548 in engineering costs and \$333,843 in land acquisition. No federal funding has been drawn down.

Crawfordsville Electric Light and Power filed for a rate increase with the Indiana Utility Service Commission in September 2009. 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.

On March 31, 2010, the City was awarded a Staffing for Adequate Fire and Emergency Response Grant (SAFER) from the Department of Homeland Security. Under the terms of the grant, the City's fire department will receive \$945,385 in the next two years to supplement the fire department staff.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Conduit Debt Obligation

The City has issued conduit debt (no commitment debt) 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, 2009, the outstanding aggregate principal amount payable was \$19,500,000.

E. 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.

Storm Water Utility

The current rate structure was approved by the City Council on June 8, 2009.

F. Receipts Pledged

Wastewater Utility Receipts Pledged

The City has pledged future operating receipts, net of specified operating expenditures, to repay revenue bonds issued in 2005. Proceeds from the bonds provided financing for wastewater utility improvements. The bonds are payable solely from operating net receipts and are payable through 2012. Annual principal and interest payments are expected to require less than 65 percent of net receipts.

Tax Increment Receipts Pledged

The City has pledged a portion of property tax revenue receipts to repay \$4,500,000 in tax increment bonds issued in 2005 to finance the Crawfordsville Square Revitalization and the Commerce Park Development. The bonds are payable solely from the incremental property tax revenue generated by a special assessment of property tax revenue. Incremental property tax revenue was projected to produce 100 percent of the debt service requirements over the life of the bonds.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Pension Plans

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

a. 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

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The total contributions made to PERF by the City during the period were \$386,687.

b. 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.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. The contributions made by the City during the period were \$457,704.

c. 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

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. The contributions made by the City during the period were \$433,336.

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)
07-01-07	\$ 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%)
07-01-09	7,027,685	8,168,189	(1,140,504)	86%	6,374,456	(18%)

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)
01-01-04	\$ 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%)
01-01-09	374,282	7,415,500	(7,041,218)	5%	-	No covered payroll

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)
01-01-04	\$ 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%	-	No covered payroll
01-01-09	537,320	6,908,400	(6,371,080)	8%	-	No covered payroll

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

	<u>Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed City</u>
1925 Police Officers' Pension Plan	12-31-04	\$ 846,900	33%
	12-31-05	449,300	70%
	12-31-06	546,900	62%
	12-31-07	622,300	59%
	12-31-08	629,300	48%
	12-31-09	554,100	83%
1937 Firefighters' Pension Plan	12-31-04	\$ 892,700	38%
	12-31-05	559,100	65%
	12-31-06	551,800	69%
	12-31-07	489,800	87%
	12-31-08	445,500	76%
	12-31-09	516,300	84%

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, 2009

	Motor Vehicle Highway	Local Road And Street	Aviation	Parking Meter	Park Nonreverting Operating	Donations
Receipts:						
Taxes	\$ 886,130	\$ -	\$ 86,283	\$ -	\$ -	\$ -
Special assessments	-	-	1,632	-	-	-
Licenses and permits	1,050	-	-	-	-	-
Intergovernmental	460,299	52,131	5,986	-	-	-
Charges for services	5,670	-	-	30,981	300,464	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	1,103	-	34,875	-	13,335	-
Total receipts	1,354,252	52,131	128,776	30,981	313,799	-
Disbursements:						
General government	-	-	140,704	-	-	-
Public safety	-	-	-	79,666	-	-
Highways and streets	1,153,140	6,000	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	292,867	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	1,000	-	-
Highways and streets	7,448	337,779	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	28,340	-
Total disbursements	1,160,588	343,779	140,704	80,666	321,207	-
Excess (deficiency) of receipts over disbursements	193,664	(291,648)	(11,928)	(49,685)	(7,408)	-
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	23,196	-
Transfers out	-	-	-	-	-	-
Other receipts	10,075	100	18,371	-	1,575	-
Total other financing sources (uses)	10,075	100	18,371	-	24,771	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	203,739	(291,548)	6,443	(49,685)	17,363	-
Cash and investment fund balance - beginning	675,282	616,091	61,646	80,951	99,339	100
Cash and investment fund balance - ending	\$ 879,021	\$ 324,543	\$ 68,089	\$ 31,266	\$ 116,702	\$ 100
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ 879,021	\$ -	\$ 68,089	\$ 31,266	\$ 116,702	\$ 100
Restricted assets:						
Cash and investments	-	324,543	-	-	-	-
Total cash and investment assets - ending	\$ 879,021	\$ 324,543	\$ 68,089	\$ 31,266	\$ 116,702	\$ 100
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Highways and streets	\$ -	\$ 324,543	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	879,021	-	68,089	31,266	116,702	100
Total cash and investment fund balance - ending	\$ 879,021	\$ 324,543	\$ 68,089	\$ 31,266	\$ 116,702	\$ 100

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, 2009
 (Continued)

	Civil Defense	Law Enforcement Continuing Education	Riverboat	Parks And Recreation	Ambulance/Ems Nonreverting	Rainy Day
Receipts:						
Taxes	\$ 47,494	\$ -	\$ -	\$ 694,363	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	14,300	-	95,391	47,928	16,000	316,075
Charges for services	-	8,937	-	41,255	-	-
Fines and forfeits	-	11,576	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	5,850	-	-
Total receipts	61,794	20,513	95,391	789,396	16,000	316,075
Disbursements:						
General government	-	-	48,711	-	-	-
Public safety	42,257	310	-	-	20,000	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	845,602	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	20,000	-	-	-
Public safety	-	6,203	-	-	23,163	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	41,931	-	-
Total disbursements	42,257	6,513	68,711	887,533	43,163	-
Excess (deficiency) of receipts over disbursements	19,537	14,000	26,680	(98,137)	(27,163)	316,075
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	157,845	-
Transfers out	-	-	-	-	-	-
Other receipts	8	-	-	25,747	-	-
Total other financing sources (uses)	8	-	-	25,747	157,845	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,545	14,000	26,680	(72,390)	130,682	316,075
Cash and investment fund balance - beginning	120,622	34,217	465,295	574,352	433,490	-
Cash and investment fund balance - ending	\$ 140,167	\$ 48,217	\$ 491,975	\$ 501,962	\$ 564,172	\$ 316,075
Cash and Investment Assets - Ending						
Cash and investments	\$ 140,167	\$ 48,217	\$ 491,975	\$ 501,962	\$ 564,172	\$ 316,075
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 140,167	\$ 48,217	\$ 491,975	\$ 501,962	\$ 564,172	\$ 316,075
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	140,167	48,217	491,975	501,962	564,172	316,075
Total cash and investment fund balance - ending	\$ 140,167	\$ 48,217	\$ 491,975	\$ 501,962	\$ 564,172	\$ 316,075

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, 2009
 (Continued)

	Police/Drug Seizure Fund	Golf Course	Abatement	Civil Defense #2	Communication Center	Park and Recreation Muffy
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	345,163	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	700	2,472	-	-	20,114	25,000
Total receipts	700	347,635	-	-	20,114	25,000
Disbursements:						
General government	-	-	-	-	4,627	-
Public safety	-	-	-	709	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	334,620	-	-	-	8,546
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	22,824	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	25,142	-	-	-	-
Total disbursements	-	359,762	-	709	27,451	8,546
Excess (deficiency) of receipts over disbursements	700	(12,127)	-	(709)	(7,337)	16,454
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	5,827
Transfers out	-	-	-	-	-	(23,196)
Other receipts	-	235	-	3,220	-	-
Total other financing sources (uses)	-	235	-	3,220	-	(17,369)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	700	(11,892)	-	2,511	(7,337)	(915)
Cash and investment fund balance - beginning	1,021	45,822	347	25,060	32,965	29,462
Cash and investment fund balance - ending	<u>\$ 1,721</u>	<u>\$ 33,930</u>	<u>\$ 347</u>	<u>\$ 27,571</u>	<u>\$ 25,628</u>	<u>\$ 28,547</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ 1,721	\$ 33,930	\$ 347	\$ 27,571	\$ 25,628	\$ 28,547
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 1,721</u>	<u>\$ 33,930</u>	<u>\$ 347</u>	<u>\$ 27,571</u>	<u>\$ 25,628</u>	<u>\$ 28,547</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	1,721	33,930	347	27,571	25,628	28,547
Total cash and investment fund balance - ending	<u>\$ 1,721</u>	<u>\$ 33,930</u>	<u>\$ 347</u>	<u>\$ 27,571</u>	<u>\$ 25,628</u>	<u>\$ 28,547</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, 2009
 (Continued)

	Park and Recreation Title III	Police/Child Victim	Rehabilitation	Wheel Tax Fund	UDAG	Aviation Grant Fund
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	11,782	-	-	124,248	-	1,085,612
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	4,794	-	1,681	-
Total receipts	11,782	-	4,794	124,248	1,681	1,085,612
Disbursements:						
General government	-	-	-	92,036	19,851	-
Public safety	-	-	1,812	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	115,475
Culture and recreation	12,295	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	291,558	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	1,101,021
Culture and recreation	-	-	-	-	-	-
Total disbursements	12,295	-	1,812	92,036	311,409	1,216,496
Excess (deficiency) of receipts over disbursements	(513)	-	2,982	32,212	(309,728)	(130,884)
Other financing sources (uses):						
Net proceeds from borrowings	-	-	-	-	-	-
Transfers in	-	-	-	-	-	28,492
Transfers out	(5,827)	-	-	-	-	(15,525)
Other receipts	-	-	-	-	-	-
Total other financing sources (uses)	(5,827)	-	-	-	-	12,967
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,340)	-	2,982	32,212	(309,728)	(117,917)
Cash and investment fund balance - beginning	4,758	1,820	311,152	165,529	468,359	153,462
Cash and investment fund balance - ending	<u>\$ (1,582)</u>	<u>\$ 1,820</u>	<u>\$ 314,134</u>	<u>\$ 197,741</u>	<u>\$ 158,631</u>	<u>\$ 35,545</u>
<u>Cash and Investment Assets - Ending</u>						
Cash and investments	\$ (1,582)	\$ 1,820	\$ 314,134	\$ 197,741	\$ 158,631	\$ 35,545
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (1,582)</u>	<u>\$ 1,820</u>	<u>\$ 314,134</u>	<u>\$ 197,741</u>	<u>\$ 158,631</u>	<u>\$ 35,545</u>
<u>Cash and Investment Fund Balance - Ending</u>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Unrestricted	(1,582)	1,820	314,134	197,741	158,631	35,545
Total cash and investment fund balance - ending	<u>\$ (1,582)</u>	<u>\$ 1,820</u>	<u>\$ 314,134</u>	<u>\$ 197,741</u>	<u>\$ 158,631</u>	<u>\$ 35,545</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, 2009
 (Continued)

	Golf Course Improvement Fund	Commerce Park Operating	Sugar Creek Nature Park	Jag Police Grant	Commerce Park Bond and Interest Fund	Kroger Pace Dairy Bond and Interest
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 184,330	\$ 220,747
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	18,393	1,892	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Other	4,675	9,803	16,670	-	-	-
Total receipts	4,675	9,803	16,670	18,393	186,222	220,747
Disbursements:						
General government	-	-	95	18,393	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	10,335	-	-	300	-
Culture and recreation	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	155,000	-
Interest	-	-	-	-	210,998	-
Capital outlay:						
General government	-	-	5,221	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total disbursements	-	10,335	5,316	18,393	366,298	-
Excess (deficiency) of receipts over disbursements	4,675	(532)	11,354	-	(180,076)	220,747
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	4,675	(532)	11,354	-	(180,076)	220,747
Cash and investment fund balance - beginning	6,504	10,099	-	-	425,300	83,708
Cash and investment fund balance - ending	\$ 11,179	\$ 9,567	\$ 11,354	\$ -	\$ 245,224	\$ 304,455
Cash and Investment Assets - Ending						
Cash and investments	\$ 11,179	\$ 9,567	\$ 11,354	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	245,224	304,455
Total cash and investment assets - ending	\$ 11,179	\$ 9,567	\$ 11,354	\$ -	\$ 245,224	\$ 304,455
Cash and Investment Fund Balance - Ending						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	245,224	304,455
Capital outlay	-	-	-	-	-	-
Unrestricted	11,179	9,567	11,354	-	-	-
Total cash and investment fund balance - ending	\$ 11,179	\$ 9,567	\$ 11,354	\$ -	\$ 245,224	\$ 304,455

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, 2009
 (Continued)

	Crawfordsville Square Debt Reserve	Police Building Debt	Cumulative Capital Improvement Cigarette Tax	Cumulative Capital Development	Park Nonreverting Capital
Receipts:					
Taxes	\$ -	\$ 96,846	\$ -	\$ 177,970	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	6,705	46,740	12,270	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Interfund loans	-	30,000	-	-	-
Other	-	84	-	-	-
Total receipts	-	133,635	46,740	190,240	-
Disbursements:					
General government	-	-	-	194,585	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	-	32,480	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	6,000	-	-	-
Debt service:					
Principal	-	105,000	-	-	-
Interest	-	5,513	-	-	-
Capital outlay:					
General government	-	-	-	3,414	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	-	22,280	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	-	116,513	54,760	197,999	-
Excess (deficiency) of receipts over disbursements	-	17,122	(8,020)	(7,759)	-
Other financing sources (uses):					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(330,245)	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	(330,245)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(330,245)	17,122	(8,020)	(7,759)	-
Cash and investment fund balance - beginning	330,245	5,718	478,555	1,290,445	5,338
Cash and investment fund balance - ending	\$ -	\$ 22,840	\$ 470,535	\$ 1,282,686	\$ 5,338
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 22,840	\$ 470,535	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	1,282,686	5,338
Total cash and investment assets - ending	\$ -	\$ 22,840	\$ 470,535	\$ 1,282,686	\$ 5,338
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-
Capital outlay	-	-	-	1,282,686	5,338
Unrestricted	-	22,840	470,535	-	-
Total cash and investment fund balance - ending	\$ -	\$ 22,840	\$ 470,535	\$ 1,282,686	\$ 5,338

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, 2009
 (Continued)

	Crawfordsville Square Development TIF	Police Equipment (Not Debt Service)	Fire Equipment (Not Debt Service)	Commerce Park TIF Proceeds	Cumulative Building
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Interfund loans	-	-	-	-	-
Other	2	17,525	2,000	367	-
Total receipts	2	17,525	2,000	367	-
Disbursements:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	1,910	2,000	40,078	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	11,123	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	-	13,033	2,000	40,078	-
Excess (deficiency) of receipts over disbursements	2	4,492	-	(39,711)	-
Other financing sources (uses):					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(2,415)	-	-	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	(2,415)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,413)	4,492	-	(39,711)	-
Cash and investment fund balance - beginning	2,413	6,451	16,028	99,525	150
Cash and investment fund balance - ending	\$ -	\$ 10,943	\$ 16,028	\$ 59,814	\$ 150
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 10,943	\$ 16,028	\$ -	\$ -
Restricted assets:					
Cash and investments	-	-	-	59,814	150
Total cash and investment assets - ending	\$ -	\$ 10,943	\$ 16,028	\$ 59,814	\$ 150
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-
Capital outlay	-	-	-	59,814	150
Unrestricted	-	10,943	16,028	-	-
Total cash and investment fund balance - ending	\$ -	\$ 10,943	\$ 16,028	\$ 59,814	\$ 150

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, 2009
 (Continued)

	Cumulative Capital Improvement (Special Fire)	Crawfordsville Historic District- Capital Improvement	Aviation Project	Drainage Permits	Downtown Sidewalk and Streetscape
Receipts:					
Taxes	\$ 135,011	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	9,307	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Interfund loans	-	-	-	-	-
Other	-	16,287	53,033	-	-
Total receipts	144,318	16,287	53,033	-	-
Disbursements:					
General government	-	6,973	33,670	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interfund loans	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	18,015	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total disbursements	-	6,973	51,685	-	-
Excess (deficiency) of receipts over disbursements	144,318	9,314	1,348	-	-
Other financing sources (uses):					
Net proceeds from borrowings	-	-	-	-	-
Transfers in	-	-	15,525	-	-
Transfers out	-	-	(28,492)	-	-
Other receipts	-	-	-	-	-
Total other financing sources (uses)	-	-	(12,967)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	144,318	9,314	(11,619)	-	-
Cash and investment fund balance - beginning	364,846	90,490	27,084	15	2,998
Cash and investment fund balance - ending	\$ 509,164	\$ 99,804	\$ 15,465	\$ 15	\$ 2,998
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 509,164	\$ -	\$ 15,465	\$ 15	\$ 2,998
Restricted assets:					
Cash and investments	-	99,804	-	-	-
Total cash and investment assets - ending	\$ 509,164	\$ 99,804	\$ 15,465	\$ 15	\$ 2,998
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-
Capital outlay	-	99,804	-	-	-
Unrestricted	509,164	-	15,465	15	2,998
Total cash and investment fund balance - ending	\$ 509,164	\$ 99,804	\$ 15,465	\$ 15	\$ 2,998

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, 2009
 (Continued)

	Sidewalk Maintenance/ Improvement	Levy Excess	Yard Waste Fees	Aviation Construction	Totals
Receipts:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,529,174
Special assessments	-	-	-	-	1,632
Licenses and permits	-	-	-	-	1,050
Intergovernmental	-	-	-	-	2,325,059
Charges for services	-	-	-	-	732,470
Fines and forfeits	-	-	-	-	11,576
Interfund loans	-	-	-	-	30,000
Other	5,137	-	-	18,700	254,207
Total receipts	5,137	-	-	18,700	5,885,168
Disbursements:					
General government	-	203,272	-	-	762,917
Public safety	-	-	-	-	144,754
Highways and streets	-	-	-	-	1,159,140
Economic development	-	-	-	12,598	215,176
Culture and recreation	-	-	-	-	1,493,930
Interfund loans	-	-	-	-	6,000
Debt service:					
Principal	-	-	-	-	260,000
Interest	-	-	-	-	216,511
Capital outlay:					
General government	-	-	-	-	361,032
Public safety	-	-	-	-	30,366
Highways and streets	-	-	-	-	345,227
Economic development	-	-	-	464,967	1,599,391
Culture and recreation	-	-	-	-	95,413
Total disbursements	-	203,272	-	477,565	6,689,857
Excess (deficiency) of receipts over disbursements	5,137	(203,272)	-	(458,865)	(804,689)
Other financing sources (uses):					
Net proceeds from borrowings	-	-	-	463,372	463,372
Transfers in	-	-	-	-	230,885
Transfers out	-	-	-	-	(405,700)
Other receipts	-	-	-	-	59,331
Total other financing sources (uses)	-	-	-	463,372	347,888
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,137	(203,272)	-	4,507	(456,801)
Cash and investment fund balance - beginning	45,259	203,272	1,454	1,580	7,898,619
Cash and investment fund balance - ending	\$ 50,396	\$ -	\$ 1,454	\$ 6,087	\$ 7,441,818
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ 50,396	\$ -	\$ 1,454	\$ 6,087	\$ 5,119,804
Restricted assets:					
Cash and investments	-	-	-	-	2,322,014
Total cash and investment assets - ending	\$ 50,396	\$ -	\$ 1,454	\$ 6,087	\$ 7,441,818
<u>Cash and Investment Fund Balance - Ending</u>					
Restricted for:					
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ 324,543
Debt service	-	-	-	-	549,679
Capital outlay	-	-	-	-	1,447,792
Unrestricted	50,396	-	1,454	6,087	5,119,804
Total cash and investment fund balance - ending	\$ 50,396	\$ -	\$ 1,454	\$ 6,087	\$ 7,441,818

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2009

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Totals</u>
Additions:			
Contributions:			
State	<u>\$ 501,687</u>	<u>\$ 478,867</u>	<u>\$ 980,554</u>
Investment receipts:			
Interest	<u>2,340</u>	<u>3,742</u>	<u>6,082</u>
Total additions	<u>504,027</u>	<u>482,609</u>	<u>986,636</u>
Deductions:			
Benefits	477,206	462,053	939,259
Administrative and general	<u>2,253</u>	<u>1,995</u>	<u>4,248</u>
Total deductions	<u>479,459</u>	<u>464,048</u>	<u>943,507</u>
Excess (deficiency) of total additions over total deductions	24,568	18,561	43,129
Cash and investment fund balance - beginning	<u>349,714</u>	<u>518,760</u>	<u>868,474</u>
Cash and investment fund balance - ending	<u><u>\$ 374,282</u></u>	<u><u>\$ 537,321</u></u>	<u><u>\$ 911,603</u></u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2009

	Payroll Fund	CELP Electric Inspection Fees	Totals
Additions:			
Agency fund additions	\$ 10,927,967	\$ 450	\$ 10,928,417
Deductions:			
Agency fund deductions	10,950,369	400	10,950,769
Excess (deficiency) of total additions over total deductions	(22,402)	50	(22,352)
Cash and investment fund balance - beginning	193,842	-	193,842
Cash and investment fund balance - ending	\$ 171,440	\$ 50	\$ 171,490

CITY OF CRAWFORDSVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended December 31, 2009

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 backtrending (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	\$ 3,547,283		
Infrastructure	63,740,950		
Buildings	8,702,073		
Improvements other than buildings	599,474		
Machinery and equipment	7,888,407		
Construction in progress	<u>1,717,624</u>		
Total governmental activities, capital assets not being depreciated	<u>\$ 86,195,811</u>		
Business-type activities:			
Wastewater Utility:			
Capital assets, not being depreciated:			
Land	106,819		
Collection systems	5,976,683		
Buildings	13,839,797		
Machinery and equipment	1,407,736		
Bond issuance cost	<u>36,290</u>		
Total Wastewater Utility capital assets	<u>21,367,325</u>		
Electric Utility:			
Capital assets, not being depreciated:			
	<u>Electric Utility</u>	<u>Telecom Division</u>	<u>Combined</u>
Land	\$ 678,847	\$ -	\$ 678,847
Infrastructure and buildings	34,301,503	14,733,352	49,034,855
Intangible	183,714	-	183,714
Other	2,042,161	2,308,239	4,350,400
Machinery and equipment	<u>14,623,762</u>	<u>74,487</u>	<u>14,698,249</u>
Total Electric Utility capital assets	<u>51,829,987</u>	<u>17,116,078</u>	<u>68,946,065</u>
Total business-type activities capital assets	<u>\$ 90,313,390</u>		

CITY OF CRAWFORDSVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2009

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Golf Course (Textron Financial)	\$ 14,779	\$ 11,664
Golf Course John Deere Mower	16,854	7,409
Airport 2008 Ford Truck (Ford Motor Credit)	6,302	6,674
Notes and loans payable		
Golf Course Pole Barn (Main Source Bank)	21,018	8,422
Airport 2009 Terminal Mortgage	646,992	42,276
Bonds payable:		
Revenue bonds:		
Commerce Park TIF	<u>4,125,000</u>	<u>363,690</u>
Total governmental activities debt	<u>\$ 4,830,945</u>	<u>\$ 440,135</u>
Business-type activities:		
Wastewater Utility:		
Capital leases:		
Revenue bonds:		
\$2,000,000 Sewage Works Revenue Bond	\$ 2,905,864	\$ 374,270
State Revolving Loan (Chase)	<u>636,000</u>	<u>366,122</u>
Total Wastewater Utility	<u>3,541,864</u>	<u>740,392</u>
Electric Utility:		
Capital leases:		
Accelplus	<u>16,660,000</u>	<u>-</u>
Total business-type activities debt	<u>\$ 20,201,864</u>	<u>\$ 740,392</u>

CITY OF CRAWFORDSVILLE
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual City office listed below:

Crawfordsville Electric Light and Power

CITY OF CRAWFORDSVILLE
AUDIT RESULTS AND COMMENTS

ERRORS ON CLAIMS

Three claims were not adequately itemized. The credit card statements did not include all of the detailed receipts from purchases made.

IC 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services."

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

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 2009.

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." Four of the sixty five activities listed in the non-reverting fund were allowed to spend more than had been received and had negative balances at December 31, 2009.

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 non-reverting 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)

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient:

CITY OF CRAWFORDSVILLE
AUDIT RESULTS AND COMMENTS
(Continued)

During a routine interview with a golf course employee, it was stated that it is common for more than one employee to use the same cash drawer, especially when they are busy.

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)

CONTRACTS

The Park and Recreation Department has a verbal agreement with Tom Emerson to run the concession stand at Elston Park. Mr. Emerson is responsible for purchasing all merchandise for sale and receives all of the profits. In exchange Mr. Emerson will remodel the concession stand and do other small projects. There is no written contract to support this arrangement.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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, (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.
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. Additionally, the city has no process to identify or communicate corrective actions to improve controls.

CITY OF CRAWFORDSVILLE
AUDIT RESULTS AND COMMENTS
(Continued)

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)

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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, 2009. 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, 2009.

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.

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)

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.

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

August 5, 2010

CITY OF CRAWFORDSVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009

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 CDBG - State Administered Small Cities Program Cluster State Administered CDBG Program	14.228	DR1A-09-010	\$ 22,098
<u>U.S. DEPARTMENT OF JUSTICE - BUREAU OF JUSTICE ASSISTANCE</u>			
Direct Grant ARRA - Justice Assistance Grant	16.804	2009-SB-B9-0830	18,392
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	OP-09-01-01-68 OP-10-02-01-57	3,319 464
Total for program			3,783
Pass-Through Montgomery County, Indiana Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	K4-2009-08-01-14 K4-2010-08-01-15 K8-2009-03-03-22 K8-2010-03-03-22	7,243 1,471 2,350 269
Total for program			11,333
Total for cluster			15,116
Direct Grant Airport Improvement Grant	20.106	03-18-0015-06 03-18-0015-07 03-18-0015-08	54,412 16,118 1,012,216
Total for program			1,082,746
Total for federal grantor agency			1,097,862
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Area IV Agency on Aging Aging Cluster Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	FY 08-09 FY 09-10	5,621 6,160
Total for program			11,781
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Montgomery County, Indiana Emergency Management Performance Grants	97.042	EDS# C44P-9-662A	10,986
Pass-Through Indiana Department of Homeland Security State Homeland Security Program	97.073	EDS# C44P-7-339	9,621
Total for federal grantor agency			20,607
Total federal awards expended			\$ 1,170,740

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 cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

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, 2009:

Program Title	Federal CFDA Number	2009
ARRA – Justice Assistance Program	16.804	\$ <u>7,357</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? no

Section II – Financial Statement Findings

FINDING 2009-1, 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, (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.

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. Additionally, the city has no process to identify or communicate corrective actions to improve controls.

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)

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

clerktreasurer@accelplus.net

Terri J. Gadd, IAMC

Clerk Treasurer

City Building

(765) 364-5150

Corrective Action Plan

Date: June 7, 2010

Contact Person: Terri Gadd, Clerk Treasurer ^{3/8}

Federal Finding 2010-1 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 have been 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 is no longer responsible for daily receipting of funds from city departments.

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

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

Cash Investments: The Clerk Treasurer reviews and verifies all bank statements monthly before the accounts payable clerk reconciles accounts. The Clerk Treasurer monitors 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 has engaged the staff within her office to verify account balances and investments, review and verify fund balances and proof annual report before public publication and reporting to SBA. The Clerk Treasurer will continue participating in educational training provided by the Indiana League of Municipal Clerk Treasurers 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 with assistance from the City Attorney has organized a risk fraud committee – members include – council members, department appointees, a representative from the Mayors office, and city attorney and city insurance agent of record.

In addition the Clerk Treasurer is providing to the council monthly more financial reports - appropriation reports summarizing expenses, fund reports summarizing beginning and ending cash and a revenue-received report summarizing MTD and YTD receipts.

CITY OF CRAWFORDSVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 5, 2010, with Terry Kendricks, Golf Course Manager; Thomas W. Mitchell, Superintendent of Wastewater Utility; Roger Neal, Park Department Supervisor; Cindy Allen, Park Department Bookkeeper; Terri Gadd, Clerk-Treasurer; Charles E. Coons, Mayor; and Nellie R. Thompson, President of the Common Council. The officials concurred with our audit findings.