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

EXAMINATION REPORT  
OF  
TOWN OF BROOKVILLE  
FRANKLIN COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
12/06/2010



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4-5
Notes to Financial Information .....	6-7
Supplementary Information:	
Schedule of Capital Assets.....	8
Schedule of Long-Term Debt .....	9
Exit Conference.....	10

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Linda Dunn	01-01-08 to 12-31-11
President of the Town Council	Michael Biltz	01-01-08 to 12-31-10
Superintendent of Utilities	Kurt Reidman	01-01-08 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF BROOKVILLE, FRANKLIN COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Brookville (Town), for the period of January 1, 2008 to December 31, 2009. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

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

STATE BOARD OF ACCOUNTS

September 23, 2010

TOWN OF BROOKVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 189,892	\$ 1,343,547	\$ 1,147,631	\$ 385,808
Motor Vehicle Highway	105,734	72,805	114,622	63,917
Local Road and Street	6,942	15,287	20,657	1,572
Parking Meter	33,097	15,337	43,781	4,653
Law Enforcement Continuing Education	4,120	9,522	4,200	9,442
Riverboat	112,626	76,498	154,861	34,263
Rainy Day	29,180	80,022	-	109,202
Police Donation	5,289	4,145	2,658	6,776
Trash	120,500	227,215	228,733	118,982
Cumulative Capital Improvement	26,369	8,624	24,240	10,753
Cumulative Capital Development	269,193	53,860	-	323,053
Economic Development Income Tax	85,247	137,569	66,873	155,943
Building - Restricted	146,532	131,192	277,724	-
Grandstand Donation	6,135	2,500	138	8,497
JAG Grant	383	-	383	-
Lawrenceburg Grant (Maple Grove)	-	295,860	295,860	-
Park Grant (Fox)	-	220	-	220
Park Restroom Grant	-	11,373	2,007	9,366
Park Grant	-	500	500	-
CDBG Planning Grant	-	50,000	50,000	-
Playground Equipment Grant	5,970	-	5,970	-
Feasibility Study of Historic Preservation Grant	2,000	-	2,000	-
Dugouts Grant	10,000	-	2,603	7,397
Levy Excess	22,708	-	22,708	-
Proprietary Funds:				
Water Utility - Operating	446,700	370,681	260,588	556,793
Water Utility - Depreciation	15,520	12,000	22,000	5,520
Water Utility - Customer Deposit	22,260	9,815	8,485	23,590
Wastewater Utility - Operating	134,604	710,519	576,867	268,256
Wastewater Utility - Bond and Interest	149,303	68,236	78,998	138,541
Wastewater Utility - Depreciation	363,519	39,666	2,791	400,394
Stormwater Utility	-	14,143	-	14,143
Fiduciary Fund:				
Payroll	-	879,392	879,392	-
Totals	<u>\$ 2,313,823</u>	<u>\$ 4,640,528</u>	<u>\$ 4,297,270</u>	<u>\$ 2,657,081</u>

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

TOWN OF BROOKVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009  
(Continued)

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 385,808	\$ 1,165,878	\$ 1,181,697	\$ 369,989
Motor Vehicle Highway	63,917	70,973	70,398	64,492
Local Road and Street	1,572	11,015	9,099	3,488
Parking Meter	4,653	20,282	11,075	13,860
Law Enforcement Continuing Education	9,442	2,122	2,864	8,700
Riverboat	34,263	81,610	53,766	62,107
Rainy Day	109,202	28,314	-	137,516
Police Donation	6,776	3,605	4,955	5,426
Police Reimbursement	-	750	-	750
Trash	118,982	132,644	131,208	120,418
Cumulative Capital Improvement	10,753	8,132	11,790	7,095
Cumulative Capital Development	323,053	49,629	293,436	79,246
Economic Development Income Tax	155,943	145,486	156,894	144,535
Grandstand Donation	8,497	-	325	8,172
Park Grant (Fox)	220	200	220	200
Park Restroom Grant	9,366	-	9,366	-
Cemetery Restoration Grant	-	1,000	-	1,000
Dugouts Grant	7,397	-	7,397	-
Proprietary Funds:				
Water Utility - Operating	556,793	358,380	314,160	601,013
Water Utility - Depreciation	5,520	12,000	1,389	16,131
Water Utility - Customer Deposit	23,590	13,920	8,925	28,585
Wastewater Utility - Operating	268,256	712,006	639,857	340,405
Wastewater Utility - Bond and Interest	138,541	68,224	79,064	127,701
Wastewater Utility - Depreciation	400,394	35,336	9,588	426,142
Stormwater Utility	14,143	14,057	-	28,200
Fiduciary Fund:				
Payroll	-	944,286	944,286	-
Totals	<u>\$ 2,657,081</u>	<u>\$ 3,879,849</u>	<u>\$ 3,941,759</u>	<u>\$ 2,595,171</u>

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

TOWN OF BROOKVILLE  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, capital improvement, economic development, culture and recreation, water, wastewater, and stormwater utilities, and general administrative services.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF BROOKVILLE  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

TOWN OF BROOKVILLE  
 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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 226,029
Infrastructure	1,361,201
Buildings	1,566,187
Improvements other than buildings	188,212
Machinery and equipment	<u>1,113,569</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 4,455,198</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Utility Plant in service	\$ <u>874,595</u>
 Total Water Utility capital assets	 <u>874,595</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	6,614
Utility Plant in service	<u>5,013,345</u>
 Total Wastewater Utility capital assets	 <u>5,019,959</u>
 Total business-type activities capital assets	 <u>\$ 5,894,554</u>

TOWN OF BROOKVILLE  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2009

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Revenue bonds	\$ <u>943,900</u>	\$ <u>79,064</u>

TOWN OF BROOKVILLE  
EXIT CONFERENCE

The contents of this report were discussed on September 23, 2010, with Linda Dunn, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.