

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

EXAMINATION REPORT  
OF  
TOWN OF CAMPBELLSBURG  
WASHINGTON COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
02/09/2011



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Anita Collins	01-01-07 to 12-31-14
President of the Town Council	David L. Brown	01-01-08 to 12-31-08
	Tim Chastain	01-01-09 to 12-31-09
	Donnie Williams	01-01-10 to 12-31-11
Superintendent of Utilities	Christopher Boulet	01-01-08 to 12-31-11



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF CAMPBELLSBURG, WASHINGTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Campbellsburg (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 Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

January 12, 2011

TOWN OF CAMPBELLSBURG  
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	\$ 18,200	\$ 72,623	\$ 81,501	\$ 9,322
Motor Vehicle Highway	9,163	15,616	12,402	12,377
Local Road and Street	2,990	3,168	2,838	3,320
Park and Recreation	2,185	14,581	13,080	3,686
Law Enforcement Continuing Education	497	249	14	732
Riverboat	4,726	3,626	-	8,352
Rainy Day	7,116	6,691	7,271	6,536
Cumulative Capital Improvement	10,064	2,026	1,039	11,051
Economic Development Income Tax (EDIT)	9,397	7,841	-	17,238
Park Nonreverting Capital	5,733	3,094	-	8,827
Proprietary Funds:				
Water Utility - Operating	29,941	343,034	170,007	202,968
Water Utility - Bond and Interest	2,254	-	-	2,254
Water Utility - Depreciation	5,498	17	-	5,515
Water Utility - Customer Deposit	11,202	3,390	2,831	11,761
Wastewater Utility - Operating	42,947	117,919	116,961	43,905
Wastewater Utility - Bond and Interest	252	31,585	29,496	2,341
Wastewater Utility - Debt Service Reserve	200	2,900	-	3,100
Fiduciary Fund:				
Payroll	2,671	114,151	114,771	2,051
Totals	<u>\$ 165,036</u>	<u>\$ 742,511</u>	<u>\$ 552,211</u>	<u>\$ 355,336</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 9,322	\$ 125,870	\$ 111,659	\$ 23,533
Motor Vehicle Highway	12,377	15,305	15,936	11,746
Local Road and Street	3,320	2,970	4,107	2,183
Park and Recreation	3,686	15,949	13,707	5,928
Law Enforcement Continuing Education	732	150	200	682
Riverboat	8,352	3,617	7,242	4,727
Rainy Day	6,536	-	3,500	3,036
Cumulative Capital Improvement	11,051	1,805	35	12,821
Economic Development Income Tax (EDIT)	17,238	7,807	9,000	16,045
Park Nonreverting Capital	8,827	2,000	3,075	7,752
Proprietary Funds:				
Water Utility - Operating	202,968	214,587	189,219	228,336
Water Utility - Bond and Interest	2,254	-	-	2,254
Water Utility - Depreciation	5,515	-	-	5,515
Water Utility - Customer Deposit	11,761	4,401	2,270	13,892
Wastewater Utility - Operating	43,905	110,426	126,178	28,153
Wastewater Utility - Bond and Interest	2,341	28,091	28,091	2,341
Wastewater Utility - Debt Service Reserve	3,100	-	-	3,100
Fiduciary Fund:				
Payroll	2,051	116,852	116,598	2,305
Totals	<u>\$ 355,336</u>	<u>\$ 649,830</u>	<u>\$ 630,817</u>	<u>\$ 374,349</u>

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

TOWN OF CAMPBELLSBURG  
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, culture and recreation, public improvements, general administrative services, water and wastewater.

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 CAMPBELLSBURG  
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 CAMPBELLSBURG  
 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:		
2001 Wastewater revenue bonds	\$ 30,000	\$ 31,186

TOWN OF CAMPBELLSBURG  
EXAMINATION RESULT AND COMMENT

HYDRANT RENTAL PAYABLE

In prior years, the Town failed to pay hydrant rental to the Water Utility in approved amounts. As noted in the prior examination report, the Town owed the Water Utility hydrant rental of \$82,405.20 as of December 31, 2007.

During the current examination period, the Town paid the required annual hydrant rental of \$12,172.46 to the Water Utility. Additionally, during the years 2008 and 2009, the Town paid the Water Utility a total of \$5,655.08 towards the previously owed amount. Therefore, as of December 31, 2009, the Town still owes the Water Utility \$76,750.12.

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)

TOWN OF CAMPBELLSBURG  
EXIT CONFERENCE

The contents of this report were discussed on January 12, 2011, with Donnie Williams, President of the Town Council, and Anita Collins, Clerk-Treasurer. The officials concurred with our finding.