

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

EXAMINATION REPORT
OF
TOWN OF NEW PEKIN
WASHINGTON COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
08/11/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sherry L. Clem	01-01-07 to 12-31-14
President of the Town Council	Michael Bowling Gerald Fleming Frank Anderson	01-01-09 to 12-31-09 01-01-10 to 12-31-10 01-01-11 to 12-31-11
Superintendent of Utilities	Timothy A. Smith	01-01-09 to 12-31-11
Town Manager	Gary Nale	01-01-09 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF NEW PEKIN, WASHINGTON COUNTY, INDIANA

We have examined the financial statement(s) of the Town of New Pekin (Town), for the period of January 1, 2009 to December 31, 2010. The Town's management is responsible for the financial statement(s). 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 statement(s) and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in a prior year.

In our opinion, the financial statement(s) referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statement(s). They have not been subjected to the examination procedures applied to the financial statement(s) and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management and the Town Council, 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

July 11, 2011

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FINANCIAL STATEMENT(S)

TOWN OF NEW PEKIN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General	\$ 261,156	\$ 263,067	\$ 190,726	\$ 333,497
Petty Cash	100	-	-	100
Cash Change	100	-	-	100
Motor Vehicle Highway	96,776	35,308	29,308	102,776
Local Road And Street	19,502	5,257	11,362	13,397
Park And Recreation	15,492	5,522	7,509	13,505
Law Enforcement Continuing Education	998	905	233	1,670
Riverboat	33,668	8,349	-	42,017
Rainy Day	29,592	42,864	12,864	59,592
Economic Development Income Tax	57,866	14,116	18,440	53,542
Trailer Ordinance	525	-	-	525
Revolving Loans	60,508	17,069	-	77,577
Cumulative Capital Improvement	21,328	4,091	-	25,419
Ordinance Violations Bureau	800	-	-	800
Payroll	2,894	313,254	307,641	8,507
Wastewater Utility - Operating	75,799	183,495	207,001	52,293
Wastewater Utility - Bond And Interest	58,363	26,400	24,860	59,903
Wastewater Utility - Depreciation	21,340	3,979	-	25,319
Wastewater Utility - Debt Service Reserve	94,686	4,813	-	99,499
Water Utility - Operating	61,207	414,341	418,249	57,299
Water Utility - Bond And Interest	3,232	43,351	43,004	3,579
Water Utility - Depreciation	245,506	45,087	40,728	249,865
Water Utility - Customer Deposit	38,658	6,675	5,342	39,991
Water Utility - Debt Service Reserve	54,138	1,132	4,364	50,906
Totals	<u>\$ 1,254,234</u>	<u>\$ 1,439,075</u>	<u>\$ 1,321,631</u>	<u>\$ 1,371,678</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF NEW PEKIN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 333,497	\$ 188,358	\$ 193,037	\$ 328,818
Petty Cash	100	-	-	100
Cash Change	100	-	-	100
Motor Vehicle Highway	102,776	34,585	50,813	86,548
Local Road And Street	13,397	5,392	7,823	10,966
Park And Recreation	13,505	5,503	2,961	16,047
Law Enforcement Continuing Education	1,670	550	1,682	538
Riverboat	42,017	8,348	-	50,365
Playground Donations	-	2,900	-	2,900
Rainy Day	59,592	25,895	12,397	73,090
Economic Development Income Tax	53,542	15,115	13,736	54,921
General - Levy Excess	-	20,350	-	20,350
Local Grant	-	5,000	5,000	-
Trailer Ordinance	525	-	-	525
Reolving Loans	77,577	7,611	57,000	28,188
Cumulative Capital Improvement	25,419	3,906	14,980	14,345
Ordinance Violations Bureau	800	-	-	800
Payroll	8,507	333,072	332,453	9,126
Wastewater Utility - Operating	52,293	186,133	155,997	82,429
Wastewater Utility - Bond And Interest	59,903	-	24,380	35,523
Wastewater Utility - Depreciation	25,319	3,930	-	29,249
Wastewater Utility - Debt Service Reserve	99,499	4,120	-	103,619
Water Utility - Operating	57,299	423,258	415,098	65,459
Water Utility - Bond And Interest	3,579	39,330	42,034	875
Water Utility - Depreciation	249,865	62,648	36,068	276,445
Water Utility - Customer Deposit	39,991	8,148	7,116	41,023
Water Utility - Debt Service Reserve	50,906	955	1,361	50,500
Totals	<u>\$ 1,371,678</u>	<u>\$ 1,385,107</u>	<u>\$ 1,373,936</u>	<u>\$ 1,382,849</u>

The notes to the financial statement(s) are an integral part of this statement.

TOWN OF NEW PEKIN
NOTES TO FINANCIAL STATEMENT(S)

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of 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, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement(s) present(s) the financial information for the Town (primary government), and does not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), 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 regulatory 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.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF NEW PEKIN
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

TOWN OF NEW PEKIN
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Town may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Town. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Town. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Town submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

TOWN OF NEW PEKIN
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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.

Note 5. Risk Management

The Town may be 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.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 percent 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

TOWN OF NEW PEKIN
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Funding Policy and Annual Pension Cost

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

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Report(s) can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009

	General	Petty Cash	Cash Change	Motor Vehicle Highway	Local Road And Street	Park And Recreation	Law Enforcement Continuing Education
Cash and investments - beginning	\$ 261,156	\$ 100	\$ 100	\$ 96,776	\$ 19,502	\$ 15,492	\$ 998
Receipts:							
Taxes	193,241	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	850
Intergovernmental	60,115	-	-	34,982	5,257	-	-
Charges for services	4,282	-	-	-	-	5,522	55
Fines and forfeits	1,285	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	4,144	-	-	326	-	-	-
Total receipts	<u>263,067</u>	<u>-</u>	<u>-</u>	<u>35,308</u>	<u>5,257</u>	<u>5,522</u>	<u>905</u>
Disbursements:							
Personal services	69,430	-	-	23,628	-	-	-
Supplies	5,413	-	-	1,677	-	819	233
Other services and charges	72,100	-	-	-	11,362	6,690	-
Capital outlay	2,712	-	-	4,003	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	41,071	-	-	-	-	-	-
Total disbursements	<u>190,726</u>	<u>-</u>	<u>-</u>	<u>29,308</u>	<u>11,362</u>	<u>7,509</u>	<u>233</u>
Excess (deficiency) of receipts over disbursements	<u>72,341</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>(6,105)</u>	<u>(1,987)</u>	<u>672</u>
Cash and investments - ending	<u>\$ 333,497</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 102,776</u>	<u>\$ 13,397</u>	<u>\$ 13,505</u>	<u>\$ 1,670</u>

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Riverboat	Rainy Day	Economic Development Income Tax	Trailer Ordinance	Revolving Loans	Cumulative Capital Improvement
Cash and investments - beginning	\$ 33,668	\$ 29,592	\$ 57,866	\$ 525	\$ 60,508	\$ 21,328
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	8,349	12,864	14,116	-	-	4,091
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	30,000	-	-	17,069	-
Total receipts	<u>8,349</u>	<u>42,864</u>	<u>14,116</u>	<u>-</u>	<u>17,069</u>	<u>4,091</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	18,440	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	12,864	-	-	-	-
Total disbursements	<u>-</u>	<u>12,864</u>	<u>18,440</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>8,349</u>	<u>30,000</u>	<u>(4,324)</u>	<u>-</u>	<u>17,069</u>	<u>4,091</u>
Cash and investments - ending	<u>\$ 42,017</u>	<u>\$ 59,592</u>	<u>\$ 53,542</u>	<u>\$ 525</u>	<u>\$ 77,577</u>	<u>\$ 25,419</u>

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Ordinance Violations Bureau	Payroll	Wastewater Utility - Operating	Wastewater Utility - Bond And Interest	Wastewater Utility - Depreciation	Wastewater Utility - Debt Service Reserve
Cash and investments - beginning	\$ 800	\$ 2,894	\$ 75,799	\$ 58,363	\$ 21,340	\$ 94,686
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	170,700	-	-	-
Penalties	-	-	4,656	-	-	-
Other receipts	-	313,254	8,139	26,400	3,979	4,813
Total receipts	-	313,254	183,495	26,400	3,979	4,813
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	12,591	-	-	-
Utility operating expenses	-	-	158,334	-	-	-
Other disbursements	-	307,641	36,076	24,860	-	-
Total disbursements	-	307,641	207,001	24,860	-	-
Excess (deficiency) of receipts over disbursements	-	5,613	(23,506)	1,540	3,979	4,813
Cash and investments - ending	\$ 800	\$ 8,507	\$ 52,293	\$ 59,903	\$ 25,319	\$ 99,499

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Water Utility - Operating	Water Utility - Bond And Interest	Water Utility - Depreciation	Water Utility - Customer Deposit	Water Utility - Debt Service Reserve	Totals
Cash and investments - beginning	\$ 61,207	\$ 3,232	\$ 245,506	\$ 38,658	\$ 54,138	\$ 1,254,234
Receipts:						
Taxes	-	-	-	-	-	193,241
Licenses and permits	-	-	-	-	-	850
Intergovernmental	-	-	-	-	-	139,774
Charges for services	-	-	-	-	-	9,859
Fines and forfeits	-	-	-	-	-	1,285
Utility fees	370,988	-	-	-	-	541,688
Penalties	6,628	-	-	-	-	11,284
Other receipts	36,725	43,351	45,087	6,675	1,132	541,094
Total receipts	414,341	43,351	45,087	6,675	1,132	1,439,075
Disbursements:						
Personal services	-	-	-	-	-	93,058
Supplies	-	-	-	-	-	8,142
Other services and charges	-	-	-	-	-	90,152
Capital outlay	6,469	-	40,728	-	-	84,943
Utility operating expenses	297,684	-	-	5,342	-	461,360
Other disbursements	114,096	43,004	-	-	4,364	583,976
Total disbursements	418,249	43,004	40,728	5,342	4,364	1,321,631
Excess (deficiency) of receipts over disbursements	(3,908)	347	4,359	1,333	(3,232)	117,444
Cash and investments - ending	\$ 57,299	\$ 3,579	\$ 249,865	\$ 39,991	\$ 50,906	\$ 1,371,678

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Petty Cash	Cash Change	Motor Vehicle Highway	Local Road And Street	Park And Recreation
Cash and investments - beginning	\$ 333,497	\$ 100	\$ 100	\$ 102,776	\$ 13,397	\$ 13,505
Receipts:						
Taxes	121,508	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	57,123	-	-	34,585	5,392	-
Charges for services	5,143	-	-	-	-	5,503
Fines and forfeits	1,326	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	3,258	-	-	-	-	-
Total receipts	<u>188,358</u>	<u>-</u>	<u>-</u>	<u>34,585</u>	<u>5,392</u>	<u>5,503</u>
Disbursements:						
Personal services	73,514	-	-	24,996	-	-
Supplies	7,129	-	-	3,388	-	567
Other services and charges	67,465	-	-	-	7,823	2,394
Capital outlay	19,929	-	-	22,429	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	25,000	-	-	-	-	-
Total disbursements	<u>193,037</u>	<u>-</u>	<u>-</u>	<u>50,813</u>	<u>7,823</u>	<u>2,961</u>
Excess (deficiency) of receipts over disbursements	<u>(4,679)</u>	<u>-</u>	<u>-</u>	<u>(16,228)</u>	<u>(2,431)</u>	<u>2,542</u>
Cash and investments - ending	<u>\$ 328,818</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 86,548</u>	<u>\$ 10,966</u>	<u>\$ 16,047</u>

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Law Enforcement Continuing Education	Riverboat	Playground Donations	Rainy Day	Economic Development Income Tax	General - Levy Excess
Cash and investments - beginning	\$ 1,670	\$ 42,017	\$ -	\$ 59,592	\$ 53,542	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	510	-	-	-	-	-
Intergovernmental	-	8,348	-	894	15,115	-
Charges for services	40	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	2,900	25,001	-	20,350
Total receipts	550	8,348	2,900	25,895	15,115	20,350
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	1,682	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	12,397	13,736	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,682	-	-	12,397	13,736	-
Excess (deficiency) of receipts over disbursements	(1,132)	8,348	2,900	13,498	1,379	20,350
Cash and investments - ending	\$ 538	\$ 50,365	\$ 2,900	\$ 73,090	\$ 54,921	\$ 20,350

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Local Grant	Trailer Ordinance	Reolving Loans	Cumulative Capital Improvement	Ordinance Violations Bureau	Payroll
Cash and investments - beginning	\$ -	\$ 525	\$ 77,577	\$ 25,419	\$ 800	\$ 8,507
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	5,000	-	-	3,906	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	7,611	-	-	333,072
Total receipts	<u>5,000</u>	<u>-</u>	<u>7,611</u>	<u>3,906</u>	<u>-</u>	<u>333,072</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	14,980	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	5,000	-	57,000	-	-	332,453
Total disbursements	<u>5,000</u>	<u>-</u>	<u>57,000</u>	<u>14,980</u>	<u>-</u>	<u>332,453</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(49,389)</u>	<u>(11,074)</u>	<u>-</u>	<u>619</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 525</u>	<u>\$ 28,188</u>	<u>\$ 14,345</u>	<u>\$ 800</u>	<u>\$ 9,126</u>

TOWN OF NEW PEKIN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Wastewater Utility - Operating	Wastewater Utility - Bond And Interest	Wastewater Utility - Depreciation	Utility - Debt Service Reserve	Water Utility - Operating
Cash and investments - beginning	\$ 52,293	\$ 59,903	\$ 25,319	\$ 99,499	\$ 57,299
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	169,605	-	-	-	380,061
Penalties	4,487	-	-	-	7,809
Other receipts	12,041	-	3,930	4,120	35,388
Total receipts	<u>186,133</u>	<u>-</u>	<u>3,930</u>	<u>4,120</u>	<u>423,258</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	23,431	-	-	-	11,421
Utility operating expenses	123,052	-	-	-	307,491
Other disbursements	9,514	24,380	-	-	96,186
Total disbursements	<u>155,997</u>	<u>24,380</u>	<u>-</u>	<u>-</u>	<u>415,098</u>
Excess (deficiency) of receipts over disbursements	<u>30,136</u>	<u>(24,380)</u>	<u>3,930</u>	<u>4,120</u>	<u>8,160</u>
Cash and investments - ending	<u>\$ 82,429</u>	<u>\$ 35,523</u>	<u>\$ 29,249</u>	<u>\$ 103,619</u>	<u>\$ 65,459</u>

TOWN OF NEW PEKIN
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2010
(Continued)

	Water Utility - Bond And Interest	Water Utility - Depreciation	Water Utility - Customer Deposit	Water Utility - Debt Service Reserve	Totals
Cash and investments - beginning	\$ 3,579	\$ 249,865	\$ 39,991	\$ 50,906	\$ 1,371,678
Receipts:					
Taxes	-	-	-	-	121,508
Licenses and permits	-	-	-	-	510
Intergovernmental	-	-	-	-	130,363
Charges for services	-	-	-	-	10,686
Fines and forfeits	-	-	-	-	1,326
Utility fees	-	-	-	-	549,666
Penalties	-	-	-	-	12,296
Other receipts	39,330	62,648	8,148	955	558,752
Total receipts	<u>39,330</u>	<u>62,648</u>	<u>8,148</u>	<u>955</u>	<u>1,385,107</u>
Disbursements:					
Personal services	-	-	-	-	98,510
Supplies	-	-	-	-	12,766
Other services and charges	-	-	-	-	77,682
Capital outlay	-	-	-	-	118,323
Utility operating expenses	-	-	7,116	-	437,659
Other disbursements	42,034	36,068	-	1,361	628,996
Total disbursements	<u>42,034</u>	<u>36,068</u>	<u>7,116</u>	<u>1,361</u>	<u>1,373,936</u>
Excess (deficiency) of receipts over disbursements	<u>(2,704)</u>	<u>26,580</u>	<u>1,032</u>	<u>(406)</u>	<u>11,171</u>
Cash and investments - ending	<u>\$ 875</u>	<u>\$ 276,445</u>	<u>\$ 41,023</u>	<u>\$ 50,500</u>	<u>\$ 1,382,849</u>

TOWN OF NEW PEKIN
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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	\$ 1,500
Buildings	164,663
Improvements other than buildings	56,773
Machinery and equipment	<u>151,119</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 374,055</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 39,000
Buildings	452,929
Improvements other than buildings	2,170,723
Machinery and equipment	<u>80,014</u>
Total Water Utility capital assets	<u>2,742,666</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	93,429
Buildings	31,436
Improvements other than buildings	1,683,919
Machinery and equipment	<u>461,081</u>
Total Wastewater Utility capital assets	<u>2,269,865</u>
Total business-type activities capital assets	<u>\$ 5,012,531</u>

TOWN OF NEW PEKIN
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Water Utility:		
Revenue bonds:		
2007 Wateworks refunding revenue bonds	\$ 445,000	\$ 50,956
Wastewater Utility:		
Revenue bonds:		
1989 Sewage works expansion revenue bonds		
Series A	95,000	8,700
Series B	170,000	15,200
Total wastewater utility	265,000	23,900
Total business-type activities debt	\$ 710,000	\$ 74,856

TOWN OF NEW PEKIN
EXIT CONFERENCE

The contents of this report were discussed on July 11, 2011, with Sherry L. Clem, Clerk-Treasurer, and Gary Nale, Town Manager. Our examination disclosed no material items that warrant comment at this time.