

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF OWENSVILLE

GIBSON COUNTY, INDIANA

January 1, 2009 to December 31, 2010



FILED
10/25/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Kristy York	01-01-04 to 12-31-11
President of the Town Council	Dale Henry	01-01-09 to 12-31-11
Superintendent of Utilities	Dean Short	01-01-09 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 OWENSVILLE, GIBSON COUNTY, INDIANA

We have examined the financial statements of the Town of Owensville (Town), for the period of January 1, 2009 to December 31, 2010. The Town's management is responsible for the financial statements. 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 statements 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 the prior year.

In our opinion, the financial statements 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 Schedules 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 statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

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

September 15, 2011

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Town. The financial statements and notes are presented as intended by the Town.

TOWN OF OWENSVILLE
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	\$ 223,390	\$ 183,755	\$ 242,989	\$ 164,156
Motor Vehicle Highway	249,285	145,044	193,720	200,609
Local Road And Street	38,464	4,991	10,678	32,777
Law Enforcement Continuing Education	3,645	702	1,035	3,312
Riverboat	35,808	16,723	4,958	47,573
Parks And Recreation	81,338	109,630	86,319	104,649
Rainy Day	95,156	29,906	-	125,062
Cumulative Capital Improvement	37,969	4,290	230	42,029
Cumulative Capital Development	62,014	4,804	4,183	62,635
Cedit Capital Projects	287,613	71,526	86,254	272,885
Water/Sewer Change Cash	50	-	-	50
Payroll	128	403,193	403,058	263
Levy Excess	27,010	959	13,982	13,987
Wastewater Utility-Operating	87,162	301,906	312,369	76,699
Wastewater Utility-Bond And Interest	8,220	86,400	85,682	8,938
Wastewater Utility-Debt Service Reserve	95,112	960	-	96,072
Water/Wastewater Clearing Account	-	2	-	2
Water Utility-Operating	7,002	275,813	246,882	35,933
Water Utility- Extentions/Replacements	113,164	15,695	-	128,859
Water Utility-Customer Deposit	13,537	7,568	5,800	15,305
Totals	<u>\$ 1,466,067</u>	<u>\$ 1,663,867</u>	<u>\$ 1,698,139</u>	<u>\$ 1,431,795</u>

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

TOWN OF OWENSVILLE
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	\$ 164,156	\$ 247,373	\$ 265,455	\$ 146,074
Motor Vehicle Highway	200,610	81,538	81,692	200,456
Local Road And Street	32,777	4,957	-	37,734
Master Utility Planning Grant	-	29,160	29,160	-
Law Enforcement Continuing Education	3,311	694	820	3,185
Riverboat	47,573	8,273	632	55,214
Parks And Recreation	104,649	100,194	90,913	113,930
Downtown Planning Grant	-	47,475	47,475	-
Rainy Day	125,062	5,416	-	130,478
Cumulative Capital Improvement	42,029	3,870	1,000	44,899
Cumulative Capital Development	62,635	167	3,020	59,782
Cedit Capital Projects	272,885	62,184	8,859	326,210
Water/Sewer Change Cash	50	-	-	50
Payroll	263	397,775	397,726	312
Levy Excess	13,987	873	13,987	873
Wastewater Utility-Operating	76,699	307,250	326,101	57,848
Wastewater Utility-Bond And Interest	8,938	86,400	85,822	9,516
Wastewater Utility-Debt Service Reserve	96,072	-	-	96,072
Water/Wastewater Clearing Account	2	-	2	-
Water Utility-Operating	35,933	283,219	266,791	52,361
Water Utility- Extentions/Replacements	128,859	14,400	-	143,259
Water Utility-Customer Deposit	15,305	7,050	6,250	16,105
Totals	<u>\$ 1,431,795</u>	<u>\$ 1,688,268</u>	<u>\$ 1,625,705</u>	<u>\$ 1,494,358</u>

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

TOWN OF OWENSVILLE
NOTES TO FINANCIAL STATEMENTS

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 the following services: public safety (police and fire), highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, and urban redevelopment and housing.

The accompanying financial statements present 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 OWENSVILLE
NOTES TO FINANCIAL STATEMENTS
(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 OWENSVILLE
NOTES TO FINANCIAL STATEMENTS
(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 OWENSVILLE
NOTES TO FINANCIAL STATEMENTS
(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.

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SUPPLEMENTARY INFORMATION – UNAUDITED

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

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

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

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Education	Riverboat	Parks And Recreation	Rainy Day
Cash and investments - beginning	\$ 223,390	\$ 249,285	\$ 38,464	\$ 3,645	\$ 35,808	\$ 81,338	\$ 95,156
Receipts:							
Taxes	126,466	86,783	-	-	-	102,188	-
Intergovernmental	23,084	54,702	4,869	-	16,566	3,960	4,293
Charges for services	-	900	-	702	-	-	-
Fines and forfeits	2,622	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	31,583	2,659	122	-	157	3,482	25,613
Total receipts	<u>183,755</u>	<u>145,044</u>	<u>4,991</u>	<u>702</u>	<u>16,723</u>	<u>109,630</u>	<u>29,906</u>
Disbursements:							
Personal services	155,201	57,502	-	-	-	29,964	-
Supplies	14,797	39,578	-	185	708	1,554	-
Other services and charges	40,972	92,640	10,678	850	2,750	36,660	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	6,499	4,000	-	-	1,500	18,141	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	25,520	-	-	-	-	-	-
Total disbursements	<u>242,989</u>	<u>193,720</u>	<u>10,678</u>	<u>1,035</u>	<u>4,958</u>	<u>86,319</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(59,234)</u>	<u>(48,676)</u>	<u>(5,687)</u>	<u>(333)</u>	<u>11,765</u>	<u>23,311</u>	<u>29,906</u>
Cash and investments - ending	<u>\$ 164,156</u>	<u>\$ 200,609</u>	<u>\$ 32,777</u>	<u>\$ 3,312</u>	<u>\$ 47,573</u>	<u>\$ 104,649</u>	<u>\$ 125,062</u>

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

	Cumulative Capital Improvement	Cumulative Capital Development	Cedit Capital Projects	Water/Sewer Change Cash	Payroll	Levy Excess	Wastewater Utility-Operating
Cash and investments - beginning	\$ 37,969	\$ 62,014	\$ 287,613	\$ 50	\$ 128	\$ 27,010	\$ 87,162
Receipts:							
Taxes	-	3,787	-	-	-	-	-
Intergovernmental	4,054	569	70,409	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	292,793
Other receipts	236	448	1,117	-	403,193	959	9,113
Total receipts	4,290	4,804	71,526	-	403,193	959	301,906
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	230	4,183	86,254	-	-	-	8,301
Utility operating expenses	-	-	-	-	-	-	209,831
Other disbursements	-	-	-	-	403,058	13,982	94,237
Total disbursements	230	4,183	86,254	-	403,058	13,982	312,369
Excess (deficiency) of receipts over disbursements	4,060	621	(14,728)	-	135	(13,023)	(10,463)
Cash and investments - ending	\$ 42,029	\$ 62,635	\$ 272,885	\$ 50	\$ 263	\$ 13,987	\$ 76,699

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

	Wastewater Utility-Bond And Interest	Wastewater Utility-Debt Service Reserve	Water/Wastewater Clearing Account	Water Utility-Operating	Water Utility- Extentions/Replacements	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 8,220	\$ 95,112	\$ -	\$ 7,002	\$ 113,164	\$ 13,537	\$ 1,466,067
Receipts:							
Taxes	-	-	-	-	-	-	319,224
Intergovernmental	-	-	-	-	-	-	182,506
Charges for services	-	-	-	-	-	-	1,602
Fines and forfeits	-	-	-	-	-	-	2,622
Utility fees	-	-	-	253,919	-	-	546,712
Other receipts	86,400	960	2	21,894	15,695	7,568	611,201
Total receipts	<u>86,400</u>	<u>960</u>	<u>2</u>	<u>275,813</u>	<u>15,695</u>	<u>7,568</u>	<u>1,663,867</u>
Disbursements:							
Personal services	-	-	-	-	-	-	242,667
Supplies	-	-	-	-	-	-	56,822
Other services and charges	-	-	-	-	-	-	184,550
Debt service - principal and interest	85,682	-	-	-	-	-	85,682
Capital outlay	-	-	-	-	-	-	129,108
Utility operating expenses	-	-	-	208,502	-	5,800	424,133
Other disbursements	-	-	-	38,380	-	-	575,177
Total disbursements	<u>85,682</u>	<u>-</u>	<u>-</u>	<u>246,882</u>	<u>-</u>	<u>5,800</u>	<u>1,698,139</u>
Excess (deficiency) of receipts over disbursements	<u>718</u>	<u>960</u>	<u>2</u>	<u>28,931</u>	<u>15,695</u>	<u>1,768</u>	<u>(34,272)</u>
Cash and investments - ending	<u>\$ 8,938</u>	<u>\$ 96,072</u>	<u>\$ 2</u>	<u>\$ 35,933</u>	<u>\$ 128,859</u>	<u>\$ 15,305</u>	<u>\$ 1,431,795</u>

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

	General	Motor Vehicle Highway	Local Road And Street	Master Utility Planning Grant	Law Enforcement Continuing Education	Riverboat
Cash and investments - beginning	\$ 164,156	\$ 200,610	\$ 32,777	\$ -	\$ 3,311	\$ 47,573
Receipts:						
Taxes	190,178	33,892	-	-	-	-
Intergovernmental	29,905	46,333	4,957	29,160	-	8,273
Charges for services	2,107	900	-	-	594	-
Fines and forfeits	186	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	24,997	413	-	-	100	-
Total receipts	<u>247,373</u>	<u>81,538</u>	<u>4,957</u>	<u>29,160</u>	<u>694</u>	<u>8,273</u>
Disbursements:						
Personal services	157,313	55,152	-	-	-	-
Supplies	15,685	14,933	-	-	350	-
Other services and charges	60,799	5,159	-	29,160	470	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	31,658	6,448	-	-	-	632
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>265,455</u>	<u>81,692</u>	<u>-</u>	<u>29,160</u>	<u>820</u>	<u>632</u>
Excess (deficiency) of receipts over disbursements	<u>(18,082)</u>	<u>(154)</u>	<u>4,957</u>	<u>-</u>	<u>(126)</u>	<u>7,641</u>
Cash and investments - ending	<u>\$ 146,074</u>	<u>\$ 200,456</u>	<u>\$ 37,734</u>	<u>\$ -</u>	<u>\$ 3,185</u>	<u>\$ 55,214</u>

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

	Parks And Recreation	Downtown Planning Grant	Rainy Day	Cumulative Capital Improvement	Cumulative Capital Development	Cedit Capital Projects
Cash and investments - beginning	\$ 104,649	\$ -	\$ 125,062	\$ 42,029	\$ 62,635	\$ 272,885
Receipts:						
Taxes	93,326	-	-	-	167	-
Intergovernmental	3,607	47,475	5,416	3,870	-	62,184
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,261	-	-	-	-	-
Total receipts	<u>100,194</u>	<u>47,475</u>	<u>5,416</u>	<u>3,870</u>	<u>167</u>	<u>62,184</u>
Disbursements:						
Personal services	29,595	-	-	-	-	-
Supplies	1,327	-	-	-	-	-
Other services and charges	31,765	47,475	-	-	-	5,275
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	28,226	-	-	1,000	3,020	3,584
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>90,913</u>	<u>47,475</u>	<u>-</u>	<u>1,000</u>	<u>3,020</u>	<u>8,859</u>
Excess (deficiency) of receipts over disbursements	<u>9,281</u>	<u>-</u>	<u>5,416</u>	<u>2,870</u>	<u>(2,853)</u>	<u>53,325</u>
Cash and investments - ending	<u>\$ 113,930</u>	<u>\$ -</u>	<u>\$ 130,478</u>	<u>\$ 44,899</u>	<u>\$ 59,782</u>	<u>\$ 326,210</u>

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

	Water/Sewer Change Cash	Payroll	Levy Excess	Wastewater Utility-Operating	Wastewater Utility-Bond And Interest	Wastewater Utility-Debt Service Reserve
Cash and investments - beginning	\$ 50	\$ 263	\$ 13,987	\$ 76,699	\$ 8,938	\$ 96,072
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	294,665	-	-
Other receipts	-	397,775	873	12,585	86,400	-
Total receipts	-	397,775	873	307,250	86,400	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	85,822	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	233,300	-	-
Other disbursements	-	397,726	13,987	92,801	-	-
Total disbursements	-	397,726	13,987	326,101	85,822	-
Excess (deficiency) of receipts over disbursements	-	49	(13,114)	(18,851)	578	-
Cash and investments - ending	\$ 50	\$ 312	\$ 873	\$ 57,848	\$ 9,516	\$ 96,072

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

	Water/Wastewater Clearing Account	Water Utility-Operating	Water Utility- Extentions/Replacements	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 2	\$ 35,933	\$ 128,859	\$ 15,305	\$ 1,431,795
Receipts:					
Taxes	-	-	-	-	317,563
Intergovernmental	-	-	-	-	241,180
Charges for services	-	-	-	-	3,601
Fines and forfeits	-	-	-	-	186
Utility fees	-	262,797	-	-	557,462
Other receipts	-	20,422	14,400	7,050	568,276
Total receipts	-	283,219	14,400	7,050	1,688,268
Disbursements:					
Personal services	-	-	-	-	242,060
Supplies	-	-	-	-	32,295
Other services and charges	-	-	-	-	180,103
Debt service - principal and interest	-	-	-	-	85,822
Capital outlay	-	-	-	-	74,568
Utility operating expenses	-	230,389	-	6,250	469,939
Other disbursements	2	36,402	-	-	540,918
Total disbursements	2	266,791	-	6,250	1,625,705
Excess (deficiency) of receipts over disbursements	(2)	16,428	14,400	800	62,563
Cash and investments - ending	\$ -	\$ 52,361	\$ 143,259	\$ 16,105	\$ 1,494,358

TOWN OF OWENSVILLE
 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	\$ 175,594
Buildings	789,378
Improvements other than buildings	172,792
Machinery and equipment	<u>394,447</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,532,211</u>
<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 5,630
Improvements other than buildings	1,426,061
Machinery and equipment	<u>128,881</u>
 Total Water Utility capital assets	 <u>1,560,572</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	13,775
Buildings	179,781
Improvements other than buildings	2,051,701
Machinery and equipment	<u>240,487</u>
 Total Wastewater Utility capital assets	 <u>2,485,744</u>
Total business-type activities capital assets	 <u>\$ 4,046,316</u>

TOWN OF OWENSVILLE
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 Decemeber 31, 2010

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Revenue bonds:		
Wastewater Utility - State Revolving Loan	\$ 706,453	\$ 71,900

TOWN OF OWENSVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 15, 2011, with Kristy York, Clerk-Treasurer, and Dale Henry, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.