

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF JAMESTOWN

BOONE COUNTY, INDIANA

January 1, 2009 to December 31, 2010



FILED
11/28/2011

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Linda Isenhowe

01-01-08 to 12-31-11

President of the Town Council

Richard Caldwell
Bryce Huckstep

01-01-09 to 12-31-09
01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF JAMESTOWN, BOONE COUNTY, INDIANA

We have examined the financial statements of the Town of Jamestown (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, 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, and 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 21, 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 JAMESTOWN
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 Fund	\$ 38,197	\$ 351,720	\$ 298,817	\$ 91,100
Motor Vehicle Highway Fund	1,056	36,382	36,500	938
Local Road & Street Fund	7,028	5,096	10,755	1,369
Park And Recreation Fund	12,840	20,772	20,818	12,794
Law Enforcement Cont Education Fund	3,058	3,093	1,491	4,660
Cumulative Capital Improvement Fund	1,514	2,717	4,231	-
Cumulative Capital Development Fund	25,118	14,777	31,033	8,862
Cumulative Fire Fund	2,065	3,689	797	4,957
Promotional Fund	235	-	-	235
Payroll Fund	1,133	460,122	460,328	927
Accounts Payable Fund	-	2,133,964	2,133,964	-
Electric Utility Fund	95,462	882,213	912,887	64,788
Electric - Cash - Depreciation	368,086	26,476	-	394,562
Electric - Cash - Customer Deposits	8,908	3,910	3,065	9,753
Electric - Cash - Reserve	85,006	5,082	-	90,088
Sewer Utility Fund	3,647	253,967	254,402	3,212
Sewage - Cash - Bond And Interest	72,589	64,008	62,305	74,292
Sewage - Cash - Depreciation	150,371	280,908	405,997	25,282
Sewage - Cash - Customer Deposits	6,675	2,400	2,190	6,885
Water Utility Fund	7,588	153,083	156,873	3,798
Water - Cash - Depreciation	70,241	8,577	9,745	69,073
Water - Cash - Customer Deposits	2,490	825	745	2,570
Trash Fund	4,314	41,752	35,864	10,202
Town Court	1,332	33,381	32,290	2,423
	<u>\$ 968,953</u>	<u>\$ 4,788,914</u>	<u>\$ 4,875,097</u>	<u>\$ 882,770</u>

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

TOWN OF JAMESTOWN
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 Fund	\$ 91,100	\$ 810,104	\$ 767,191	\$ 134,013
Motor Vehicle Highway Fund	938	23,328	24,154	112
Local Road & Street Fund	1,369	5,200	29	6,540
Park And Recreation Fund	12,794	7,732	11,505	9,021
Law Enforcement Cont Education Fund	4,660	1,818	1,583	4,895
Levy Excess Fund	-	244	-	244
Cumulative Capital Improvement Fund	-	2,594	2,594	-
Cumulative Capital Development Fund	8,862	4,040	-	12,902
Cumulative Fire Fund	4,957	3,016	-	7,973
Promotional Fund	235	-	-	235
Payroll Fund	927	442,884	442,647	1,164
Accounts Payable Fund	-	2,163,662	2,163,662	-
Electric Utility Fund	64,788	891,903	930,282	26,409
Electric - Cash - Depreciation	394,562	47,176	17,576	424,162
Electric - Cash - Customer Deposits	9,753	4,020	3,530	10,243
Electric - Cash - Reserve	90,088	6,414	-	96,502
Trash Fund	10,202	41,093	43,390	7,905
Sewer Utility Fund	3,212	248,799	247,003	5,008
Sewage - Cash - Bond And Interest	74,292	58,282	62,765	69,809
Sewage - Cash - Depreciation	25,282	12,000	13,603	23,679
Sewage - Cash - Customer Deposits	6,885	2,400	2,325	6,960
Water Utility Fund	3,798	173,651	173,943	3,506
Water - Cash - Depreciation	69,073	23,557	22,128	70,502
Water - Cash - Customer Deposits	2,570	802	812	2,560
Town Court	2,423	36,904	34,044	5,283
	<u>\$ 882,770</u>	<u>\$ 5,011,623</u>	<u>\$ 4,964,766</u>	<u>\$ 929,627</u>

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

TOWN OF JAMESTOWN
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 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 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.

Special assessments which include amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
(Continued)

License and permits which includes 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 license and permits include: peddler licenses; dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits; and gun permits.

Intergovernmental receipts which includes receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts includes, but is 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 includes 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).

Net proceeds from borrowings which includes receipts from general obligation bonds, notes and loans.

Intergovernmental loan activity which includes amounts received from other funds as loans on a temporary basis.

Transfers in which includes funds authorized by statute, ordinance, resolution or court order to be transferred in from another fund.

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

Internal service receipts which are comprised mostly of fees received for services performed for other funds.

Fiduciary receipts which are comprised mostly of contributions to the pensions funds from state and local sources.

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:

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
(Continued)

Personal services which includes 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 includes 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 includes, but is not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance; and rental charges.

Debt service principle and interest which includes 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.

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

Interfund loan payments and loans made which includes amounts that are owed to a particular fund by another fund.

Transfers out which includes funds authorized by statute, ordinance, resolution or court order to be transferred to another fund.

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.

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
(Continued)

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% 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.

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 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.

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.

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
(Continued)

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% 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.

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

	General Fund	Motor Vehicle Highway Fund	Local Road & Street Fund	Park And Recreation Fund	Law Enforcement Cont Education Fund	Cumulative Capital Improvement Fund	Cumulative Capital Development Fund
Cash and investments - beginning	\$ 38,197	\$ 1,056	\$ 7,028	\$ 12,840	\$ 3,058	\$ 1,514	\$ 25,118
Receipts:							
Taxes	99,776	-	-	2,987	-	-	4,670
Licenses and permits	977	-	-	-	990	-	-
Intergovernmental	130,624	23,546	5,021	342	-	2,717	970
Charges for services	28,825	-	-	1,120	593	-	-
Fines and forfeits	425	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	91,093	12,836	75	16,323	1,510	-	9,137
Total receipts	<u>351,720</u>	<u>36,382</u>	<u>5,096</u>	<u>20,772</u>	<u>3,093</u>	<u>2,717</u>	<u>14,777</u>
Disbursements:							
Personal services	134,703	23,977	-	-	-	-	-
Supplies	19,950	461	-	1,111	-	-	-
Other services and charges	73,466	1,743	8,255	3,070	1,007	-	-
Debt service - principal and interest	1,009	10,319	-	-	-	-	-
Capital outlay	4,800	-	-	-	-	-	31,033
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	64,889	-	2,500	16,637	484	4,231	-
Total disbursements	<u>298,817</u>	<u>36,500</u>	<u>10,755</u>	<u>20,818</u>	<u>1,491</u>	<u>4,231</u>	<u>31,033</u>
Excess (deficiency) of receipts over disbursements	<u>52,903</u>	<u>(118)</u>	<u>(5,659)</u>	<u>(46)</u>	<u>1,602</u>	<u>(1,514)</u>	<u>(16,256)</u>
Cash and investments - ending	<u>\$ 91,100</u>	<u>\$ 938</u>	<u>\$ 1,369</u>	<u>\$ 12,794</u>	<u>\$ 4,660</u>	<u>\$ -</u>	<u>\$ 8,862</u>

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

	Cumulative Fire Fund	Promotional Fund	Payroll Fund	Accounts Payable Fund	Electric Utility Fund	Electric Cash Depreciation
Cash and investments - beginning	\$ 2,065	\$ 235	\$ 1,133	\$ -	\$ 95,462	\$ 368,086
Receipts:						
Taxes	3,094	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	246	-	-	-	-	-
Charges for services	348	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	845,690	-
Penalties	-	-	-	-	4,308	-
Other receipts	1	-	460,122	2,133,964	32,215	26,476
Total receipts	<u>3,689</u>	<u>-</u>	<u>460,122</u>	<u>2,133,964</u>	<u>882,213</u>	<u>26,476</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	322	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	8,951	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	834,936	-
Other disbursements	475	-	460,328	2,133,964	69,000	-
Total disbursements	<u>797</u>	<u>-</u>	<u>460,328</u>	<u>2,133,964</u>	<u>912,887</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,892</u>	<u>-</u>	<u>(206)</u>	<u>-</u>	<u>(30,674)</u>	<u>26,476</u>
Cash and investments - ending	<u>\$ 4,957</u>	<u>\$ 235</u>	<u>\$ 927</u>	<u>\$ -</u>	<u>\$ 64,788</u>	<u>\$ 394,562</u>

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

	Electric Cash Customer Deposits	Electric Cash Reserve	Sewer Utility Fund	Sewage Cash Bond And Interest	Sewage Cash Depreciation	Sewage Cash Customer Deposits
Cash and investments - beginning	\$ 8,908	\$ 85,006	\$ 3,647	\$ 72,589	\$ 150,371	\$ 6,675
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	(347,672)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	233,641	-	-	-
Penalties	-	-	4,635	-	-	-
Other receipts	3,910	5,082	363,363	64,008	280,908	2,400
Total receipts	<u>3,910</u>	<u>5,082</u>	<u>253,967</u>	<u>64,008</u>	<u>280,908</u>	<u>2,400</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	9,153	62,305	-	-
Capital outlay	-	-	(57,561)	-	360,997	-
Utility operating expenses	3,065	-	271,485	-	-	2,190
Other disbursements	-	-	31,325	-	45,000	-
Total disbursements	<u>3,065</u>	<u>-</u>	<u>254,402</u>	<u>62,305</u>	<u>405,997</u>	<u>2,190</u>
Excess (deficiency) of receipts over disbursements	<u>845</u>	<u>5,082</u>	<u>(435)</u>	<u>1,703</u>	<u>(125,089)</u>	<u>210</u>
Cash and investments - ending	<u>\$ 9,753</u>	<u>\$ 90,088</u>	<u>\$ 3,212</u>	<u>\$ 74,292</u>	<u>\$ 25,282</u>	<u>\$ 6,885</u>

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

	Water Utility Fund	Water Cash Depreciation	Water Cash Customer Deposits	Trash Fund	Town Court	Totals
Cash and investments - beginning	\$ 7,588	\$ 70,241	\$ 2,490	\$ 4,314	\$ 1,332	\$ 968,953
Receipts:						
Taxes	-	-	-	-	-	110,527
Licenses and permits	-	-	-	-	-	1,967
Intergovernmental	-	-	-	-	-	(184,206)
Charges for services	-	-	-	-	-	30,886
Fines and forfeits	-	-	-	-	-	425
Utility fees	133,466	-	-	41,035	-	1,253,832
Penalties	2,481	-	-	717	-	12,141
Other receipts	17,136	8,577	825	-	33,381	3,563,342
Total receipts	<u>153,083</u>	<u>8,577</u>	<u>825</u>	<u>41,752</u>	<u>33,381</u>	<u>4,788,914</u>
Disbursements:						
Personal services	-	-	-	-	-	158,680
Supplies	-	-	-	-	-	21,522
Other services and charges	-	-	-	-	-	87,863
Debt service - principal and interest	6,846	-	-	-	-	98,583
Capital outlay	-	5,600	-	-	-	344,869
Utility operating expenses	142,827	-	745	300	-	1,255,548
Other disbursements	7,200	4,145	-	35,564	32,290	2,908,032
Total disbursements	<u>156,873</u>	<u>9,745</u>	<u>745</u>	<u>35,864</u>	<u>32,290</u>	<u>4,875,097</u>
Excess (deficiency) of receipts over disbursements	<u>(3,790)</u>	<u>(1,168)</u>	<u>80</u>	<u>5,888</u>	<u>1,091</u>	<u>(86,183)</u>
Cash and investments - ending	<u>\$ 3,798</u>	<u>\$ 69,073</u>	<u>\$ 2,570</u>	<u>\$ 10,202</u>	<u>\$ 2,423</u>	<u>\$ 882,770</u>

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

	General Fund	Motor Vehicle Highway Fund	Local Road & Street Fund	Park And Recreation Fund	Law Enforcement Cont Education Fund	Levy Excess Fund	Cumulative Capital Improvement Fund
Cash and investments - beginning	\$ 91,100	\$ 938	\$ 1,369	\$ 12,794	\$ 4,660	\$ -	\$ -
Receipts:							
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	810,104	23,328	5,200	7,732	1,818	244	2,594
Total receipts	<u>810,104</u>	<u>23,328</u>	<u>5,200</u>	<u>7,732</u>	<u>1,818</u>	<u>244</u>	<u>2,594</u>
Disbursements:							
Personal services	126,253	17,402	-	-	-	-	-
Supplies	21,892	1,804	-	1,455	-	-	-
Other services and charges	118,962	4,948	29	9,511	1,527	-	-
Debt service - principal and interest	46,089	-	-	-	-	-	-
Capital outlay	422,373	-	-	499	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	31,622	-	-	40	56	-	2,594
Total disbursements	<u>767,191</u>	<u>24,154</u>	<u>29</u>	<u>11,505</u>	<u>1,583</u>	<u>-</u>	<u>2,594</u>
Excess (deficiency) of receipts over disbursements	<u>42,913</u>	<u>(826)</u>	<u>5,171</u>	<u>(3,773)</u>	<u>235</u>	<u>244</u>	<u>-</u>
Cash and investments - ending	<u>\$ 134,013</u>	<u>\$ 112</u>	<u>\$ 6,540</u>	<u>\$ 9,021</u>	<u>\$ 4,895</u>	<u>\$ 244</u>	<u>\$ -</u>

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

	Cumulative Capital Development Fund	Cumulative Fire Fund	Promotional Fund	Payroll Fund	Accounts Payable Fund	Electric Utility Fund	Electric Cash Depreciation
Cash and investments - beginning	\$ 8,862	\$ 4,957	\$ 235	\$ 927	\$ -	\$ 64,788	\$ 394,562
Receipts:							
Utility fees	-	-	-	-	-	880,829	-
Penalties	-	-	-	-	-	4,651	-
Other receipts	4,040	3,016	-	442,884	2,163,662	6,423	47,176
Total receipts	4,040	3,016	-	442,884	2,163,662	891,903	47,176
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	7,926	-
Capital outlay	-	-	-	-	-	1,267	-
Utility operating expenses	-	-	-	-	-	794,328	-
Other disbursements	-	-	-	442,647	2,163,662	126,761	17,576
Total disbursements	-	-	-	442,647	2,163,662	930,282	17,576
Excess (deficiency) of receipts over disbursements	4,040	3,016	-	237	-	(38,379)	29,600
Cash and investments - ending	\$ 12,902	\$ 7,973	\$ 235	\$ 1,164	\$ -	\$ 26,409	\$ 424,162

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

	Electric Cash Customer Deposits	Electric Cash Reserve	Trash Fund	Sewer Utility Fund	Sewage Cash Bond And Interest	Sewage Cash Depreciation
Cash and investments - beginning	\$ 9,753	\$ 90,088	\$ 10,202	\$ 3,212	\$ 74,292	\$ 25,282
Receipts:						
Utility fees	-	-	40,389	232,632	-	-
Penalties	-	-	704	4,741	-	-
Other receipts	4,020	6,414	-	11,426	58,282	12,000
Total receipts	4,020	6,414	41,093	248,799	58,282	12,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	16,765	-
Capital outlay	-	-	-	5,670	-	-
Utility operating expenses	-	-	43,390	161,836	-	-
Other disbursements	3,530	-	-	79,497	46,000	13,603
Total disbursements	3,530	-	43,390	247,003	62,765	13,603
Excess (deficiency) of receipts over disbursements	490	6,414	(2,297)	1,796	(4,483)	(1,603)
Cash and investments - ending	\$ 10,243	\$ 96,502	\$ 7,905	\$ 5,008	\$ 69,809	\$ 23,679

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

	Sewage Cash Customer Deposits	Water Utility Fund	Water Cash Depreciation	Water Cash Customer Deposits	Town Court	Totals
Cash and investments - beginning	\$ 6,885	\$ 3,798	\$ 69,073	\$ 2,570	\$ 2,423	\$ 882,770
Receipts:						
Utility fees	-	141,089	-	-	-	1,294,939
Penalties	-	2,759	-	-	-	12,855
Other receipts	2,400	29,803	23,557	802	36,904	3,703,829
Total receipts	<u>2,400</u>	<u>173,651</u>	<u>23,557</u>	<u>802</u>	<u>36,904</u>	<u>5,011,623</u>
Disbursements:						
Personal services	-	-	-	-	-	143,655
Supplies	-	-	-	-	-	25,151
Other services and charges	-	-	-	-	-	134,977
Debt service - principal and interest	-	6,464	-	-	-	77,244
Capital outlay	-	1,738	-	-	-	431,547
Utility operating expenses	-	126,790	-	-	-	1,126,344
Other disbursements	2,325	38,951	22,128	812	34,044	3,025,848
Total disbursements	<u>2,325</u>	<u>173,943</u>	<u>22,128</u>	<u>812</u>	<u>34,044</u>	<u>4,964,766</u>
Excess (deficiency) of receipts over disbursements	<u>75</u>	<u>(292)</u>	<u>1,429</u>	<u>(10)</u>	<u>2,860</u>	<u>46,857</u>
Cash and investments - ending	<u>\$ 6,960</u>	<u>\$ 3,506</u>	<u>\$ 70,502</u>	<u>\$ 2,560</u>	<u>\$ 5,283</u>	<u>\$ 929,627</u>

TOWN OF JAMESTOWN
 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:		
Loans payable		
Water Tower	\$ 154,168	\$ 16,077
Wastewater Utility:		
Loans payable:		
Plant expansion (SRF Loan)	433,000	63,155
Electric Utility:		
Loans payable:		
Municipal building	<u>122,256</u>	<u>25,691</u>
Total business-type activities debt	<u>\$ 709,424</u>	<u>\$ 104,923</u>

TOWN OF JAMESTOWN
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

At December 31, 2010, the depository reconciliation of the fund balances to the bank account balances showed the bank account balances were \$188.57 more than the fund balances.

Indiana Code 5-13-6-1(e) states:

"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

Fund	Years	Excess Amount Expended
Motor Vehicle Highway	2009	\$ 7,978
Cumulative Capital Development	2009	31,033
General	2010	529,309
Motor Vehicle Highway	2010	775
Park	2010	1,205

Indiana Code 6-1.1-18-4 states in part:

". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF JAMESTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

ANNUAL REPORT

The 2009 Annual Report did not include \$37,000 of receipts for the Sewage Bond and Interest Fund. In 2009 and 2010, the activity for the Fire Department Building Fund savings account was not accounted for in the annual report filed by the Clerk-Treasurer. Management of the Town agreed to have these items added to the examination report.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

CUSTOMER DEPOSIT REGISTER

The detailed customer deposit register was incomplete and did not have a beginning or ending balance determined. It was noted during our examination that some of the transactions recorded in the general ledger were not posted to the detailed customer deposit register.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF JAMESTOWN
EXIT CONFERENCE

The contents of this report were discussed on October 4, 2011, with Linda Isenhowe, Clerk-Treasurer, and Bryce Huckstep, President of the Town Council. The officials concurred with our findings.