

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TOWN OF BARGERSVILLE
JOHNSON COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
09/05/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Carla Roy Steve Longstreet	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Karl Kevin Combs Rowana Umbarger	01-01-10 to 12-31-10 01-01-11 to 12-31-12



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF BARGERSVILLE, JOHNSON COUNTY, INDIANA

We have audited the accompanying financial statements of the Town of Bargersville (Town), for the years ended December 31, 2010 and 2011. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 of accounting 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, 2010 and 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 12, 2012, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming opinions on the Town's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, and Schedule of Leases and Debt are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the auditing procedures applied by us in the audit of 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, others within the entity, federal awarding agencies, and pass-through entities 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

June 12, 2012



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF BARGERSVILLE, JOHNSON COUNTY, INDIANA

We have audited the financial statements of the Town of Bargersville (Town), for the years ended December 31, 2010 and 2011, and have issued our report thereon dated June 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Town's management, Town Council, others within the entity, federal awarding agencies, and pass-through entities 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

June 12, 2012

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

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 24,331	\$ 1,205,178	\$ 1,056,854	\$ 172,655
Motor Vehicle Highway	85,263	116,624	154,492	47,395
Local Road And Street	135,396	26,806	32,518	129,684
Park Nonreverting Capital	661	-	-	661
Police Continuing Education	5,604	615	910	5,309
Park And Recreation	29,566	3,695	32,393	868
Rainy Day	20,876	30,196	-	51,072
Cum Cap Development (CCD)	4,079	15,532	19,191	420
RDC	26,308	109,940	1,628	134,620
Cum Cap Improvement (CCI)	3,392	6,208	-	9,600
Gun Permit	8,309	2,360	-	10,669
Debt Service Payment	330	51,343	29,460	22,213
Town Hall Debt Payment	80,150	148,063	210,947	17,266
Town Hall Maintenance	2,779	3,024	553	5,250
Payroll Withholding	17,065	2,892,909	2,908,965	1,009
Electric Utility - Operating	356,632	7,326,831	7,136,724	546,739
Electric Utility - Customer Deposit	75,704	53,998	42,338	87,364
Electric Utility - Depreciation	142,909	-	13,003	129,906
Electric Utility - Operating Investments	237,992	2,613	535	240,070
Electric Utility - Developers Deposit Investments	167,042	1,459	-	168,501
Electric Utility - Developers Deposit	2,902	78	34	2,946
Stormwater Utility - Operating	(24,742)	202,797	246,483	(68,428)
Stormwater Utility - Depreciation	17,219	-	-	17,219
Stormwater Utility - Bond And Interest	65,877	107,701	108,208	65,370
Stormwater Utility - Other Special Funds	14,017	-	-	14,017
Stormwater Utility - Debt Reserve	51,240	10,873	-	62,113
Stormwater Utility - Depreciation Investments	128,240	1,120	-	129,360
Wastewater Utility - Operating	15,631	1,412,659	1,116,930	311,360
Wastewater Utility - Indemnity	70	64,334	64,274	130
Wastewater Utility - Restricted Availability Fees	777,875	-	-	777,875
Wastewater Utility - Force Main	268,651	21,001	-	289,652
Wastewater Utility - Depreciation	214,198	17,470	48,078	183,590
Wastewater Utility - Unrestricted Availability Fees	271,003	630	-	271,633
Wastewater Utility - Construction Investments	543,900	652	259,875	284,677
Wastewater Utility - Construction	128	215,529	19,283	196,374
Wastewater Utility - Assessment Deposits	1,641,675	753,354	799,625	1,595,404
Wastewater Utility - Tremont Bond & Interest	10,800	44,503	40,513	14,790
Wastewater Utility - Depreciation Investments	282,128	2,464	-	284,592
Wastewater Utility - Assessment Deposits Investments	256,480	2,240	-	258,720
Wastewater Utility - Maintenance Bond	1,955	-	-	1,955
Wastewater Utility - Operating Investments	-	3,116	3,116	-
Wastewater Utility - Bond And Interest	24,649	65,681	90,330	-
Wastewater Utility - Bond Res.	99,500	-	99,500	-
Water Utility - Operating	(3,692)	5,898,365	5,347,815	546,858
Water Utility - Customer Deposits	49,663	30,845	21,459	59,049
Water Utility - Depreciation	520,199	804,149	1,214,046	110,302
Water Utility - SDC	529,276	156,455	634,898	50,833
Water Utility - Connection Fees	11,428	-	9,248	2,180
Water Utility - Bond Reserve Cash	891,224	-	-	891,224
Water Utility - Bond And Interest	55,404	734,315	717,459	72,260
Water Utility - Construction	12	3	-	15
Water Utility - Cash Reserve Water Tank	325,631	1,577	269,026	58,182
Water Utility - Operating Investments	282,128	5,912	265,489	22,551
Water Utility - Depreciation Investments	262,913	2,284	262,000	3,197
Utilities Payroll - Holding Cash	18,915	128,827	114,214	33,528
Totals	<u>\$ 9,030,886</u>	<u>\$ 22,686,328</u>	<u>\$ 23,392,415</u>	<u>\$ 8,324,799</u>

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

TOWN OF BARGERSVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 172,655	\$ 1,829,783	\$ 1,843,815	\$ 158,623
Motor Vehicle Highway	47,395	421,924	214,552	254,767
Local Road and Street	129,684	47,737	5,961	171,460
Park Nonreverting Capital	661	-	-	661
Police Continuing Education	5,309	858	40	6,127
Park and Recreation	868	23,485	15,948	8,405
Rainy Day	51,072	-	9,925	41,147
Cumulative Capital Development (CCD)	420	29,321	29,725	16
RDC	134,620	173,139	4,605	303,154
Cumulative Capital Improvement (CCI)	9,600	6,188	8,051	7,737
Federal Grants #1	-	4,000	-	4,000
Gun Permit	10,669	2,580	-	13,249
Debt Service Payment	22,213	49,343	56,307	15,249
Town Hall Debt Payment	17,266	69,230	69,000	17,496
Town Hall Maintenance	5,250	3,037	2,672	5,615
Payroll Withholding	1,009	3,179,339	3,173,128	7,220
Electric Utility Operating	546,739	6,188,163	6,103,999	630,903
Electric Utility Customer Deposits	87,364	35,318	30,855	91,827
Electric Utility Depreciation	129,906	123,168	213,025	40,049
Electric Utility Operating Investments	240,071	1,669	-	241,740
Electric Utility Developer Deposit Investments	168,500	634	123,168	45,966
Electric Utility Developers Deposit	2,946	112	-	3,058
Storm Water Utility Operating	(68,428)	430,706	297,676	64,602
Storm Water Utility Depreciation	17,219	-	4,777	12,442
Storm Water Utility Bond and Interest	65,370	107,700	107,172	65,898
Storm Water Utility Other Special Funds	14,017	-	-	14,017
Storm Water Utility Debt Reserve	62,113	10,872	-	72,985
Storm Water Utility Depreciation Investments	129,360	75	125,387	4,048
Wastewater Utility Operating	311,360	1,220,733	1,279,573	252,520
Wastewater Utility Indemnity	130	1	-	131
Wastewater Utility Restricted Availability Fees	777,875	1,862,157	2,597,376	42,656
Wastewater Utility Force Main	289,652	18,500	5,250	302,902
Wastewater Utility Depreciation	183,590	152,811	245,333	91,068
Wastewater Utility Unrestricted Availability Fees	271,633	6,421	40	278,014
Wastewater Utility Construction Investments	284,677	248	284,925	-
Wastewater Utility Construction	196,374	866	197,127	113
Wastewater Utility Assessment Deposit	1,595,404	107,750	1,668,529	34,625
Wastewater Utility Tremont Bond & Interest	14,790	44,300	44,590	14,500
Wastewater Utility Depreciation Investments	284,592	1,980	-	286,572
Wastewater Utility Assessment Deposit Investments	258,720	1,800	-	260,520
Wastewater Utility Maint Bond Reserve	1,955	-	-	1,955
Water Utility Operating	546,858	9,232,476	8,936,450	842,884
Water Utility Customer Deposits	59,049	28,777	22,657	65,169
Water Utility Depreciation	110,302	620,052	11,991	718,363
Water Utility SDC	50,833	157,371	55,847	152,357
Water Utility Connection Fees	2,180	-	-	2,180
Water Utility Bond Reserve Cash	891,224	-	891,224	-
Water Utility Bond and Interest	72,260	848,453	846,068	74,645
Water Utility Construction	15	1	-	16
Water Utility Water Tank Cash Reserve	58,182	56,277	-	114,459
Water Utility Operating Investment	22,551	157	-	22,708
Water Utility Depreciation Investments	3,197	22	-	3,219
Water Utility B&I SRFA	-	533,564	492,680	40,884
Water Utility B&I SRFB	-	76,223	-	76,223
Water Utility Increase Funds	-	3,259,560	2,006,407	1,253,153
Water Utility Construction 2011B	-	1,270,000	-	1,270,000
Water Utility Bond Reserve SRF	-	936,149	-	936,149
Utilities Payroll - Holding Cash	33,528	2,440,126	2,457,443	16,211
SRFDW-Bargersville	-	3,668,095.00	3,668,095	-
Town of Bargersville and Bowen Engineering Corpt Water Treatment Plant Project	-	160,407.10	-	160,407
SRFDW - Bargersville 11B	-	58,024	58,024	-
Totals	\$ 8,324,799	\$ 39,501,682	\$ 38,209,417	\$ 9,617,064

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

TOWN OF BARGERSVILLE
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), highways and streets, public improvements, general administrative services, water, wastewater, electric, and storm water.

The accompanying financial statements present the financial information for the Town.

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 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.

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,

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Penalties which include fees received for late payments.

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 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.

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

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 BARGERSVILLE
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 any replacement items purchased.

Note 6. Pension Plans

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS 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:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy

The contribution requirements of plan members and the Town are established by the Board of Trustees of INPRS.

The Town also contributes to additional pension plans unique to the Town. Information regarding these plans may be obtained from the Town.

Note 7. Restatements and Reclassifications

For the year ended December 31, 2009, certain changes have been made to the financial statements to more appropriately reflect financial activity of the Town. The following schedule presents a summary of restated beginning balances by fund.

Opinion Unit	Balance as Reported December 31, 2009	Prior Period Adjustments	Balance as Restated January 1, 2010
General	\$ 25,080	\$ (749)	\$ 24,331
Town Hall Maintenance	3,031	(252)	2,779
Town Hall Debt Payment	80,105	45	80,150
Electric Utility - Operating	594,626	(237,994)	356,632
Electric Utility - Operating Investments	-	237,992	237,992
Electric Utility - Developers Deposit	169,944	(167,042)	2,902
Electric Utility - Developers Deposit Investments	-	167,042	167,042
Stormwater Utility - Depreciation	145,460	(128,241)	17,219
Stormwater Utility - Depreciation Investments	-	128,240	128,240

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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 audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

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

TOWN OF BARGERSVILLE
 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	Park Nonreverting Capital	Police Continuing Education	Park And Recreation	Rainy Day
Cash and investments - beginning	\$ 24,331	\$ 85,263	\$ 135,396	\$ 661	\$ 5,604	\$ 29,566	\$ 20,876
Receipts:							
Taxes	393,162	-	-	-	-	3,382	-
Licenses and permits	40,597	-	-	-	-	-	-
Intergovernmental	553,392	115,487	26,806	-	-	313	-
Charges for services	50	-	-	-	142	-	-
Fines and forfeits	-	-	-	-	384	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	217,977	1,137	-	-	89	-	30,196
Total receipts	<u>1,205,178</u>	<u>116,624</u>	<u>26,806</u>	<u>-</u>	<u>615</u>	<u>3,695</u>	<u>30,196</u>
Disbursements:							
Personal services	666,711	51,941	-	-	-	-	-
Supplies	53,941	28,639	-	-	-	-	-
Other services and charges	310,326	70,892	32,518	-	910	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	14,558	3,020	-	-	-	32,393	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	11,318	-	-	-	-	-	-
Total disbursements	<u>1,056,854</u>	<u>154,492</u>	<u>32,518</u>	<u>-</u>	<u>910</u>	<u>32,393</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>148,324</u>	<u>(37,868)</u>	<u>(5,712)</u>	<u>-</u>	<u>(295)</u>	<u>(28,698)</u>	<u>30,196</u>
Cash and investments - ending	<u>\$ 172,655</u>	<u>\$ 47,395</u>	<u>\$ 129,684</u>	<u>\$ 661</u>	<u>\$ 5,309</u>	<u>\$ 868</u>	<u>\$ 51,072</u>

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

	Cum Cap Development (CCD)	Rdc	Cum Cap Improvement (CCI)	Gun Permit	Debt Service Payment	Town Hall Debt Payment	Town Hall Maintenance
Cash and investments - beginning	\$ 4,079	\$ 26,308	\$ 3,392	\$ 8,309	\$ 330	\$ 80,150	\$ 2,779
Receipts:							
Taxes	14,216	109,940	-	-	46,997	72,430	-
Licenses and permits	-	-	-	2,360	-	-	-
Intergovernmental	1,316	-	6,208	-	4,346	6,766	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	68,867	3,024
Total receipts	<u>15,532</u>	<u>109,940</u>	<u>6,208</u>	<u>2,360</u>	<u>51,343</u>	<u>148,063</u>	<u>3,024</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	29,460	210,947	553
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	19,191	1,628	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>19,191</u>	<u>1,628</u>	<u>-</u>	<u>-</u>	<u>29,460</u>	<u>210,947</u>	<u>553</u>
Excess (deficiency) of receipts over disbursements	<u>(3,659)</u>	<u>108,312</u>	<u>6,208</u>	<u>2,360</u>	<u>21,883</u>	<u>(62,884)</u>	<u>2,471</u>
Cash and investments - ending	<u>\$ 420</u>	<u>\$ 134,620</u>	<u>\$ 9,600</u>	<u>\$ 10,669</u>	<u>\$ 22,213</u>	<u>\$ 17,266</u>	<u>\$ 5,250</u>

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

	Payroll Withholding	Electric Utility - Operating	Electric Utility - Customer Deposit	Electric Utility - Depreciation	Electric Utility - Operating Investments	Electric Utility - Developers Deposit Investments
Cash and investments - beginning	\$ 17,065	\$ 356,632	\$ 75,704	\$ 142,909	\$ 237,992	\$ 167,042
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	6,644,765	-	-	-	-
Other receipts	2,892,909	682,066	53,998	-	2,613	1,459
Total receipts	<u>2,892,909</u>	<u>7,326,831</u>	<u>53,998</u>	<u>-</u>	<u>2,613</u>	<u>1,459</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	20,498	-	-	-	-
Capital outlay	-	189,436	-	12,998	-	-
Utility operating expenses	-	5,572,006	-	-	-	-
Other disbursements	2,908,965	1,354,784	42,338	5	535	-
Total disbursements	<u>2,908,965</u>	<u>7,136,724</u>	<u>42,338</u>	<u>13,003</u>	<u>535</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(16,056)</u>	<u>190,107</u>	<u>11,660</u>	<u>(13,003)</u>	<u>2,078</u>	<u>1,459</u>
Cash and investments - ending	<u>\$ 1,009</u>	<u>\$ 546,739</u>	<u>\$ 87,364</u>	<u>\$ 129,906</u>	<u>\$ 240,070</u>	<u>\$ 168,501</u>

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

	Electric Utility - Developers Deposit	Stormwater Utility - Operating	Stormwater Utility - Depreciation	Stormwater Utility - Bond And Interest	Stormwater Utility - Other Special Funds	Stormwater Utility - Debt Reserve
Cash and investments - beginning	\$ 2,902	\$ (24,742)	\$ 17,219	\$ 65,877	\$ 14,017	\$ 51,240
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	199,440	-	-	-	-
Other receipts	78	3,357	-	107,701	-	10,873
Total receipts	78	202,797	-	107,701	-	10,873
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	108,208	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	34	246,483	-	-	-	-
Total disbursements	34	246,483	-	108,208	-	-
Excess (deficiency) of receipts over disbursements	44	(43,686)	-	(507)	-	10,873
Cash and investments - ending	\$ 2,946	\$ (68,428)	\$ 17,219	\$ 65,370	\$ 14,017	\$ 62,113

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

	Stormwater Utility - Depreciation Investments	Wastewater Utility - Operating	Wastewater Utility - Indemnity	Wastewater Utility - Restricted Availability Fees	Wastewater Utility - Force Main	Wastewater Utility - Depreciation
Cash and investments - beginning	\$ 128,240	\$ 15,631	\$ 70	\$ 777,875	\$ 268,651	\$ 214,198
Receipts:						
Taxes		-	-	-	-	-
Licenses and permits		-	-	-	-	-
Intergovernmental		-	-	-	-	-
Charges for services		-	-	-	-	-
Fines and forfeits		-	-	-	-	-
Utility fees		1,222,034	-	-	-	-
Other receipts	1,120	190,625	64,334	-	21,001	17,470
Total receipts	<u>1,120</u>	<u>1,412,659</u>	<u>64,334</u>	<u>-</u>	<u>21,001</u>	<u>17,470</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	735,869	64,274	-	-	-
Other disbursements	-	381,061	-	-	-	48,078
Total disbursements	<u>-</u>	<u>1,116,930</u>	<u>64,274</u>	<u>-</u>	<u>-</u>	<u>48,078</u>
Excess (deficiency) of receipts over disbursements	<u>1,120</u>	<u>295,729</u>	<u>60</u>	<u>-</u>	<u>21,001</u>	<u>(30,608)</u>
Cash and investments - ending	<u>\$ 129,360</u>	<u>\$ 311,360</u>	<u>\$ 130</u>	<u>\$ 777,875</u>	<u>\$ 289,652</u>	<u>\$ 183,590</u>

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

	Wastewater Utility -	Wastewater Utility -	Wastewater Utility -	Wastewater Utility -	Wastewater Utility -	Wastewater Utility -
	Unrestricted Availability Fees	Construction Investments	Construction	Assessment Deposits	Tremont Bond & Interest	Depreciation Investments
Cash and investments - beginning	\$ 271,003	\$ 543,900	\$ 128	\$ 1,641,675	\$ 10,800	\$ 282,128
Receipts:						
Taxes	-		-			
Licenses and permits	-		-			
Intergovernmental	-		-			
Charges for services	-		-			
Fines and forfeits	-		-			
Utility fees	-		-			
Other receipts	630	652	215,529	753,354	44,503	2,464
Total receipts	<u>630</u>	<u>652</u>	<u>215,529</u>	<u>753,354</u>	<u>44,503</u>	<u>2,464</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	5,625	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	1,813	270,000	-	-
Other disbursements	-	259,875	17,470	524,000	40,513	-
Total disbursements	<u>-</u>	<u>259,875</u>	<u>19,283</u>	<u>799,625</u>	<u>40,513</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>630</u>	<u>(259,223)</u>	<u>196,246</u>	<u>(46,271)</u>	<u>3,990</u>	<u>2,464</u>
Cash and investments - ending	<u>\$ 271,633</u>	<u>\$ 284,677</u>	<u>\$ 196,374</u>	<u>\$ 1,595,404</u>	<u>\$ 14,790</u>	<u>\$ 284,592</u>

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

	Wastewater Utility - Assessment Deposit Investments	Wastewater Utility - Maintenance Bond	Wastewater Utility - Operating Investments	Wastewater Utility - Bond And Interest	Wastewater Utility - Bond Res.	Water Utility - Operating
Cash and investments - beginning	\$ 256,480	\$ 1,955	\$ -	\$ 24,649	\$ 99,500	\$ (3,692)
Receipts:						
Taxes		-		-	-	-
Licenses and permits		-		-	-	-
Intergovernmental		-		-	-	-
Charges for services		-		-	-	-
Fines and forfeits		-		-	-	-
Utility fees		-		-	-	5,436,378
Other receipts	2,240	-	3,116	65,681	-	461,987
Total receipts	<u>2,240</u>	<u>-</u>	<u>3,116</u>	<u>65,681</u>	<u>-</u>	<u>5,898,365</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	99,500	3,754,254
Other disbursements	-	-	3,116	90,330	-	1,593,561
Total disbursements	<u>-</u>	<u>-</u>	<u>3,116</u>	<u>90,330</u>	<u>99,500</u>	<u>5,347,815</u>
Excess (deficiency) of receipts over disbursements	<u>2,240</u>	<u>-</u>	<u>(0)</u>	<u>(24,649)</u>	<u>(99,500)</u>	<u>550,550</u>
Cash and investments - ending	<u>\$ 258,720</u>	<u>\$ 1,955</u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 546,858</u>

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

	Water Utility - Customer Deposits	Water Utility - Depreciation	Water Utility - Sdc	Water Utility - Connection Fees	Water Utility - Bond Reserve Cash	Water Utility - Bond And Interest
Cash and investments - beginning	\$ 49,663	\$ 520,199	\$ 529,276	\$ 11,428	\$ 891,224	\$ 55,404
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	30,845	804,149	156,455	-	-	734,315
Total receipts	<u>30,845</u>	<u>804,149</u>	<u>156,455</u>	<u>-</u>	<u>-</u>	<u>734,315</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	177,354
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	21,459	1,214,046	634,898	9,248	-	540,105
Total disbursements	<u>21,459</u>	<u>1,214,046</u>	<u>634,898</u>	<u>9,248</u>	<u>-</u>	<u>717,459</u>
Excess (deficiency) of receipts over disbursements	<u>9,386</u>	<u>(409,897)</u>	<u>(478,443)</u>	<u>(9,248)</u>	<u>-</u>	<u>16,856</u>
Cash and investments - ending	<u>\$ 59,049</u>	<u>\$ 110,302</u>	<u>\$ 50,833</u>	<u>\$ 2,180</u>	<u>\$ 891,224</u>	<u>\$ 72,260</u>

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

	Water Utility -	Water Utility -	Water Utility -	Water Utility -	Utilities Payroll -	
	Construction	Cash Reserve Water Tank	Operating Investments	Depreciation Investments	Holding Cash	Totals
Cash and investments - beginning	\$ 12	\$ 325,631	\$ 282,128	\$ 262,913	\$ 18,915	\$ 9,030,886
Receipts:						
Taxes	-	-	-	-	-	640,127
Licenses and permits	-	-	-	-	-	42,957
Intergovernmental	-	-	-	-	-	714,634
Charges for services	-	-	-	-	-	192
Fines and forfeits	-	-	-	-	-	384
Utility fees	-	-	-	-	-	13,502,617
Other receipts	3	1,577	5,912	2284	128,827	7,785,417
Total receipts	<u>3</u>	<u>1,577</u>	<u>5,912</u>	<u>2,284</u>	<u>128,827</u>	<u>22,686,328</u>
Disbursements:						
Personal services	-	-	-	-	-	718,652
Supplies	-	-	-	-	-	82,580
Other services and charges	-	-	-	-	-	655,606
Debt service - principal and interest	-	-	-	-	-	311,685
Capital outlay	-	-	-	-	-	273,224
Utility operating expenses	-	-	-	-	-	10,497,716
Other disbursements	-	269,026	265,489	262,000	114,214	10,852,952
Total disbursements	<u>-</u>	<u>269,026</u>	<u>265,489</u>	<u>262,000</u>	<u>114,214</u>	<u>23,392,415</u>
Excess (deficiency) of receipts over disbursements	<u>3</u>	<u>(267,449)</u>	<u>(259,577)</u>	<u>(259,716)</u>	<u>14,613</u>	<u>(706,087)</u>
Cash and investments - ending	<u>\$ 15</u>	<u>\$ 58,182</u>	<u>\$ 22,551</u>	<u>\$ 3,197</u>	<u>\$ 33,528</u>	<u>\$ 8,324,799</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General	Motor Vehicle Highway	Local Road and Street	Park Nonreverting Capital	Police Continuing Education	Park and Recreation	Rainy Day
Cash and investments - beginning	\$ 172,655	\$ 47,395	\$ 129,684	\$ 661	\$ 5,309	\$ 868	\$ 51,072
Receipts:							
Taxes	699,522	201,138	-	-	-	23,485	-
Licenses and permits	45,665	-	-	-	-	-	-
Intergovernmental	550,984	50,383	47,737	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	388	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	533,612	170,403	-	-	470	-	-
Total receipts	<u>1,829,783</u>	<u>421,924</u>	<u>47,737</u>	<u>-</u>	<u>858</u>	<u>23,485</u>	<u>-</u>
Disbursements:							
Personal services	696,636	57,984	-	-	-	-	-
Supplies	95,147	34,824	-	-	-	-	-
Other services and charges	590,657	92,990	5,961	-	40	7,915	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	22,953	-	-	-	8,033	9,925
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	461,375	5,801	-	-	-	-	-
Total disbursements	<u>1,843,815</u>	<u>214,552</u>	<u>5,961</u>	<u>-</u>	<u>40</u>	<u>15,948</u>	<u>9,925</u>
Excess (deficiency) of receipts over disbursements	<u>(14,032)</u>	<u>207,372</u>	<u>41,776</u>	<u>-</u>	<u>818</u>	<u>7,537</u>	<u>(9,925)</u>
Cash and investments - ending	<u>\$ 158,623</u>	<u>\$ 254,767</u>	<u>\$ 171,460</u>	<u>\$ 661</u>	<u>\$ 6,127</u>	<u>\$ 8,405</u>	<u>\$ 41,147</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Cumulative Capital Development (CCD)	RDC	Cumulative Capital Improvement (CCI)	Federal Grants #1	Gun Permit	Debt Service Payment	Town Hall Debt Payment
Cash and investments - beginning	\$ 420	\$ 134,620	\$ 9,600	\$ -	\$ 10,669	\$ 22,213	\$ 17,266
Receipts:							
Taxes	26,193	173,139	-	-	-	44,122	-
Licenses and permits	-	-	-	-	2,580	-	-
Intergovernmental	3,128	-	6,188	4,000	-	5,221	-
Charges for services	-	-	-	-	-	-	63,250
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	5,980
Total receipts	<u>29,321</u>	<u>173,139</u>	<u>6,188</u>	<u>4,000</u>	<u>2,580</u>	<u>49,343</u>	<u>69,230</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	4,605	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	56,307	69,000
Capital outlay	29,725	-	4,548	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	3,503	-	-	-	-
Total disbursements	<u>29,725</u>	<u>4,605</u>	<u>8,051</u>	<u>-</u>	<u>-</u>	<u>56,307</u>	<u>69,000</u>
Excess (deficiency) of receipts over disbursements	<u>(404)</u>	<u>168,534</u>	<u>(1,863)</u>	<u>4,000</u>	<u>2,580</u>	<u>(6,964)</u>	<u>230</u>
Cash and investments - ending	<u>\$ 16</u>	<u>\$ 303,154</u>	<u>\$ 7,737</u>	<u>\$ 4,000</u>	<u>\$ 13,249</u>	<u>\$ 15,249</u>	<u>\$ 17,496</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Town Hall Maintenance	Payroll Withholding	Electric Utility Operating	Electric Utility Customer Deposits	Electric Utility Depreciation	Electric Utility Operating Investments
Cash and investments - beginning	\$ 5,250	\$ 1,009	\$ 546,739	\$ 87,364	\$ 129,906	\$ 240,071
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	6,092,063	-	-	-
Other receipts	3,037	3,179,339	96,100	35,318	123,168	1,669
Total receipts	<u>3,037</u>	<u>3,179,339</u>	<u>6,188,163</u>	<u>35,318</u>	<u>123,168</u>	<u>1,669</u>
Disbursements:						
Personal services	-	2,488,142	-	-	-	-
Supplies	2,672	-	-	-	-	-
Other services and charges	-	13,519	-	-	-	-
Debt service - principal and interest	-	-	5,898	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	6,063,492	-	61	-
Other disbursements	-	671,467	34,609	30,855	212,964	-
Total disbursements	<u>2,672</u>	<u>3,173,128</u>	<u>6,103,999</u>	<u>30,855</u>	<u>213,025</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>365</u>	<u>6,211</u>	<u>84,164</u>	<u>4,463</u>	<u>(89,857)</u>	<u>1,669</u>
Cash and investments - ending	<u>\$ 5,615</u>	<u>\$ 7,220</u>	<u>\$ 630,903</u>	<u>\$ 91,827</u>	<u>\$ 40,049</u>	<u>\$ 241,740</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Electric Utility Developer Deposit Investments	Electric Utility Developers Deposit	Storm Water Utility Operating	Storm Water Utility Depreciation	Storm Water Utility Bond and Interest	Storm Water Utility Other Special Funds
Cash and investments - beginning	\$ 168,500	\$ 2,946	\$ (68,428)	\$ 17,219	\$ 65,370	\$ 14,017
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	223,167	-	-	-
Other receipts	634	112	207,539	-	107,700	-
Total receipts	634	112	430,706	-	107,700	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	65,345	-	41,827	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	79,035	-	-	-
Other disbursements	123,168	-	153,296	4,777	65,345	-
Total disbursements	123,168	-	297,676	4,777	107,172	-
Excess (deficiency) of receipts over disbursements	(122,534)	112	133,030	(4,777)	528	-
Cash and investments - ending	\$ 45,966	\$ 3,058	\$ 64,602	\$ 12,442	\$ 65,898	\$ 14,017

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Storm Water Utility Debt Reserve	Storm Water Utility Depreciation Investments	Wastewater Utility Operating	Wastewater Utility Indemnity	Wastewater Utility Restricted Availability Fees	Wastewater Utility Force Main
Cash and investments - beginning	\$ 62,113	\$ 129,360	\$ 311,360	\$ 130	\$ 777,875	\$ 289,652
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	1,164,501	-	-	18,500
Other receipts	10,872	75	56,232	1	1,862,157	-
Total receipts	<u>10,872</u>	<u>75</u>	<u>1,220,733</u>	<u>1</u>	<u>1,862,157</u>	<u>18,500</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	9,874	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	1,005,641	-	22,426	-
Other disbursements	-	125,387	264,058	-	2,574,950	5,250
Total disbursements	<u>-</u>	<u>125,387</u>	<u>1,279,573</u>	<u>-</u>	<u>2,597,376</u>	<u>5,250</u>
Excess (deficiency) of receipts over disbursements	<u>10,872</u>	<u>(125,312)</u>	<u>(58,840)</u>	<u>1</u>	<u>(735,219)</u>	<u>13,250</u>
Cash and investments - ending	<u>\$ 72,985</u>	<u>\$ 4,048</u>	<u>\$ 252,520</u>	<u>\$ 131</u>	<u>\$ 42,656</u>	<u>\$ 302,902</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Wastewater Utility Depreciation	Wastewater Utility Unrestricted Availability Fees	Wastewater Utility Construction Investments	Wastewater Utility Construction	Wastewater Utility Assessment Deposit	Wastewater Utility Tremont Bond & Interest
Cash and investments - beginning	\$ 183,590	\$ 271,633	\$ 284,677	\$ 196,374	\$ 1,595,404	\$ 14,790
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	106,000	-
Other receipts	152,811	6,421	248	866	1,750	44,300
Total receipts	<u>152,811</u>	<u>6,421</u>	<u>248</u>	<u>866</u>	<u>107,750</u>	<u>44,300</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	259,875	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	40	-	-	-	-
Other disbursements	245,333	-	25,050	197,127	1,668,529	44,590
Total disbursements	<u>245,333</u>	<u>40</u>	<u>284,925</u>	<u>197,127</u>	<u>1,668,529</u>	<u>44,590</u>
Excess (deficiency) of receipts over disbursements	<u>(92,522)</u>	<u>6,381</u>	<u>(284,677)</u>	<u>(196,261)</u>	<u>(1,560,779)</u>	<u>(290)</u>
Cash and investments - ending	<u>\$ 91,068</u>	<u>\$ 278,014</u>	<u>\$ -</u>	<u>\$ 113</u>	<u>\$ 34,625</u>	<u>\$ 14,500</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Wastewater Utility Depreciation Investments	Wastewater Utility Assessment Deposit Investments	Wastewater Utility Maint Bond Reserve	Water Utility Operating	Water Utility Customer Deposits	Water Utility Depreciation
Cash and investments - beginning	\$ 284,592	\$ 258,720	\$ 1,955	\$ 546,858	\$ 59,049	\$ 110,302
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	9,129,933	-	-
Other receipts	1,980	1,800	-	102,543	28,777	620,052
Total receipts	<u>1,980</u>	<u>1,800</u>	<u>-</u>	<u>9,232,476</u>	<u>28,777</u>	<u>620,052</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	2,510	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	4,343,753	-	6,319
Other disbursements	-	-	-	4,590,187	22,657	5,672
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,936,450</u>	<u>22,657</u>	<u>11,991</u>
Excess (deficiency) of receipts over disbursements	<u>1,980</u>	<u>1,800</u>	<u>-</u>	<u>296,026</u>	<u>6,120</u>	<u>608,061</u>
Cash and investments - ending	<u>\$ 286,572</u>	<u>\$ 260,520</u>	<u>\$ 1,955</u>	<u>\$ 842,884</u>	<u>\$ 65,169</u>	<u>\$ 718,363</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Water Utility SDC	Water Utility Connection Fees	Water Utility Bond Reserve Cash	Water Utility Bond and Interest	Water Utility Construction	Water Utility Water Tank Cash Reserve
Cash and investments - beginning	\$ 50,833	\$ 2,180	\$ 891,224	\$ 72,260	\$ 15	\$ 58,182
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	118,195	-	-	-	-	-
Other receipts	39,176	-	-	848,453	1	56,277
Total receipts	<u>157,371</u>	<u>-</u>	<u>-</u>	<u>848,453</u>	<u>1</u>	<u>56,277</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	846,063	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	5	-	-
Other disbursements	55,847	-	891,224	-	-	-
Total disbursements	<u>55,847</u>	<u>-</u>	<u>891,224</u>	<u>846,068</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>101,524</u>	<u>-</u>	<u>(891,224)</u>	<u>2,385</u>	<u>1</u>	<u>56,277</u>
Cash and investments - ending	<u>\$ 152,357</u>	<u>\$ 2,180</u>	<u>\$ -</u>	<u>\$ 74,645</u>	<u>\$ 16</u>	<u>\$ 114,459</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Water Utility Operating Investment	Water Utility Depreciation Investments	Water Utility B&I SRFA	Water Utility B&I SRFB	Water Utility Increase Funds	Water Utility Construction 2011B
Cash and investments - beginning	\$ 22,551	\$ 3,197	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	157	22	533,564	76,223	3,259,560	1,270,000
Total receipts	<u>157</u>	<u>22</u>	<u>533,564</u>	<u>76,223</u>	<u>3,259,560</u>	<u>1,270,000</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	30	-
Other disbursements	-	-	492,680	-	2,006,377	-
Total disbursements	<u>-</u>	<u>-</u>	<u>492,680</u>	<u>-</u>	<u>2,006,407</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>157</u>	<u>22</u>	<u>40,884</u>	<u>76,223</u>	<u>1,253,153</u>	<u>1,270,000</u>
Cash and investments - ending	<u>\$ 22,708</u>	<u>\$ 3,219</u>	<u>\$ 40,884</u>	<u>\$ 76,223</u>	<u>\$ 1,253,153</u>	<u>\$ 1,270,000</u>

TOWN OF BARGERSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Water Utility Bond Reserve SRF	Utilities Payroll Holding Cash	SRF DW Bargersville	Town of Bargersville and Bowen Engineering Corp Water Treatment Plant Project	SRF DW Bargersville 11B	Totals
Cash and investments - beginning	\$ -	\$ 33,528	\$ -	\$ -	\$ -	\$ 8,324,799
Receipts:						
Taxes	-	-	-	-	-	1,167,599
Licenses and permits	-	-	-	-	-	48,245
Intergovernmental	-	-	-	-	-	667,641
Charges for services	-	-	-	-	-	63,250
Fines and forfeits	-	-	-	-	-	388
Utility fees	-	-	-	-	-	16,852,359
Other receipts	936,149	2,440,126	3,668,095	160,407	58,024	20,702,200
Total receipts	<u>936,149</u>	<u>2,440,126</u>	<u>3,668,095</u>	<u>160,407</u>	<u>58,024</u>	<u>39,501,682</u>
Disbursements:						
Personal services	-	-	-	-	-	3,242,762
Supplies	-	-	-	-	-	132,643
Other services and charges	-	-	-	-	-	715,687
Debt service - principal and interest	-	-	-	-	-	1,356,699
Capital outlay	-	-	-	-	-	75,184
Utility operating expenses	-	-	-	-	-	11,520,802
Other disbursements	-	2,457,443	3,668,095	-	58,024	21,165,640
Total disbursements	<u>-</u>	<u>2,457,443</u>	<u>3,668,095</u>	<u>-</u>	<u>58,024</u>	<u>38,209,417</u>
Excess (deficiency) of receipts over disbursements	<u>936,149</u>	<u>(17,317)</u>	<u>-</u>	<u>160,407</u>	<u>-</u>	<u>1,149,175</u>
Cash and investments - ending	<u>\$ 936,149</u>	<u>\$ 16,211</u>	<u>\$ -</u>	<u>\$ 160,407</u>	<u>\$ -</u>	<u>\$ 9,617,064</u>

TOWN OF BARGERSVILLE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 108,036	\$ -
Electric	62,374	535,507
Storm Water	325	22,419
Wastewater	65,150	151,489
Water	<u>64,338</u>	<u>639,829</u>
Totals	<u>\$ 300,223</u>	<u>\$ 1,349,244</u>

TOWN OF BARGERSVILLE
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Bank of Indiana	2009 Charger	\$ 1,874	07-20-09	07-20-12
Bank of Indiana	2009 Charger	1,874	11-12-09	11-01-12
National City	2008 Patcher	<u>2,247</u>	10-01-09	10-01-14
Total governmental activities		<u>5,995</u>		
Electric:				
Bank of Indiana	2009 Bucket Truck	<u>25,301</u>	03-25-09	03-25-16
Wastewater:				
Bank Of Indiana	1994 Vactor	<u>30,027</u>	02-25-09	02-25-14
Water:				
Bank of Indiana	2009 F250 Truck	<u>2,094</u>	10-15-09	10-14-12
Total of annual lease payments		<u>\$ 63,417</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	Road Improvements	\$ 140,000	\$ 69,000
Notes and loans payable	Building Corp.	<u>115,000</u>	<u>69,000</u>
Total governmental activities		<u>255,000</u>	<u>138,000</u>
Storm Water:			
Revenue bonds	Stormwater Improvements (Series A)	1,114,000	66,480
Revenue bonds	Stormwater Improvements (Series B)	<u>715,000</u>	<u>41,175</u>
Total Storm Water		<u>1,829,000</u>	<u>107,655</u>
Water:			
Revenue bonds	Water Works Refunding	400,000	123,150
Revenue bonds	Water Works Improvements	1,245,000	468,575
Revenue bonds	Water Works Construction	<u>6,505,000</u>	<u>254,568</u>
Total Water		<u>8,150,000</u>	<u>846,293</u>
Totals		<u>\$ 10,234,000</u>	<u>\$ 1,091,948</u>

TOWN OF BARGERSVILLE
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Stormwater Utility - Operating Fund was overdrawn in 2010.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$581.73 were paid to the Internal Revenue Service on October 16, 2010, for the period ending June 30, 2010. The amount was paid in full by a personal check from Carla Roy, Clerk-Treasurer.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder for 2011: Donna Bishop, Deputy Clerk-Treasurer.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

CONDITION OF RECORDS

Water State Revolving Fund transactions are not accounted for on the Town's ledger. Money is held in deposit accounts at the Bank of New York. No reconciliation was made to the depository balance. Since the transactions are not part of the Town's ledgers, they were not included in the Annual Report that was filed with the Indiana State Board of Accounts for 2011. The Clerk-Treasurer approved the adjustment and the transactions have been included in the report presented herein, in the funds entitled SRFDW-Bargersville, Town of Bargersville and Bowen Engineering Corpt Water Treatment Plant Project, and SRFDW - Bargersville 11B.

The Utilities Payroll Holding Account was not reported on the 2011 Annual Report. The Clerk-Treasurer approved the adjustment and the transactions have been included in the report presented herein.

TOWN OF BARGERSVILLE
AUDIT RESULTS AND COMMENTS
(Continued)

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)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONFLICT OF INTEREST

A Uniform Conflict of Interest Disclosure Statement does not appear to have been filed by all Town Council members who are either an employee of the Town or whose spouse is an employee of the town.

Indiana Code 35-44-1-3 states in part:

"(a) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony. . . .

(c) This section does not prohibit a public servant from having a pecuniary interest in or deriving a profit from a contract or purchase connected with the governmental entity served . . . (3) if the public servant; (A) is an elected public servant. . . . and (B) makes a disclosure under subsection (d)(1) through (d)(6).

(d) A disclosure required by this section must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity prior to final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) . . . the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase. . . .

(g) A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (1) the public servant; or (2) a dependent of the public servant who: (A) is under the direct or indirect administrative control of the public servant; or (B) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant. . . .

(k) As used in this section, 'dependent' means any of the following: (1) The spouse of a public servant. (2) A child, stepchild, or adoptee (as defined in IC 31-9-2-2) of a public servant who is: (A) unemancipated; and (B) less than eighteen (18) years of age. (3) Any individual more than one-half (1/2) of whose support is provided during a year by the public servant."

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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 AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE TOWN OF BARGERSVILLE, JOHNSON COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Bargersville (Town) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the years ended December 31, 2010 and 2011. The Town's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2010 and 2011.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Town's management, Town Council, others within the entity, federal awarding agencies, and pass-through entities 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

June 12, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying note presented were approved by management of the Town. The schedule and note are presented as intended by the Town.

TOWN OF BARGERSVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended December 31, 2010 and 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 12-31-10	Total Federal Awards Expended 12-31-11
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Pass-Through Indiana Office of Community and Rural Affairs CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii 2010	14.228	None	\$ 9,653	\$ -
Total for federal grantor agency			<u>9,653</u>	<u>-</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction 2010	20.205	None	200,139	-
Total for federal grantor agency			<u>200,139</u>	<u>-</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Pass-Through Indiana Finance Authority Capitalization Grants for Drinking Water State Revolving Funds 2011 Series A 2011 Series B	66.468	None None	- -	1,531,401 23,210
Total for federal grantor agency			<u>-</u>	<u>1,554,611</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-Through Indiana Office of Community and Rural Affairs Disaster Grants - Public Assistance (Presidentially Declared Disasters) 2010	97.036	None	1,646	-
Total for federal grantor agency			<u>1,646</u>	<u>-</u>
Total federal awards expended			<u>\$ 211,438</u>	<u>\$ 1,554,611</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

TOWN OF BARGERSVILLE
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Bargersville and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1 et seq.), audits of Towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

TOWN OF BARGERSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major program:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
66.468	Capitalization Grants for Drinking Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF BARGERSVILLE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TOWN OF BARGERSVILLE
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2012, with Steve Longstreet, Clerk-Treasurer.

The contents of this report were communicated via email on August 9, 2012, with Carla Roy, former Clerk-Treasurer.