

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF SHARPSVILLE

TIPTON COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
09/18/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Berniece Farris	01-01-08 to 12-31-15
President of the Town Council	Robert Rupe Linda Smeltzer William White Jr.	08-01-09 to 12-31-10 01-01-11 to 12-31-11 01-01-12 to 12-31-12
Superintendent of Utilities	Michael Beck	01-01-10 to 12-31-12
Town Court Judge	Evelyn R. Hollman	01-01-10 to 12-31-12



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

TO: THE OFFICIALS OF THE TOWN OF SHARPSVILLE, TIPTON COUNTY, INDIANA

We have examined the financial statements of the Town of Sharpsville (Town), for the period of January 1, 2010 to December 31, 2011. 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, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, Town Council, and others within the entity 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 28, 2012

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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 SHARPSVILLE
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	\$ 203,261	\$ 222,695	\$ 195,526	\$ 230,430
Motor Vehicle Highway	25,401	22,729	17,787	30,343
Local Road And Street	21,465	2,483	2,443	21,505
Law Enforcement Continuing Ed	16,309	2,696	2,108	16,897
Riverboat	20,819	3,867	-	24,686
Community Building/Center	8,511	7,281	7,538	8,254
Rainy Day	10,763	3,038	-	13,801
Court Fees	-	10,384	10,384	-
Fax/Rpf	16,059	2,127	3,855	14,331
Llcef	7,322	415	632	7,105
Cumulative Capl Imprv Cigarette Tax	23,288	1,809	-	25,097
Cumulative Capital Development	22,251	2,308	4,000	20,559
Cumulative Fire	21,012	1,534	15,000	7,546
Cedit Capital Projects	27,884	17,188	2,516	42,556
Payroll	5,183	133,322	134,347	4,158
Town Court	4,592	115,404	115,996	4,000
Trash Utility - Operating	4,803	34,686	34,225	5,264
Wastewater Utility - Operating	46,837	200,125	165,893	81,069
Wastewater Util - Bond And Interest	33,409	-	-	33,409
Water Utility - Debt Reserve	56,170	5,430	-	61,600
Water Utility - Operating	80,767	83,660	106,078	58,349
Water Utility - Bond And Interest	45,292	64,520	53,027	56,785
Water Utility - Customer Deposit	6,297	380	-	6,677
Totals	<u>\$ 707,695</u>	<u>\$ 938,081</u>	<u>\$ 871,355</u>	<u>\$ 774,421</u>

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

TOWN OF SHARPSVILLE
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	\$ 230,430	\$ 220,151	\$ 239,735	\$ 210,846
Motor Vehicle Highway	30,343	21,775	16,077	36,041
Local Road And Street	21,505	2,447	2,150	21,802
Law Enforcement Continuing Ed	16,897	2,184	1,168	17,913
Riverboat	24,686	3,867	-	28,553
Rainy Day	13,801	-	3,000	10,801
Cumulative Capl Imprv Cigarette Tax	25,097	1,775	5,000	21,872
Cumulative Capital Development	20,559	2,276	2,500	20,335
Cumulative Fire	7,546	1,590	1,500	7,636
Cedit Capital Projects	42,556	15,188	20,000	37,744
Town Court Checking	4,000	108,073	106,193	5,880
Community Building/Center	8,254	6,703	6,082	8,875
Court Fees	-	9,917	9,101	816
Fax/Rpf	14,331	1,949	5,420	10,860
Llcef	7,105	364	54	7,415
Payroll	4,158	147,047	144,395	6,810
Trash Utility - Operating	5,264	34,857	33,360	6,761
Debt Reserve - Wastewater	33,409	5,565	-	38,974
Wastewater Utility - Operating	81,069	194,754	195,423	80,400
Water Utility - Debt Reserve	61,600	7,280	14,280	54,600
Water Utility - Operating	58,349	111,156	135,175	34,330
Water Utility - Bond And Interest	56,785	65,625	105,202	17,208
Water Utility - Customer Deposit	6,677	300	-	6,977
Totals	<u>\$ 774,421</u>	<u>\$ 964,843</u>	<u>\$ 1,045,815</u>	<u>\$ 693,449</u>

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

TOWN OF SHARPSVILLE
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, general administrative services, water, wastewater, storm water, and trash.

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, but are not limited to, the following sources:

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

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

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 SHARPSVILLE
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, but are not limited to, the following uses:

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

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

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

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

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

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

TOWN OF SHARPSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

TOWN OF SHARPSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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 Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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:

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

Funding Policy and Annual Pension Cost

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

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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 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 approved by management of the Town. It is presented as intended by the Town.

TOWN OF SHARPSVILLE
 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	Law Enforcement Continuing Ed	Riverboat	Community Building/Center	Rainy Day	Court Fees
Cash and investments - beginning	\$ 203,261	\$ 25,401	\$ 21,465	\$ 16,309	\$ 20,819	\$ 8,511	\$ 10,763	\$ -
Receipts:								
Taxes	121,043	-	-	-	-	-	-	-
Licenses and permits	607	-	-	-	-	-	-	-
Intergovernmental	72,595	22,729	2,483	-	3,867	-	1,940	-
Charges for services	4,546	-	-	-	-	-	1,098	-
Fines and forfeits	18,930	-	-	2,696	-	-	-	10,384
Utility fees	-	-	-	-	-	-	-	-
Other receipts	4,974	-	-	-	-	7,281	-	-
Total receipts	222,695	22,729	2,483	2,696	3,867	7,281	3,038	10,384
Disbursements:								
Personal services	95,720	16,043	-	-	-	-	-	-
Supplies	29,404	1,019	-	-	-	-	-	-
Other services and charges	63,450	725	2,443	-	-	7,538	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	6,952	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,108	-	-	-	10,384
Total disbursements	195,526	17,787	2,443	2,108	-	7,538	-	10,384
Excess (deficiency) of receipts over disbursements	27,169	4,942	40	588	3,867	(257)	3,038	-
Cash and investments - ending	\$ 230,430	\$ 30,343	\$ 21,505	\$ 16,897	\$ 24,686	\$ 8,254	\$ 13,801	\$ -

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

	Fax/Rpf	Llcef	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development	Cumulative Fire	Cedit Capital Projects	Payroll	Town Court
Cash and investments - beginning	\$ 16,059	\$ 7,322	\$ 23,288	\$ 22,251	\$ 21,012	\$ 27,884	\$ 5,183	\$ 4,592
Receipts:								
Taxes	-	-	-	1,973	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	1,809	335	1,534	17,188	-	-
Charges for services	-	279	-	-	-	-	-	-
Fines and forfeits	2,127	136	-	-	-	-	-	115,404
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	133,322	-
Total receipts	2,127	415	1,809	2,308	1,534	17,188	133,322	115,404
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	632	-	-	-	-	-	-
Other services and charges	3,855	-	-	4,000	15,000	2,516	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	134,347	115,996
Total disbursements	3,855	632	-	4,000	15,000	2,516	134,347	115,996
Excess (deficiency) of receipts over disbursements	(1,728)	(217)	1,809	(1,692)	(13,466)	14,672	(1,025)	(592)
Cash and investments - ending	\$ 14,331	\$ 7,105	\$ 25,097	\$ 20,559	\$ 7,546	\$ 42,556	\$ 4,158	\$ 4,000

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

	Trash Utility - Operating	Wastewater Utility - Operating	Wastewater Util - Bond And Interest	Water Utility - Debt Reserve	Water Utility - Operating	Water Utility - Bond And Interest	Water Utility - Customer Deposit	Totals
Cash and investments - beginning	\$ 4,803	\$ 46,837	\$ 33,409	\$ 56,170	\$ 80,767	\$ 45,292	\$ 6,297	\$ 707,695
Receipts:								
Taxes	-	-	-	-	-	-	-	123,016
Licenses and permits	-	-	-	-	-	-	-	607
Intergovernmental	-	-	-	-	7,573	-	-	132,053
Charges for services	-	-	-	-	-	-	-	5,923
Fines and forfeits	-	-	-	-	-	-	-	149,677
Utility fees	-	3,854	-	-	76,078	-	-	79,932
Other receipts	34,686	196,271	-	5,430	9	64,520	380	446,873
Total receipts	34,686	200,125	-	5,430	83,660	64,520	380	938,081
Disbursements:								
Personal services	-	-	-	-	-	-	-	111,763
Supplies	-	-	-	-	-	-	-	31,055
Other services and charges	-	-	-	-	-	-	-	99,527
Debt service - principal and interest	-	35,704	-	-	-	53,027	-	88,731
Capital outlay	-	-	-	-	-	-	-	6,952
Utility operating expenses	34,225	104,439	-	-	41,558	-	-	180,222
Other disbursements	-	25,750	-	-	64,520	-	-	353,105
Total disbursements	34,225	165,893	-	-	106,078	53,027	-	871,355
Excess (deficiency) of receipts over disbursements	461	34,232	-	5,430	(22,418)	11,493	380	66,726
Cash and investments - ending	\$ 5,264	\$ 81,069	\$ 33,409	\$ 61,600	\$ 58,349	\$ 56,785	\$ 6,677	\$ 774,421

TOWN OF SHARPSVILLE
 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	Law Enforcement Continuing Ed	Riverboat	Rainy Day	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ 230,430	\$ 30,343	\$ 21,505	\$ 16,897	\$ 24,686	\$ 13,801	\$ 25,097	\$ 20,559
Receipts:								
Taxes	138,926	5,587	-	-	-	-	-	2,036
Licenses and permits	130	-	-	-	-	-	-	-
Intergovernmental	56,055	16,188	2,447	-	3,867	-	1,775	240
Charges for services	6,102	-	-	-	-	-	-	-
Fines and forfeits	17,265	-	-	2,184	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	1,673	-	-	-	-	-	-	-
Total receipts	<u>220,151</u>	<u>21,775</u>	<u>2,447</u>	<u>2,184</u>	<u>3,867</u>	<u>-</u>	<u>1,775</u>	<u>2,276</u>
Disbursements:								
Personal services	107,144	14,256	-	-	-	-	-	-
Supplies	30,444	-	150	-	-	-	-	-
Other services and charges	78,910	1,821	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	23,237	-	2,000	-	-	3,000	5,000	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	1,168	-	-	-	2,500
Total disbursements	<u>239,735</u>	<u>16,077</u>	<u>2,150</u>	<u>1,168</u>	<u>-</u>	<u>3,000</u>	<u>5,000</u>	<u>2,500</u>
Excess (deficiency) of receipts over disbursements	<u>(19,584)</u>	<u>5,698</u>	<u>297</u>	<u>1,016</u>	<u>3,867</u>	<u>(3,000)</u>	<u>(3,225)</u>	<u>(224)</u>
Cash and investments - ending	<u>\$ 210,846</u>	<u>\$ 36,041</u>	<u>\$ 21,802</u>	<u>\$ 17,913</u>	<u>\$ 28,553</u>	<u>\$ 10,801</u>	<u>\$ 21,872</u>	<u>\$ 20,335</u>

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

	Cumulative Fire	Cedit Capital Projects	Town Court Checking	Community Building/Center	Court Fees	Fax/Rpf	Llcef	Payroll
Cash and investments - beginning	\$ 7,546	\$ 42,556	\$ 4,000	\$ 8,254	\$ -	\$ 14,331	\$ 7,105	\$ 4,158
Receipts:								
Taxes	1,426	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	164	15,188	-	-	-	-	-	-
Charges for services	-	-	-	6,703	-	-	-	-
Fines and forfeits	-	-	108,054	-	9,917	1,949	364	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	-	19	-	-	-	-	147,047
Total receipts	1,590	15,188	108,073	6,703	9,917	1,949	364	147,047
Disbursements:								
Personal services	-	-	-	-	-	-	-	144,395
Supplies	-	-	-	1,114	-	100	-	-
Other services and charges	1,500	-	-	4,968	-	5,320	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	20,000	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	106,193	-	9,101	-	54	-
Total disbursements	1,500	20,000	106,193	6,082	9,101	5,420	54	144,395
Excess (deficiency) of receipts over disbursements	90	(4,812)	1,880	621	816	(3,471)	310	2,652
Cash and investments - ending	\$ 7,636	\$ 37,744	\$ 5,880	\$ 8,875	\$ 816	\$ 10,860	\$ 7,415	\$ 6,810

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

	Trash Utility -	Debt Reserve -	Wastewater Utility -	Water Utility -	Water Utility -	Water Utility -	Water Utility -	Totals
	Operating	Wastewater	Operating	Debt Reserve	Operating	Bond And Interest	Customer Deposit	
Cash and investments - beginning	\$ 5,264	\$ 33,409	\$ 81,069	\$ 61,600	\$ 58,349	\$ 56,785	\$ 6,677	\$ 774,421
Receipts:								
Taxes	-	-	-	-	-	-	-	147,975
Licenses and permits	-	-	-	-	-	-	-	130
Intergovernmental	-	-	-	-	-	-	-	95,924
Charges for services	34,857	-	-	-	-	-	-	47,662
Fines and forfeits	-	-	-	-	-	-	-	139,733
Utility fees	-	-	194,656	-	109,668	-	300	304,624
Penalties	-	-	-	-	909	-	-	909
Other receipts	-	5,565	98	7,280	579	65,625	-	227,886
Total receipts	<u>34,857</u>	<u>5,565</u>	<u>194,754</u>	<u>7,280</u>	<u>111,156</u>	<u>65,625</u>	<u>300</u>	<u>964,843</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	265,795
Supplies	-	-	-	-	-	-	-	31,808
Other services and charges	33,360	-	-	-	-	-	-	125,879
Debt service - principal and interest	-	-	37,050	-	-	97,922	-	134,972
Capital outlay	-	-	-	-	-	-	-	53,237
Utility operating expenses	-	-	158,373	-	52,095	-	-	210,468
Other disbursements	-	-	-	14,280	83,080	7,280	-	223,656
Total disbursements	<u>33,360</u>	<u>-</u>	<u>195,423</u>	<u>14,280</u>	<u>135,175</u>	<u>105,202</u>	<u>-</u>	<u>1,045,815</u>
Excess (deficiency) of receipts over disbursements	<u>1,497</u>	<u>5,565</u>	<u>(669)</u>	<u>(7,000)</u>	<u>(24,019)</u>	<u>(39,577)</u>	<u>300</u>	<u>(80,972)</u>
Cash and investments - ending	<u>\$ 6,761</u>	<u>\$ 38,974</u>	<u>\$ 80,400</u>	<u>\$ 54,600</u>	<u>\$ 34,330</u>	<u>\$ 17,208</u>	<u>\$ 6,977</u>	<u>\$ 693,449</u>

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ -	\$ -
Trash	-	6,005
Wastewater	4,599	35,975
Water	-	13,655
	-	13,655
Totals	\$ 4,599	\$ 55,635

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Sharpsville Fire Barn Corp.	Fire Barn Addition	\$ 24,000	06-01-96	06-30-16
Total of annual lease payments		<u>\$ 24,000</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Revenue bonds	WATER SYSTEM UP DATE	\$ 592,000	\$ 53,790
Revenue bonds	SEWER SYSTEM	<u>100,000</u>	<u>36,150</u>
Total governmental activities		<u>692,000</u>	<u>781,940</u>
Totals		<u>\$ 692,000</u>	<u>\$ 89,940</u>

TOWN OF SHARPSVILLE
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 6,000
Infrastructure	219,013
Buildings	1,076,604
Improvements other than buildings	5,200
Machinery, equipment and vehicles	<u>158,375</u>
Total governmental activities	<u>1,465,192</u>
Trash	<u>-</u>
Wastewater:	
Buildings	82,652
Improvements other than buildings	1,454,254
Machinery, equipment and vehicles	<u>34,933</u>
Total Wastewater	<u>1,571,839</u>
Water:	
Land	502
Buildings	13,424
Improvements other than buildings	1,162,887
Machinery, equipment and vehicles	<u>59,360</u>
Total Water	<u>1,236,173</u>
Total capital assets	<u>\$ 4,273,204</u>

TOWN OF SHARPSVILLE
EXAMINATION RESULT AND COMMENT

DEPOSITS - GUN PERMIT RECEIPTS

As stated in the prior Reports B07798, B13893, B17670, B23803, B27191, and B37413, we noted instances where receipts collected for gun permits were not deposited in a timely manner. Fees are collected by the Town Marshal throughout the year, but are only remitted to the Clerk-Treasurer randomly. Six receipts were held as much as 90 days or more before being turned over to the Clerk-Treasurer.

Receipts and fees collected by a police department or marshal's office should be remitted to the Clerk-Treasurer or controller at least once each week. (Cities and Towns Bulletin and Uniform Compliance Guidelines, September 2003)

TOWN OF SHARPSVILLE
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2012, with Berniece Farris, Clerk-Treasurer, and William White Jr., President of the Town Council. The officials concurred with our finding.