

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF LEO-CEDARVILLE

ALLEN COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/10/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Pamela K. Spannuth John Eastes	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Paul Steffens John E. Clendenen	01-01-10 to 12-31-10 01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF LEO-CEDARVILLE, ALLEN COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Leo-Cedarville (Town), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements 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.

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.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedule 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, the 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

August 14, 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 LEO-CEDARVILLE
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	\$ 278,155	\$ 397,872	\$ 344,883	\$ 331,144
Motor Vehicle Highway	146,814	151,296	79,829	218,281
Local Road and Street	60,134	34,594	20,620	74,108
Donations	5,587	440	279	5,748
Park and Recreation	30,762	78,229	58,732	50,259
Donations-Riverside Gardens	134	-	-	134
Local Grant	-	20,000	-	20,000
Rainy Day	89,705	44,514	13,500	120,719
Levy Excess	-	2,265	-	2,265
Wheel/Sur Excess	-	17,184	17,184	-
Cumulative Capital Improvement-Cigarette Tax	65,709	8,146	-	73,855
Cumulative Capital Development	14,291	39,326	85	53,532
Cumulative Capital Fire	161,545	25,654	56	187,143
CEDIT	441,888	261,513	95,713	607,688
Stormwater	87,908	126,474	90,517	123,865
Capital Improvement Loan	-	850,000	759,016	90,984
Garbage Service	6,981	160,755	138,786	28,950
Totals	<u>\$ 1,389,613</u>	<u>\$ 2,218,262</u>	<u>\$ 1,619,200</u>	<u>\$ 1,988,675</u>

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

TOWN OF LEO-CEDARVILLE
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	\$ 331,144	\$ 371,011	\$ 405,420	\$ 296,735
Motor Vehicle Highway	218,281	165,961	66,890	317,352
Local Road and Street	74,108	33,773	-	107,881
Park and Recreation	50,259	75,549	56,493	69,315
Rainy Day	120,719	-	-	120,719
CEDIT	607,688	206,049	185,656	628,081
Levy Excess	2,265	-	-	2,265
Cumulative Capital Improvement-Cigarette Tax	73,855	7,989	-	81,844
Cumulative Capital Development	53,532	30,745	-	84,277
Cumulative Capital Fire	187,143	20,056	-	207,199
Local Grant	20,000	-	20,000	-
Capital Improvement Loan	90,984	-	90,984	-
Donations	5,748	1,400	977	6,171
Donations-Riverside Gardens	134	-	-	134
Donations-Fourth Festival	-	3,355	2,164	1,191
Wheel/Sur Tax Excess	-	17,184	17,184	-
Garbage Service	28,950	139,026	113,694	54,282
Storm water	123,865	131,786	30,556	225,095
Totals	<u>\$ 1,988,675</u>	<u>\$ 1,203,884</u>	<u>\$ 990,018</u>	<u>\$ 2,202,541</u>

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

TOWN OF LEO-CEDARVILLE
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, storm water, trash, and urban redevelopment and housing.

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 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

TOWN OF LEO-CEDARVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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).

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 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.

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.

TOWN OF LEO-CEDARVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

TOWN OF LEO-CEDARVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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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 LEO-CEDARVILLE
 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	Donations	Park and Recreation	Donations- Riverside Gardens
Cash and investments - beginning	\$ 278,155	\$ 146,814	\$ 60,134	\$ 5,587	\$ 30,762	\$ 134
Receipts:						
Taxes	260,464	32,963	-	-	53,822	-
Licenses and permits	4,635	-	-	-	-	-
Intergovernmental	108,440	118,333	34,594	-	5,367	-
Charges for services	-	-	-	-	-	-
Other receipts	24,333	-	-	440	19,040	-
Total receipts	<u>397,872</u>	<u>151,296</u>	<u>34,594</u>	<u>440</u>	<u>78,229</u>	<u>-</u>
Disbursements:						
Personal services	157,625	7,630	-	-	18,150	-
Supplies	24,206	16,157	-	-	12,940	-
Other services and charges	150,217	37,762	3,887	-	19,942	-
Capital outlay	12,052	-	16,733	-	7,580	-
Other disbursements	783	18,280	-	279	120	-
Total disbursements	<u>344,883</u>	<u>79,829</u>	<u>20,620</u>	<u>279</u>	<u>58,732</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>52,989</u>	<u>71,467</u>	<u>13,974</u>	<u>161</u>	<u>19,497</u>	<u>-</u>
Cash and investments - ending	<u>\$ 331,144</u>	<u>\$ 218,281</u>	<u>\$ 74,108</u>	<u>\$ 5,748</u>	<u>\$ 50,259</u>	<u>\$ 134</u>

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

	Local Grant	Rainy Day	Levy Excess	Wheel/Sur Excess	Cumulative Capital Improvement- Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ -	\$ 89,705	\$ -	\$ -	\$ 65,709	\$ 14,291
Receipts:						
Taxes	-	-	-	-	-	27,668
Licenses and permits	-	-	-	-	-	-
Intergovernmental	20,000	44,514	1,123	17,184	8,146	2,759
Charges for services	-	-	-	-	-	-
Other receipts	-	-	1,142	-	-	8,899
Total receipts	<u>20,000</u>	<u>44,514</u>	<u>2,265</u>	<u>17,184</u>	<u>8,146</u>	<u>39,326</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	13,500	-	-	-	-
Other disbursements	-	-	-	17,184	-	85
Total disbursements	<u>-</u>	<u>13,500</u>	<u>-</u>	<u>17,184</u>	<u>-</u>	<u>85</u>
Excess (deficiency) of receipts over disbursements	<u>20,000</u>	<u>31,014</u>	<u>2,265</u>	<u>-</u>	<u>8,146</u>	<u>39,241</u>
Cash and investments - ending	<u>\$ 20,000</u>	<u>\$ 120,719</u>	<u>\$ 2,265</u>	<u>\$ -</u>	<u>\$ 73,855</u>	<u>\$ 53,532</u>

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

	Cumulative Capital Fire	CEDIT	Stormwater	Capital Improvement Loan	Garbage Service	Totals
Cash and investments - beginning	\$ 161,545	\$ 441,888	\$ 87,908	\$ -	\$ 6,981	\$ 1,389,613
Receipts:						
Taxes	18,049	-	-	-	-	392,966
Licenses and permits	-	-	-	-	-	4,635
Intergovernmental	1,800	261,513	-	-	-	623,773
Charges for services	-	-	126,474	-	-	126,474
Other receipts	5,805	-	-	850,000	160,755	1,070,414
Total receipts	25,654	261,513	126,474	850,000	160,755	2,218,262
Disbursements:						
Personal services	-	-	-	-	-	183,405
Supplies	-	-	-	-	-	53,303
Other services and charges	-	-	-	-	138,786	350,594
Capital outlay	-	95,713	90,517	759,016	-	995,111
Other disbursements	56	-	-	-	-	36,787
Total disbursements	56	95,713	90,517	759,016	138,786	1,619,200
Excess (deficiency) of receipts over disbursements	25,598	165,800	35,957	90,984	21,969	599,062
Cash and investments - ending	\$ 187,143	\$ 607,688	\$ 123,865	\$ 90,984	\$ 28,950	\$ 1,988,675

TOWN OF LEO-CEDARVILLE
 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 and Recreation	Rainy Day	CEDIT	Levy Excess
Cash and investments - beginning	\$ 331,144	\$ 218,281	\$ 74,108	\$ 50,259	\$ 120,719	\$ 607,688	\$ 2,265
Receipts:							
Taxes	255,724	44,231	-	51,530	-	-	-
Licenses and permits	3,565	-	-	-	-	-	-
Intergovernmental	92,980	82,207	33,773	5,277	-	206,049	-
Charges for services	-	-	-	18,742	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	18,742	39,523	-	-	-	-	-
Total receipts	<u>371,011</u>	<u>165,961</u>	<u>33,773</u>	<u>75,549</u>	<u>-</u>	<u>206,049</u>	<u>-</u>
Disbursements:							
Personal services	183,390	7,521	-	22,949	-	-	-
Supplies	23,178	13,179	-	10,322	-	-	-
Other services and charges	148,280	36,590	-	21,856	-	-	-
Debt service - principal and interest	-	-	-	-	-	170,185	-
Capital outlay	50,572	9,600	-	1,366	-	15,471	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>405,420</u>	<u>66,890</u>	<u>-</u>	<u>56,493</u>	<u>-</u>	<u>185,656</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(34,409)</u>	<u>99,071</u>	<u>33,773</u>	<u>19,056</u>	<u>-</u>	<u>20,393</u>	<u>-</u>
Cash and investments - ending	<u>\$ 296,735</u>	<u>\$ 317,352</u>	<u>\$ 107,881</u>	<u>\$ 69,315</u>	<u>\$ 120,719</u>	<u>\$ 628,081</u>	<u>\$ 2,265</u>

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

	Cumulative Improvement- Cigarette Tax	Cumulative Capital Development	Cumulative Capital Fire	Local Grant	Capital Improvement Loan	Donations
Cash and investments - beginning	\$ 73,855	\$ 53,532	\$ 187,143	\$ 20,000	\$ 90,984	\$ 5,748
Receipts:						
Taxes	-	27,889	18,193	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	7,989	2,856	1,863	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	1,400
Total receipts	7,989	30,745	20,056	-	-	1,400
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	977
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	20,000	90,984	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	20,000	90,984	977
Excess (deficiency) of receipts over disbursements	7,989	30,745	20,056	(20,000)	(90,984)	423
Cash and investments - ending	\$ 81,844	\$ 84,277	\$ 207,199	\$ -	\$ -	\$ 6,171

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

	Donations- Riverside Gardens	Donations- Fourth Festival	Wheel/Sur Tax Excess	Garbage Service	Storm water	Totals
Cash and investments - beginning	\$ 134	\$ -	\$ -	\$ 28,950	\$ 123,865	\$ 1,988,675
Receipts:						
Taxes	-	-	-	-	-	397,567
Licenses and permits	-	-	-	-	-	3,565
Intergovernmental	-	-	-	-	-	432,994
Charges for services	-	-	-	137,590	-	156,332
Fines and forfeits	-	-	-	1,436	-	1,436
Utility fees	-	-	-	-	131,786	131,786
Other receipts	-	3,355	17,184	-	-	80,204
Total receipts	<u>-</u>	<u>3,355</u>	<u>17,184</u>	<u>139,026</u>	<u>131,786</u>	<u>1,203,884</u>
Disbursements:						
Personal services	-	-	-	-	-	213,860
Supplies	-	-	-	-	-	46,679
Other services and charges	-	2,164	-	113,694	-	323,561
Debt service - principal and interest	-	-	-	-	-	170,185
Capital outlay	-	-	-	-	-	187,993
Utility operating expenses	-	-	-	-	30,556	30,556
Other disbursements	-	-	17,184	-	-	17,184
Total disbursements	<u>-</u>	<u>2,164</u>	<u>17,184</u>	<u>113,694</u>	<u>30,556</u>	<u>990,018</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,191</u>	<u>-</u>	<u>25,332</u>	<u>101,230</u>	<u>213,866</u>
Cash and investments - ending	<u>\$ 134</u>	<u>\$ 1,191</u>	<u>\$ -</u>	<u>\$ 54,282</u>	<u>\$ 225,095</u>	<u>\$ 2,202,541</u>

TOWN OF LEO-CEDARVILLE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ -	\$ -
Garbage Service Fund	-	-
Stormwater Fund	-	1,566
Totals	\$ -	\$ 1,566

TOWN OF LEO-CEDARVILLE
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: ROBIN LIECHTY	BARN STORAGE	\$ 420	04-01-09	12-31-12
Total of annual lease payments		<u>\$ 420</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities: Notes and loans payable	ROAD REPAIRS AND OTHER PUBLIC WORKS' PROJECTS	\$ 620,381	\$ 185,656
Totals		<u>\$ 620,381</u>	<u>\$ 185,656</u>

TOWN OF LEO-CEDARVILLE
 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.

	Ending Balance
Governmental activities:	
Land	\$ 265,048
Infrastructure	11,338,912
Buildings	928,349
Improvements other than buildings	417,097
Machinery, equipment and vehicles	118,375
Total governmental activities	13,067,781
Stormwater Fund:	
Infrastructure	47,045
Total capital assets	\$ 13,114,826

TOWN OF LEO-CEDARVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2012, with John Eastes, Clerk-Treasurer, and Peggy Garton, Town Manager. Our examination disclosed no material items that warrant comment at this time.