

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF LEWISVILLE

HENRY 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	Catherine S. Saunders	01-01-08 to 12-31-15
President of the Town Council	Richard Meeker Richard Craig	01-01-10 to 07-06-10 07-07-10 to 12-31-12



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF LEWISVILLE, HENRY COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Lewisville (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. 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.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of 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

August 13, 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 LEWISVILLE
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 Fund	\$ 11,596	\$ 54,965	\$ 52,469	\$ 14,092
Motor Vehicle Highway	4,337	16,808	11,843	9,302
Local Road & Street	5,530	2,229	1,131	6,628
Cemetery	1,013	12,597	13,610	-
Trash Collection	3,838	27,081	29,163	1,756
Community Center	305	9,713	9,488	530
Riverboat	5,226	2,472	4,634	3,064
Rainy Day	6,793	683	1,500	5,976
Trash & Garbage Deposit	336	504	191	649
Cum Cap Imp - Cig Tax	1,260	1,157	-	2,417
Fire Department Donation	1,152	128	128	1,152
Payroll	10,252	81,473	84,271	7,454
Water Meter Deposit	7,686	1,674	1,401	7,959
Electric Operating	61,300	315,127	325,593	50,834
Electric Meter Deposit	9,000	2,000	1,623	9,377
Credit Card Service Fee	-	2,606	859	1,747
Water Operating	30,762	159,703	174,290	16,175
Srf Depreciation	16,088	11,224	13,744	13,568
Srf Debt Reserve	47,222	-	-	47,222
Srf Water Bond & Interest	915	43,476	42,475	1,916
Totals	<u>\$ 224,611</u>	<u>\$ 745,620</u>	<u>\$ 768,413</u>	<u>\$ 201,818</u>

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

TOWN OF LEWISVILLE
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 FUND	\$ 14,092	\$ 51,918	\$ 53,581	\$ 12,429
MOTOR VEHICLE HIGHWAY	9,302	15,304	14,159	10,447
LOCAL ROAD & STREET	6,628	2,160	784	8,004
TRASH COLLECTION	1,756	28,115	28,413	1,458
RIVERBOAT	3,064	2,587	2,988	2,663
CREDIT CARD SERVICE FEE	1,747	9,935	6,770	4,912
RAINY DAY	5,976	-	1,781	4,195
CUM CAP IMP - CIG TAX	2,417	1,134	-	3,551
CEMETERY	-	17,065	17,035	30
COMMUNITY CENTER	530	12,874	13,398	6
FIRE DEPARTMENT DONATION	1,152	-	48	1,104
TRASH & GARBAGE DEPOSIT	649	621	290	980
PAYROLL	7,454	88,651	89,955	6,150
ELECTRIC OPERATING	50,834	293,445	301,285	42,994
ELECTRIC METER DEPOSIT	9,377	2,131	5,028	6,480
WATER OPERATING	16,175	163,870	176,655	3,390
WATER METER DEPOSIT	7,959	1,852	4,031	5,780
SRF DEPRECIATION	13,568	18,321	24,960	6,929
INDIANA TAXES	-	26,120	26,061	59
SRF WATER BOND & INTEREST	1,916	42,466	43,460	922
SRF DEBT RESERVE	47,222	-	-	47,222
Totals	<u>\$ 201,818</u>	<u>\$ 778,569</u>	<u>\$ 810,682</u>	<u>\$ 169,705</u>

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

TOWN OF LEWISVILLE
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

TOWN OF LEWISVILLE
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, 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 LEWISVILLE
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 LEWISVILLE
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.

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

TOWN OF LEWISVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

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

	General Fund	Motor Vehicle Highway	Local Road & Street	Cemetery	Trash Collection	Community Center	Riverboat
Cash and investments - beginning	\$ 11,596	\$ 4,337	\$ 5,530	\$ 1,013	\$ 3,838	\$ 305	\$ 5,226
Receipts:							
Taxes	31,753	-	-	-	-	-	-
Intergovernmental	17,308	16,808	2,229	-	-	-	2,472
Charges for services	-	-	-	12,597	27,081	-	-
Other receipts	5,904	-	-	-	-	9,713	-
Total receipts	<u>54,965</u>	<u>16,808</u>	<u>2,229</u>	<u>12,597</u>	<u>27,081</u>	<u>9,713</u>	<u>2,472</u>
Disbursements:							
Personal services	13,804	6,774	-	-	-	-	-
Supplies	4,262	1,220	-	-	965	822	-
Other services and charges	33,867	1,325	-	13,610	28,098	-	4,634
Capital outlay	536	2,524	1,131	-	-	-	-
Other disbursements	-	-	-	-	100	8,666	-
Total disbursements	<u>52,469</u>	<u>11,843</u>	<u>1,131</u>	<u>13,610</u>	<u>29,163</u>	<u>9,488</u>	<u>4,634</u>
Excess (deficiency) of receipts over disbursements	<u>2,496</u>	<u>4,965</u>	<u>1,098</u>	<u>(1,013)</u>	<u>(2,082)</u>	<u>225</u>	<u>(2,162)</u>
Cash and investments - ending	<u>\$ 14,092</u>	<u>\$ 9,302</u>	<u>\$ 6,628</u>	<u>\$ -</u>	<u>\$ 1,756</u>	<u>\$ 530</u>	<u>\$ 3,064</u>

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

	Rainy Day	Trash & Garbage Deposit	Cum Cap Imp - Cig Tax	Fire Department Donation	Payroll	Water Meter Deposit	Electric Operating
Cash and investments - beginning	\$ 6,793	\$ 336	\$ 1,260	\$ 1,152	\$ 10,252	\$ 7,686	\$ 61,300
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	1,157	-	-	-	-
Charges for services	-	504	-	-	-	-	260,892
Other receipts	683	-	-	128	81,473	1,674	54,235
Total receipts	683	504	1,157	128	81,473	1,674	315,127
Disbursements:							
Personal services	-	-	-	-	-	-	44,032
Supplies	-	-	-	-	-	-	13,558
Other services and charges	-	191	-	-	-	-	230,580
Capital outlay	1,500	-	-	-	-	-	-
Other disbursements	-	-	-	128	84,271	1,401	37,423
Total disbursements	1,500	191	-	128	84,271	1,401	325,593
Excess (deficiency) of receipts over disbursements	(817)	313	1,157	-	(2,798)	273	(10,466)
Cash and investments - ending	\$ 5,976	\$ 649	\$ 2,417	\$ 1,152	\$ 7,454	\$ 7,959	\$ 50,834

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

	Electric Meter Deposit	Credit Card Service Fee	Water Operating	SRF Depreciation	SRF Debt Reserve	SRF Water Bond & Interest	Totals
Cash and investments - beginning	\$ 9,000	\$ -	\$ 30,762	\$ 16,088	\$ 47,222	\$ 915	\$ 224,611
Receipts:							
Taxes	-	-	-	-	-	-	31,753
Intergovernmental	-	-	-	-	-	-	39,974
Charges for services	-	-	131,633	-	-	-	432,707
Other receipts	2,000	2,606	28,070	11,224	-	43,476	241,186
Total receipts	2,000	2,606	159,703	11,224	-	43,476	745,620
Disbursements:							
Personal services	-	-	50,823	-	-	-	115,433
Supplies	-	-	11,496	-	-	-	32,323
Other services and charges	-	-	80,143	-	-	-	392,448
Capital outlay	-	-	11,224	13,744	-	-	30,659
Other disbursements	1,623	859	20,604	-	-	42,475	197,550
Total disbursements	1,623	859	174,290	13,744	-	42,475	768,413
Excess (deficiency) of receipts over disbursements	377	1,747	(14,587)	(2,520)	-	1,001	(22,793)
Cash and investments - ending	\$ 9,377	\$ 1,747	\$ 16,175	\$ 13,568	\$ 47,222	\$ 1,916	\$ 201,818

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

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	TRASH COLLECTION	RIVERBOAT	CREDIT CARD SERVICE FEE	RAINY DAY	CUM CAP IMP - CIG TAX
Cash and investments - beginning	\$ 14,092	\$ 9,302	\$ 6,628	\$ 1,756	\$ 3,064	\$ 1,747	\$ 5,976	\$ 2,417
Receipts:								
Taxes	31,860	10,478	-	-	-	-	-	-
Intergovernmental	11,978	-	2,160	-	2,587	-	-	1,134
Charges for services	1,671	-	-	28,115	-	-	-	-
Fines and forfeits	-	-	-	-	-	9,935	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	6,409	4,826	-	-	-	-	-	-
Total receipts	51,918	15,304	2,160	28,115	2,587	9,935	-	1,134
Disbursements:								
Personal services	13,432	9,073	-	-	-	-	-	-
Supplies	4,638	847	-	601	-	-	-	-
Other services and charges	35,035	761	-	27,812	2,988	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	3,478	784	-	-	-	1,781	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	476	-	-	-	-	6,770	-	-
Total disbursements	53,581	14,159	784	28,413	2,988	6,770	1,781	-
Excess (deficiency) of receipts over disbursements	(1,663)	1,145	1,376	(298)	(401)	3,165	(1,781)	1,134
Cash and investments - ending	\$ 12,429	\$ 10,447	\$ 8,004	\$ 1,458	\$ 2,663	\$ 4,912	\$ 4,195	\$ 3,551

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

	CEMETERY	COMMUNITY CENTER	FIRE DEPARTMENT DONATION	TRASH & GARBAGE DEPOSIT	PAYROLL	ELECTRIC OPERATING	ELECTRIC METER DEPOSIT
Cash and investments - beginning	\$ -	\$ 530	\$ 1,152	\$ 649	\$ 7,454	\$ 50,834	\$ 9,377
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	17,065	200	-	621	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	289,990	2,131
Penalties	-	-	-	-	-	3,455	-
Other receipts	-	12,674	-	-	88,651	-	-
Total receipts	<u>17,065</u>	<u>12,874</u>	<u>-</u>	<u>621</u>	<u>88,651</u>	<u>293,445</u>	<u>2,131</u>
Disbursements:							
Personal services	-	-	-	-	70,512	-	-
Supplies	10,800	1,298	48	-	-	-	-
Other services and charges	6,235	-	-	290	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	274,735	-
Other disbursements	-	12,100	-	-	19,443	26,550	5,028
Total disbursements	<u>17,035</u>	<u>13,398</u>	<u>48</u>	<u>290</u>	<u>89,955</u>	<u>301,285</u>	<u>5,028</u>
Excess (deficiency) of receipts over disbursements	<u>30</u>	<u>(524)</u>	<u>(48)</u>	<u>331</u>	<u>(1,304)</u>	<u>(7,840)</u>	<u>(2,897)</u>
Cash and investments - ending	<u>\$ 30</u>	<u>\$ 6</u>	<u>\$ 1,104</u>	<u>\$ 980</u>	<u>\$ 6,150</u>	<u>\$ 42,994</u>	<u>\$ 6,480</u>

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

	WATER OPERATING	WATER METER DEPOSIT	SRF DEPRECIATION	INDIANA TAXES	SRF WATER BOND & INTEREST	SRF DEBT RESERVE	TOTALS
Cash and investments - beginning	\$ 16,175	\$ 7,959	\$ 13,568	\$ -	\$ 1,916	\$ 47,222	\$ 201,818
Receipts:							
Taxes	-	-	-	26,120	-	-	68,458
Intergovernmental	-	-	-	-	-	-	17,859
Charges for services	-	-	-	-	-	-	47,672
Fines and forfeits	-	-	-	-	-	-	9,935
Utility fees	159,497	1,852	-	-	-	-	453,470
Penalties	1,838	-	-	-	-	-	5,293
Other receipts	2,535	-	18,321	-	42,466	-	175,882
Total receipts	<u>163,870</u>	<u>1,852</u>	<u>18,321</u>	<u>26,120</u>	<u>42,466</u>	<u>-</u>	<u>778,569</u>
Disbursements:							
Personal services	-	-	-	-	-	-	93,017
Supplies	-	-	-	-	-	-	18,232
Other services and charges	-	-	-	-	-	-	73,121
Debt service - principal and interest	44,549	-	-	-	43,460	-	88,009
Capital outlay	-	-	24,960	-	-	-	31,003
Utility operating expenses	105,647	-	-	-	-	-	380,382
Other disbursements	26,459	4,031	-	26,061	-	-	126,918
Total disbursements	<u>176,655</u>	<u>4,031</u>	<u>24,960</u>	<u>26,061</u>	<u>43,460</u>	<u>-</u>	<u>810,682</u>
Excess (deficiency) of receipts over disbursements	<u>(12,785)</u>	<u>(2,179)</u>	<u>(6,639)</u>	<u>59</u>	<u>(994)</u>	<u>-</u>	<u>(32,113)</u>
Cash and investments - ending	<u>\$ 3,390</u>	<u>\$ 5,780</u>	<u>\$ 6,929</u>	<u>\$ 59</u>	<u>\$ 922</u>	<u>\$ 47,222</u>	<u>\$ 169,705</u>

TOWN OF LEWISVILLE
SCHEDULE OF RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 1,110
Electric	12,942
Water	<u>8,216</u>
Total	<u>\$ 22,268</u>

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

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Water:			
General obligation bonds	loan for water construction of lines tank & plant	\$ 21,000	\$ 5,735
General obligation bonds	loan for water construction of lines tank & plant	304,000	37,640
Notes and loans payable	purchase of mowers	3,963	4,050
Notes and loans payable	purchase of backhoe	<u>32,239</u>	<u>13,744</u>
Total Water		<u>361,202</u>	<u>61,169</u>
Totals		<u>\$ 361,202</u>	<u>\$ 61,169</u>

TOWN OF LEWISVILLE
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	\$ 15,000
Buildings	610,000
Improvements other than buildings	2,400
Machinery, equipment and vehicles	23,875
Total governmental activities	651,275
Electric:	
Land	1,175
Buildings	36,282
Improvements other than buildings	2,955
Machinery, equipment and vehicles	97,442
Total Electric	137,854
Water:	
Land	2,000
Buildings	965,509
Improvements other than buildings	219,064
Machinery, equipment and vehicles	1,449,226
Total Water	2,635,799
Total capital assets	\$ 3,424,928

TOWN OF LEWISVILLE
EXAMINATION RESULTS AND COMMENTS

SALES TAX

Sales tax was paid on some purchases. A total of \$139.07 was noticed on seven different credit card payments.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

SUPPORTING DOCUMENTATION

Three payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. The total of the receipts for the three credit card payments did not agree with the total payment made. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CUSTOMER DEPOSIT REGISTER

The detailed customer deposit register does not reconcile with the customer deposit amount recorded on the general ledger for the Electric Utility, the Water Utility or the Sanitation Fund. The detail balance shows more than the ledger and financial statement amount by \$504, \$371, and \$26, respectively.

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

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$237.73 were paid to the Indiana Department of Revenue on November 10, 2011, for the period September 30, 2011.

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)

TOWN OF LEWISVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 13, 2012, with Catherine S. Saunders, Clerk-Treasurer, and Patricia Morton, Town Council member. The officials concurred with our findings.