

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF CROTHERSVILLE

JACKSON COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
10/17/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	NaLona R. Bush Michele Teipen	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Ardell Mitchell	01-01-10 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 CROTHERSVILLE, JACKSON COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Crothersville (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 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

September 24, 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 CROTHERSVILLE  
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	\$ 119,082	\$ 478,114	\$ 307,201	\$ 289,995
W. P. Lykins Retainage	1,890	2	1,892	-
Motor Vehicle Highway	80,310	41,400	41,364	80,346
Local Road And Street	20,866	7,523	3,000	25,389
Local Law Enforcement Continuing Education	7,819	994	309	8,504
Unsafe Building	-	864	-	864
Riverboat	48,863	9,825	-	58,688
Park Operating/Repairs	346	20	-	366
Rainy Day	6,800	11,334	-	18,134
CEDIT	79,473	17,129	8,500	88,102
Levy Excess	-	441	-	441
Police Department Asset Forfeiture Account	18,001	-	-	18,001
Non/Reverting Housing Fund	13,438	-	-	13,438
Police Reserve	710	700	481	929
Mitchell & Stark	95	-	95	-
Cumulative Capital Improvement-Cigarette Tax	22,337	4,597	-	26,934
Cumulative Capital Development	48,339	20,626	1,000	67,965
Park Nonreverting Capital	8,442	-	-	8,442
Lawrenceburg Grant	-	200,000	200,000	-
Building Fund	20,147	41	-	20,188
Payroll	17,124	348,280	347,086	18,318
Sewage Utility Operating	71,700	455,544	460,684	66,560
Sewage Utility Bond & Interest	16,022	68,717	51,385	33,354
Sewage Utility Depreciation	7,340	67,830	51,189	23,981
Sewer Change Fund	100	-	-	100
Sewer Reserve	96,117	25,219	25,219	96,117
Water Utility-Operating	89,734	494,018	448,250	135,502
Water Utility-Bond And Interest	80,605	130,799	127,954	83,450
Water Utility Depreciation	64,084	24,000	32,405	55,679
Water Meter Deposits	25,475	7,875	6,725	26,625
Water Cash Change Fund	150	-	-	150
Water Project	15,966	360	-	16,326
Water Reserve	143,906	-	-	143,906
Totals	<u>\$ 1,125,281</u>	<u>\$ 2,416,252</u>	<u>\$ 2,114,739</u>	<u>\$ 1,426,794</u>

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

TOWN OF CROTHERSVILLE  
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	\$ 289,995	\$ 300,183	\$ 312,076	\$ 278,102
Motor Vehicle Highway	80,346	41,494	39,253	82,587
Local Road And Street	25,389	7,343	3,000	29,732
Local Law Enforcement Continuing Education	8,504	1,216	879	8,841
Unsafe Building	864	-	-	864
Riverboat	58,688	9,825	-	68,513
Park Operating/Repairs	366	-	-	366
Rainy Day	18,134	-	5,214	12,920
CEDIT	88,102	15,238	9,841	93,499
Levy Excess	441	-	-	441
Cumulative Capital Improvement-Cigarette Tax	26,934	4,509	-	31,443
Cumulative Capital Development	67,965	10,795	5,214	73,546
Park Nonreverting Capital	8,442	-	-	8,442
Police Department Asset Forfeiture Account	18,001	-	1,248	16,753
Non/Reverting Housing Fund	13,438	52,923	54,423	11,938
Police Reserve	929	5,250	5,731	448
Building Fund	20,188	22	20,000	210
Payroll	18,318	370,467	365,759	23,026
Sewer Construction	-	208,020	207,320	700
Sewage Utility Operating	66,560	406,071	404,156	68,475
Sewage Utility Bond & Interest	33,354	12	12	33,354
Sewage Utility Depreciation	23,981	106,500	23,604	106,877
Sewer Change Fund	100	-	-	100
Sewer Reserve	96,117	16	16	96,117
Water Utility-Operating	135,502	417,170	407,593	145,079
Water Utility-Bond And Interest	83,450	130,800	132,218	82,032
Water Utility Depreciation	55,679	24,000	21,734	57,945
Water Meter Deposits	26,625	7,775	5,825	28,575
Water Cash Change Fund	150	-	-	150
Water Project	16,326	4	4	16,326
Water Reserve	143,906	-	-	143,906
Totals	<u>\$ 1,426,794</u>	<u>\$ 2,119,633</u>	<u>\$ 2,025,120</u>	<u>\$ 1,521,307</u>

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

TOWN OF CROTHERSVILLE  
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, highways and streets, culture and recreation, public improvements, general administrative services, water, wastewater, 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 state,

TOWN OF CROTHERSVILLE  
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 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 CROTHERSVILLE  
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 CROTHERSVILLE  
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 CROTHERSVILLE  
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.

**Note 7. Subsequent Events**

On April 19, 2012, the Town refunded its Water Utility revenue bonds. The new bond issue is for a principal amount of \$315,000 at an interest rate of 2 percent. The new bond issue is to be repaid with semiannual payments ranging from \$36,120 to \$37,180 with the last payment to be made July 1, 2016.

### 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/](http://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 CROTHERSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	General	W. P. Lykins Retainage	Motor Vehicle Highway	Local Road And Street	Local Law Enforcement Continuing Education	Unsafe Building	Riverboat
Cash and investments - beginning	\$ 119,082	\$ 1,890	\$ 80,310	\$ 20,866	\$ 7,819	\$ -	\$ 48,863
Receipts:							
Taxes	353,571	-	-	-	-	-	-
Licenses and permits	52	-	50	-	720	-	-
Intergovernmental	106,875	-	40,445	7,523	-	-	9,825
Charges for services	-	-	-	-	146	-	-
Fines and forfeits	3,906	-	-	-	128	864	-
Utility fees	-	-	-	-	-	-	-
Other receipts	13,710	2	905	-	-	-	-
<b>Total receipts</b>	<b>478,114</b>	<b>2</b>	<b>41,400</b>	<b>7,523</b>	<b>994</b>	<b>864</b>	<b>9,825</b>
Disbursements:							
Personal services	164,730	-	-	-	309	-	-
Supplies	20,014	-	7,683	-	-	-	-
Other services and charges	87,678	1,892	30,160	-	-	-	-
Debt service - principal and interest	34,779	-	3,521	-	-	-	-
Capital outlay	-	-	-	3,000	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>307,201</b>	<b>1,892</b>	<b>41,364</b>	<b>3,000</b>	<b>309</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	170,913	(1,890)	36	4,523	685	864	9,825
Cash and investments - ending	\$ 289,995	\$ -	\$ 80,346	\$ 25,389	\$ 8,504	\$ 864	\$ 58,688

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

	Park Operating/Repairs	Rainy Day	CEDIT	Levy Excess	Police Department Asset Forfeiture Account	Non/Reverting Housing Fund	Police Reserve
Cash and investments - beginning	\$ 346	\$ 6,800	\$ 79,473	\$ -	\$ 18,001	\$ 13,438	\$ 710
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	11,334	17,121	441	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	700
Utility fees	-	-	-	-	-	-	-
Other receipts	20	-	8	-	-	-	-
Total receipts	<u>20</u>	<u>11,334</u>	<u>17,129</u>	<u>441</u>	<u>-</u>	<u>-</u>	<u>700</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	481
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	8,500	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>8,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>481</u>
Excess (deficiency) of receipts over disbursements	<u>20</u>	<u>11,334</u>	<u>8,629</u>	<u>441</u>	<u>-</u>	<u>-</u>	<u>219</u>
Cash and investments - ending	<u>\$ 366</u>	<u>\$ 18,134</u>	<u>\$ 88,102</u>	<u>\$ 441</u>	<u>\$ 18,001</u>	<u>\$ 13,438</u>	<u>\$ 929</u>

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

	Mitchell & Stark	Cumulative Capital Improvement- Cigarette Tax	Cumulative Capital Development	Park Nonreverting Capital	Lawrenceburg Grant	Building Fund	Payroll
Cash and investments - beginning	\$ 95	\$ 22,337	\$ 48,339	\$ 8,442	\$ -	\$ 20,147	\$ 17,124
Receipts:							
Taxes	-	-	19,238	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	4,597	1,388	-	200,000	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	41	348,280
Total receipts	-	4,597	20,626	-	200,000	41	348,280
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	95	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	1,000	-	200,000	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	347,086
Total disbursements	95	-	1,000	-	200,000	-	347,086
Excess (deficiency) of receipts over disbursements	(95)	4,597	19,626	-	-	41	1,194
Cash and investments - ending	\$ -	\$ 26,934	\$ 67,965	\$ 8,442	\$ -	\$ 20,188	\$ 18,318

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

	Sewage Utility Operating	Sewage Utility Bond & Interest	Sewage Utility Depreciation	Sewer Change Fund	Sewer Reserve	Water Utility-Operating	Water Utility-Bond And Interest
Cash and investments - beginning	\$ 71,700	\$ 16,022	\$ 7,340	\$ 100	\$ 96,117	\$ 89,734	\$ 80,605
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	319,951	-	-	-	-	469,544	-
Other receipts	135,593	68,717	67,830	-	25,219	24,474	130,799
Total receipts	455,544	68,717	67,830	-	25,219	494,018	130,799
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	126,936
Capital outlay	-	-	51,189	-	-	-	-
Utility operating expenses	271,546	-	-	-	-	261,824	-
Other disbursements	189,138	51,385	-	-	25,219	186,426	1,018
Total disbursements	460,684	51,385	51,189	-	25,219	448,250	127,954
Excess (deficiency) of receipts over disbursements	(5,140)	17,332	16,641	-	-	45,768	2,845
Cash and investments - ending	\$ 66,560	\$ 33,354	\$ 23,981	\$ 100	\$ 96,117	\$ 135,502	\$ 83,450

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

	Water Utility Depreciation	Water Meter Deposits	Water Cash Change Fund	Water Project	Water Reserve	Totals
Cash and investments - beginning	\$ 64,084	\$ 25,475	\$ 150	\$ 15,966	\$ 143,906	\$ 1,125,281
Receipts:						
Taxes	-	-	-	-	-	372,809
Licenses and permits	-	-	-	-	-	822
Intergovernmental	-	-	-	-	-	399,549
Charges for services	-	-	-	-	-	146
Fines and forfeits	-	-	-	-	-	5,598
Utility fees	-	-	-	-	-	789,495
Other receipts	24,000	7,875	-	360	-	847,833
Total receipts	<u>24,000</u>	<u>7,875</u>	<u>-</u>	<u>360</u>	<u>-</u>	<u>2,416,252</u>
Disbursements:						
Personal services	-	-	-	-	-	165,039
Supplies	-	-	-	-	-	28,178
Other services and charges	-	-	-	-	-	119,825
Debt service - principal and interest	-	-	-	-	-	165,236
Capital outlay	32,405	-	-	-	-	296,094
Utility operating expenses	-	-	-	-	-	533,370
Other disbursements	-	6,725	-	-	-	806,997
Total disbursements	<u>32,405</u>	<u>6,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,114,739</u>
Excess (deficiency) of receipts over disbursements	<u>(8,405)</u>	<u>1,150</u>	<u>-</u>	<u>360</u>	<u>-</u>	<u>301,513</u>
Cash and investments - ending	<u>\$ 55,679</u>	<u>\$ 26,625</u>	<u>\$ 150</u>	<u>\$ 16,326</u>	<u>\$ 143,906</u>	<u>\$ 1,426,794</u>

TOWN OF CROTHERSVILLE  
 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	Local Law Enforcement Continuing Education	Unsafe Building	Riverboat	Park Operating/Repairs
Cash and investments - beginning	\$ 289,995	\$ 80,346	\$ 25,389	\$ 8,504	\$ 864	\$ 58,688	\$ 366
Receipts:							
Taxes	205,224	-	-	-	-	-	-
Licenses and permits	1,070	-	-	-	-	-	-
Intergovernmental	77,988	41,494	7,343	-	-	-	-
Fines and forfeits	13,436	-	-	1,216	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	2,465	-	-	-	-	9,825	-
Total receipts	<u>300,183</u>	<u>41,494</u>	<u>7,343</u>	<u>1,216</u>	<u>-</u>	<u>9,825</u>	<u>-</u>
Disbursements:							
Personal services	160,639	5,116	-	-	-	-	-
Supplies	16,590	10,639	-	-	-	-	-
Other services and charges	92,403	22,080	3,000	879	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	42,444	1,418	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>312,076</u>	<u>39,253</u>	<u>3,000</u>	<u>879</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(11,893)</u>	<u>2,241</u>	<u>4,343</u>	<u>337</u>	<u>-</u>	<u>9,825</u>	<u>-</u>
Cash and investments - ending	<u>\$ 278,102</u>	<u>\$ 82,587</u>	<u>\$ 29,732</u>	<u>\$ 8,841</u>	<u>\$ 864</u>	<u>\$ 68,513</u>	<u>\$ 366</u>

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

	Rainy Day	CEDIT	Levy Excess	Cumulative Improvement- Cigarette Tax	Cumulative Capital Development	Park Nonreverting Capital	Police Department Asset Forfeiture Account
Cash and investments - beginning	\$ 18,134	\$ 88,102	\$ 441	\$ 26,934	\$ 67,965	\$ 8,442	\$ 18,001
Receipts:							
Taxes	-	-	-	-	10,342	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	15,238	-	4,509	453	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>15,238</u>	<u>-</u>	<u>4,509</u>	<u>10,795</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	5,214	-	-	-	-	-	1,248
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	9,841	-	-	5,214	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>5,214</u>	<u>9,841</u>	<u>-</u>	<u>-</u>	<u>5,214</u>	<u>-</u>	<u>1,248</u>
Excess (deficiency) of receipts over disbursements	<u>(5,214)</u>	<u>5,397</u>	<u>-</u>	<u>4,509</u>	<u>5,581</u>	<u>-</u>	<u>(1,248)</u>
Cash and investments - ending	<u>\$ 12,920</u>	<u>\$ 93,499</u>	<u>\$ 441</u>	<u>\$ 31,443</u>	<u>\$ 73,546</u>	<u>\$ 8,442</u>	<u>\$ 16,753</u>

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

	Non/Reverting Housing Fund	Police Reserve	Building Fund	Payroll	Sewer Construction	Sewage Utility Operating
Cash and investments - beginning	\$ 13,438	\$ 929	\$ 20,188	\$ 18,318	\$ -	\$ 66,560
Receipts:						
Taxes	-	-	-	370,467	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	398,258
Penalties	-	-	-	-	-	7,813
Other receipts	<u>52,923</u>	<u>5,250</u>	<u>22</u>	<u>-</u>	<u>208,020</u>	<u>-</u>
Total receipts	<u>52,923</u>	<u>5,250</u>	<u>22</u>	<u>370,467</u>	<u>208,020</u>	<u>406,071</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	5,731	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	54,423	-	20,000	-	207,320	-
Utility operating expenses	-	-	-	-	-	297,656
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>365,759</u>	<u>-</u>	<u>106,500</u>
Total disbursements	<u>54,423</u>	<u>5,731</u>	<u>20,000</u>	<u>365,759</u>	<u>207,320</u>	<u>404,156</u>
Excess (deficiency) of receipts over disbursements	<u>(1,500)</u>	<u>(481)</u>	<u>(19,978)</u>	<u>4,708</u>	<u>700</u>	<u>1,915</u>
Cash and investments - ending	<u>\$ 11,938</u>	<u>\$ 448</u>	<u>\$ 210</u>	<u>\$ 23,026</u>	<u>\$ 700</u>	<u>\$ 68,475</u>

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

	Sewage Utility Bond & Interest	Sewage Utility Depreciation	Sewer Change Fund	Sewer Reserve	Water Utility-Operating	Water Utility-Bond And Interest
Cash and investments - beginning	\$ 33,354	\$ 23,981	\$ 100	\$ 96,117	\$ 135,502	\$ 83,450
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	414,392	-
Penalties	-	-	-	-	2,778	-
Other receipts	12	106,500	-	16	-	130,800
Total receipts	<u>12</u>	<u>106,500</u>	<u>-</u>	<u>16</u>	<u>417,170</u>	<u>130,800</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	132,218
Capital outlay	-	-	-	-	-	-
Utility operating expenses	12	23,604	-	16	252,793	-
Other disbursements	-	-	-	-	154,800	-
Total disbursements	<u>12</u>	<u>23,604</u>	<u>-</u>	<u>16</u>	<u>407,593</u>	<u>132,218</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>82,896</u>	<u>-</u>	<u>-</u>	<u>9,577</u>	<u>(1,418)</u>
Cash and investments - ending	<u>\$ 33,354</u>	<u>\$ 106,877</u>	<u>\$ 100</u>	<u>\$ 96,117</u>	<u>\$ 145,079</u>	<u>\$ 82,032</u>

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

	Water Utility Depreciation	Water Meter Deposits	Water Cash Change Fund	Water Project	Water Reserve	Totals
Cash and investments - beginning	\$ 55,679	\$ 26,625	\$ 150	\$ 16,326	\$ 143,906	\$ 1,426,794
Receipts:						
Taxes	-	-	-	-	-	586,033
Licenses and permits	-	-	-	-	-	1,070
Intergovernmental	-	-	-	-	-	147,025
Fines and forfeits	-	-	-	-	-	14,652
Utility fees	-	-	-	-	-	812,650
Penalties	-	-	-	-	-	10,591
Other receipts	24,000	7,775	-	4	-	547,612
<b>Total receipts</b>	<b>24,000</b>	<b>7,775</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>2,119,633</b>
Disbursements:						
Personal services	-	-	-	-	-	165,755
Supplies	-	-	-	-	-	27,229
Other services and charges	-	-	-	-	-	130,555
Debt service - principal and interest	-	-	-	-	-	132,218
Capital outlay	-	-	-	-	-	340,660
Utility operating expenses	21,734	5,825	-	4	-	601,644
Other disbursements	-	-	-	-	-	627,059
<b>Total disbursements</b>	<b>21,734</b>	<b>5,825</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>2,025,120</b>
Excess (deficiency) of receipts over disbursements	2,266	1,950	-	-	-	94,513
Cash and investments - ending	<u>\$ 57,945</u>	<u>\$ 28,575</u>	<u>\$ 150</u>	<u>\$ 16,326</u>	<u>\$ 143,906</u>	<u>\$ 1,521,307</u>

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

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Water:			
Revenue Bonds	Water Utility Improvement	\$ 470,000	\$ 129,994
Wastewater:			
Revenue Bonds	Sewage Works Revenue Bonds of 2011	2,144,000	67,509
Totals		<u>\$ 2,614,000</u>	<u>\$ 197,503</u>

TOWN OF CROTHERSVILLE  
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:	
Machinery, equipment and vehicles	\$ 5,622,195
Wastewater:	
Land	4,680
Buildings	3,542,452
Improvements other than buildings	426,400
Machinery, equipment and vehicles	124,946
Construction in progress	21,934
Total Wastewater	4,120,412
Water:	
Land	35,563
Buildings	1,247,447
Improvements other than buildings	2,289,457
Machinery, equipment and vehicles	53,123
Construction in progress	17,012
Total Water	3,642,602
Total capital assets	\$ 13,385,209

TOWN OF CROTHERSVILLE  
EXAMINATION RESULT AND COMMENT

***ANNUAL REPORT***

The Annual Report for 2010 was filed on April 17, 2011, and the Annual Report for 2011 was filed on March 12, 2012.

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

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

TOWN OF CROTHERSVILLE  
EXIT CONFERENCE

The contents of this report were discussed on September 24, 2012, with Ardell Mitchell, President of the Town Council, and Michele Teipen, Clerk-Treasurer. The officials concurred with our finding.