

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF EATON

DELAWARE COUNTY, INDIANA

January 1, 2011 to December 31, 2012



**FILED**  
08/28/2013



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Accountant's Report.....	3
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	7
Notes to Financial Statement.....	8-11
Supplementary Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	14-19
Schedule of Payables and Receivables .....	20
Schedule of Leases and Debt .....	21
Schedule of Capital Assets.....	23
Exit Conference.....	24

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Vicki L. Hargis	01-01-08 to 12-31-15
President of the Town Council	Bruce A. DeWees	01-01-11 to 12-31-11
	Michael A. Foster	01-01-12 to 12-31-12
	Lowan T. Hicks	01-01-13 to 12-31-13



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF EATON, DELAWARE COUNTY, INDIANA

We have examined the accompanying financial statement of the Town of Eaton (Town), for the period of January 1, 2011 to December 31, 2012. The financial statement is the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statement 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 statement 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 statement 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 effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2011 to December 31, 2012.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2011 to December 31, 2012, 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 statement. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

Bruce Hartman  
State Examiner

July 10, 2013

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## FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the Town. The financial statement and notes are presented as intended by the Town.

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TOWN OF EATON  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Years Ended December 31, 2011 And 2012

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 158,288	\$ 524,549	\$ 495,815	\$ 187,022	\$ 579,504	\$ 547,974	\$ 218,552
Motor Vehicle Highway	8,103	84,813	64,936	27,980	109,191	91,611	45,560
Local Road and Street	59,297	42,476	26,964	74,809	44,874	25,306	94,377
Park	2,576	10,437	4,036	8,977	5,334	5,441	8,870
Law Enforcement Continuing Education	2,396	706	929	2,173	935	676	2,432
Riverboat Wagering	40,228	10,032	15,502	34,758	10,692	-	45,450
Rainy Day	5,271	-	-	5,271	-	-	5,271
Hazardous Materials	1,000	-	-	1,000	-	-	1,000
Excess Levy	7,358	-	7,358	-	-	-	-
Cumulative Capital Improvement	39,725	4,603	4,087	40,241	4,788	15,000	30,029
Cumulative Capital Development	108,925	7,215	57,085	59,055	7,582	27,325	39,312
Police Equipment	-	-	-	-	3,050	-	3,050
Fire Equipment	14,691	-	9,667	5,024	5,000	-	10,024
COPS Grant	-	25,923	34,841	(8,918)	36,610	40,495	(12,803)
Hoosier Gas Festival	1,722	-	-	1,722	-	-	1,722
Payroll	11,303	461,860	460,734	12,429	476,952	485,989	3,392
Storm Water Utility	-	-	-	-	4,191	-	4,191
Sewage Operating	27,308	268,263	273,155	22,416	309,548	280,204	51,760
Sewage Bond and Interest	94,588	50,400	50,500	94,488	50,400	50,700	94,188
Sewage Depreciation	11,929	26,000	37,903	26	24,185	12,497	11,714
Water Operating	29,836	297,647	303,521	23,962	302,915	313,088	13,789
Water Bond and Interest	130,178	56,400	56,872	129,706	56,400	56,688	129,418
Water Depreciation	8,460	24,000	14,770	17,690	23,000	33,585	7,105
Water Customer Deposit	21,157	3,475	2,591	22,041	2,441	2,190	22,292
Water Contruction/ STAG Grant	58,441	91,498	65,737	84,202	63,095	104,275	43,022
Totals	<u>\$ 842,780</u>	<u>\$ 1,990,297</u>	<u>\$ 1,987,003</u>	<u>\$ 846,074</u>	<u>\$ 2,120,687</u>	<u>\$ 2,093,044</u>	<u>\$ 873,717</u>

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

TOWN OF EATON  
NOTES TO FINANCIAL STATEMENT

**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 statement presents the financial information for the Town.

*B. Basis of Accounting*

The financial statement is 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 statement. 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 EATON  
NOTES TO FINANCIAL STATEMENT  
(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 statement. 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.

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

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

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 EATON  
NOTES TO FINANCIAL STATEMENT  
(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 EATON  
NOTES TO FINANCIAL STATEMENT  
(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 statement. 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

*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. Cash Balance Deficits**

The financial statement contains one fund with deficits in cash. These deficits resulted from federal reimbursements requested but not received by December 31.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

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

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Reports of the Town which is 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 EATON  
 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	Law Enforcement Continuing Education	Riverboat Wagering	Rainy Day	Hazardous Materials
Cash and investments - beginning	\$ 158,288	\$ 8,103	\$ 59,297	\$ 2,576	\$ 2,396	\$ 40,228	\$ 5,271	\$ 1,000
Receipts:								
Taxes	311,499	36,586	28,512	9,542	-	-	-	-
Licenses and permits	61	-	-	-	500	-	-	-
Intergovernmental	69,341	47,218	13,964	895	-	10,032	-	-
Charges for services	105,279	-	-	-	106	-	-	-
Fines and forfeits	8,074	-	-	-	100	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	30,295	1,009	-	-	-	-	-	-
<b>Total receipts</b>	<b>524,549</b>	<b>84,813</b>	<b>42,476</b>	<b>10,437</b>	<b>706</b>	<b>10,032</b>	<b>-</b>	<b>-</b>
Disbursements:								
Personal services	191,637	17,390	-	434	-	-	-	-
Supplies	26,724	17,797	-	2,646	-	-	-	-
Other services and charges	179,538	29,749	19,309	956	929	-	-	-
Capital outlay	38,204	-	7,655	-	-	15,502	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	59,712	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>495,815</b>	<b>64,936</b>	<b>26,964</b>	<b>4,036</b>	<b>929</b>	<b>15,502</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	28,734	19,877	15,512	6,401	(223)	(5,470)	-	-
Cash and investments - ending	<u>\$ 187,022</u>	<u>\$ 27,980</u>	<u>\$ 74,809</u>	<u>\$ 8,977</u>	<u>\$ 2,173</u>	<u>\$ 34,758</u>	<u>\$ 5,271</u>	<u>\$ 1,000</u>

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

	Excess Levy	Cumulative Capital Improvement	Cumulative Capital Development	Fire Equipment	COPS Grant	Hoosier Gas Festival	Payroll	Sewage Operating
Cash and investments - beginning	\$ 7,358	\$ 39,725	\$ 108,925	\$ 14,691	\$ -	\$ 1,722	\$ 11,303	\$ 27,308
Receipts:								
Taxes	-	-	6,624	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	4,603	590	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	260,123
Penalties	-	-	-	-	-	-	-	8,039
Other receipts	-	-	1	-	25,923	-	461,860	101
Total receipts	-	4,603	7,215	-	25,923	-	461,860	268,263
Disbursements:								
Personal services	-	-	-	-	34,841	-	407,917	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	4,087	57,085	9,667	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	194,260
Other disbursements	7,358	-	-	-	-	-	52,817	78,895
Total disbursements	7,358	4,087	57,085	9,667	34,841	-	460,734	273,155
Excess (deficiency) of receipts over disbursements	(7,358)	516	(49,870)	(9,667)	(8,918)	-	1,126	(4,892)
Cash and investments - ending	\$ -	\$ 40,241	\$ 59,055	\$ 5,024	\$ (8,918)	\$ 1,722	\$ 12,429	\$ 22,416

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

	Sewage Bond and Interest	Sewage Depreciation	Water Operating	Water Bond and Interest	Water Depreciation	Water Customer Deposit	Water Construction/ STAG Grant	Totals
Cash and investments - beginning	\$ 94,588	\$ 11,929	\$ 29,836	\$ 130,178	\$ 8,460	\$ 21,157	\$ 58,441	\$ 842,780
Receipts:								
Taxes	-	-	9,076	-	-	-	-	401,839
Licenses and permits	-	-	-	-	-	-	-	561
Intergovernmental	-	-	-	-	-	-	42,498	189,141
Charges for services	-	-	-	-	-	-	-	105,385
Fines and forfeits	-	-	-	-	-	-	-	8,174
Utility fees	-	-	280,504	-	-	3,475	-	544,102
Penalties	-	-	7,869	-	-	-	-	15,908
Other receipts	50,400	26,000	198	56,400	24,000	-	49,000	725,187
Total receipts	50,400	26,000	297,647	56,400	24,000	3,475	91,498	1,990,297
Disbursements:								
Personal services	-	-	-	-	-	-	-	652,219
Supplies	-	-	-	-	-	-	-	47,167
Other services and charges	-	-	-	-	-	-	-	230,481
Capital outlay	-	4,558	-	-	-	-	65,737	202,495
Utility operating expenses	-	33,345	170,730	-	14,770	-	-	413,105
Other disbursements	50,500	-	132,791	56,872	-	2,591	-	441,536
Total disbursements	50,500	37,903	303,521	56,872	14,770	2,591	65,737	1,987,003
Excess (deficiency) of receipts over disbursements	(100)	(11,903)	(5,874)	(472)	9,230	884	25,761	3,294
Cash and investments - ending	\$ 94,488	\$ 26	\$ 23,962	\$ 129,706	\$ 17,690	\$ 22,041	\$ 84,202	\$ 846,074

TOWN OF EATON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012

	General	Motor Vehicle Highway	Local Road and Street	Park	Law Enforcement Continuing Education	Riverboat Wagering	Rainy Day	Hazardous Materials	Cumulative Capital Improvement
Cash and investments - beginning	\$ 187,022	\$ 27,980	\$ 74,809	\$ 8,977	\$ 2,173	\$ 34,758	\$ 5,271	\$ 1,000	\$ 40,241
Receipts:									
Taxes	362,095	45,743	29,937	4,871	-	-	-	-	-
Licenses and permits	8,697	-	-	-	660	-	-	-	-
Intergovernmental	91,728	62,637	14,937	463	-	10,692	-	-	4,788
Charges for services	92,764	-	-	-	127	-	-	-	-
Fines and forfeits	5,711	-	-	-	148	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-
Other receipts	18,509	811	-	-	-	-	-	-	-
Total receipts	<u>579,504</u>	<u>109,191</u>	<u>44,874</u>	<u>5,334</u>	<u>935</u>	<u>10,692</u>	<u>-</u>	<u>-</u>	<u>4,788</u>
Disbursements:									
Personal services	191,051	17,508	-	437	-	-	-	-	-
Supplies	31,443	18,664	-	-	-	-	-	-	-
Other services and charges	197,927	54,025	9,996	4,035	676	-	-	-	-
Capital outlay	60,653	1,414	15,310	969	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	66,900	-	-	-	-	-	-	-	15,000
Total disbursements	<u>547,974</u>	<u>91,611</u>	<u>25,306</u>	<u>5,441</u>	<u>676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
Excess (deficiency) of receipts over disbursements	<u>31,530</u>	<u>17,580</u>	<u>19,568</u>	<u>(107)</u>	<u>259</u>	<u>10,692</u>	<u>-</u>	<u>-</u>	<u>(10,212)</u>
Cash and investments - ending	<u>\$ 218,552</u>	<u>\$ 45,560</u>	<u>\$ 94,377</u>	<u>\$ 8,870</u>	<u>\$ 2,432</u>	<u>\$ 45,450</u>	<u>\$ 5,271</u>	<u>\$ 1,000</u>	<u>\$ 30,029</u>

TOWN OF EATON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Cumulative Capital Development	Police Equipment	Fire Equipment	COPS Grant	Hoosier Gas Festival	Payroll	Storm Water Utility	Sewage Operating
Cash and investments - beginning	\$ 59,055	\$ -	\$ 5,024	\$ (8,918)	\$ 1,722	\$ 12,429	\$ -	\$ 22,416
Receipts:								
Taxes	6,928	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	654	-	-	36,610	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	4,144	270,628
Penalties	-	-	-	-	-	-	47	8,855
Other receipts	-	3,050	5,000	-	-	476,952	-	30,065
<b>Total receipts</b>	<b>7,582</b>	<b>3,050</b>	<b>5,000</b>	<b>36,610</b>	<b>-</b>	<b>476,952</b>	<b>4,191</b>	<b>309,548</b>
Disbursements:								
Personal services	-	-	-	40,495	-	381,577	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	12,325	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	205,804
Other disbursements	15,000	-	-	-	-	104,412	-	74,400
<b>Total disbursements</b>	<b>27,325</b>	<b>-</b>	<b>-</b>	<b>40,495</b>	<b>-</b>	<b>485,989</b>	<b>-</b>	<b>280,204</b>
Excess (deficiency) of receipts over disbursements	(19,743)	3,050	5,000	(3,885)	-	(9,037)	4,191	29,344
Cash and investments - ending	\$ 39,312	\$ 3,050	\$ 10,024	\$ (12,803)	\$ 1,722	\$ 3,392	\$ 4,191	\$ 51,760

TOWN OF EATON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Sewage Bond and Interest	Sewage Depreciation	Water Operating	Water Bond and Interest	Water Depreciation	Water Customer Deposit	Water Construction/ STAG Grant	Totals
Cash and investments - beginning	\$ 94,488	\$ 26	\$ 23,962	\$ 129,706	\$ 17,690	\$ 22,041	\$ 84,202	\$ 846,074
Receipts:								
Taxes	-	-	10,205	-	-	-	-	459,779
Licenses and permits	-	-	-	-	-	-	-	9,357
Intergovernmental	-	-	-	-	-	-	12,695	235,204
Charges for services	-	-	-	-	-	-	-	92,891
Fines and forfeits	-	-	-	-	-	-	-	5,859
Utility fees	-	-	289,773	-	-	-	-	564,545
Penalties	-	-	2,786	-	-	-	-	11,688
Other receipts	50,400	24,185	151	56,400	23,000	2,441	50,400	741,364
Total receipts	50,400	24,185	302,915	56,400	23,000	2,441	63,095	2,120,687
Disbursements:								
Personal services	-	-	-	-	-	-	-	631,068
Supplies	-	-	-	-	-	-	-	50,107
Other services and charges	-	-	-	-	-	-	-	266,659
Capital outlay	-	10,079	-	-	30,677	-	-	131,427
Utility operating expenses	-	2,418	179,877	-	2,908	2,190	104,275	497,472
Other disbursements	50,700	-	133,211	56,688	-	-	-	516,311
Total disbursements	50,700	12,497	313,088	56,688	33,585	2,190	104,275	2,093,044
Excess (deficiency) of receipts over disbursements	(300)	11,688	(10,173)	(288)	(10,585)	251	(41,180)	27,643
Cash and investments - ending	\$ 94,188	\$ 11,714	\$ 13,789	\$ 129,418	\$ 7,105	\$ 22,292	\$ 43,022	\$ 873,717

TOWN OF EATON  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2012

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 713	\$ 10,984
Water	1,542	11,647
Governmental activities	8,170	2,795
Totals	\$ 10,425	\$ 25,426

TOWN OF EATON  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Public Finance	Total Patcher	\$ 15,310	06-20-11	06-15-16
TNT Electronics	25 Motorola Pagers	<u>2,870</u>	09-01-10	09-01-14
Total governmental activities		<u>18,180</u>		
Total of annual lease payments		<u>\$ 18,180</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable	2004 Ford Explorer Police SUV	\$ -	\$ -
Notes and loans payable	2013 Dodge Charger	<u>13,300</u>	<u>4,186</u>
Total governmental activities		<u>13,300</u>	<u>4,186</u>
Wastewater:			
Revenue bonds	WWTP Improvements	601,000	46,050
Revenue bonds	WWTP Improvements	<u>56,000</u>	<u>4,800</u>
Total Wastewater		<u>657,000</u>	<u>50,850</u>
Water:			
Revenue bonds	Water Improvements	<u>200,000</u>	<u>56,688</u>
Totals		<u>\$ 870,300</u>	<u>\$ 111,724</u>

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TOWN OF EATON  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2012

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	\$ 52,900
Infrastructure	23,425
Buildings	284,240
Improvements other than buildings	31,986
Machinery, equipment, and vehicles	746,211
Total governmental activities	1,138,762
Wastewater:	
Land	7,000
Infrastructure	1,201,390
Buildings	521,500
Improvements other than buildings	753,563
Machinery, equipment, and vehicles	167,667
Total Wastewater	2,651,120
Water:	
Land	10,700
Infrastructure	2,628,465
Buildings	42,360
Improvements other than buildings	180,129
Machinery, equipment, and vehicles	52,867
Total Water	2,914,521
Total capital assets	\$ 6,704,403

TOWN OF EATON  
EXIT CONFERENCE

The contents of this report were discussed on July 10, 2013, with Vicki L. Hargis, Clerk-Treasurer, and Lowan T. Hicks, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.