

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF JAMESTOWN

BOONE COUNTY, INDIANA

January 1, 2011 to December 31, 2012



FILED
11/05/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Linda Isenhower Tamara "Katie" Conyer	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Bryce Huckstep	01-01-11 to 12-31-13



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF JAMESTOWN, BOONE COUNTY, INDIANA

We have examined the accompanying financial statement of the Town of Jamestown (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 Indiana 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

September 19, 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 JAMESTOWN
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 FUND	\$ 134,013	\$ 503,976	\$ 606,746	\$ 31,243	\$ 396,081	\$ 377,939	\$ 49,385
MOTOR VEHICLE HIGHWAY FUND	112	23,600	21,063	2,649	24,961	20,201	7,409
LOCAL ROAD & STREET FUND	6,540	5,128	10,000	1,668	7,463	7,364	1,767
PARK AND RECREATION FUND	9,021	4,109	8,333	4,797	7,503	7,427	4,873
LAW ENFORCEMENT CONT EDUCATION FUND	4,895	1,640	1,635	4,900	1,745	1,219	5,426
RAINY DAY FUND	-	-	-	-	9,919	-	9,919
LEVY EXCESS FUND	244	-	244	-	17	-	17
CUMULATIVE CAPITAL IMPROVEMENT FUND	-	2,544	2,544	-	2,541	2,541	-
CUMULATIVE CAPITAL DEVELOPMENT FUND	12,902	4,105	-	17,007	13,652	25,750	4,909
CUMULATIVE FIRE FUND	7,973	35,887	-	43,860	285,345	272,021	57,184
PAYROLL FUND	1,164	509,008	509,272	900	413,619	414,301	218
PROMOTIONAL FUND	235	-	86	149	-	-	149
ACCOUNTS PAYABLE FUND	-	2,299,113	2,299,113	-	2,044,265	2,044,265	-
ELECTRIC - CASH - OPERATING	26,409	970,974	978,894	18,489	969,347	960,945	26,891
ELECTRIC INVESTMENTS - CUST DEPOSITS	5,000	-	-	5,000	-	-	5,000
ELECTRIC INVESTMENTS - DEPRECIATION	336,969	-	-	336,969	-	-	336,969
ELECTRIC - CASH - RESERVE	96,503	5,307	15,000	86,810	10,771	-	97,581
ELECTRIC - CASH - DEPRECIATION	87,192	30,344	99,201	18,335	33,460	19,887	31,908
ELECTRIC - CASH - CUSTOMER DEPOSITS	5,243	3,505	3,305	5,443	3,905	3,725	5,623
CASH/TRASH PICK UP	7,905	41,118	38,872	10,151	41,312	42,036	9,427
SEWAGE - CASH - OPERATING	5,008	268,292	263,040	10,260	266,244	257,181	19,323
SEWAGE - CASH - CUSTOMER DEPOSITS	6,960	2,175	2,175	6,960	2,550	2,400	7,110
SEWAGE - CASH - DEPRECIATION	23,679	10,000	33,674	5	13,677	2,218	11,464
SEWAGE - CASH - BOND AND INTEREST	6,529	62,746	63,155	6,120	63,896	62,475	7,541
SEWAGE - CASH- BOND & INTEREST - RESERVE	-	-	-	-	955	955	-
SEWAGE INVESTMENTS - BOND & INT RESERVE	63,280	-	-	63,280	-	-	63,280
WATER - CASH - OPERATING	3,506	173,666	169,550	7,622	154,804	160,970	1,456
WATER - CASH - CUSTOMER DEPOSITS	2,560	725	775	2,510	900	830	2,580
WATER - CASH - DEPRECIATION	70,502	12,940	51,444	31,998	9,000	25,600	15,398
TOWN COURT	5,283	24,396	28,141	1,538	19,362	18,860	2,041
Totals	\$ 929,627	\$ 4,995,298	\$ 5,206,262	\$ 718,663	\$ 4,797,294	\$ 4,731,110	\$ 784,848

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

TOWN OF JAMESTOWN
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, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, storm water, and trash.

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 JAMESTOWN
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).

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.

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

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

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

TOWN OF JAMESTOWN
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.

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENT
(Continued)

State statutes authorize the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The Town may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

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

Funding Policy and Annual Pension Cost

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

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 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 statement 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 JAMESTOWN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	GENERAL FUND	MOTOR VEHICLE HIGHWAY FUND	LOCAL ROAD & STREET FUND	PARK AND RECREATION FUND	LAW ENFORCEMENT CONT EDUCATION FUND	RAINY DAY FUND	LEVY EXCESS FUND	CUMULATIVE CAPITAL IMPROVEMENT FUND
Cash and investments - beginning	\$ 134,013	\$ 112	\$ 6,540	\$ 9,021	\$ 4,895	\$ -	\$ 244	\$ -
Receipts:								
Taxes	108,986	-	-	3,782	-	-	-	-
Licenses and permits	906	-	-	-	218	-	-	-
Intergovernmental	167,648	23,568	5,128	295	-	-	-	2,544
Charges for services	9,340	-	-	-	-	-	-	-
Fines and forfeits	9,554	-	-	-	1,422	-	-	-
Other receipts	207,542	32	-	32	-	-	-	-
Total receipts	503,976	23,600	5,128	4,109	1,640	-	-	2,544
Disbursements:								
Personal services	158,019	7,104	-	-	-	-	-	-
Supplies	5,872	1,335	-	1,758	-	-	-	-
Other services and charges	205,699	664	10,000	6,443	1,499	-	-	-
Debt service - principal and interest	1,088	-	-	-	-	-	-	-
Capital outlay	-	11,034	-	-	-	-	-	-
Other disbursements	236,068	926	-	132	136	-	244	2,544
Total disbursements	606,746	21,063	10,000	8,333	1,635	-	244	2,544
Excess (deficiency) of receipts over disbursements	(102,770)	2,537	(4,872)	(4,224)	5	-	(244)	-
Cash and investments - ending	\$ 31,243	\$ 2,649	\$ 1,668	\$ 4,797	\$ 4,900	\$ -	\$ -	\$ -

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

	CUMULATIVE CAPITAL DEVELOPMENT FUND	CUMULATIVE FIRE FUND	PAYROLL FUND	PROMOTIONAL FUND	ACCOUNTS PAYABLE FUND	ELECTRIC - CASH - OPERATING	ELECTRIC INVESTMENTS - CUST DEPOSITS	ELECTRIC INVESTMENTS - DEPRECIATION
Cash and investments - beginning	\$ 12,902	\$ 7,973	\$ 1,164	\$ 235	\$ -	\$ 26,409	\$ 5,000	\$ 336,969
Receipts:								
Taxes	3,592	7,338	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	513	1,049	-	-	-	-	-	-
Charges for services	-	2,500	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	25,000	509,008	-	2,299,113	970,974	-	-
Total receipts	4,105	35,887	509,008	-	2,299,113	970,974	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	509,272	86	2,299,113	978,894	-	-
Total disbursements	-	-	509,272	86	2,299,113	978,894	-	-
Excess (deficiency) of receipts over disbursements	4,105	35,887	(264)	(86)	-	(7,920)	-	-
Cash and investments - ending	\$ 17,007	\$ 43,860	\$ 900	\$ 149	\$ -	\$ 18,489	\$ 5,000	\$ 336,969

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

	ELECTRIC - CASH - <u>RESERVE</u>	ELECTRIC - CASH - <u>DEPRECIATION</u>	ELECTRIC - CASH - <u>CUSTOMER DEPOSITS</u>	CASH/TRASH PICK UP	SEWAGE - CASH - <u>OPERATING</u>	SEWAGE - CASH - <u>CUSTOMER DEPOSITS</u>	SEWAGE - CASH - <u>DEPRECIATION</u>	SEWAGE - CASH - <u>BOND AND INTEREST</u>
Cash and investments - beginning	\$ 96,503	\$ 87,192	\$ 5,243	\$ 7,905	\$ 5,008	\$ 6,960	\$ 23,679	\$ 6,529
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	5,307	30,344	3,505	41,118	268,292	2,175	10,000	62,746
Total receipts	<u>5,307</u>	<u>30,344</u>	<u>3,505</u>	<u>41,118</u>	<u>268,292</u>	<u>2,175</u>	<u>10,000</u>	<u>62,746</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	15,000	99,201	3,305	38,872	263,040	2,175	33,674	63,155
Total disbursements	<u>15,000</u>	<u>99,201</u>	<u>3,305</u>	<u>38,872</u>	<u>263,040</u>	<u>2,175</u>	<u>33,674</u>	<u>63,155</u>
Excess (deficiency) of receipts over disbursements	<u>(9,693)</u>	<u>(68,857)</u>	<u>200</u>	<u>2,246</u>	<u>5,252</u>	<u>-</u>	<u>(23,674)</u>	<u>(409)</u>
Cash and investments - ending	<u>\$ 86,810</u>	<u>\$ 18,335</u>	<u>\$ 5,443</u>	<u>\$ 10,151</u>	<u>\$ 10,260</u>	<u>\$ 6,960</u>	<u>\$ 5</u>	<u>\$ 6,120</u>

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

	SEWAGE - CASH- BOND & INTEREST - RESERVE	SEWAGE INVESTMENTS - BOND & INT RESERVE	WATER - CASH - OPERATING	WATER - CASH - CUSTOMER DEPOSITS	WATER - CASH - DEPRECIATION	TOWN COURT	Totals
Cash and investments - beginning	\$ -	\$ 63,280	\$ 3,506	\$ 2,560	\$ 70,502	\$ 5,283	\$ 929,627
Receipts:							
Taxes	-	-	-	-	-	-	123,698
Licenses and permits	-	-	-	-	-	-	1,124
Intergovernmental	-	-	-	-	-	-	200,745
Charges for services	-	-	-	-	-	-	11,840
Fines and forfeits	-	-	-	-	-	-	10,976
Other receipts	-	-	173,666	725	12,940	24,396	4,646,915
Total receipts	-	-	173,666	725	12,940	24,396	4,995,298
Disbursements:							
Personal services	-	-	-	-	-	-	165,123
Supplies	-	-	-	-	-	-	8,965
Other services and charges	-	-	-	-	-	-	224,305
Debt service - principal and interest	-	-	-	-	-	-	1,088
Capital outlay	-	-	-	-	-	-	11,034
Other disbursements	-	-	169,550	775	51,444	28,141	4,795,747
Total disbursements	-	-	169,550	775	51,444	28,141	5,206,262
Excess (deficiency) of receipts over disbursements	-	-	4,116	(50)	(38,504)	(3,745)	(210,964)
Cash and investments - ending	\$ -	\$ 63,280	\$ 7,622	\$ 2,510	\$ 31,998	\$ 1,538	\$ 718,663

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

	GENERAL FUND	MOTOR VEHICLE HIGHWAY FUND	LOCAL ROAD & STREET FUND	PARK AND RECREATION FUND	LAW ENFORCEMENT CONT EDUCATION FUND	RAINY DAY FUND	LEVY EXCESS FUND	CUMULATIVE CAPITAL IMPROVEMENT FUND
Cash and investments - beginning	\$ 31,243	\$ 2,649	\$ 1,668	\$ 4,797	\$ 4,900	\$ -	\$ -	\$ -
Receipts:								
Taxes	93,466	-	-	1,976	-	-	-	-
Licenses and permits	1,668	-	-	-	785	-	-	-
Intergovernmental	190,234	24,961	7,463	1,028	-	-	-	2,541
Charges for services	15,000	-	-	-	-	-	-	-
Fines and forfeits	6,331	-	-	-	709	-	-	-
Other receipts	89,382	-	-	4,499	251	9,919	17	-
Total receipts	396,081	24,961	7,463	7,503	1,745	9,919	17	2,541
Disbursements:								
Personal services	126,652	3,088	-	-	-	-	-	-
Supplies	4,296	562	-	2,196	-	-	-	-
Other services and charges	195,600	630	6,964	4,392	1,161	-	-	-
Debt service - principal and interest	29,060	-	-	-	-	-	-	-
Capital outlay	24	14,069	-	817	-	-	-	-
Other disbursements	22,307	1,852	400	22	58	-	-	2,541
Total disbursements	377,939	20,201	7,364	7,427	1,219	-	-	2,541
Excess (deficiency) of receipts over disbursements	18,142	4,760	99	76	526	9,919	17	-
Cash and investments - ending	\$ 49,385	\$ 7,409	\$ 1,767	\$ 4,873	\$ 5,426	\$ 9,919	\$ 17	\$ -

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

	CUMULATIVE CAPITAL DEVELOPMENT FUND	CUMULATIVE FIRE FUND	PAYROLL FUND	PROMOTIONAL FUND	ACCOUNTS PAYABLE FUND	ELECTRIC - CASH - OPERATING	ELECTRIC INVESTMENTS - CUST DEPOSITS	ELECTRIC INVESTMENTS - DEPRECIATION
Cash and investments - beginning	\$ 17,007	\$ 43,860	\$ 900	\$ 149	\$ -	\$ 18,489	\$ 5,000	\$ 336,969
Receipts:								
Taxes	3,134	6,411	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	518	1,059	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	10,000	277,875	413,619	-	2,044,265	969,347	-	-
Total receipts	13,652	285,345	413,619	-	2,044,265	969,347	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	15,750	272,021	-	-	-	-	-	-
Other disbursements	10,000	-	414,301	-	2,044,265	960,945	-	-
Total disbursements	25,750	272,021	414,301	-	2,044,265	960,945	-	-
Excess (deficiency) of receipts over disbursements	(12,098)	13,324	(682)	-	-	8,402	-	-
Cash and investments - ending	\$ 4,909	\$ 57,184	\$ 218	\$ 149	\$ -	\$ 26,891	\$ 5,000	\$ 336,969

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

	ELECTRIC - CASH - <u>RESERVE</u>	ELECTRIC - CASH - <u>DEPRECIATION</u>	ELECTRIC - CASH - <u>CUSTOMER DEPOSITS</u>	CASH/TRASH PICK UP	SEWAGE - CASH - <u>OPERATING</u>	SEWAGE - CASH - <u>CUSTOMER DEPOSITS</u>	SEWAGE - CASH - <u>DEPRECIATION</u>	SEWAGE - CASH - <u>BOND AND INTEREST</u>
Cash and investments - beginning	\$ 86,810	\$ 18,335	\$ 5,443	\$ 10,151	\$ 10,260	\$ 6,960	\$ 5	\$ 6,120
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	10,771	33,460	3,905	41,312	266,244	2,550	13,677	63,896
Total receipts	<u>10,771</u>	<u>33,460</u>	<u>3,905</u>	<u>41,312</u>	<u>266,244</u>	<u>2,550</u>	<u>13,677</u>	<u>63,896</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	19,887	3,725	42,036	257,181	2,400	2,218	62,475
Total disbursements	<u>-</u>	<u>19,887</u>	<u>3,725</u>	<u>42,036</u>	<u>257,181</u>	<u>2,400</u>	<u>2,218</u>	<u>62,475</u>
Excess (deficiency) of receipts over disbursements	<u>10,771</u>	<u>13,573</u>	<u>180</u>	<u>(724)</u>	<u>9,063</u>	<u>150</u>	<u>11,459</u>	<u>1,421</u>
Cash and investments - ending	<u>\$ 97,581</u>	<u>\$ 31,908</u>	<u>\$ 5,623</u>	<u>\$ 9,427</u>	<u>\$ 19,323</u>	<u>\$ 7,110</u>	<u>\$ 11,464</u>	<u>\$ 7,541</u>

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

	SEWAGE - CASH- BOND & INTEREST - RESERVE	SEWAGE INVESTMENTS - BOND & INT RESERVE	WATER - CASH - OPERATING	WATER - CASH - CUSTOMER DEPOSITS	WATER - CASH - DEPRECIATION	TOWN COURT	Totals
Cash and investments - beginning	\$ -	\$ 63,280	\$ 7,622	\$ 2,510	\$ 31,998	\$ 1,538	\$ 718,663
Receipts:							
Taxes	-	-	-	-	-	-	104,987
Licenses and permits	-	-	-	-	-	-	2,453
Intergovernmental	-	-	-	-	-	-	227,804
Charges for services	-	-	-	-	-	-	15,000
Fines and forfeits	-	-	-	-	-	-	7,040
Other receipts	955	-	154,804	900	9,000	19,362	4,440,010
Total receipts	955	-	154,804	900	9,000	19,362	4,797,294
Disbursements:							
Personal services	-	-	-	-	-	-	129,740
Supplies	-	-	-	-	-	-	7,054
Other services and charges	-	-	-	-	-	-	208,747
Debt service - principal and interest	-	-	-	-	-	-	29,060
Capital outlay	-	-	-	-	-	-	302,681
Other disbursements	955	-	160,970	830	25,600	18,860	4,053,828
Total disbursements	955	-	160,970	830	25,600	18,860	4,731,110
Excess (deficiency) of receipts over disbursements	-	-	(6,166)	70	(16,600)	502	66,184
Cash and investments - ending	\$ -	\$ 63,280	\$ 1,456	\$ 2,580	\$ 15,398	\$ 2,041	\$ 784,848

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 299,424	\$ 315,487
Electric	-	872,371
Trash	-	41,312
Wastewater	-	265,753
Water	-	152,733
Totals	<u>\$ 299,424</u>	<u>\$ 1,647,656</u>

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

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	FIRE STATION LOAN	\$ 98,090	\$ 23,555
Lines of credit	LINE OF CREDIT	<u>40,025</u>	<u>754</u>
Total governmental activities		<u>138,115</u>	<u>24,309</u>
Electric:			
Notes and loans payable	LOAN FOR MUNICIPAL BUILDING	<u>83,355</u>	<u>24,042</u>
Wastewater:			
General obligation bonds	BOND FOR SEWER PLANT	<u>336,000</u>	<u>62,760</u>
Water:			
Notes and loans payable	WATER TOWER LOAN	<u>133,751</u>	<u>16,077</u>
Totals		<u>\$ 691,221</u>	<u>\$ 127,188</u>

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TOWN OF JAMESTOWN
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	\$ 248,890
Buildings	678,085
Improvements other than buildings	55,494
Machinery, equipment, and vehicles	822,778
Books and other	21,320
Total governmental activities	1,826,567
Electric:	
Infrastructure	35,666
Buildings	113,916
Improvements other than buildings	33,663
Machinery, equipment, and vehicles	139,477
Books and other	41,010
Total Electric	363,732
Wastewater:	
Land	27,229
Infrastructure	462,319
Buildings	224,092
Improvements other than buildings	433,888
Machinery, equipment, and vehicles	24,685
Books and other	8,763
Total Wastewater	1,180,976
Water:	
Land	20,140
Infrastructure	202,557
Buildings	60,253
Improvements other than buildings	6,027
Machinery, equipment, and vehicles	46,626
Books and other	8,937
Total Water	344,540
Total capital assets	\$ 3,715,815

TOWN OF JAMESTOWN
EXAMINATION RESULTS AND COMMENTS

ANNUAL REPORT

The Annual Report for 2011 contained a number of errors and did not properly reflect the financial activity of the Town of Jamestown. Additionally, the Annual Reports for 2011 and 2012 did not contain the financial activity of the Town Court Fund.

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."

APPROVAL OF FORMS

The Town of Jamestown was using a Customer Deposit Register form which had not been approved for use in lieu of prescribed forms to summarize certain financial information.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

Fund	Year	Excess Amount Expended
General	2011	\$ 329,657.79
Local Road & Street	2011	5,425.00
Motor Vehicle Highways	2011	815.28
General	2012	116,589.70
Cumulative Fire Special	2012	260,491.00

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF JAMESTOWN
EXAMINATION RESULTS AND COMMENTS
(Continued)

INTERNAL CONTROLS

Internal controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient. Therefore, financial records presented for audit were not reflective of the activity of the General Fund. The records presented included transactions that were recorded as "negative" receipts in lieu of being recorded as disbursements. This resulted in the receipts and disbursements being understated on the Annual Financial Report provided by the Town's officials.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF JAMESTOWN
EXIT CONFERENCE

The contents of this report were discussed on October 9, 2013, with Tamara "Katie" Conyer, Clerk-Treasurer, and Bryce Huckstep, President of the Town Council. The officials concurred with our findings.