



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: Clerk-Treasurers of All Cities and Towns

FROM: Bruce Hartman, CPA
State Examiner

DATE: December 13, 2007

RE: 2007 Annual Financial Report
Due March 1, 2008

Enclosed is the form CTAR-1 required for preparing your 2007 Annual Financial Report. Please complete and return this form in the preaddressed envelope provided to the State of Indiana, State Board of Accounts, c/o Bureau of the Census, 1201 E. 10th St., Jeffersonville, Indiana, 47132, by March 1, 2008. A copy of the form has been furnished for your records.

Part One, Part Six, and the Certification found on the Cover Page, must be advertised pursuant to I.C. 5-3-1-3. Part Eight and Part Nine must be completed pursuant to the Amended Single Audit Act of 1996.

We will appreciate your cooperation in providing this material to us promptly in order that our reporting to the Indiana Legislature and Bureau of the Census will not be delayed. Failure to complete and return this report by March 1, 2007 is a violation of I.C. 5-11-1-10.

If you would like to prepare the report on disk, please contact our office at (317) 232-2513.

An electronic version of the CTAR-1 is available and may be downloaded from the State Board of Accounts website at: <http://www.in.gov/sboa/publications/logodaba/ctar/ctar1>

In addition, Form 100-R (Names, Addresses, Duties, and Compensation of Public Employees) must be completed pursuant to I.C. 5-11-13-1 and filed with the State Board of Accounts by January 31, 2007. This form is obtained from your local printer and should be sent directly to: State Board of Accounts, 302 West Washington Street, Room E418, Indianapolis, Indiana, 46204-2765.

CWP:dsk

Enclosures

CTAR-1 (2007)

**ANNUAL CITY AND TOWN FINANCIAL REPORT
INSTRUCTIONS FOR 2007 REPORT**

The following are instructions for completing the 2007 Annual Financial Report. This report must be completed in dollars and cents.

Please type or print legibly and check your addition.

If your city or town is on the accrual or modified accrual basis of accounting, the following adjustments will need to be made to the Receipts Parts 2 and Disbursements Part 3, to get them to the cash basis:

- A. Sale or purchase of investments
- B. Transfers between funds
- C. Loans between funds
- D. Net change between beginning and ending accounts receivable or accounts payable
- E. Amount to balance (if needed). This is the amount needed to make receipts or disbursements agree with Part 1.

PART ONE: STATEMENT OF RECEIPTS, DISBURSEMENTS, CASH BALANCES, AND INVESTMENT BALANCES AT DECEMBER 31, 2007 (To Be Advertised)

NOTE: Completing Part One as you complete Parts Two, Three and Four should simplify the reporting.

1. Review Part One, filling in name of City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. In Section I, list all funds of the City or Town (including Utility Funds) in the Fund Column. If you need additional forms for any parts, you may make copies of these forms.
3. In Column A (Cash Balance January 1) list the Beginning January 1, 2007 Cash Balances, plus or minus, for each fund. Do not include investment balances in these figures. This is the amount of your ending cash balance on your 2003 report (Column D).
4. In Column B (Receipts) list your 2007 receipts as shown on your Ledger of Receipts, Disbursements and Balances for each fund. The receipts listed for each fund must agree with total revenue for each fund shown in Part Two or Part Four of this report.
5. In Column C (Disbursements) list your 2007 disbursements as shown on your Ledger of Receipts, Disbursements and Balances for each fund. The disbursements listed for each fund must agree with the total disbursements per fund in Part Three or Four of this report.
6. In Column D (Cash Balance December 31) list the Ending Cash Balance at December 31, 2007 for each fund shown in your Ledger of Receipts, Disbursements and Balances. The total of the January 1, 2007 Cash Balance added to the 2007 receipts, less the 2007 disbursements must equal the December 31, 2007 Cash Balance. There can be no exception to the above rule. If you have an error do not continue with step seven (7) until the error has been corrected.

PART ONE: STATEMENT OF RECEIPTS, DISBURSEMENTS, CASH BALANCES, AND INVESTMENT BALANCES AT DECEMBER 31, 2007 (To Be Advertised) (Continued)

7. In Column E (Investments at December 31) list the total of All Investments on Hand at December 31, 2007 for each fund. Do not include investments from Cash Fund Balances. Checking or Savings Accounts monies are reflected on cash.
8. In Column F (Total Cash and Investments at December 31) place the total of Column D (Cash Balance December 31) + Column E (Investments at December 31).
9. Total Columns A through F individually and list under the appropriate column. You can prove your total by adding the Total Beginning Cash Balance to the Total Receipts then subtract the Total Disbursements. This must equal the Total Cash Balance at December 31. Add the Total Investments at December 31 to the Total Cash Balance at December 31. This must equal the Total Cash and Investment Balance at December 31, 2007 (or, Columns A + B - C = D + E = F). See example of Part One on next page.
10. In Section II, list investment activity and transfers in and out, in columns B and C, respectively, and subtract them from the subtotal all funds line to get net activity of all funds. (Section II should always follow the funds listed in Section I in the newspaper advertisement.)

PART TWO: RECEIPT REPORT - ACTUAL RECEIPTS BY FUND (Do Not Advertise)

1. Review Part Two, filling in the name of your City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. We have precoded funds for your convenience. If you have additional funds, please list them on the blank Part 2 forms provided. If you need additional forms, you may make copies.
3. Miscellaneous Revenue descriptions are provided on the left hand side in Part Two of the report. These Miscellaneous Revenue descriptions have been divided into seven revenue categories. Fill in the amount of revenue for each fund as applicable and then total each category in the space provided. Note: If you have a type of revenue for which no Miscellaneous Revenue description is given, please use account number 6500 Miscellaneous Receipts. Do not change any of the preprinted Miscellaneous Revenues or Codes. Miscellaneous Revenue should not have large amounts of unexplained revenue. If you use revenue code "Other", please specify.
4. Record the total cash receipts for each fund. (Total Taxes + Total Licenses and Permits + Total Intergovernmental Revenue + Total Charges for Services + Fines and Forfeits + Miscellaneous Revenue = Total Cash Receipts.)
5. Record Other Types of Receipts, including Sale of Investments, and total. Interest earned on savings accounts and money markets must be shown as interest earned located on Part 2 (Part 2 Page C).
6. Record the total revenue for each fund (Total Cash Receipts plus Total Other Receipts). These totals must agree with the total receipts, per fund, shown in Part One Column B.

PART THREE A: DISBURSEMENTS OF ALL FUNDS BY CITIES AND TOWNS (EXCEPT UTILITIES AND DEPARTMENTAL BUDGET FOR GENERAL FUND (Do Not Advertise))

1. Review Part Three A, filling in the name of City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. We have precoded funds for your convenience. If you have additional funds, please list them in the other columns provided. If you need additional forms, you may make copies.
3. All expenditures shall be totaled from your Ledger of Appropriations, Encumbrances, Disbursements and Balances, by Major Budget Class, for each fund and shall be posted to the appropriate classification listed on the left hand side of the form.
4. Interest earned on savings accounts and money markets and is left in the account must be shown as purchase of investment on Part 3.
5. Record total expenditures for each fund.
6. Total disbursements for each fund must agree with the total disbursements for each fund in Part One Column C.

PART THREE B: DISBURSEMENTS BY DEPARTMENTAL BUDGET FOR GENERAL FUND (Do Not Advertise)

1. Review Part Three B, filling in the name of City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. The part 3B has been preprinted with 24 of the most common Department Codes for the General Fund. If you have additional departments, please list them in the other columns provided. If you need additional forms, you may make copies.
3. All expenditures shall be totaled from your Ledger of Appropriations, Encumbrances, Disbursements and Balances, by Major Budget Class (Personal Services, Supplies, Other Services and Charges, etc.), and posted to the appropriated line item in Part Three B for each department.
4. Transfers, Loans Between Funds, Purchases of Investments and Unappropriated Expenditures **not charged to a department** shall be posted to a separate department titled "Other General Fund Expenditures" (Department Code 0101-999).
5. Record total for each department.
6. The Final Column should be used to total the General Fund.
7. The Total General Fund Expenditures must agree with General Fund Disbursements shown in Part One Column C of this report.

PART FOUR: UTILITIES - RECEIPTS AND DISBURSEMENTS (Do Not Advertise)

1. Review Part Four, filling in the name of City or Town, County and Utility at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. **Class C or D** Utilities should use the Part 4 titled accordingly (i.e. Water Utility Class C, Wastewater Utility Class C). **Class A or B** Utilities or Other Utilities (i.e. trash, transportation) should complete Part 4 - Other.
3. The six most common Utility Funds have been listed. List any additional funds in the blank columns provided. If you need additional Utility forms, you may copy these forms.
4. List receipts for each fund in the appropriate column.
5. Total receipts for each fund must agree with the total receipts for each fund in Part One Column B of this report.
6. List disbursements for each fund in the appropriate column.
7. Total disbursements must agree with the total disbursements for each fund in Part One Column C of this report.

PART FIVE: CASH AND INVESTMENTS AT DECEMBER 31, 2007 (Do Not Advertise)

1. Review Part Five, filling in the name of City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. Please complete the following columns for each investment of the City or Town (including the Utilities) on hand at December 31, 2007:
 - A. Purchase Date: The date the investment was purchased or the date of the last renewal. Omit Purchase Date for Savings Accounts.
 - B. Serial Number: The number on the investment or savings account.
 - C. Description: The type of investment (i.e. Certificate of Deposit, Savings Account, Repurchase Agreements, Treasure Bills, Notes and Bonds).
 - D. Maturity Date: The date that the investment matures or can be renewed. Omit Maturity Date for Savings Accounts.
 - E. Interest Rate: The rate shown on the investment or the yield rate.
 - F. Purchase Cost: The purchase price of the investment or the renewal amount of the investment. For savings accounts, it is the December 31, 2007 balance.
3. Total Investments is the total of the Purchase Cost column for investments.

PART FIVE: CASH AND INVESTMENTS AT DECEMBER 31, 2007 (Do Not Advertise) (Continued)

4. Please complete the following columns for each checking account, change fund and/or petty cash fund of the City or Town at December 31, 2007:
 - A. Serial Number: The checking account number.
 - B. Description: The name and type of each checking account, change fund and/or petty cash fund.
 - C. Purchase Cost: The cash on hand at December 31, 2007, after adjusting for any items in transit and/or outstanding checks.
5. Total Cash is the total of the Purchase Cost column for cash.
6. Total Cash and Investments is Total Investments plus Total Cash. This must equal the total of Cash and Investments at December 31, 2007 shown on Part 1 Column F.

PART SIX: LONG-TERM INDEBTEDNESS AS OF DECEMBER 31, 2007 (To Be Advertised)

1. Review Part Six, filling in the name of City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. In Column A, list the Total Outstanding Debt at January 1, 2007.
3. In Column B, list the principal amount received for each new debt instrument sold or issued by your governmental unit during 2007.
4. In Column C, list principal amount retired during 2007.
5. In Column D (Outstanding as of December 31, 2007), record the total outstanding indebtedness (Column A + B - C).
6. In Column E (Interest Paid During 2007), list interest paid on all debt for the year 2007.
7. Record the total of each column separately.
8. Column A (Total Outstanding as of January 1, 2007) + Column B (Issued in 2007) - Column C (Retired During 2007) must equal Column D (Outstanding as of December 31, 2007) (or, $A + B - C = D$).

PART SEVEN: INTERGOVERNMENTAL EXPENDITURES (Do Not Advertise)

1. List expenditures paid to other local governments in the appropriate category.
2. List expenditures paid to State of Indiana in the appropriate category.
3. Record the total of the Other Local Government Column and the State Column.
4. Record the total Intergovernmental Expenditures (Other Local Government Column plus State Column).

NOTE: If you have no intergovernmental expenditures, write or type "Not Applicable".

PART EIGHT: FEDERAL GRANT RECEIPTS

1. Review Part Eight, filling in the name of County at top of each and every page. Please leave the County I.D. Number blank. The State Board of Accounts will complete this section. Use this part only for grants and other assistance funded solely from federal sources. If a grant is part federally funded and part state funded, enter the federal portion here and the state portion on Part Nine.
2. **CFDA NUMBER:** Most federal financial grant programs have been assigned a specific number in the Catalog of Federal Domestic Assistance. This is true whether the grant was received directly from the federal agency or passed through a state agency or other governmental entity. The grant documentation should contain the CFDA number for that program. If you do not know the CFDA number, it may be obtained from the Catalog, or from the federal or pass-through agency. (A listing of most of the federal programs along with the CFDA numbers has been provided at the end of these instructions.)
3. **FEDERAL TITLE:** All federal grants have been assigned a title. The title is also contained in the Catalog of Federal Domestic Assistance, and may be obtained from the federal or pass-through agency, if not readily apparent in the grant documentation.
4. **FEDERAL OR STATE AGENCY:** Enter the name of the federal agency for federal grants received directly from a federal agency, or the name of the state agency for pass-through federal grants.
5. **AWARD AMOUNT:** Enter the total amount of the federal grant. If the grant is part federally funded and part state funded, enter the federal portion here on Part 8, and the state portion on Part 9.
6. **FUND TITLE:** Enter the name of the fund that the county uses to account for the federal grant.
7. **RECEIPTS:** Enter the total amount received in 2007 for the federal grant.
8. **DISBURSEMENTS:** Enter the total amount disbursed in 2007 for the federal grant.

PART NINE: STATE GRANT RECEIPTS

1. Review Part Nine, filling in the name of County at top of each and every page. Please leave the County I.D. Number blank. The State Board of Accounts will complete this section. Use this part only for grants and other assistance funded solely from state sources. If a grant is part state funded and part federally funded, enter the state portion here and the federal portion on Part Eight.
2. **GRANT NUMBER:** Enter the grant number assigned by the awarding state agency. This number should be readily apparent in the grant documentation. If you do not know the grant number, it may be obtained from the state awarding agency.
3. **PROJECT NAME:** The project name should also be readily apparent in the grant documentation, or may be obtained from the state awarding agency.
4. **STATE AGENCY:** Enter the name of the state awarding agency.
5. **AWARD AMOUNT:** Enter the total amount of the state grant. If the grant is partly state funded and partly federally funded, enter the state portion here on Part 9, and the federal portion on Part 8.
6. **FUND TITLE:** Enter the name of the fund that the county uses to account for the state grant.
7. **RECEIPTS:** Enter the total amount received in 2007 for the state grant.
8. **DISBURSEMENTS:** Enter the total amount disbursed in 2007 for the state grant.

PART TEN: REPORT ON CAPITAL ASSETS PURCHASED FROM GOVERNMENT FUNDS (Do Not Advertise)

1. Review Part Ten, filling in the name of City and Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete this section.
2. The beginning balance for each fund should come from the Capital Asset Ledger (City and Town Form 211).
3. The 2007 additions to Capital Assets for each fund should be calculated by totaling the additions to the Capital Assets Ledger by fund and type. Post the amount to the appropriate line. Cities and Towns that had 1999 revenues in excess of \$10 million will report infrastructure type capital assets purchased from government funds beginning in 2007. Refer to September 2003 Cities and Towns Bulletin for more information.
4. Record the total additions for each fund.
5. The 2007 reductions to the Capital Assets for each fund should be calculated by totaling the cost of the asset (at original cost) from the Capital Assets Ledger by fund and type. Post the amount to the appropriate line in the reduction section of each fund.
6. Record the total reductions for each fund.
7. The ending balance for each fund should come from the Capital Asset Ledger.
8. The beginning balance, plus total additions, less the total reductions, must equal the ending balance for each fund.

PART ELEVEN: FINANCIAL ASSISTANCE TO NONGOVERNMENTAL ENTITIES

1. Review Part 11, filling in name of the City or Town and County at top of each and every page. Please leave the City/Town I.D. Number blank. The State Board of Accounts will complete upon return. Use this part only for financial assistance you provided to nongovernmental entities (i.e. not-for-profits) during the year. Examples of nongovernmental entities that you might provide funding to include: Convention and Visitors Bureaus, Volunteer Fire Departments, Senior Citizen Centers, Councils on Aging, Historical Societies, Day Care Centers, Humane Shelters, Chambers of Commerce, 4-H Clubs, Private/Religious Schools, YMCAs, Youth Leagues, etc. Do not include amounts you pay to vendors for goods or services.
2. **FEDERAL I.D. NUMBER:** Enter the entity's Federal I.D. Number, if known.
3. **NAME:** Enter the name of the entity you provided financial assistance to.
4. **ADDRESS:** Enter the complete address including zip code of the entity.
5. **COUNTY OF OPERATION:** Enter the name of the county out of which the entity operates.
6. **PHONE NUMBER OF OPERATING OFFICER:** Enter the name of the entity's operating officer as well as a phone number.
7. **DESCRIPTION OF FUNDING:** Enter a description of the funding (i.e. protection).
8. **AMOUNT:** Enter the total amount of financial assistance provided to the entity.
9. See the example on the next page.

CERTIFICATION (To Be Advertised)

1. You will find the certificate printed on the cover sheet of this report.
2. The Certification shall be signed and dated by the Fiscal Officer of your City or Town.

ADVERTISEMENT

Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in the State of Indiana shall publish an annual report of the receipts and expenditures of said city or town, showing the same by fund and appropriations as is provided for by IC 36-2-2-19 for the executive of each county.

The following sections of this report shall be advertised as prescribed by IC 5-3-1-3:

1. Part One, Statement of Receipts, Disbursements, Cash Balances and Investment Balances, including Utilities.
2. The sentence "A detailed Accounting of Receipts and Disbursements is on file at the (Controller's/Clerk-Treasurer's) Office and may be reviewed during business hours."
3. Part Six, Long-Term Indebtedness as of December 31, 2007.
4. Certification

ADVERTISEMENT (Continued)

". . . .All Legal advertisements shall be set in solid type NOT LARGER (our emphasis) than the type used in the regular reading matter of the newspaper without any leads or other devices for increasing space. All such advertisements shall be headed by no more than two (2) lines, neither of which shall total more than four (4) solid lines of the type in which the body of the advertisement is set."

When setting up your advertising please use the smallest type of print possible and a minimum of space to effect a cost savings.

Do not advertise blank lines, FUND CODES, MISCELLANEOUS CODES, and line numbers. If Part Six is blank, do not advertise it.

Publication is to be made ONE TIME only in the same manner and newspapers as required in the publication of notices to taxpayers of budgets, levies and tax rates. Therefore, the publication shall be in two newspapers published in the municipality. If only one (1) newspaper is published in the municipality, then publication in that newspaper alone, is sufficient. If no newspaper is published in the municipality, then publication shall be made in a newspaper published in the county in which the municipality is located, and that circulates within the city or town. The notice shall be posted:

(1) At or near the city or town hall; or, (2A) At the public building where the governing body of the city or town meets; or (2B) At the post office (or, at the bank if there is no post office in the municipality) if the city or town does not have a city or town hall. If you have any questions regarding the advertising or completion of this report, please call (317) 232-2518, Monday through Friday, 8:30 - 4:00.