

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF  
TOWN OF OLDENBURG  
FRANKLIN COUNTY, INDIANA  
January 1, 2003 to December 31, 2005



**FILED**  
09/28/2006



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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Cynthia Laker

01-01-02 to 12-31-07

President of the Town Council

David Wahman

01-01-03 to 12-31-06



**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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF OLDENBURG, FRANKLIN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Town of Oldenburg (Town), for the period of January 1, 2003 to December 31, 2005. The Town's management is responsible for the schedules. Our responsibility is to express an opinion 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 schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Town for the years ended December 31, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 7, 2006

TOWN OF OLDENBURG  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
As Of And For The Years Ended December 31, 2003, 2004, And 2005

	Cash and Investments		Cash and Investments	
	01-01-03	Receipts	Disbursements	12-31-03
<b>Governmental Funds:</b>				
General	\$ 151,950	\$ 91,938	\$ 65,863	\$ 178,025
Motor Vehicle Highway	26,733	19,179	6,618	39,294
Local Road and Street	29,377	2,769	6,441	25,705
J.A. Hillenbrand Grant	556	-	145	411
Law Enforcement Continuing Education	418	38	200	256
Riverboat	-	4,091	-	4,091
T. Mollaun Estate Grant	20,000	-	-	20,000
SE IN Solid Waste District Grant	1,715	1,500	-	3,215
Economic Development Income Tax	42,153	22,607	6,891	57,869
Cumulative Capital Development	22,342	2,339	15,887	8,794
Solid Waste	20,786	10,689	8,163	23,312
Levy Excess	-	842	-	842
CDBG Grant Matching Funds	-	93,233	67,158	26,075
CDBG Grant	-	278,424	278,424	-
<b>Proprietary Funds:</b>				
Water Utility - Operating	61,571	147,145	139,561	69,155
Water Utility - Depreciation	29,424	6,138	-	35,562
Wastewater Utility - Operating	25,536	147,881	119,687	53,730
Wastewater Utility - Bond and Interest	(520)	29,610	29,520	(430)
Wastewater Utility - Debt Service Reserve #1	17,335	-	17,335	-
Wastewater Utility - Debt Service Reserve #2	33,855	-	-	33,855
<b>Totals</b>	<b>\$ 483,231</b>	<b>\$ 858,423</b>	<b>\$ 761,893</b>	<b>\$ 579,761</b>

	Cash and Investments		Cash and Investments	
	01-01-04	Receipts	Disbursements	12-31-04
<b>Governmental Funds:</b>				
General	\$ 178,025	\$ 130,699	\$ 55,212	\$ 253,512
Motor Vehicle Highway	39,294	20,005	47,817	11,482
Local Road and Street	25,705	2,928	18,198	10,435
J.A. Hillenbrand Grant	411	-	293	118
Law Enforcement Continuing Education	256	77	200	133
Riverboat	4,091	4,080	-	8,171
T. Mollaun Estate Grant	20,000	-	-	20,000
SE IN Solid Waste District Grant	3,215	1,500	1,365	3,350
Economic Development Income Tax	57,869	36,354	4,905	89,318
Cumulative Capital Development	8,794	2,414	7,175	4,033
Solid Waste	23,312	10,454	8,163	25,603
Levy Excess	842	-	-	842
CDBG Grant Matching Funds	26,075	-	26,075	-
CDBG Grant	-	104,861	104,861	-
Mary Ollier Gift	-	2,000	-	2,000
<b>Proprietary Funds:</b>				
Water Utility - Operating	69,155	179,404	187,702	60,857
Water Utility - Depreciation	35,562	6,103	-	41,665
Wastewater Utility - Operating	53,730	130,627	129,772	54,585
Wastewater Utility - Bond and Interest	(430)	33,125	29,160	3,535
Wastewater Utility - Debt Service Reserve #2	33,855	-	-	33,855
<b>Totals</b>	<b>\$ 579,761</b>	<b>\$ 664,631</b>	<b>\$ 620,898</b>	<b>\$ 623,494</b>

	Cash and Investments		Cash and Investments	
	01-01-05	Receipts	Disbursements	12-31-05
<b>Governmental Funds:</b>				
General	\$ 253,512	\$ 134,959	\$ 111,053	\$ 277,418
Motor Vehicle Highway	11,482	19,568	8,216	22,834
Local Road and Street	10,435	2,948	-	13,383
J.A. Hillenbrand Grant	118	2,000	56	2,062
Law Enforcement Continuing Education	133	29	-	162
Riverboat	8,171	4,080	1,236	11,015
T. Mollaun Estate Grant	20,000	-	14,027	5,973
SE IN Solid Waste District Grant	3,350	1,500	-	4,850
Economic Development Income Tax	89,318	25,618	1,950	112,986
Cumulative Capital Development	4,033	2,000	425	5,608
Solid Waste	25,603	10,523	8,095	28,031
Levy Excess	842	-	-	842
Mary Ollier Gift	2,000	-	1,597	403
<b>Proprietary Funds:</b>				
Water Utility - Operating	60,857	192,487	150,937	102,407
Water Utility - Depreciation	41,665	6,133	-	47,798
Wastewater Utility - Operating	54,585	126,380	128,963	52,002
Wastewater Utility - Bond and Interest	3,535	34,500	29,770	8,265
Wastewater Utility - Debt Service Reserve #2	33,855	-	-	33,855
<b>Totals</b>	<b>\$ 623,494</b>	<b>\$ 562,725</b>	<b>\$ 456,325</b>	<b>\$ 729,894</b>

The accompanying notes are an integral part of the schedules.

TOWN OF OLDENBURG  
NOTES TO SCHEDULES

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, public improvements, planning and zoning, general administrative services, water and wastewater utilities.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. 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% 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 become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes 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 6. Long-Term Debt

The Town has entered into various debts such as bonds for wastewater acquisition and construction. The outstanding principal at December 31, 2005, was \$358,000 and \$18,000, respectively.

Note 7. Subsequent Event

The Town was notified in 2005 that the Town will receive a grant from the State of Indiana in the amount of \$433,900, with the Town matching \$150,950, to replace the main water line from Batesville on State Road 229.

TOWN OF OLDENBURG  
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS – WATER AND WASTEWATER UTILITIES

The Water Utility and the Wastewater Utility do not maintain detailed records of capital assets.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder:

Cynthia Laker, Clerk-Treasurer	01-01-03 to 12-31-03
Ruth Cooper, Utility Clerk	01-01-03 to 12-31-06

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

DEPOSITS

Receipts were deposited later than the next business day.

Indiana Code 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

TOWN OF OLDENBURG  
EXIT CONFERENCE

The contents of this report were discussed on September 7, 2006, with Cynthia Laker, Clerk-Treasurer. The official concurred with our findings.