

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

AUDIT REPORT

OF

TOWN OF BARGERSVILLE

JOHNSON COUNTY, INDIANA

January 1, 2001 to December 31, 2004



FILED
11/28/2006

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TOWN OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Gayle W. Allard	01-01-00 to 06-02-06
	Vacant	06-03-06 to 06-28-06
	Amy Carson	06-29-06 to 12-31-07
President of the Town Council	Russell Skaggs	01-01-01 to 12-31-01
	Beulah Witt	01-01-02 to 12-31-02
	Laura Lowe	01-01-03 to 12-31-06
Superintendent of Utilities	John Scott	01-01-01 to 12-31-01
	Jeff Raufeisen	01-01-02 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF BARGERSVILLE, JOHNSON COUNTY, INDIANA

We have audited the financial statements of the Town of Bargersville (Town), as of and for the years ended December 31, 2001, 2002, 2003, and 2004, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares financial statements of its governmental and fiduciary funds on the prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

In our opinion, the financial statements of the governmental, and fiduciary funds referred to above present fairly, in all material respects, the cash and investment balances of the Town as of December 31, 2001, 2002, 2003, and 2004, and the cash receipts and cash disbursements during the years then ended on the basis of accounting described in Note 1.

As discussed in Note 1, the Water, Wastewater and Electric Utilities do not maintain detailed fixed assets records and do not record disposals of fixed assets.

In our opinion, except for the effects, if any, of the incomplete fixed asset records, the financial statements of the enterprise funds present fairly, in all material respects, the financial position of the Water, Wastewater, Storm Water, and Electric Utilities of the Town as of December 31, 2001, 2002, 2003, and 2004, and the results of their operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

INDEPENDENT AUDITOR'S REPORT
(Continued)

The required supplementary information as listed in the table of contents is not a required part of the basic financial statements but is supplementary information. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The combining financial statements and supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Town. This information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

STATE BOARD OF ACCOUNTS

June 2, 2006

COMBINED STATEMENTS AND NOTES TO FINANCIAL STATEMENTS

The combined statements, Pages 6 through 9, provide a summary overview of the cash receipts and disbursements and increases and decreases in the cash and investment balances by fund type for the governmental and fiduciary funds.

The financial statements of the enterprise funds are presented on Pages 10 through 25.

The notes to financial statements, Pages 26 through 39, provide additional informative disclosures.

TOWN OF BARGERSVILLE
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
 As Of And For The Year Ended December 31, 2001

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency
Cash and Investments - January 1	\$ 109,764	\$ 83,123	\$ 316	\$ 75,606	\$ 22,976
Operating Receipts:					
Taxes	452,562	30,971	-	17,647	-
Licenses and Permits	15,696	230	-	-	-
Intergovernmental	6,862	84,647	-	6,016	-
Charges for Services	38,595	213	-	-	-
Fines and Forfeits	500	261	-	-	-
Other	16,544	3,790	70,056	-	-
Total Operating Receipts	530,759	120,112	70,056	23,663	-
Other Receipts	44,843	-	-	-	-
Transfers In	7,000	-	-	-	-
Agency Fund Additions	-	-	-	-	1,831,863
Total Receipts	582,602	120,112	70,056	23,663	1,831,863
Operating Disbursements:					
General Government	277,914	1,606	-	-	-
Public Safety	313,665	422	-	-	-
Highways and Streets	-	74,571	-	-	-
Capital Outlay	-	-	-	14,964	-
Debt Service:					
Principal	-	-	31,365	-	-
Interest and Paying Agent Fees	-	-	37,775	-	-
Total Operating Disbursements	591,579	76,599	69,140	14,964	-
Transfers Out	-	7,000	-	-	-
Agency Fund Deductions	-	-	-	-	1,847,887
Total Disbursements	591,579	83,599	69,140	14,964	1,847,887
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	(8,977)	36,513	916	8,699	(16,024)
Cash and Investments - December 31	\$ 100,787	\$ 119,636	\$ 1,232	\$ 84,305	\$ 6,952

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
 As Of And For The Year Ended December 31, 2002

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency
Cash and Investments - January 1	\$ 100,787	\$ 119,636	\$ 1,232	\$ 84,305	\$ 6,952
Operating Receipts:					
Taxes	498,611	53,730	13,635	18,925	-
Licenses and Permits	10,208	323	-	-	-
Intergovernmental	11,440	78,093	-	9,798	-
Charges for Services	35,627	1,729	-	-	-
Fines and Forfeits	50	899	-	-	-
Other	38,371	3,657	69,918	-	-
Total Operating Receipts	594,307	138,431	83,553	28,723	-
Transfers In	23,533	-	9,255	-	-
Agency Fund Additions	-	-	-	-	1,949,635
Total Receipts	617,840	138,431	92,808	28,723	1,949,635
Operating Disbursements:					
General Government	251,426	5,221	-	-	-
Public Safety	361,300	3,747	-	-	-
Highways and Streets	-	63,480	-	-	-
Capital Outlay	-	-	-	21,015	-
Debt Service:					
Principal	-	-	33,450	-	-
Interest and Paying Agent Fees	-	-	37,040	-	-
Total Operating Disbursements	612,726	72,448	70,490	21,015	-
Other Disbursements	27,079	-	-	-	-
Transfers Out	9,255	-	23,533	-	-
Agency Fund Deductions	-	-	-	-	1,916,300
Total Disbursements	649,060	72,448	94,023	21,015	1,916,300
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	(31,820)	65,983	(1,215)	7,708	33,335
Cash and Investments - December 31	\$ 68,967	\$ 185,619	\$ 17	\$ 92,013	\$ 40,287

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL FIDUCIARY FUND TYPES
 As Of And For The Year Ended December 31, 2003

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency
Cash and Investments - January 1	\$ 68,967	\$ 185,619	\$ 17	\$ 92,013	\$ 40,287
Operating Receipts:					
Taxes	411,602	76,128	-	19,671	-
Licenses and Permits	13,562	312	-	-	-
Intergovernmental	21,254	89,866	-	7,664	-
Charges for Services	21,257	176	-	-	-
Fines and Forfeits	150	281	-	-	-
Other	32,649	3,245	69,202	-	-
Total Operating Receipts	500,474	170,008	69,202	27,335	-
Bond Proceeds	-	-	-	424,125	-
Interfund Loan Proceeds	75,000	-	-	-	-
Transfers In	22,000	-	807	-	-
Agency Fund Additions	-	-	-	-	2,030,847
Total Receipts	597,474	170,008	70,009	451,460	2,030,847
Operating Disbursements:					
General Government	228,234	2,353	-	-	-
Public Safety	354,433	1,523	-	-	-
Highways and Streets	-	90,457	-	-	-
Capital Outlay	-	-	-	32,169	-
Debt Service:					
Principal	-	-	35,674	-	-
Interest and Paying Agent Fees	-	-	34,326	-	-
Total Operating Disbursements	582,667	94,333	70,000	32,169	-
Interfund Loan Payments	75,000	-	-	-	-
Transfers Out	807	-	-	22,000	-
Agency Fund Deductions	-	-	-	-	2,034,542
Total Disbursements	658,474	94,333	70,000	54,169	2,034,542
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	(61,000)	75,675	9	397,291	(3,695)
Cash and Investments - December 31	\$ 7,967	\$ 261,294	\$ 26	\$ 489,304	\$ 36,592

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
 COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL, INTERNAL SERVICE, AND FIDUCIARY FUND TYPES
 As Of And For The Year Ended December 31, 2004

	Governmental Fund Types				Fiduciary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Agency
Cash and Investments - January 1	\$ 7,967	\$ 261,294	\$ 26	\$ 489,304	\$ 36,592
Operating Receipts:					
Taxes	526,073	13,553	-	19,078	-
Licenses and Permits	12,100	335	-	-	-
Intergovernmental	27,610	98,906	-	7,923	-
Charges for Services	11,947	298	-	-	-
Fines and Forfeits	25	1,134	-	-	-
Other	53,654	16,474	109,743	-	-
Total Operating Receipts	631,409	130,700	109,743	27,001	-
Interfund Loan Proceeds	20,000	-	-	-	-
Agency Fund Additions	-	-	-	-	2,136,618
Total Receipts	651,409	130,700	109,743	27,001	2,136,618
Operating Disbursements:					
General Government	297,174	5,391	-	-	-
Public Safety	369,304	3,559	-	-	-
Highways and Streets	-	161,202	-	-	-
Culture and Recreation	-	10,000	-	-	-
Capital Outlay	-	-	-	62,290	-
Debt Service:					
Principal	-	-	33,717	-	-
Interest and Paying Agent Fees	-	-	23,093	-	-
Total Operating Disbursements	666,478	180,152	56,810	62,290	-
Other Disbursements	-	-	-	1,984	-
Interfund Loans Made	-	20,000	-	-	-
Agency Fund Deductions	-	-	-	-	2,147,271
Total Disbursements	666,478	200,152	56,810	64,274	2,147,271
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	(15,069)	(69,452)	52,933	(37,273)	(10,653)
Cash and Investments - December 31	\$ (7,102)	\$ 191,842	\$ 52,959	\$ 452,031	\$ 25,939

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004

<u>Assets</u>	<u>Water Utility</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Assets:				
Operating Cash and Cash Equivalents	\$ 350,292	\$ 350,653	\$ 349,720	\$ 392,679
Utility Holding Fund Cash	3,438	3,344	2,913	2,278
Operating Investments	357,135	359,738	-	-
Connection Fee	-	2,180	2,180	2,180
Accounts Receivable - Customer	230,190	231,672	249,404	275,731
Accounts Receivable - Other	8,839	4,631	568	1,819
Interest Receivable	9,318	350	216	276
Inventory - Materials and Supplies	-	-	24,615	75,216
Prepaid Expense	23,040	23,040	23,040	23,040
Note Receivable	-	-	-	-
Due From Other Funds	31,736	42,776	50,213	100,521
Total Current Assets	<u>1,013,988</u>	<u>1,018,384</u>	<u>702,869</u>	<u>873,740</u>
Restricted Assets:				
Depreciation Cash and Cash Equivalents	-	468,470	134,827	502,079
Depreciation Investments	-	-	377,956	388,076
Bond and Interest Cash and Cash Equivalents	103,610	50,071	50,120	50,498
Bond and Interest Investments	598,850	-	-	-
Reserve Fund Investments	-	603,214	600,505	601,014
Customer Deposits Cash and Cash Equivalents	7,282	10,192	11,730	13,330
Customer Deposits Investments	20,000	20,000	20,000	20,000
Construction Cash and Cash Equivalents	-	-	-	17,215
System Development Charge Cash and Cash Equivalents	-	-	-	129,360
Total Restricted Assets	<u>729,742</u>	<u>1,151,947</u>	<u>1,195,138</u>	<u>1,721,572</u>
Fixed Assets:				
Utility Plant in Service	19,586,690	20,637,926	22,346,483	23,521,728
Accumulated Depreciation	(3,491,934)	(3,979,391)	(4,487,952)	(4,924,978)
Construction Work in Progress	-	-	149,164	1,417,478
Total Fixed Assets (Net)	<u>16,094,756</u>	<u>16,658,535</u>	<u>18,007,695</u>	<u>20,014,228</u>
Deferred Debits:				
Unamortized Bond Issuance Costs	<u>188,661</u>	<u>175,048</u>	<u>202,638</u>	<u>184,894</u>
Total Assets	<u>\$ 18,027,147</u>	<u>\$ 19,003,914</u>	<u>\$ 20,108,340</u>	<u>\$ 22,794,434</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004
(Continued)

<u>Liabilities and Equity</u>	<u>Water Utility</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Liabilities (Payable From Current Assets):				
Accounts Payable	\$ 42,020	\$ 52,718	\$ 25,445	\$ 299,900
Accrued Payroll and Withholdings Payable	48,059	14,067	6,549	31,006
Taxes Payable	9,480	9,490	12,398	13,749
Capital Lease Obligations	15,833	16,760	17,740	18,511
Due To Other Funds	1,873	1,880	1,891	1,998
Matured Unpaid Bonds and Coupons	137	137	137	137
Current Liabilities (Payable From Restricted Assets):				
Customer Deposits	27,282	30,185	31,730	33,270
Connection Line Payable	-	2,180	2,180	2,180
Interest Payable	22,388	21,471	14,939	24,285
Revenue Bonds Payable (Due Within One Year)	<u>310,000</u>	<u>320,000</u>	<u>420,000</u>	<u>430,000</u>
Total Current Liabilities	<u>477,072</u>	<u>468,888</u>	<u>533,009</u>	<u>855,036</u>
Long-Term Liabilities:				
Revenue Bonds Payable	5,440,154	5,129,811	4,727,331	4,314,281
Capital Lease Obligations	63,076	46,316	28,576	10,065
Notes Payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,165,984</u>
Total Long-Term Liabilities	<u>5,503,230</u>	<u>5,176,127</u>	<u>4,755,907</u>	<u>5,490,330</u>
Total Liabilities	<u>5,980,302</u>	<u>5,645,015</u>	<u>5,288,916</u>	<u>6,345,366</u>
Equity:				
Contributed Capital	5,335,557	5,335,557	5,335,557	5,335,557
Retained Earnings	<u>6,711,288</u>	<u>8,023,342</u>	<u>9,483,867</u>	<u>11,113,511</u>
Total Equity	<u>12,046,845</u>	<u>13,358,899</u>	<u>14,819,424</u>	<u>16,449,068</u>
Total Liabilities and Equity	<u>\$ 18,027,147</u>	<u>\$ 19,003,914</u>	<u>\$ 20,108,340</u>	<u>\$ 22,794,434</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004

<u>Assets</u>	<u>Wastewater Utility</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Assets:				
Operating Cash and Cash Equivalents	\$ 165,960	\$ 45,410	\$ 56,095	\$ 48,893
Availability Cash	-	241,010	118,125	126,647
Accounts Receivable - Customer	58,037	62,633	70,144	74,369
Accounts Receivable - Other	34	57	162	110
Interest Receivable	2,033	978	496	445
Inventory - Materials and Supplies	-	-	-	1,421
Prepaid Expense	2,160	2,160	2,160	2,160
Due From Other Funds	127	128	25,155	156
Total Current Assets	228,351	352,376	272,337	254,201
Restricted Assets:				
Depreciation Cash and Cash Equivalents	99,525	57,486	123,199	59,657
Depreciation Investments	-	99,525	99,530	99,530
Bond and Interest Cash and Cash Equivalents	69,182	70,834	33,336	32,250
Reserve Fund Cash and Cash Equivalents	113,589	-	-	-
Reserve Fund Investments	-	113,589	113,590	113,590
Assessment Deposits Cash	252,637	39,759	205,053	361,677
Assessment Deposits Investments	80,000	80,000	-	-
Availability Cash	-	-	356,125	384,125
Inspector Fees Cash	7,806	33,171	39,405	42,933
Retainage Cash	33,104	-	-	-
Force Main Fee Cash	-	-	62,000	87,375
Total Restricted Assets	655,843	494,364	1,032,238	1,181,137
Fixed Assets:				
Utility Plant in Service	2,843,612	3,451,574	5,661,321	6,317,910
Accumulated Depreciation	(701,543)	(815,288)	(952,375)	(1,107,126)
Construction Work in Progress	470,244	-	-	99,001
Total Fixed Assets (Net)	2,612,313	2,636,286	4,708,946	5,309,785
Deferred Debits:				
Unamortized Bond Issuance Costs	18,480	16,800	15,120	13,440
Total Assets	\$ 3,514,987	\$ 3,499,826	\$ 6,028,641	\$ 6,758,563

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004
(Continued)

<u>Liabilities and Equity</u>	Wastewater Utility			
	2001	2002	2003	2004
Current Liabilities (Payable From Current Assets):				
Accounts Payable	\$ 144,998	\$ 6,494	\$ 19,105	\$ 10,875
Accrued Payroll and Withholdings Payable	3,182	755	514	2,765
Due To Other Funds	-	9	46	122
Matured Unpaid Bonds and Coupons	7,000	7,000	7,000	7,000
Current Liabilities (Payable From Restricted Assets):				
Inspector Fees Payable	7,800	33,000	39,300	42,500
Retainage Payable	33,083	-	-	-
Interest Payable	10,066	9,440	8,750	7,938
Revenue Bonds Payable (Due Within One Year)	55,000	60,000	65,000	65,000
Total Current Liabilities	261,129	116,698	139,715	136,200
Long-Term Liabilities:				
Revenue Bonds Payable	713,140	657,400	596,660	535,920
Total Liabilities	974,269	774,098	736,375	672,120
Equity:				
Contributed Capital	1,375,411	1,375,411	1,375,411	1,375,411
Retained Earnings	1,165,307	1,350,317	3,916,855	4,711,032
Total Equity	2,540,718	2,725,728	5,292,266	6,086,443
Total Liabilities and Equity	\$ 3,514,987	\$ 3,499,826	\$ 6,028,641	\$ 6,758,563

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004

<u>Assets</u>	Electric Utility			
	2001	2002	2003	2004
Current Assets:				
Operating Cash and Cash Equivalents	\$ 332,783	\$ 172,625	\$ 288,351	\$ 413,305
Operating Investments	200,000	299,235	99,240	100,000
Accounts Receivable - Customer	375,292	311,512	321,935	352,766
Accounts Receivable - Other	8,839	18,100	15,943	15,886
Interest Receivable	9,009	2,588	1,523	1,525
Inventory - Materials and Supplies	-	-	17,779	164,975
Prepaid Expense	10,800	10,800	10,800	10,800
Due From Other Funds	1,746	1,947	2,677	1,842
Total Current Assets	938,469	816,807	758,248	1,061,099
Restricted Assets:				
Depreciation Cash and Cash Equivalents	-	177,928	430,536	253,372
Depreciation Investments	100,000	100,000	-	-
Developer Deposits Cash	126,977	39,779	55,405	138,189
Developer Deposits Investments	250,000	250,000	250,000	225,000
Customer Deposits Cash and Cash Equivalents	8,273	9,688	13,090	21,003
Customer Deposits Investments	38,000	38,000	38,000	38,000
Total Restricted Assets	523,250	615,395	787,031	675,564
Fixed Assets:				
Utility Plant in Service	4,130,532	4,277,324	4,350,512	4,428,822
Accumulated Depreciation	(1,549,605)	(1,701,058)	(1,872,708)	(2,016,904)
Construction Work in Progress	-	-	-	35,580
Total Fixed Assets (Net)	2,580,927	2,576,266	2,477,804	2,447,498
Total Assets	\$ 4,042,646	\$ 4,008,468	\$ 4,023,083	\$ 4,184,161

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004
(Continued)

<u>Liabilities and Equity</u>	<u>Electric Utility</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Liabilities (Payable From Current Assets):				
Accounts Payable	\$ 147,513	\$ 160,264	\$ 164,604	\$ 23,521
Accrued Payroll and Withholdings Payable	21,585	5,987	1,979	13,433
Taxes Payable	9,255	8,588	10,708	11,572
Capital Lease Obligations	37,478	16,760	18,778	33,853
Due To Other Funds	-	32	153	399
Current Liabilities (Payable From Restricted Assets):				
Customer Deposits	46,265	47,680	51,090	58,920
Developer Deposits Payable	346,473	246,002	251,406	289,053
Unearned Revenue	-	43,600	54,000	73,200
Total Current Liabilities	<u>608,569</u>	<u>528,913</u>	<u>552,718</u>	<u>503,951</u>
Long-Term Liabilities:				
Capital Lease Obligations	<u>63,076</u>	<u>46,316</u>	<u>27,538</u>	<u>65,869</u>
Total Liabilities	<u>671,645</u>	<u>575,229</u>	<u>580,256</u>	<u>569,820</u>
Equity:				
Retained Earnings	<u>3,371,001</u>	<u>3,433,239</u>	<u>3,442,827</u>	<u>3,614,341</u>
Total Liabilities and Equity	<u>\$ 4,042,646</u>	<u>\$ 4,008,468</u>	<u>\$ 4,023,083</u>	<u>\$4,184,161</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
BALANCE SHEETS
December 31, 2001, 2002, 2003, and 2004

<u>Assets</u>	<u>Storm Water Utility</u>		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Assets:			
Operating Cash and Cash Equivalents	\$ 33,777	\$ 4,800	\$ 4,800
Availability Cash	-	3,507	5,511
Accounts Receivable - Customer	14,294	17,729	21,066
Accounts Receivable - Other	7	7	14
Inventory - Materials and Supplies	-	-	33
	<u>48,078</u>	<u>26,043</u>	<u>31,424</u>
Total Current Assets			
Restricted Assets:			
Depreciation Cash and Cash Equivalents	9,150	26,291	36,876
Construction Cash and Cash Equivalents	-	125,000	200,855
	<u>9,150</u>	<u>151,291</u>	<u>237,731</u>
Total Restricted Assets			
Fixed Assets:			
Utility Plant in Service	-	-	167,986
Construction Work in Progress	35,093	108,873	182,799
	<u>35,093</u>	<u>108,873</u>	<u>350,785</u>
Total Fixed Assets (Net)			
Total Assets	<u>\$ 92,321</u>	<u>\$ 286,207</u>	<u>\$ 619,940</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
 ENTERPRISE FUNDS
 BALANCE SHEETS
 December 31, 2001, 2002, 2003, and 2004
 (Continued)

<u>Liabilities and Equity</u>	<u>Storm Water Utility</u>		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Current Liabilities (Payable From Current Assets):			
Accounts Payable	\$ -	\$ 9,443	\$ 5,851
Due To Other Funds	<u>42,721</u>	<u>75,000</u>	<u>100,000</u>
Total Liabilities	<u>42,721</u>	<u>84,443</u>	<u>105,851</u>
Equity:			
Retained Earnings	<u>49,600</u>	<u>201,764</u>	<u>514,089</u>
Total Liabilities and Equity	<u>\$ 92,321</u>	<u>\$ 286,207</u>	<u>\$ 619,940</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS - WATER, WASTEWATER AND STORM WATER UTILITIES
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Water Utility			
	2001	2002	2003	2004
Operating Revenues:				
Metered Revenue	\$ 2,294,479	\$ 2,436,751	\$ 2,364,970	\$ 2,661,300
Fire Protection	565,273	723,968	757,105	820,044
Penalties	22,663	23,750	23,209	25,942
Tap Fees	142,536	193,775	186,150	249,950
System Development Charge Revenue	-	-	-	129,360
Other	24,471	24,272	23,630	30,445
Total Operating Revenues	3,049,422	3,402,516	3,355,064	3,917,041
Operating Expenses:				
Source of Supply and Expense/Collection System Expense -				
Operations and Maintenance				
Salaries and Wages	429,498	396,702	402,607	486,663
Purchased Power	99,976	116,401	113,329	130,592
Chemicals	265,234	215,888	218,004	269,738
Materials and Supplies	108,082	188,771	134,928	219,780
Transportation Expense	37,263	31,307	45,750	35,474
Administrative and General Expense				
Salaries and Wages	99,930	100,075	198,274	232,451
Employee Pensions and Benefits	281,686	359,697	431,039	438,320
Insurance	37,595	47,823	54,240	38,758
Contractual Services	111,081	158,611	118,255	132,880
Taxes	45,000	27,800	45,824	44,000
In Lieu of Taxes	12,330	12,958	13,051	7,347
Utilities	35,588	31,517	39,920	45,955
Depreciation and Amortization	495,080	517,282	538,385	473,931
Other	19,806	10,093	16,994	22,319
Customer Accounts Expense	260,068	286,259	290,627	295,923
Total Operating Expenses	2,338,217	2,501,184	2,661,227	2,874,131
Operating Income	711,205	901,332	693,837	1,042,910
Nonoperating Revenues (Expenses):				
Interest on Investments	67,990	23,502	13,396	19,304
Amortization of Bond Issue Costs	(9,817)	(13,612)	(15,678)	(17,744)
Interest on Expense	(342,906)	(281,727)	(224,184)	(207,983)
Total Nonoperating Revenues (Expenses)	(284,733)	(271,837)	(226,466)	(206,423)
Income before contributions	426,472	629,495	467,371	836,487
Capital contributions	-	682,559	993,154	793,157
Net Income	426,472	1,312,054	1,460,525	1,629,644
Retained Earnings - January 1, As Previously Reported	6,305,254	6,711,288	8,023,342	9,483,867
Prior Period Adjustment (See Note)	(20,438)	-	-	-
Retained Earnings - January 1, As Restated	6,284,816	6,711,288	8,023,342	9,483,867
Retained Earnings - December 31	\$ 6,711,288	\$ 8,023,342	\$ 9,483,867	\$ 11,113,511

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS - WATER, WASTEWATER AND STORM WATER UTILITIES
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Wastewater Utility			
	2001	2002	2003	2004
Operating Revenues:				
Wastewater Revenue	\$ 376,293	\$ 374,603	\$ 399,595	\$ 431,282
Assessment Revenue	138,967	217,875	320,500	188,875
Force Main Fee Revenue			61,750	22,925
Penalties	12,211	11,805	12,113	12,409
Tap Fees	17,000	17,000	19,500	35,750
Other	177	-	15,797	4,553
Total Operating Revenues	544,648	621,283	829,255	695,794
Operating Expenses:				
Transmission and Distribution/Pumping Expense - Operations and Maintenance				
Salaries and Wages	52,727	58,127	53,166	72,380
Purchased Power	16,580	27,076	33,728	36,256
Materials and Supplies	22,328	34,337	35,437	43,915
Other	22,332	13,250	11,131	8,331
Administrative and General Expense				
Salaries and Wages	18,352	13,759	12,045	27,899
Employee Pensions and Benefits	30,968	42,705	48,611	50,483
Insurance	9,361	11,630	13,510	10,730
Office Supplies	5,732	9,376	6,265	8,082
Contractual Services	31,593	78,280	35,240	80,908
In Lieu of Taxes	12,021	9,303	-	-
Depreciation and Amortization	110,408	113,745	137,088	154,751
Other	7,465	31,230	14,666	16,562
Total Operating Expenses	339,867	442,818	400,887	510,297
Operating Income	204,781	178,465	428,368	185,497
Nonoperating Revenues (Expenses):				
Interest on Investments	24,838	8,350	8,276	12,724
Amortization of Bond Issue Costs	(1,680)	(1,680)	(1,680)	(1,680)
Interest on Expense	(43,027)	(43,897)	(41,330)	(38,448)
Total Nonoperating Revenues (Expenses)	(19,869)	(37,227)	(34,734)	(27,404)
Income before contributions	184,912	141,238	393,634	158,093
Capital contributions	-	43,772	2,172,904	636,084
Net Income	184,912	185,010	2,566,538	794,177
Retained Earnings - January 1, As Previously Reported	927,954	1,165,307	1,350,317	3,916,855
Prior Period Adjustment (See Note)	52,441	-	-	-
Retained Earnings - January 1, As Restated	980,395	1,165,307	1,350,317	3,916,855
Retained Earnings - December 31	\$ 1,165,307	\$ 1,350,317	\$ 3,916,855	\$ 4,711,032

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS - ELECTRIC UTILITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
For The Years Ended December 31, 2001, 2002, 2003 and 2004

	Electric Utility			
	2001	2002	2003	2004
Operating Revenues:				
Residential Sales	\$ 2,044,293	\$ 1,880,819	\$ 1,911,483	\$ 2,064,230
Commercial and Industrial Sales	1,057,035	982,312	1,008,377	1,105,086
Public Street and Highway Lighting	211,326	168,854	148,292	153,971
Penalties	24,222	23,614	22,850	25,108
Other	<u>32,428</u>	<u>38,611</u>	<u>26,185</u>	<u>41,245</u>
Total Operating Revenues	<u>3,369,304</u>	<u>3,094,210</u>	<u>3,117,187</u>	<u>3,389,640</u>
Operating Expenses:				
Power Production				
Transportation	24,100	24,401	22,726	12,018
Purchased Power	2,099,775	1,989,286	1,997,350	2,082,225
Transmission and Distribution				
Supervision and Labor	202,157	218,640	231,733	215,531
Supplies and Expense	35,840	26,101	5,477	98,532
Administrative and General				
Salaries	186,523	212,133	248,237	272,004
Office Supplies and Expense	24,236	47,150	31,980	22,210
Outside Services Employed	31,164	55,678	32,178	25,307
Insurance	37,445	47,619	54,040	41,920
Employee Pensions and Benefits	131,226	168,548	186,957	181,605
Taxes	45,000	32,200	44,381	40,840
Payment in Lieu of Taxes	8,404	8,291	8,206	4,600
Depreciation and Amortization	149,742	151,453	171,651	153,913
Other	<u>66,721</u>	<u>67,297</u>	<u>79,450</u>	<u>83,501</u>
Total Operating Expenses	<u>3,042,333</u>	<u>3,048,797</u>	<u>3,114,366</u>	<u>3,234,206</u>
Operating Income	<u>326,971</u>	<u>45,413</u>	<u>2,821</u>	<u>155,434</u>
Nonoperating Revenues (Expenses):				
Interest on Investments	41,365	21,788	10,167	13,250
Gain on Sale of Assets	-	-	-	5,249
Interest Expense	<u>(4,524)</u>	<u>(4,963)</u>	<u>(3,400)</u>	<u>(2,419)</u>
Total Nonoperating Revenues (Expenses)	<u>36,841</u>	<u>16,825</u>	<u>6,767</u>	<u>16,080</u>
Net Income	363,812	62,238	9,588	171,514
Retained Earnings - January 1	<u>3,007,189</u>	<u>3,371,001</u>	<u>3,433,239</u>	<u>3,442,827</u>
Retained Earnings - December 31	<u>\$ 3,371,001</u>	<u>\$ 3,433,239</u>	<u>\$ 3,442,827</u>	<u>\$ 3,614,341</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS - WATER, WASTEWATER AND STORM WATER UTILITIES
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Storm Water Utility		
	2002	2003	2004
Operating Revenues:			
Storm Water Revenue	\$ 87,426	\$ 116,933	\$ 116,519
Penalties	1,685	2,371	2,504
Other	800	2,100	1,850
Total Operating Revenues	89,911	121,404	120,873
Operating Expenses:			
Source of Supply and Expense/Collection System Expense -			
Operations and Maintenance			
Materials and Supplies	113	51	8,996
Administrative and General Expense			
Contractual Services	37,715	19,237	13,709
Other	2,532	70	4,589
Total Operating Expenses	40,360	19,358	27,294
Operating Income	49,551	102,046	93,579
Nonoperating Revenues (Expenses):			
Interest on Investments	49	118	760
Income before contributions	49,600	102,164	94,339
Capital contributions	-	50,000	217,986
Net Income	49,600	152,164	312,325
Retained Earnings - January 1, As Previously Reported	-	49,600	201,764
Prior Period Adjustment (See Note)	-	-	-
Retained Earnings - January 1, As Restated	-	49,600	201,764
Retained Earnings - December 31	\$ 49,600	\$ 201,764	\$ 514,089

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Water Utility			
	2001	2002	2003	2004
Cash Flows From Operating Activities:				
Operating Income	\$ 711,205	\$ 901,332	\$ 693,837	\$ 1,042,910
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	495,080	517,282	538,385	473,931
(Increase) Decrease in Assets:				
Accounts Receivable	(2,338)	(1,482)	(17,732)	(26,327)
Other Receivable	(8,839)	4,208	4,063	(1,251)
Inventory	-	-	(24,615)	(50,601)
Prepaid Expense	(23,040)	-	-	-
Due From Other Funds	(31,736)	(11,040)	(7,437)	(50,308)
Increase (Decrease) in Liabilities:				
Accounts Payable	(3,874)	10,698	(27,273)	274,455
Accrued Payroll and Withholdings Payable	12,965	(33,992)	(7,518)	24,457
Taxes Payable	57	10	2,908	1,351
Due To Other Funds	(80,202)	7	11	107
Customer Deposits Payable	2,579	2,903	1,545	1,540
Connection Line Payable	(1,479)	2,180	-	-
Net Cash Provided by Operating Activities	<u>1,070,378</u>	<u>1,392,106</u>	<u>1,156,174</u>	<u>1,690,264</u>
Cash Flows From Capital and Related Financing Activities:				
Principal Paid on Revenue Bonds	(155,000)	(310,000)	(290,000)	(420,000)
Principal Portion of Capital Lease Obligations	(17,834)	(15,833)	(16,760)	(17,740)
Interest Paid on Revenue Bonds	(228,950)	(268,660)	(214,014)	(179,270)
Interest Portion of Capital Lease Obligations	(2,246)	(4,327)	(3,400)	(2,419)
Acquisition and Construction of Capital Assets	(615,466)	(398,501)	(894,391)	(1,687,303)
Net Cash Used by Capital and Related Financing Activities	<u>(1,217,824)</u>	<u>(997,321)</u>	<u>(1,487,615)</u>	<u>(1,140,748)</u>
Cash Flow From Investing Activities:				
Purchase of Investments	(718,850)	(605,816)	(377,956)	(10,631)
Investments Sold or Matured	698,850	598,850	362,447	-
Interest on Investments	87,319	32,469	13,530	19,244
Net Cash Provided (Used) by Investing Activities	<u>67,319</u>	<u>25,503</u>	<u>(1,979)</u>	<u>8,613</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(80,127)	420,288	(333,420)	558,129
Cash and Cash Equivalents - January 1	<u>544,749</u>	<u>464,622</u>	<u>884,910</u>	<u>551,490</u>
Cash and Cash Equivalents - December 31	<u>\$ 464,622</u>	<u>\$ 884,910</u>	<u>\$ 551,490</u>	<u>\$ 1,109,619</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Wastewater Utility			
	2001	2002	2003	2004
Cash Flows From Operating Activities:				
Operating Income	\$ 204,781	\$ 178,465	\$ 428,368	\$ 185,497
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	110,408	113,745	137,088	154,751
(Increase) Decrease in Assets:				
Accounts Receivable	(21,358)	(4,596)	(7,511)	(4,225)
Other Receivable	(35)	(23)	(105)	52
Inventory	-	-	-	(1,421)
Prepaid Expense	(2,160)	-	-	-
Due From Other Funds	14,322	(1)	(25,027)	24,999
Increase (Decrease) in Liabilities:				
Accounts Payable	139,567	(138,504)	12,611	(8,230)
Accrued Payroll and Withholdings Payable	194	(2,427)	(241)	2,251
Inspector Fees Payable	7,800	25,200	6,300	3,200
Retainage Payable	33,083	(33,083)	-	-
Due To Other Funds	-	9	37	76
Net Cash Provided by Operating Activities	486,602	138,785	551,520	356,950
Cash Flows From Capital and Related Financing Activities:				
Principal Paid on Revenue Bonds	(55,000)	(55,000)	(60,000)	(65,000)
Interest Paid on Revenue Bonds	(42,710)	(40,262)	(37,760)	(35,000)
Acquisition and Construction of Capital Assets	(223,709)	(93,947)	(36,843)	(119,506)
Net Cash Used by Capital and Related Financing Activities	(321,419)	(189,209)	(134,603)	(219,506)
Cash Flow From Investing Activities:				
Purchase of Investments	-	(213,114)	(6)	-
Investments Sold or Matured	234,010	-	80,000	-
Interest on Investments	31,109	9,405	8,757	12,775
Net Cash Provided (Used) by Investing Activities	265,119	(203,709)	88,751	12,775
Net Increase (Decrease) in Cash and Cash Equivalents	430,302	(254,133)	505,668	150,219
Cash and Cash Equivalents - January 1	311,501	741,803	487,670	993,338
Cash and Cash Equivalents - December 31	\$ 741,803	\$ 487,670	\$ 993,338	\$ 1,143,557

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	Electric Utility			
	2001	2002	2003	2004
Cash Flows From Operating Activities:				
Operating Income	\$ 326,971	\$ 45,413	\$ 2,821	\$ 155,434
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	149,742	151,453	171,651	153,913
(Increase) Decrease in Assets:				
Accounts Receivable	(100,405)	63,781	(10,423)	(30,831)
Other Receivable	(8,839)	(9,261)	2,157	57
Inventory	-	-	(17,779)	(147,197)
Prepaid Expense	(10,800)	-	-	-
Due From Other Funds	-	(201)	(730)	835
Increase (Decrease) in Liabilities:				
Accounts Payable	(29,310)	12,751	4,340	(141,083)
Accrued Payroll and Withholdings Payable	6,937	(15,598)	(4,008)	11,454
Taxes Payable	(794)	(667)	2,120	864
Due To Other Funds	65,880	32	120	247
Unearned Revenue	-	43,600	10,400	19,200
Developer Deposits Payable	(19,936)	(100,470)	5,403	37,648
Customer Deposits Payable	1,393	1,415	3,410	7,830
Net Cash Provided by Operating Activities	<u>380,839</u>	<u>192,248</u>	<u>169,482</u>	<u>68,371</u>
Cash Flows From Capital and Related Financing Activities:				
Principal Paid on Revenue Bonds	-	-	(16,760)	-
Principal Portion of Capital Lease Obligations	(45,556)	(37,478)	-	(18,719)
Interest Portion of Capital Lease Obligations	(4,524)	(4,963)	(3,400)	(2,419)
Acquisition and Construction of Capital Assets	(290,232)	(146,794)	(73,187)	(46,234)
Net Cash Used by Capital and Related Financing Activities	<u>(340,312)</u>	<u>(189,235)</u>	<u>(93,347)</u>	<u>(67,372)</u>
Cash Flow From Investing Activities:				
Purchase of Investments	(63,765)	(99,235)	-	(760)
Investments Sold or Matured	133,334	-	299,995	25,000
Interest on Investments	46,377	28,209	11,232	13,248
Net Cash Provided (Used) by Investing Activities	<u>115,946</u>	<u>(71,026)</u>	<u>311,227</u>	<u>37,488</u>
Net Increase (Decrease) in Cash and Cash Equivalents	156,473	(68,013)	387,362	38,487
Cash and Cash Equivalents - January 1	<u>311,560</u>	<u>468,033</u>	<u>400,020</u>	<u>787,382</u>
Cash and Cash Equivalents - December 31	<u>\$ 468,033</u>	<u>\$ 400,020</u>	<u>\$ 787,382</u>	<u>\$ 825,869</u>
Noncash Capital and Related Financing Activities:				
Assets Acquired by Capital Leases	\$ -	\$ -	\$ -	\$ 72,125

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
ENTERPRISE FUNDS
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2001, 2002, 2003, and 2004

	<u>Storm Water Utility</u>		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Cash Flows From Operating Activities:			
Operating Income	\$ 49,551	\$ 102,046	\$ 93,579
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities:			
(Increase) Decrease in Assets:			
Accounts Receivable	(14,294)	(3,436)	(3,337)
Other Receivable	(7)	-	(7)
Inventories	-	-	(33)
Increase (Decrease) in Liabilities:			
Accounts Payable	-	9,443	(3,952)
Due To Other Funds	42,721	32,279	25,000
	<u>77,971</u>	<u>140,332</u>	<u>111,250</u>
Net Cash Provided by Operating Activities			
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(35,093)	(73,779)	(241,912)
Capital Contributions	-	50,000	217,986
	<u>(35,093)</u>	<u>(23,779)</u>	<u>(23,926)</u>
Net Cash Used by Capital and Related Financing Activities			
Cash Flow From Investing Activities:			
Interest on Investments	49	118	760
	<u>42,927</u>	<u>116,671</u>	<u>88,444</u>
Net Increase in Cash and Cash Equivalents			
Cash and Cash Equivalents - January 1	-	42,927	159,598
	<u>42,927</u>	<u>159,598</u>	<u>248,042</u>
Cash and Cash Equivalents - December 31	<u>\$ 42,927</u>	<u>\$ 159,598</u>	<u>\$ 248,042</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Introduction

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides the following services: public safety (police and fire), highways and streets, public improvements, planning and zoning, general administrative services, electric, water, wastewater, and Storm Water.

B. Reporting Entity

These financial statements present the Town (primary government). There are no significant component units which require inclusion.

C. Fund Accounting

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

The Town has the following fund types:

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds) and the acquisition or construction of general fixed assets (capital project funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governmental units, or on behalf of other funds within the same governmental unit. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

D. Basis of Accounting

The accompanying financial statements of the governmental and fiduciary fund types are prepared on the basis of cash receipts and disbursements. Operating receipts and disbursements are cash inflows and outflows related to the daily operations of those fund types. Operating receipts are presented by source and operating disbursements are presented by functional purpose on the financial statements. The cash basis of accounting differs from accounting principles generally accepted in the United States 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. Investment transactions are not presented on the financial statements.

The enterprise funds are reported on the accrual method of accounting which recognizes revenues when earned and expenses when incurred regardless of when received or paid.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The accounts of the Water, Wastewater, Storm Water and Electric Utilities are maintained on the accrual basis of accounting.

The accounting guide in use by the Utilities are the Uniform System of Accounts published by the National Association of Regulatory Utility Commissioners and policies prescribed or permitted by the Indiana Utility Regulatory Commission.

E. 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. Budget modifications have been made in accordance with the laws of the State of Indiana.

Budgets for the budgetary funds of the Town are prepared in detail by object classification. The disbursements have been converted to functional classification for external reporting.

Formal budgetary integration is required by state statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

General Fund

Special Revenue Funds:

Motor Vehicle Highway, Local Road and Street

Capital Projects Funds:

Cumulative Capital Improvement, Cumulative Capital Development

F. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and in 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% (beginning March 1, 2001) 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

G. Charges for Services – Governmental and Fiduciary Funds

The enterprise funds provide utility services to citizens of the Town, as well as to various governmental funds of the Town. However, charges for those services to the governmental funds are not material with the exception of hydrant rental. Hydrant rental for the years 2001, 2002, 2003, and 2004, amounted to \$78,085, \$79,876, \$80,500, and \$80,500, respectively.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

H. Cash and Cash Equivalents – Enterprise Funds

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired.

I. Investments

1. Governmental and Fiduciary Funds

Investments are stated at cost. Any change in the fair value of the investments is reported as interest receipts in the year of the sale of the investment.

2. Enterprise Funds

Nonparticipating Certificates of Deposit, demand deposits, and similar negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost or amortized cost.

Open-end mutual funds are reported at fair value.

Money market investments that mature within one year or less at the date of their acquisition are reported at amortized cost. Other money market investments are reported at fair value.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

J. Inventories – Enterprise Funds

Materials and supplies purchased throughout the year for repair and maintenance of the Utility are charged to expense accounts at the time of purchase. At year end, physical counts of significant inventories are made and valued at cost using the first-in, first-out method. Appropriate entries are then made to adjust inventory and expense accounts of the Water, Wastewater, Storm Water and Electric Utilities.

K. Interfund Assets/Liabilities – Enterprise Funds

1. Due To/From

During the course of its operations, the individual enterprise funds have numerous transactions with other enterprise funds to provide goods and services. To the extent that these transactions have not been paid or received at year end, balances of these liabilities have been recorded in the balance sheet of the enterprise funds.

2. Interfund Receivables/Payables

During the course of its operations, the individual enterprise funds have provided short-term loans, including the short-term portion of long-term loans, to other enterprise funds. To the extent that these loans have not been paid or received at year end, balances of these liabilities have been recorded in the balance sheet of the enterprise funds.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

L. Restricted Assets – Enterprise Funds

Proceeds from debt and funds set aside for payment of revenue bonds, utility plant betterments and improvements, or funds held in a trust capacity, are classified as restricted assets since their use is limited by applicable bond indentures or governing body action.

M. Infrastructure and Fixed Assets

1. Infrastructure Assets – Governmental and Fiduciary Funds

Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the Town.

2. Utility Plant in Service – Enterprise Funds

Property and equipment are recorded at cost. Maintenance and repairs are charged to operating expense as incurred; major renewals and betterments are capitalized to aggregate Utility Plant in Service accounts in the General Ledger. However, records providing historical costs for the Water, Wastewater and Electric Utilities' fixed assets are not available, and records classifying and summarizing the Water, Wastewater and Electric Utilities' fixed assets are incomplete. Deletions and disposals of utility fixed assets are not recorded.

N. Depreciation – Enterprise Funds

Depreciation of the utility plant has been provided using a composite rate based on a straight-line method over the average service life of the property. The rates used were 2.5% for assets of both the Water and Electric Utilities and 4% for the Wastewater Utility assets.

O. Deferred Debits – Enterprise Funds

Bond issuance costs are amortized using the straight-line method over the terms of the related issues.

P. Compensated Absences – Enterprise Funds

No liability is reported for vacation, sick and personal leave.

Q. Contributions – Enterprise Funds

Contributions for fixed assets, including those received from governmental funds, grants and assistance received from other governmental units, and from private sources for the acquisition or construction of fixed assets, are credited directly to this account.

R. Revenue Recognized – Enterprise Funds

The enterprise funds record revenues as billed to customers. The enterprise funds do not recognize any unbilled portion which exists at year end.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. 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.

The Town's investments are categorized below to give an indication of the level of risk assumed by the Town at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Town's name.

	Reported Amount	Fair Value
Investments Not Subject to Categorization:		
MBIA	\$ 1,375,229	\$ 1,375,229

Note 3. Pension Plan

A. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The primary government contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55. The plan also provides for death and disability benefits.

PERF 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:

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the primary government is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the primary government are established by the Board of Trustees of PERF. The primary government's contributions to the plan for the years ending December 31, 2004, 2003, and 2002, were \$40,459, \$35,144, and \$39,363, respectively, equal to the required contributions for each year.

B. Defined Contribution Pension Plan

Utilities Retirement

Plan Description

The Town has a defined contribution pension plan administered by Principal Financial Group as authorized by Indiana Code 8-1.5-3-7. The plan provides retirement benefits to plan members and beneficiaries. The plan was established by written agreement between the Town and the Plan Administrator. The Plan Administrator issues a publicly available financial report that includes financial statements and required supplementary information of the plan. That report may be obtained by contacting:

Principal Financial Group
111 West State Street, P.O. 2004
Mason City, Iowa 50932-0001
Ph. (641) 421-6268

Funding Policy and Annual Pension Cost

The contribution requirements of plan members are established by the written agreement between the Town and the Plan Administrator. Plan members are required to contribute 5% of the annual covered salary. The Town is required to contribute at an actuarially determined rate. The current rate is 5% of annual covered payroll. Employer and employee contributions to the plan for the year 2004 were \$69,601 and \$72,615, respectively.

Note 4. Fixed Assets

A. General Fixed Assets – Governmental

Records are not available providing the historical cost amounts or the estimated historical costs for the fixed assets of the Town.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Fixed Assets – Enterprise Funds

Storm Water Utility

The additions are not categorized for the Storm Water Utility; all additions are placed in Utility Plant In Service. A summary of utility plant in service, including assets under capital lease, at December 31, 2004, follows:

	Cost	Accumulated Depreciation/ Amortization
Utility Plant In Service	\$ 167,986	\$ -
Construction In Progress	182,799	-
 Totals	 \$ 350,785	 \$ -

Note 5. Construction Work in Progress

Construction work in progress is composed of the following:

<u>Project</u>	Total Project Authorized	Expended to December 31, 2004	Committed	Required Future Funding
Enterprise Funds:				
Water Utility	\$ 2,302,702	\$ (1,417,478)	\$ -	\$ 885,224
Wastewater Utility	303,906	(99,001)	-	204,905
Storm Water Utility	2,387,933	(182,799)	-	2,205,134
Electric Utility	65,167	(35,580)	-	29,587
 Totals	 \$ 5,059,708	 \$ (1,734,858)	 \$ -	 \$ 3,324,850

Note 6. Long-Term Debt

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Purpose	Interest Rates	Amount
Street Improvements	2% to 4.25%	\$ <u>420,000</u>

Revenue Bonds

The Town issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at December 31, 2004, are as follows:

Purpose	Interest Rates	Amount
1998 Wastewater	5%	\$ 635,000
2001 Refunding Waterworks	3.1% to 4.7%	1,950,000
2003 Refunding Waterworks	2% to 3.5%	<u>2,965,000</u>
Total		<u>\$ 5,550,000</u>

Debt service requirements to maturity for general obligation and revenue bonds, including interest of \$93,440 and \$1,180,310, respectively, as of December 31, 2004, for the years ended December 31, are as follows:

	General Obligation	Revenue	
		Water Utility	Wastewater Utility
2005	\$ 45,579	\$ 598,725	\$ 96,750
2006	44,735	597,050	98,500
2007	53,735	600,100	100,000
2008	52,410	595,975	96,250
2009	51,000	596,200	97,500
Thereafter	<u>265,981</u>	<u>2,955,760</u>	<u>297,500</u>
Totals	<u>\$ 513,440</u>	<u>\$ 5,943,810</u>	<u>\$ 786,500</u>

Capital Leases

The Town has entered into various capital leases for a town hall, police cars and several utility trucks. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2004, for the years ended December 31, are as follows:

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>General Long-Term Debt</u>	<u>Water Utility</u>	<u>Electric Utility</u>
2005	\$ 73,211	\$ 20,160	\$ 29,450
2006	69,000	10,080	27,684
2007	69,000	-	17,603
2008	69,000	-	17,603
2009	69,000	-	17,603
Thereafter	<u>276,000</u>	<u>-</u>	<u>7,335</u>
 Total Minimum Lease Payments	 625,211	 30,240	 117,278
 Less Amount Representing Interest	 <u>157,239</u>	 <u>1,664</u>	 <u>17,556</u>
 Present Value of Net Minimum Lease Payments	 <u>\$ 467,972</u>	 <u>\$ 28,576</u>	 <u>\$ 99,722</u>

Loans/Notes Payable

The Water Utility has entered into a Bond Anticipation Note. The principal of the note and interest of \$25,258 is due in 2005.

Changes in Debt

During the years ended December 31, 2001, 2002, 2003, and 2004, the following changes occurred in debt:

	<u>2001</u>			
	<u>Balance January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
Governmental Fund Types:				
Capital Leases	\$ 605,000	\$ -	\$ 53,350	\$ 551,650
Enterprise Funds:				
Water Utility				
Revenue Bonds	5,949,000	2,555,000	2,684,000	5,820,000
Capital Leases	-	96,743	17,834	78,909
Wastewater Utility				
Revenue Bonds	870,000	-	55,000	815,000
Electric Utility				
Capital Leases	<u>49,367</u>	<u>96,743</u>	<u>45,556</u>	<u>100,554</u>
 Totals	 <u>\$ 7,473,367</u>	 <u>\$ 2,748,486</u>	 <u>\$ 2,855,740</u>	 <u>\$ 7,366,113</u>

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

2002				
	Balance January 1	Additions	Reductions	Balance December 31
Governmental Fund Types:				
Capital Leases	\$ 551,650	\$ 47,443	\$ 45,044	\$ 554,049
Enterprise Funds:				
Water Utility				
Revenue Bonds	5,820,000	-	310,000	5,510,000
Capital Leases	78,909	-	15,833	63,076
Wastewater Utility				
Revenue Bonds	815,000	-	55,000	760,000
Electric Utility				
Capital Leases	100,554	-	37,478	63,076
Totals	\$ 7,366,113	\$ 47,443	\$ 463,355	\$ 6,950,201

2003				
	Balance January 1	Additions	Reductions	Balance December 31
Governmental Fund Types:				
General Obligation Bonds	\$ -	\$ 435,000	\$ -	\$ 435,000
Capital Leases	554,049	-	51,162	502,887
Enterprise Funds:				
Water Utility				
Revenue Bonds	5,510,000	3,290,000	3,465,000	5,335,000
Capital Leases	63,076	-	16,760	46,316
Wastewater Utility				
Revenue Bonds	760,000	-	60,000	700,000
Electric Utility				
Capital Leases	63,076	-	16,760	46,316
Totals	\$ 6,950,201	\$ 3,725,000	\$ 3,609,682	\$ 7,065,519

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	2004			
	Balance January 1	Additions	Reductions	Balance December 31
Governmental Fund Types:				
General Obligation Bonds	\$ 435,000	\$ -	\$ 15,000	\$ 420,000
Capital Leases	502,887	-	34,915	467,972
Enterprise Funds:				
Water Utility				
Revenue Bonds	5,335,000	-	420,000	4,915,000
Capital Leases	46,316	-	17,740	28,576
Bond Anticipation Note	-	1,165,984	-	1,165,984
Wastewater Utility				
Revenue Bonds	700,000	-	65,000	635,000
Electric Utility				
Capital Leases	46,316	72,125	18,719	99,722
Totals	\$ 7,065,519	\$ 1,238,109	\$ 571,374	\$ 7,732,254

Note 7. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2004, is as follows:

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount
Electric Utility	Water Utility	\$ 1,842
Wastewater Utility	Water Utility	156
Water Utility	Electric Utility	399
Water Utility	Wastewater Utility	122
Water Utility	Storm Water Utility	100,000
Total		\$ 102,519

Note 8. Contributions – Enterprise Funds

Changes in contributions consisted of the following during the year ended December 31, 2001. Contributions starting January 1, 2002, are recognized in retained earnings.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Storm Water Utility</u>	<u>Electric Utility</u>
Contributions, January 1, 2001	\$ 5,268,083	\$ 1,045,411	\$ -	\$ -
Private Contributions	<u>67,474</u>	<u>330,000</u>	<u>-</u>	<u>-</u>
Contributions, December 31, 2004	<u>\$ 5,335,557</u>	<u>\$ 1,375,411</u>	<u>\$ -</u>	<u>\$ -</u>

Note 9. Risk Management

The Town is 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; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Note 10. Compensated Absences

A. Sick Leave

Town employees earn sick leave at the rate of 6 days per year. Unused sick leave may be accumulated to a maximum of 1440 hours. Accumulated sick leave is paid at 10% of the hours accumulated upon termination.

B. Vacation Leave

Town employees earn vacation leave at rates from 10 days to 20 days per year based upon the number of years of service. Unused vacation leave up to a maximum of 1 week is paid to employees at year end.

Note 11. Disbursements in Excess of Appropriations

Actual disbursements exceeded budgeted appropriations in the following funds, by the amounts below:

<u>Fund</u>	<u>Year</u>	<u>Amount</u>
General	2001	\$ 21,397
Cumulative Capital Improvement	2001	1,804
Local Road and Street	2002	3,162
Cumulative Capital Development	2003	<u>688</u>
Total		<u>\$ 27,051</u>

TOWN OF BARGERSVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Note 12. Holding Corporation

The Town has entered into a capital lease with Bargersville Town Hall Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town.

Note 13. Restatements and Reclassifications

For the year ended December 31, 2001, certain changes have been made to the financial statements to more appropriately reflect financial activity of the Water and Wastewater Utilities. The following schedule presents a summary of restated beginning balances by fund type. Prior period adjustments represent the correction of errors in prior periods for both Water and Wastewater Utilities, respectively.

Fund Type	Balance as Reported December 31, 2000	Prior Period Adjustments	Balance as Restated January 1, 2001
Retained Earnings - Water Utility	\$ 6,305,253	\$ (20,438)	\$ 6,284,815
Retained Earnings - Wastewater Utility	927,954	52,441	980,395

Note 14. Defeasance of Bonds

A. On October 11, 2001, the Town of Bargersville issued \$2,555,000 in Waterworks refunding revenue bonds with an average interest rate of 3.6% to advance refund \$2,529,000 of outstanding 1969, 1977, and 1991 series bonds with an average interest rate of 5.62%. The net proceeds of \$2,518,361 (after payment of \$125,046 in issuance costs) and local contributions of \$133,964 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1969, 1977 and 1991 series bonds. As a result, these bonds are considered to be defeased and the liability for those bonds has been removed from the Balance Sheet. The refunding resulted in the accounting loss of \$37,199, which has been recognized on the Balance Sheet as a component of bonds payable. This amount will be amortized using the straight-line method and charged to interest expense over the next 15. The Town of Bargersville in effect decreased its aggregate debt service payment by \$176,011 over the next 14 years and realized an economic gain (difference between the present values of the old and new debt service payments) of \$85,989.

B. On July 1, 2003, the Town of Bargersville issued \$3,290,000 in Waterworks refunding revenue bonds with an average interest rate of 2.98% to advance refund \$3,175,000 of outstanding 1995 series bonds with an average interest rate of 4.99%. The net proceeds of \$3,296,116 (after payment of \$31,556 in issuance costs plus \$37,672 in bond premiums) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1995 series bonds.

TOWN OF BARGERSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

As a result, these bonds are considered to be defeased and the liability for those bonds has been removed from the Balance Sheet. The refunding resulted in the accounting loss of \$200,822, which has been recognized on the Balance Sheet as a component of bonds payable. This amount will be amortized using the straight-line method and charged to interest expense over the next 12 years. The Town of Bargersville in effect decreased its aggregate debt service payment by \$447,434 over the next 12 years and realized an economic gain (difference between the present values of the old and new debt service payments) of \$275,064.

Note 15. Rate Structure – Enterprise Funds

Water Utility

The current rate structure was approved by the Indiana Utility Regulatory Commission on September 27, 1995.

The Utility was granted approval by the Indiana Utility Regulatory Commission to increase rates. The increase became effective June 30, 2004, and amounted to approximately 8% increase to all customers.

Wastewater Utility

The current rate structure was approved by the Town Council on September 29, 1992.

Storm Water Utility

The current rate structure was approved by the Town Council on April 8, 2002.

Electric Utility

The current rate structure was approved by the Indiana Utility Regulatory Commission on December 16, 1998.

Note 16. Subsequent Events

The Storm Water Utility received a Department of Commerce Grant in the amount of \$500,000, dated January 14, 2005, and issued Rural Development Bonds totaling \$1,983,000, dated January 11, 2005.

The Water Utility issued bonds for \$6,505,000 dated November 16, 2005. The proceeds will be used for Phase I, rebuilding two towers and installing new tanks, and Phase II, installation of water lines.

COMBINING STATEMENTS

The combining statements, Pages 41 through 49, present the cash receipts and disbursements and increases and decreases in the cash and investment balances by individual funds within the governmental and fiduciary funds. Since there is only one general fund (General Fund), one debt service fund (Town Hall Lease Fund) for the years 2001, 2002, and 2003, and one agency fund (Payroll Fund), these funds are not included in this section.

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 SPECIAL REVENUE FUNDS
 As Of And For The Year Ended December 31, 2001

	Motor Vehicle Highway	Local Road and Street	Gun Permits	Law Enforcement Continuing Education	Town Hall Maintenance	Totals
Cash and Investments - January 1	\$ 51,612	\$ 20,248	\$ 1,224	\$ 4,969	\$ 5,070	\$ 83,123
Operating Receipts:						
Taxes	30,971	-	-	-	-	30,971
Licenses and Permits	-	-	230	-	-	230
Intergovernmental	49,994	34,653	-	-	-	84,647
Charges for Services	-	-	-	213	-	213
Fines and Forfeits	-	-	-	261	-	261
Other	688	-	-	-	3,102	3,790
Total Operating Receipts	81,653	34,653	230	474	3,102	120,112
Operating Disbursements:						
General Government	-	-	-	-	1,606	1,606
Public Safety	-	-	-	422	-	422
Highways and Streets	67,682	6,889	-	-	-	74,571
Total Operating Disbursements	67,682	6,889	-	422	1,606	76,599
Transfers Out	7,000	-	-	-	-	7,000
Total Disbursements	74,682	6,889	-	422	1,606	83,599
Excess of Total Receipts Over Total Disbursements	6,971	27,764	230	52	1,496	36,513
Cash and Investments - December 31	\$ 58,583	\$ 48,012	\$ 1,454	\$ 5,021	\$ 6,566	\$ 119,636

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 SPECIAL REVENUE FUNDS
 As Of And For The Year Ended December 31, 2002

	Motor Vehicle Highway	Local Road and Street	Gun Permits	Law Enforcement Continuing Education	Town Hall Maintenance	Totals
Cash and Investments - January 1	\$ 58,583	\$ 48,012	\$ 1,454	\$ 5,021	\$ 6,566	\$ 119,636
Operating Receipts:						
Taxes	53,730	-	-	-	-	53,730
Licenses and Permits	-	-	323	-	-	323
Intergovernmental	55,632	22,461	-	-	-	78,093
Charges for Services	-	-	-	1,729	-	1,729
Fines and Forfeits	-	-	-	899	-	899
Other	342	-	-	250	3,065	3,657
Total Operating Receipts	109,704	22,461	323	2,878	3,065	138,431
Operating Disbursements:						
General Government	-	-	-	-	5,221	5,221
Public Safety	-	-	-	3,747	-	3,747
Highways and Streets	38,318	25,162	-	-	-	63,480
Total Operating Disbursements	38,318	25,162	-	3,747	5,221	72,448
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	71,386	(2,701)	323	(869)	(2,156)	65,983
Cash and Investments - December 31	\$ 129,969	\$ 45,311	\$ 1,777	\$ 4,152	\$ 4,410	\$ 185,619

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 SPECIAL REVENUE FUNDS
 As Of And For The Year Ended December 31, 2003

	Motor Vehicle Highway	Local Road and Street	Gun Permits	Law Enforcement Continuing Education	Town Hall Maintenance	Totals
Cash and Investments - January 1	\$ 129,969	\$ 45,311	\$ 1,777	\$ 4,152	\$ 4,410	\$ 185,619
Operating Receipts:						
Taxes	76,128	-	-	-	-	76,128
Licenses and Permits	-	-	312	-	-	312
Intergovernmental	65,644	24,222	-	-	-	89,866
Charges for Services	-	-	-	176	-	176
Fines and Forfeits	-	-	-	281	-	281
Other	217	-	-	-	3,028	3,245
Total Operating Receipts	141,989	24,222	312	457	3,028	170,008
Operating Disbursements:						
General Government	-	-	-	-	2,353	2,353
Public Safety	-	-	-	1,523	-	1,523
Highways and Streets	82,857	7,600	-	-	-	90,457
Total Operating Disbursements	82,857	7,600	-	1,523	2,353	94,333
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	59,132	16,622	312	(1,066)	675	75,675
Cash and Investments - December 31	\$ 189,101	\$ 61,933	\$ 2,089	\$ 3,086	\$ 5,085	\$ 261,294

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 SPECIAL REVENUE FUNDS
 As Of And For The Year Ended December 31, 2004

	Motor Vehicle Highway	Local Road and Street	Gun Permits	Law Enforcement Continuing Education	Town Hall Maintenance	Rainy Day	Park Nonreverting	Totals
Cash and Investments - January 1	\$ 189,101	\$ 61,933	\$ 2,089	\$ 3,086	\$ 5,085	\$ -	\$ -	\$ 261,294
Operating Receipts:								
Taxes	1,364	-	-	-	-	12,189	-	13,553
Licenses and Permits	-	-	335	-	-	-	-	335
Intergovernmental	69,503	27,404	-	1,999	-	-	-	98,906
Charges for Services	-	-	-	298	-	-	-	298
Fines and Forfeits	-	-	-	1,134	-	-	-	1,134
Other	2,927	288	-	500	2,759	-	10,000	16,474
Total Operating Receipts	73,794	27,692	335	3,931	2,759	12,189	10,000	130,700
Operating Disbursements:								
General Government	-	-	-	-	5,391	-	-	5,391
Public Safety	-	-	-	3,559	-	-	-	3,559
Highways and Streets	139,606	21,596	-	-	-	-	-	161,202
Culture and Recreation	-	-	-	-	-	-	10,000	10,000
Total Operating Disbursements	139,606	21,596	-	3,559	5,391	-	10,000	180,152
Interfund Loans Made	20,000	-	-	-	-	-	-	20,000
Total Disbursements	159,606	21,596	-	3,559	5,391	-	10,000	200,152
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	(85,812)	6,096	335	372	(2,632)	12,189	-	(69,452)
Cash and Investments - December 31	\$ 103,289	\$ 68,029	\$ 2,424	\$ 3,458	\$ 2,453	\$ 12,189	\$ -	\$ 191,842

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 DEBT SERVICE FUNDS
 As Of And For The Year Ended December 31, 2004

	<u>Town Hall Lease</u>	<u>General Obligation Bond</u>	<u>Totals</u>
Cash and Investments - January 1	\$ 26	\$ -	\$ 26
Operating Receipts:			
Other	<u>63,447</u>	<u>46,296</u>	<u>109,743</u>
Operating Disbursements:			
Debt Service:			
Principal	18,717	15,000	33,717
Interest and Paying Agent Fees	<u>15,783</u>	<u>7,310</u>	<u>23,093</u>
Total Operating Disbursements	<u>34,500</u>	<u>22,310</u>	<u>56,810</u>
Excess of Total Receipts Over Total Disbursements	<u>28,947</u>	<u>23,986</u>	<u>52,933</u>
Cash and Investments - December 31	<u>\$ 28,973</u>	<u>\$ 23,986</u>	<u>\$ 52,959</u>

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 CAPITAL PROJECTS FUNDS
 As Of And For The Year Ended December 31, 2001

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Totals</u>
Cash and Investments - January 1	\$ 9,726	\$ 65,880	\$ 75,606
Operating Receipts:			
Taxes	-	17,647	17,647
Intergovernmental	<u>6,016</u>	<u>-</u>	<u>6,016</u>
Total Operating Receipts	6,016	17,647	23,663
Operating Disbursements:			
Capital Outlay	<u>2,058</u>	<u>12,906</u>	<u>14,964</u>
Excess of Total Receipts Over Total Disbursements	<u>3,958</u>	<u>4,741</u>	<u>8,699</u>
Cash and Investments - December 31	<u>\$ 13,684</u>	<u>\$ 70,621</u>	<u>\$ 84,305</u>

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 CAPITAL PROJECTS FUNDS
 As Of And For The Year Ended December 31, 2002

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Totals</u>
Cash and Investments - January 1	\$ 13,684	\$ 70,621	\$ 84,305
Operating Receipts:			
Taxes	-	18,925	18,925
Intergovernmental	<u>9,798</u>	<u>-</u>	<u>9,798</u>
Total Operating Receipts	9,798	18,925	28,723
Operating Disbursements:			
Capital Outlay	<u>-</u>	<u>21,015</u>	<u>21,015</u>
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	<u>9,798</u>	<u>(2,090)</u>	<u>7,708</u>
Cash and Investments - December 31	<u>\$ 23,482</u>	<u>\$ 68,531</u>	<u>\$ 92,013</u>

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 CAPITAL PROJECTS FUNDS
 As Of And For The Year Ended December 31, 2003

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Capital Projects</u>	<u>Totals</u>
Cash and Investments - January 1	\$ 23,482	\$ 68,531	\$ -	\$ 92,013
Operating Receipts:				
Taxes	-	19,671	-	19,671
Intergovernmental	<u>7,664</u>	<u>-</u>	<u>-</u>	<u>7,664</u>
Total Operating Receipts	7,664	19,671	-	27,335
Bonds Proceeds	<u>-</u>	<u>-</u>	<u>424,125</u>	<u>424,125</u>
Total Receipts	<u>7,664</u>	<u>19,671</u>	<u>424,125</u>	<u>451,460</u>
Operating Disbursements:				
Capital Outlay	<u>-</u>	<u>20,669</u>	<u>11,500</u>	<u>32,169</u>
Total Operating Disbursements	-	20,669	11,500	32,169
Transfers Out	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>22,000</u>
Total Disbursements	<u>22,000</u>	<u>20,669</u>	<u>11,500</u>	<u>54,169</u>
Excess (Deficiency) of Total Receipts Over (Under) Total Disbursements	<u>(14,336)</u>	<u>(998)</u>	<u>412,625</u>	<u>397,291</u>
Cash and Investments - December 31	<u>\$ 9,146</u>	<u>\$ 67,533</u>	<u>\$ 412,625</u>	<u>\$ 489,304</u>

TOWN OF BARGERSVILLE
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 CAPITAL PROJECTS FUNDS
 As Of And For The Year Ended December 31, 2004

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Capital Projects</u>	<u>Totals</u>
Cash and Investments - January 1	\$ 9,146	\$ 67,533	\$ 412,625	\$ 489,304
Operating Receipts:				
Taxes	-	19,078	-	19,078
Intergovernmental	<u>7,923</u>	<u>-</u>	<u>-</u>	<u>7,923</u>
Total Operating Receipts	7,923	19,078	-	27,001
Operating Disbursements:				
Capital Outlay	<u>18,123</u>	<u>34,999</u>	<u>9,168</u>	<u>62,290</u>
Total Operating Disbursements	18,123	34,999	9,168	62,290
Other Disbursements	<u>-</u>	<u>-</u>	<u>1,984</u>	<u>1,984</u>
Total Disbursements	<u>18,123</u>	<u>34,999</u>	<u>11,152</u>	<u>64,274</u>
Deficiency of Total Receipts Under Total Disbursements	<u>(10,200)</u>	<u>(15,921)</u>	<u>(11,152)</u>	<u>(37,273)</u>
Cash and Investments - December 31	<u>\$ (1,054)</u>	<u>\$ 51,612</u>	<u>\$ 401,473</u>	<u>\$ 452,031</u>

TOWN OF BARGERSVILLE
WATER UTILITY
TEN YEAR STATISTICAL SUMMARY

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Operating Revenues	\$ 3,917,041	\$ 3,355,064	\$ 3,402,516	\$ 3,049,422	\$ 2,741,869	\$ 2,757,627	\$ 2,489,144	\$ 2,212,260	\$ 2,298,752	\$ 1,784,118
Operating Expenses	2,874,131	2,661,227	2,501,184	2,338,217	1,857,597	1,794,638	1,558,328	1,506,042	1,382,725	1,372,352
Operating Income	1,042,910	693,837	901,332	711,205	884,272	962,989	930,816	706,218	916,027	411,766
Nonoperating Revenues (Expenses)	(206,423)	(226,466)	(271,837)	(284,733)	(244,935)	(280,510)	(278,298)	(317,268)	(63,837)	(96,785)
Capital Contributions	793,157	993,154	682,559	-	-	-	-	-	-	-
Net Income	\$ 1,629,644	\$ 1,460,525	\$ 1,312,054	\$ 426,472	\$ 639,337	\$ 682,479	\$ 652,518	\$ 388,950	\$ 852,190	\$ 314,981
Current Assets	\$ 873,740	\$ 702,869	\$ 1,018,384	\$ 1,013,988	\$ 1,014,151	\$ 851,436	\$ 677,823	\$ 900,100	\$ 885,491	\$ 468,332
Restricted Assets	1,721,572	1,195,138	1,151,947	729,742	743,082	1,160,326	1,292,111	857,974	1,266,293	4,454,376
Utility Plant in Service	23,521,728	22,346,483	20,637,926	19,586,690	18,784,536	17,338,519	15,910,216	14,327,815	9,838,993	6,479,713
Accumulated Depreciation	(4,924,978)	(4,487,952)	(3,979,391)	(3,491,934)	(3,035,909)	(2,685,509)	(2,335,109)	(1,992,609)	(1,779,467)	(1,571,500)
Construction Work in Progress	1,417,478	149,164	-	-	-	-	-	-	3,603,954	217,900
Deferred Debits	184,894	202,638	175,048	188,661	187,260	205,837	224,414	242,992	87,761	92,442
Total Assets	\$ 22,794,434	\$ 20,108,340	\$ 19,003,914	\$ 18,027,147	\$ 17,693,120	\$ 16,870,609	\$ 15,769,455	\$ 14,336,272	\$ 13,903,025	\$ 10,141,263
Current Liabilities	\$ 855,036	\$ 533,009	\$ 468,888	\$ 477,072	\$ 479,738	\$ 579,464	\$ 475,968	\$ 422,336	\$ 425,876	\$ 292,931
Long-Term Liabilities	5,490,330	4,755,907	5,176,127	5,503,230	5,640,045	5,888,947	6,124,848	6,347,749	6,557,651	6,758,552
Contributions	5,335,557	5,335,557	5,335,557	5,335,557	5,268,083	4,736,281	4,185,201	3,235,267	2,977,528	-
Retained Earnings	11,113,511	9,483,867	8,023,342	6,711,288	6,305,254	5,665,917	4,983,438	4,330,920	3,941,970	3,089,780
Total Liabilities, Contributions and Retained Earnings	\$ 22,794,434	\$ 20,108,340	\$ 19,003,914	\$ 18,027,147	\$ 17,693,120	\$ 16,870,609	\$ 15,769,455	\$ 14,336,272	\$ 13,903,025	\$ 10,141,263
Number of Customers:										
Residential	7,940	7,513	7,273	6,921	6,560	6,053	5,770	5,384	4,937	4,553
Commercial	336	312	290	271	239	231	243	224	260	240
Totals	8,276	7,825	7,563	7,192	6,799	6,284	6,013	5,608	5,197	4,793

TOWN OF BARGERSVILLE
WASTEWATER UTILITY
TEN YEAR STATISTICAL SUMMARY

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Operating Revenues	\$ 695,794	\$ 829,255	\$ 621,283	\$ 544,648	\$ 390,609	\$ 373,637	\$ 358,511	\$ 363,801	\$ 343,680	\$ 310,800
Operating Expenses	510,297	400,887	442,818	339,867	270,540	298,181	248,788	258,011	281,353	248,448
Operating Income	185,497	428,368	178,465	204,781	120,069	75,456	109,723	105,790	62,327	62,352
Nonoperating Revenues (Expenses)	(27,404)	(34,734)	(37,227)	(19,869)	(13,888)	(26,368)	(26,711)	(46,643)	(52,756)	(49,265)
Extraordinary Items	-	-	-	-	-	-	(16,145)	-	-	-
Capital Contributions	636,084	2,171,904	43,772	-	-	-	-	-	-	-
Net Income	<u>\$ 794,177</u>	<u>\$ 2,565,538</u>	<u>\$ 185,010</u>	<u>\$ 184,912</u>	<u>\$ 106,181</u>	<u>\$ 49,088</u>	<u>\$ 66,867</u>	<u>\$ 59,147</u>	<u>\$ 9,571</u>	<u>\$ 13,087</u>
Current Assets	\$ 254,201	\$ 272,337	\$ 352,376	\$ 228,351	\$ 193,227	\$ 162,340	\$ 117,224	\$ 195,009	\$ 199,801	\$ 212,627
Restricted Assets	1,181,137	1,032,238	494,364	655,843	491,675	477,244	448,243	306,737	241,339	201,445
Utility Plant in Service	6,317,910	5,661,321	3,451,574	2,843,612	2,707,747	1,660,920	1,660,920	1,660,920	1,638,512	1,580,210
Accumulated Depreciation	(1,107,126)	(952,375)	(815,288)	(701,543)	(591,136)	(522,601)	(455,931)	(389,331)	(322,895)	(266,076)
Construction Work in Progress	99,001	-	-	470,244	-	-	-	-	-	7,157
Deferred Debits	13,440	15,120	16,800	18,480	71,280	77,220	82,980	-	-	-
Total Assets	<u>\$ 6,758,563</u>	<u>\$ 6,028,641</u>	<u>\$ 3,499,826</u>	<u>\$ 3,514,987</u>	<u>\$ 2,872,793</u>	<u>\$ 1,855,123</u>	<u>\$ 1,853,436</u>	<u>\$ 1,773,335</u>	<u>\$ 1,756,757</u>	<u>\$ 1,735,363</u>
Current Liabilities	\$ 136,200	\$ 139,715	\$ 116,698	\$ 261,129	\$ 84,428	\$ 110,849	\$ 108,250	\$ 88,149	\$ 131,798	\$ 80,020
Long-Term Liabilities	535,920	596,660	657,400	713,140	815,000	870,000	920,000	926,867	967,787	1,008,707
Contributions	1,375,411	1,375,411	1,375,411	1,375,411	1,045,411	52,501	52,501	52,501	52,501	51,536
Retained Earnings	4,711,032	3,916,855	1,350,317	1,165,307	927,954	821,773	772,685	705,818	604,671	595,100
Total Liabilities, Contributions and Retained Earnings	<u>\$ 6,758,563</u>	<u>\$ 6,028,641</u>	<u>\$ 3,499,826</u>	<u>\$ 3,514,987</u>	<u>\$ 2,872,793</u>	<u>\$ 1,855,123</u>	<u>\$ 1,853,436</u>	<u>\$ 1,773,335</u>	<u>\$ 1,756,757</u>	<u>\$ 1,735,363</u>
Number of Customers:										
Residential	1,054	939	887	837	779	744	742	738	705	670
Commercial	60	58	58	49	50	48	46	46	53	50
Totals	<u>1,114</u>	<u>997</u>	<u>945</u>	<u>886</u>	<u>829</u>	<u>792</u>	<u>788</u>	<u>784</u>	<u>758</u>	<u>720</u>

TOWN OF BARGERSVILLE
ELECTRIC UTILITY
TEN YEAR STATISTICAL SUMMARY

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Operating Revenues	\$ 3,389,640	\$ 3,117,187	\$ 3,094,210	\$ 3,369,304	\$ 3,037,007	\$ 3,000,270	\$ 2,753,998	\$ 2,517,529	\$ 2,754,509	\$ 2,437,893
Operating Expenses	<u>3,234,206</u>	<u>3,114,366</u>	<u>3,048,797</u>	<u>3,042,333</u>	<u>2,921,258</u>	<u>2,633,801</u>	<u>2,486,669</u>	<u>2,347,501</u>	<u>2,494,717</u>	<u>2,250,098</u>
Operating Income	155,434	2,821	45,413	326,971	115,749	366,469	267,329	170,028	259,792	187,795
Nonoperating Revenues (Expenses)	<u>16,080</u>	<u>6,767</u>	<u>16,825</u>	<u>36,841</u>	<u>46,349</u>	<u>33,060</u>	<u>38,306</u>	<u>79,331</u>	<u>39,034</u>	<u>12,202</u>
Net Income	<u>\$ 171,514</u>	<u>\$ 9,588</u>	<u>\$ 62,238</u>	<u>\$ 363,812</u>	<u>\$ 162,098</u>	<u>\$ 399,529</u>	<u>\$ 305,635</u>	<u>\$ 249,359</u>	<u>\$ 298,826</u>	<u>\$ 199,997</u>
Current Assets	\$ 1,061,099	\$ 758,248	\$ 816,807	\$ 938,469	\$ 753,593	\$ 580,572	\$ 368,952	\$ 529,287	\$ 470,241	\$ 183,125
Restricted Assets	675,564	787,031	615,395	523,250	572,071	687,206	806,728	687,069	619,448	568,610
Utility Plant in Service	4,428,822	4,350,512	4,277,324	4,130,532	3,743,556	3,470,364	3,096,126	2,738,884	2,391,117	2,136,136
Accumulated Depreciation	(2,016,904)	(1,872,708)	(1,701,058)	(1,549,605)	(1,399,863)	(1,266,200)	(1,148,720)	(1,044,320)	(939,920)	(852,754)
Deferred Debits	-	-	-	-	-	-	-	-	-	940
Total Assets	<u>\$ 4,148,581</u>	<u>\$ 4,023,083</u>	<u>\$ 4,008,468</u>	<u>\$ 4,042,646</u>	<u>\$ 3,669,357</u>	<u>\$ 3,471,942</u>	<u>\$ 3,123,086</u>	<u>\$ 2,910,920</u>	<u>\$ 2,540,886</u>	<u>\$ 2,036,057</u>
Current Liabilities	\$ 503,951	\$ 552,718	\$ 528,913	\$ 608,569	\$ 612,801	\$ 551,436	\$ 577,524	\$ 647,788	\$ 650,318	\$ 444,315
Long-Term Liabilities	65,869	27,538	46,316	63,076	49,367	75,415	100,000	123,205	-	-
Retained Earnings	<u>3,614,341</u>	<u>3,442,827</u>	<u>3,433,239</u>	<u>3,371,001</u>	<u>3,007,189</u>	<u>2,845,091</u>	<u>2,445,562</u>	<u>2,139,927</u>	<u>1,890,568</u>	<u>1,591,742</u>
Total Liabilities, Contributions and Retained Earnings	<u>\$ 4,184,161</u>	<u>\$ 4,023,083</u>	<u>\$ 4,008,468</u>	<u>\$ 4,042,646</u>	<u>\$ 3,669,357</u>	<u>\$ 3,471,942</u>	<u>\$ 3,123,086</u>	<u>\$ 2,910,920</u>	<u>\$ 2,540,886</u>	<u>\$ 2,036,057</u>
Number of Customers:										
Residential	2,681	2,633	2,662	2,622	2,552	2,487	2,476	2,409	2,305	2,148
Commercial	<u>364</u>	<u>368</u>	<u>345</u>	<u>332</u>	<u>306</u>	<u>302</u>	<u>313</u>	<u>300</u>	<u>285</u>	<u>265</u>
Totals	<u>3,045</u>	<u>3,001</u>	<u>3,007</u>	<u>2,954</u>	<u>2,858</u>	<u>2,789</u>	<u>2,789</u>	<u>2,709</u>	<u>2,590</u>	<u>2,413</u>

TOWN OF BARGERSVILLE
STORM WATER UTILITY
THREE YEAR STATISTICAL SUMMARY

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Operating Revenues	\$ 120,873	\$ 121,404	\$ 89,911
Operating Expenses	<u>27,294</u>	<u>19,358</u>	<u>40,360</u>
Operating Income	93,579	102,046	49,551
Nonoperating Revenues (Expenses)	<u>760</u>	<u>118</u>	<u>49</u>
Net Income	<u>\$ 94,339</u>	<u>\$ 102,164</u>	<u>\$ 49,600</u>
Current Assets	\$ 31,424	\$ 26,043	\$ 48,078
Restricted Assets	237,731	151,291	9,150
Utility Plant in Service	167,986	-	-
Construction Work in Progress	<u>182,799</u>	<u>108,873</u>	<u>35,093</u>
Total Assets	<u>\$ 619,940</u>	<u>\$ 286,207</u>	<u>\$ 92,321</u>
Current Liabilities	\$ 105,851	\$ 84,443	\$ 42,721
Retained Earnings	<u>514,089</u>	<u>201,764</u>	<u>49,600</u>
Total Liabilities, Contributions and Retained Earnings	<u>\$ 619,940</u>	<u>\$ 286,207</u>	<u>\$ 92,321</u>
Number of Customers:			
Residential	889	842	839
Commercial	<u>93</u>	<u>89</u>	<u>91</u>
Totals	<u>982</u>	<u>931</u>	<u>930</u>

TOWN OF BARGERSVILLE
AUDIT RESULTS AND COMMENTS

DELINQUENT WASTEWATER ACCOUNTS

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 36-9-23-33 states, in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

(1) a list of the delinquent fees and penalties that are enforceable under this section, which must include the following:

(A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent.

(B) A description of the premises, as shown by the records of the county auditor.

(C) The amount of the delinquent fees, together with the penalty.

(2) an individual instrument for each lot or parcel of real property on which the fees are delinquent.

(c) The officer shall record a copy of each list or each individual instrument with the county recorder."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . ."

FIXED ASSET RECORDS - TOWN

Information presented for audit did not indicate an inventory or record of fixed assets had been completed.

Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded in the Fixed Assets Ledger form. 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)

TOWN OF BARGERSVILLE
 AUDIT RESULTS AND COMMENTS
 (Continued)

FIXED ASSET RECORDS - WATER, ELECTRIC AND WASTEWATER UTILITIES

The Water, Electric and Wastewater Utilities do not maintain sufficient detailed records of fixed assets for Utility Plant in Service accounts. Upon purchase, the costs of the fixed assets are added to an aggregate Utility Plant in Service account, and to subsidiary accounts for land, buildings, etc., in the General Ledger. However, records providing historical costs for some of the Utility's fixed assets are not available, and records classifying and summarizing the Utilities fixed assets are incomplete. Deletions or disposals of fixed assets are not recorded.

Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded in the Fixed Assets Ledger form. 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)

TEMPORARY TRANSFER OF FUNDS

A temporary transfer of \$20,000 was made in 2004 from the Motor Vehicle Highway Fund to the General Fund and not repaid by December 31, 2004.

Indiana Code 36-1-8-4 concerning temporary transfer states, in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . ."

"(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the department of local government finance."

APPROPRIATIONS

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

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General	2001	\$ 21,397
Cumulative Capital Improvement	2001	1,804
Local Road and Street	2002	3,162
Cumulative Capital Development	2003	688

TOWN OF BARGERSVILLE
AUDIT RESULTS AND COMMENTS
(Continued)

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."

CONDITION OF RECORDS

Financial records originally presented for audit were incomplete and not reflective of the activity of the Town. The following deficiencies were noted:

- (1) The Ledger of Appropriations was not always used or reconciled to the Ledger of Receipts, Disbursements and Balances.
- (2) Several local tax distributions were not properly separated and receipted into the correct funds.
- (3) Some transactions were recorded as "negative" receipts and disbursements.
- (4) The Cumulative Capital Improvement Fund, Town Hall Lease Fund and Town Hall Maintenance Fund were not recorded on the Town's records. The Town Hall Lease Fund was established to handle payments to the holding corporation for the Town Hall. The money for each of these funds was maintained in separate bank accounts. These accounts were not reconciled monthly.
- (5) Payroll withholdings subsidiary accounts were not reconciled to the control ledger.

After our request, the unit created new records. However, reviewing the old and the new records required extra audit time.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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)

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN FUND BALANCES

The General Fund and Cumulative Capital Improvement Fund were overdrawn in 2004.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF BARGERSVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2006, with Gayle W. Allard, former Clerk-Treasurer; Amy Carson, Clerk-Treasurer; and David B. Eager, Town Council member.