

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

EXAMINATION REPORT  
OF  
TOWN OF MONROEVILLE  
ALLEN COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
12/29/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Kevin Wenger	01-01-04 to 12-31-07
President of the Town Council	Donald Gerardot	01-01-04 to 12-31-06
Superintendent of Utilities	Mark Johnson	01-01-04 to 09-06-05
	Vacant	09-07-05 to 10-09-05
	Larry Oberley	10-10-05 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MONROEVILLE, ALLEN COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Monroeville (Town), for the period of January 1, 2004 to December 31, 2005. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

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

STATE BOARD OF ACCOUNTS

November 15, 2006

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

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
<b>Governmental Funds:</b>				
General	\$ 82,961	\$ 366,442	\$ 261,592	\$ 187,811
Motor Vehicle Highway	45,087	51,062	41,544	54,605
Local Road and Street	26,709	14,635	26,030	15,314
Park and Recreation	10,876	19,156	25,182	4,850
Law Enforcement Continuing Education	3,093	-	299	2,794
Park and Recreation Donation	5,982	22,514	17,328	11,168
Sanitation	2,788	42,183	40,079	4,892
Debt Service	300,393	212,436	75,524	437,305
Cumulative Capital Improvement	125,169	4,851	-	130,020
CEDIT	563,936	147,075	151,903	559,108
Levy Excess	4,053	-	-	4,053
<b>Proprietary Funds:</b>				
Water Utility - Operating	7,125	124,110	101,929	29,306
Water Utility - Bond and Interest	153,612	49,594	41,765	161,441
Water Utility - Depreciation	54,904	10,727	4,082	61,549
Water Utility - Customer Deposit	15,029	455	40	15,444
Wastewater Utility - Operating	241,254	120,953	130,106	232,101
Wastewater Utility - Depreciation	116,462	7,794	72,412	51,844
Wastewater Utility - Customer Deposit	3,820	-	-	3,820
<b>Fiduciary Fund:</b>				
Park Deposit	975	2,250	2,275	950
<b>Totals</b>	<b><u>\$ 1,764,228</u></b>	<b><u>\$ 1,196,237</u></b>	<b><u>\$ 992,090</u></b>	<b><u>\$ 1,968,375</u></b>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
<b>Governmental Funds:</b>				
General	\$ 187,811	\$ 242,966	\$ 261,432	\$ 169,345
Motor Vehicle Highway	54,605	50,033	50,192	54,446
Local Road and Street	15,314	14,836	24,200	5,950
Park and Recreation	4,850	19,471	23,179	1,142
Law Enforcement Continuing Education	2,794	806	455	3,145
Park and Recreation Donation	11,168	21,030	29,558	2,640
Sanitation	4,892	41,227	39,969	6,150
Debt Service	437,305	155,825	91,567	501,563
Cumulative Capital Improvement	130,020	4,081	-	134,101
CEDIT	559,108	90,852	85,747	564,213
Levy Excess	4,053	631	4,053	631
<b>Proprietary Funds:</b>				
Water Utility - Operating	29,306	106,651	118,339	17,618
Water Utility - Bond and Interest	161,441	69,757	42,364	188,834
Water Utility - Depreciation	61,549	15,618	33,154	44,013
Water Utility - Customer Deposit	15,444	595	434	15,605
Wastewater Utility - Operating	232,101	127,758	132,356	227,503
Wastewater Utility - Depreciation	51,844	13,400	10,647	54,597
Wastewater Utility - Customer Deposit	3,820	200	-	4,020
<b>Fiduciary Fund:</b>				
Park Deposit	950	2,350	2,600	700
<b>Totals</b>	<b><u>\$ 1,968,375</u></b>	<b><u>\$ 978,087</u></b>	<b><u>\$ 950,246</u></b>	<b><u>\$ 1,996,216</u></b>

The accompanying notes are an integral part of the schedules.

TOWN OF MONROEVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT  
BALANCES BY SOURCES AND USES - PROPRIETARY FUNDS  
As Of And For The Years Ended December 31, 2004 And 2005

	Water Utility		Wastewater Utility	
	2004	2005	2004	2005
Operating receipts:				
Metered receipts	\$ 149,463	\$ 151,056	\$ 116,037	\$ 124,999
Fire protection receipts	32,400	32,400	-	-
Tap fees	1,500	500	10,575	11,100
Deposits	455	595	-	200
Other	-	5,115	306	-
<b>Total operating receipts</b>	<b>183,818</b>	<b>189,666</b>	<b>126,918</b>	<b>136,299</b>
Operating disbursements:				
Salaries and wages	34,373	28,305	59,278	60,560
Purchased power	7,270	9,646	6,212	7,880
Chemicals	20,341	32,545	9,160	20,139
Material and supplies	8,292	7,301	28,610	4,645
Contractual services	12,248	14,431	893	2,037
Repairs	1,260	41,136	-	11,365
Capital asset purchase or construction	3,186	-	89,144	23,205
Sales tax	7,944	7,920	-	-
Deposit refunds	40	435	-	-
Other	11,097	10,208	9,222	13,172
<b>Total operating disbursements</b>	<b>106,051</b>	<b>151,927</b>	<b>202,519</b>	<b>143,003</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>77,767</b>	<b>37,739</b>	<b>(75,601)</b>	<b>(6,704)</b>
Nonoperating receipts (disbursements):				
Interest on investments	1,068	2,955	1,830	5,059
Debt service of principal	(22,000)	(24,000)	-	-
Interest expense	(19,765)	(18,364)	-	-
<b>Total nonoperating receipts and disbursements</b>	<b>(40,697)</b>	<b>(39,409)</b>	<b>1,830</b>	<b>5,059</b>
<b>Excess (deficiency) of receipts over disbursements and nonoperating receipts and disbursements</b>	<b>37,070</b>	<b>(1,670)</b>	<b>(73,771)</b>	<b>(1,645)</b>
Cash basis fund balance - beginning	230,670	267,740	361,536	287,765
<b>Cash basis fund balance - ending</b>	<b>\$ 267,740</b>	<b>\$ 266,070</b>	<b>\$ 287,765</b>	<b>\$ 286,120</b>

The accompanying notes are an integral part of the schedules.

TOWN OF MONROEVILLE  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

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

Note 3. Budgets

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

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. 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.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF MONROEVILLE  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

12/31/05

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Revenue bonds:		
1996 Redevelopment District Tax Incremental Finance Bonds		
Total governmental activities long-term debt	<u>\$ 727,000</u>	<u>\$ 56,000</u>
Business-type Activities:		
Revenue bonds:		
1976 Waterworks Expansion	221,000	16,000
1991 Waterworks Improvements	<u>69,000</u>	<u>9,000</u>
Total business-type activities long-term debt	<u>\$ 290,000</u>	<u>25,000</u>

TOWN OF MONROEVILLE  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS

12/31/2005

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 42,000
Buildings	503,491
Improvements other than buildings	103,978
Machinery and equipment	<u>161,103</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>810,572</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 6,500
Buildings	9,110
Improvements other than buildings	1,749,746
Machinery and equipment	<u>51,542</u>
 Total Water Utility capital assets	 <u>1,816,898</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 68,482
Buildings	3,887
Improvements other than buildings	1,176,434
Machinery and equipment	<u>150,294</u>
 Total Wastewater Utility capital assets	 <u>1,399,097</u>
 Total business-type activities capital assets	 \$ <u>3,215,995</u>

TOWN OF MONROEVILLE  
EXIT CONFERENCE

The contents of this report were discussed on November 15, 2006, with Kevin Wenger, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.