

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

EXAMINATION REPORT  
OF  
TOWN OF COATESVILLE  
HENDRICKS COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
09/28/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Ronald G. Slover	01-01-05 to 12-31-07
President of the Town Council	Willard L. Steagall	01-01-05 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF COATESVILLE, HENDRICKS COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Coatesville (Town), for the period of January 1, 2005 to December 31, 2006. 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 presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 25, 2007

TOWN OF COATESVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 11,720	\$ 163,804	\$ 152,931	\$ 22,593
Motor Vehicle Highway	8,302	27,663	34,986	979
Local Road and Street	5,285	7,146	11,994	437
Law Enforcement Continuing Education	333	340	-	673
Cumulative Capital Improvement	10,296	1,596	-	11,892
Economic Development Income Tax	27,924	12,891	14,680	26,135
Cemetery	5,040	4,590	5,187	4,443
Proprietary Funds:				
Electric Utility - Operating	122,392	328,782	308,232	142,942
Electric Utility - Depreciation	97,165	16,439	25,407	88,197
Electric Utility - Customer Deposit	10,246	487	905	9,828
Electric Utility - Construction	15,000	-	-	15,000
Totals	<u>\$ 313,703</u>	<u>\$ 563,738</u>	<u>\$ 554,322</u>	<u>\$ 323,119</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 22,593	\$ 145,706	\$ 140,650	\$ 27,649
Motor Vehicle Highway	979	30,663	29,069	2,573
Local Road and Street	437	7,206	5,241	2,402
Law Enforcement Continuing Education	673	90	-	763
Cumulative Capital Improvement	11,892	1,843	-	13,735
Economic Development Income Tax	26,135	14,129	14,668	25,596
Cemetery	4,443	8,315	7,422	5,336
Proprietary Funds:				
Electric Utility - Operating	142,942	348,098	341,831	149,209
Electric Utility - Depreciation	88,197	16,104	14,304	89,997
Electric Utility - Customer Deposit	9,828	2,366	815	11,379
Electric Utility - Construction	15,000	-	-	15,000
Totals	<u>\$ 323,119</u>	<u>\$ 574,520</u>	<u>\$ 554,000</u>	<u>\$ 343,639</u>

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

TOWN OF COATESVILLE  
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 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.

Note 6. Long-Term Debt

The Town has entered into debt for a police vehicle and a fire station. The outstanding principal at December 31, 2006, was \$4,502 and \$180,032, respectively.

TOWN OF COATESVILLE  
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The Town does not maintain sufficient detailed records of capital assets. Records providing historical costs for some of the Town's capital assets are not available, and records classifying and summarizing the Town's capital assets are incomplete. Deletions or disposals of capital assets are not recorded.

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

TOWN OF COATESVILLE  
EXIT CONFERENCE

The contents of this report were discussed on July 25, 2007, with Ronald G. Slover, Clerk-Treasurer; and Willard L. Steagall; President of the Town Council. The officials concurred with our finding.