

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

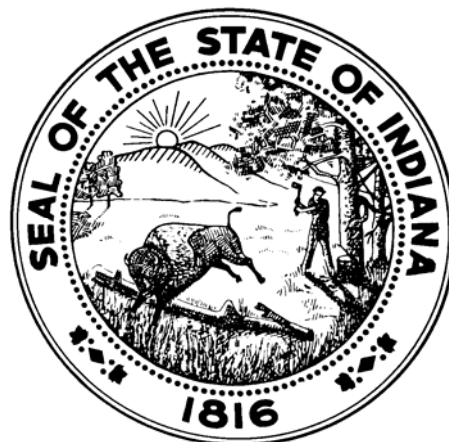
EXAMINATION REPORT

OF

TOWN OF JAMESTOWN

BOONE COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED
11/13/2007

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Linda M. Isenhower

01-01-04 to 12-31-07

President of the
Town Council

Joe Thomas

01-01-06 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 JAMESTOWN, BOONE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Jamestown (Town), for the period of January 1, 2006 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 year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 20, 2007

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

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 59,104	\$ 245,994	\$ 290,139	\$ 14,959
Motor Vehicle Highway	30,672	38,619	36,370	32,921
Local Road and Street	6,068	5,275	-	11,343
Park and Recreation	6,755	20,051	20,148	6,658
Law Enforcement Continuing Education	2,714	1,795	1,081	3,428
Promotion	96	500	51	545
Cumulative Capital Improvement	-	3,165	3,165	-
Cumulative Capital Development	7,352	6,292	-	13,644
Cumulative Building and Firefighting Equipment	2,592	2,920	-	5,512
Proprietary Funds:				
Electric Utility - Operating	135,269	767,056	738,738	163,587
Electric Utility - Depreciation	272,860	44,730	7,624	309,966
Electric Utility - Customer Deposit	7,183	4,665	2,915	8,933
Electric Utility - Reserve	59,225	7,948	-	67,173
Water Utility - Operating	24,583	154,472	148,933	30,122
Water Utility - Depreciation	17,945	18,457	766	35,636
Water Utility - Customer Deposit	2,185	915	695	2,405
Wastewater Utility - Operating	26,421	246,893	270,412	2,902
Wastewater Utility - Bond and Interest	8,539	63,180	62,680	9,039
Wastewater Utility - Reserve	63,280	-	-	63,280
Wastewater Utility - Depreciation	193,342	37,813	46,356	184,799
Wastewater Utility - Customer Deposit	5,670	2,580	1,875	6,375
Fiduciary Funds:				
Town Court	2,343	29,295	29,561	2,077
Levy Excess	5,915	-	5,915	-
Payroll	627	392,087	392,714	-
Totals	<u>\$ 940,740</u>	<u>\$ 2,094,702</u>	<u>\$ 2,060,138</u>	<u>\$ 975,304</u>

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

TOWN OF JAMESTOWN
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 JAMESTOWN
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and 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:

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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 7. Long-Term Debt

The Town has entered into various loans for a municipal building, a fire truck, a water tower and a wastewater plant expansion. The outstanding principal at December 31, 2006, was \$187,389, \$40,765, \$190,371, and \$608,000, respectively.

Note 8. Subsequent Event

On August 7, 2007, the Town of Jamestown obtained a short-term loan from North Salem State Bank in the amount of \$35,000 because the June tax distribution from the County was late. The Town needed the short-term loan for operating costs.

TOWN OF JAMESTOWN, BOONE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Business-type Activities:		
Water Utility		
Loans Payable:		
Water Tower	190,371	16,077
Total Water Utility	190,371	16,077
Wastewater Utility		
Loans Payable:		
Plant Expansion (SRF Loan)	608,000	63,280
Total Wastewater Utility	608,000	63,280
Electric Utility:		
Loans Payable:		
Municipal Building	187,389	25,691
Fire Truck	40,765	21,412
Total Electric Utility	228,154	47,103
Total business-type activities long-term debt:	\$ 1,026,525	\$ 126,460

TOWN OF JAMESTOWN
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The 2006 expenditures exceeded the budget for the General and Park and Recreation funds in the amount of \$123,820 and \$5,597, respectively.

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."

TOWN OF JAMESTOWN
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2007, with Linda M. Isenhower, Clerk-Treasurer; and Joe Thomas, President of the Town Council. The officials concurred with our finding.