

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

EXAMINATION REPORT
OF
CITY OF GREENFIELD
HANCOCK COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED
10/29/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Larry J. Breese	01-01-04 to 12-31-11
Mayor	Hon. Rodney G. Fleming Hon. Bradford DeReamer	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Board of Public Works	Hon. Rodney G. Fleming Hon. Bradford DeReamer	01-01-07 to 12-31-07 01-01-08 to 12-31-11
President of the Common Council	Marilyn Levering Donald J. Davis	01-01-07 to 12-31-07 01-01-08 to 12-31-08
Controller of Utilities	Otto W. Krohn, C.P.A.	01-01-06 to 12-31-08
Superintendent of Water Utility	Mark Nance	01-01-07 to 12-31-08
Superintendent of Wastewater Utility	Dave Scheiter	01-01-07 to 12-31-08
Superintendent of Electric Utility	Nelson Castordale	01-01-07 to 12-31-08
Superintendent of Storm Water Utility	Dan Miller	01-01-07 to 12-31-08
Utility Office Manager	Judy Smoll	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF GREENFIELD, HANCOCK COUNTY, INDIANA

We have examined the Schedule of Receipts, Disbursements, and Cash and Investment Balances of the City of Greenfield (City), for the period of January 1, 2007 to December 31, 2007. The City'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 City for the year ended December 31, 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

September 22, 2008

CITY OF GREENFIELD
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 1,368,829	\$ 10,434,926	\$ 9,880,611	\$ 1,923,144
Motor Vehicle Highway	515,522	654,971	739,308	431,185
Local Road and Street	459,119	562,770	564,279	457,610
Law Enforcement Continuing Education	35,558	26,943	14,656	47,845
Police Grant Operation Pullover	1,629	4,750	5,130	1,249
COPS More Grant	38	-	-	38
Drug Awareness DARE	2,930	-	-	2,930
Parking Meters	25,239	7,361	15	32,585
Police Laser Grant	1	-	-	1
Police Donation	8,888	2,665	9,629	1,924
Police Vehicle	52,256	17,900	46,618	23,538
Police STOP Grant	10,060	76,166	68,558	17,668
Park and Recreation	51,710	682,262	729,168	4,804
Park Nonreverting Operating	79,097	211,156	208,973	81,280
Park Donations	19,129	18,850	3,578	34,401
IN Arts Commission Grant	-	1,000	1,000	-
Brownfields Grant	249	-	-	249
Fire Dept Homeland Security	-	39,900	39,900	-
Fire Donations	10,778	4,486	6,508	8,756
Cemetery	151,093	163,877	161,718	153,252
Telecommunications	201,335	366,730	277,290	290,775
Plaza Donations	139	1,033	78	1,094
Animal Control Enrichment	3,822	2,374	1,471	4,725
Riverboat	94,464	92,064	-	186,528
Rainy Day	437,336	-	-	437,336
QJP Ballistic Vest/ Federal Grant	-	1,950	-	1,950
Task Force One	-	3,501	3,501	-
IDOT Grant McClarnon Drive	-	48,384	40,391	7,993
Shop with a Cop	-	24,362	17,431	6,931
Park Bond	31,222	126,247	136,795	20,674
Cumulative Capital Improvement	322,707	51,281	-	373,988
TIF Redevelopment Construction	4,371,246	1,756,576	1,851,624	4,276,198
Proprietary Funds:				
Electric Utility - Operating	2,921,894	22,566,507	21,659,042	3,829,359
Electric Utility - Depreciation	116,168	240,000	337,132	19,036
Electric Utility - Customer Deposit	450,693	78,471	51,307	477,857
Electric Utility - Availability	75,400	92,300	122,319	45,381
Electric Utility - Cash Reserve	47,813	-	-	47,813
Water Utility - Operating	3,456,813	3,073,225	3,633,286	2,896,752
Water Utility - Bond and Interest	237,812	860,000	206,156	891,656
Water Utility - Depreciation	3,846	-	-	3,846
Water Utility - Customer Deposit	139,591	18,144	11,806	145,929
Water Utility - Construction	798,704	1,000	799,704	-
Water Utility - Availability	173,968	41,658	161,087	54,539
Water Utility - Debt Service Reserve	888,250	-	-	888,250
Wastewater Utility - Operating	1,343,995	2,588,357	2,897,023	1,035,329
Wastewater Utility - Bond and Interest	81,483	648,000	631,546	97,937
Wastewater Utility - Availability	648,618	170,665	586,731	232,552
Wastewater Utility - Connection	534,380	205,251	99,241	640,390
Wastewater Utility - Debt Service Reserve	680,000	-	-	680,000
Storm Water	559,933	2,113,801	2,036,259	637,475
Fiduciary Funds:				
Police Pension	(7,553)	344,284	253,126	83,605
Firefighters' Pension	44,028	114,719	65,095	93,652
Cemetery Endowment	85,052	2,036	2,456	84,632
Payroll	112,511	2,824,305	2,813,974	122,842
Totals	<u>\$ 21,647,795</u>	<u>\$ 51,367,208</u>	<u>\$ 51,175,520</u>	<u>\$ 21,839,483</u>

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

CITY OF GREENFIELD
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The City was established under the laws of the State of Indiana. The City provides the following services: public safety, highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, electric, water, wastewater, storm water, and urban redevelopment and housing.

Note 2. Fund Accounting

The City 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 City 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).

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 City 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.

CITY OF GREENFIELD
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The City 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 City 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. Subsequent Event

On May 29, 2008, the Indiana Department of Natural Resources awarded a grant to the City of Greenfield in the amount of \$800,000 for trail expansion. The City shall be solely responsible for the proper design and implementation of the project. This project will extend the Pennsy Trail two and seven-tenths miles beginning at the existing Pennsy Trail Center Street trailhead and following the former Penn Central Railroad right-of-way to County Road 150W. This project is expected to be completed in 2009.

CITY OF GREENFIELD
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

December 31, 2007

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.

	Ending Balance
Governmental activities:	
Land	\$ 5,499,116
Infrastructure	26,484,833
Buildings	6,334,151
Improvements other than buildings	436,804
Machinery and equipment	6,703,270
Total governmental activities, capital assets not being depreciated	\$ 45,458,174
Business-type activities:	
Water Utility:	
Land	\$ 221,152
Buildings	9,851,083
Improvements other than buildings	17,430,010
Machinery and equipment	6,069,241
Transportation equipment	315,169
Total Water Utility capital assets	33,886,655
Wastewater Utility:	
Land	42,536
Buildings	11,935,632
Improvements other than buildings	19,041,531
Machinery and equipment	4,527,950
Transportation equipment	530,951
Total Wastewater Utility capital assets	36,078,600
Electric Utility:	
Land	189,663
Construction in progress	55,544
Buildings	1,309,731
Improvements other than buildings	10,953,693
Machinery and equipment	6,123,695
Transportation equipment	956,436
Total Electric Utility capital assets	19,588,762
Storm Water Utility:	
Land	49,559
Buildings	1,717
Improvements other than buildings	3,536,014
Machinery and equipment	15,371
Transportation equipment	18,521
Total Storm Water Utility capital assets	3,621,182
Total business-type activities capital assets	\$ 93,175,199

CITY OF GREENFIELD
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

December 31, 2007

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
2004 Fire Vehicles	\$ 16,159	\$ 16,740
2005 Police Video Cameras	84,294	45,231
2005 14 Police Vehicles	149,717	104,215
2007 Computer Server	17,860	9,248
2007 Computer Software	6,925	3,681
Bonds payable:		
General obligation bonds:		
Park Elmore Center Building	885,000	112,875
Total governmental activities long-term debt	<u>\$ 1,159,955</u>	<u>\$ 291,990</u>
Business-type Activities:		
Water Utility		
Revenue bonds:		
2005 East Side Water Plant	\$ 10,115,000	\$ 815,881
Total Water Utility	<u>10,115,000</u>	<u>815,881</u>
Wastewater Utility		
Revenue bonds:		
2003 Plant Improvement	5,875,000	629,941
Total Wastewater Utility	<u>5,875,000</u>	<u>629,941</u>
Storm Water		
2007 Loan From Water Operating	500,000	125,000
Total Other Utility	<u>500,000</u>	<u>125,000</u>
Total business-type activities long-term debt	<u>\$ 16,490,000</u>	<u>\$ 1,570,822</u>

CITY OF GREENFIELD
EXAMINATION RESULT AND COMMENT

DELINQUENT WASTEWATER ACCOUNTS

Delinquent wastewater fees and penalties had not been recorded with the County Recorder during the year 2007. These delinquent wastewater fees and penalties had not been 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 (1), 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; or

(2) n 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"

CITY OF GREENFIELD
EXIT CONFERENCE

The contents of this report were discussed on September 22, 2008, with Larry J. Breese, Clerk-Treasurer; Donald J. Davis, President of the Common Council; and Hon. Bradford DeReamer, Mayor.