

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

EXAMINATION REPORT
OF
TOWN OF GREENTOWN
HOWARD COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
04/13/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5-6
Supplementary Information:	
Schedule of Capital Assets.....	7
Schedule of Long-Term Debt	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Barbara Middleton	01-01-04 to 12-31-11
President of the Town Council	Joyce Higginbottom	01-01-09 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF GREENTOWN, HOWARD COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Greentown (Town), for the period of January 1, 2009 to December 31, 2010. 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, 2009 and 2010, 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

March 15, 2011

TOWN OF GREENTOWN
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, 2009 And 2010

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 285,061	\$ 336,649	\$ 495,587	\$ 126,123
Motor Vehicle Highway	134,645	133,068	167,510	100,203
Local Road and Street	3,471	22,904	22,706	3,669
Law Enforcement Continuing Education	6,873	2,479	975	8,377
Riverboat	76,792	600	1,200	76,192
Cumulative Capital Improvement	36,749	7,807	-	44,556
Cumulative Capital Development	22,623	852	23,475	-
County Economic Development Income Tax	38,567	21,098	8,620	51,045
Proprietary Funds:				
Water Utility - Operating	43,404	420,181	444,128	19,457
Water Utility - Bond and Interest	2,470	155,400	155,105	2,765
Water Utility - Depreciation	625	-	-	625
Water Utility - Customer Deposit	34,708	3,500	3,163	35,045
Water Utility - Construction	158,550	-	-	158,550
Wastewater Utility - Operating	230,632	1,806,897	1,539,021	498,508
Wastewater Utility - Bond and Interest	6,773	146,825	152,944	654
Wastewater Utility - Depreciation	19,985	-	-	19,985
Wastewater Utility - Construction	100,138	12,300	-	112,438
Wastewater Utility - Bond Proceeds	1,042,938	76,523	763,415	356,045
Fiduciary Fund:				
Payroll	3,181	518,569	519,537	2,213
Totals	\$ 2,248,185	\$ 3,665,652	\$ 4,297,386	\$ 1,616,450
	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Governmental Funds:				
General	\$ 126,123	\$ 467,613	\$ 558,226	\$ 35,510
Motor Vehicle Highway	100,203	138,197	184,342	54,058
Local Road and Street	3,669	23,330	26,558	441
Law Enforcement Continuing Education	8,377	3,591	1,997	9,971
Riverboat	76,192	-	63,981	12,211
Rainy Day	-	9,754	-	9,754
Cumulative Capital Improvement	44,556	7,455	1,459	50,552
County Economic Development Income Tax	51,045	40,449	27,457	64,037
Levy Excess	-	908	-	908
Proprietary Funds:				
Water Utility - Operating	19,457	477,913	399,595	97,775
Water Utility - Bond and Interest	2,765	155,400	155,505	2,660
Water Utility - Depreciation	625	-	-	625
Water Utility - Customer Deposit	35,045	4,300	3,822	35,523
Water Utility - Construction	158,550	-	-	158,550
Wastewater Utility - Operating	498,508	612,472	520,177	590,803
Wastewater Utility - Bond and Interest	654	149,409	150,063	-
Wastewater Utility - Depreciation	19,985	-	-	19,985
Wastewater Utility - Construction	112,438	12,300	-	124,738
Wastewater Utility - Improvement	356,045	58,390	68,652	345,783
Fiduciary Fund:				
Payroll	2,213	546,855	545,839	3,229
Totals	\$ 1,616,450	\$ 2,708,336	\$ 2,707,673	\$ 1,617,113

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

TOWN OF GREENTOWN
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 GREENTOWN
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.

TOWN OF GREENTOWN
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement costs. 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:	
Infrastructure	\$ 84,565
Buildings	15,804
Improvements other than buildings	862,286
Machinery and equipment	<u>485,473</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>1,448,129</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 82,542
Buildings	445,634
Improvements other than buildings	1,605,545
Machinery and equipment	<u>152,010</u>
 Total Water Utility capital assets	 <u>2,285,730</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	41,878
Buildings	903,432
Improvements other than buildings	2,963,277
Machinery and equipment	<u>146,167</u>
 Total Wastewater Utility capital assets	 <u>4,054,754</u>
 Total business-type activities capital assets	 \$ <u>6,340,484</u>

TOWN OF GREENTOWN
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Water Utility:		
Loans payable	\$ 1,505,000	\$ 155,725
Wastewater Utility:		
Notes and loans payable	690,000	89,150
Revenue bonds:		
Wastewater Improvement	1,080,000	63,213
Total Wastewater Utility	1,770,000	152,363
Total business-type activities debt	\$ 3,275,000	\$ 308,088

TOWN OF GREENTOWN
EXIT CONFERENCE

The contents of this report were discussed on March 15, 2011, with Barbara Middleton, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.