

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

EXAMINATION REPORT
OF
TOWN OF FRANCESVILLE
PULASKI COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
05/11/2011

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OFFICIALS

Office

Official

Term

Clerk-Treasurer

Marla Dawson

01-01-08 to 12-31-11

President of the
Town Council

Pamela Antrim
Steve Sewell

01-01-09 to 12-31-10
01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF FRANCESVILLE, PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Francesville (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 30, 2011

TOWN OF FRANCESVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 108,820	\$ 146,228	\$ 182,874	\$ 72,174
Motor Vehicle Highway	79,735	54,938	78,614	56,059
Local Road and Street	2,030	2,902	3,000	1,932
Park and Recreation	18,805	8,859	10,011	17,653
Law Enforcement Continuing Education	2,266	1,238	1,859	1,645
Cumulative Capital Improvement	1,626	2,775	1,304	3,097
County Development Income Tax	28,215	15,440	18,308	25,347
Francesville/Salem Rescue	15,005	5,045	759	19,291
Sanitation	7,706	58,420	56,347	9,779
Zoning Permits	401	120	95	426
Downtown Revitalization	9,889	669	3,796	6,762
Hail Damage Insurance Monies	92,474	2,066	85,783	8,757
Proprietary Funds:				
Water Utility - Operating	21,039	185,832	185,154	21,717
Water Utility - Bond and Interest	4,085	48,699	48,793	3,991
Water Utility - Customer Deposit	10,610	1,100	900	10,810
Water Utility - Debt Reserve	49,836	-	-	49,836
Water Utility - Improvement	38,417	33,330	20,894	50,853
Wastewater Utility - Operating	14,920	184,605	187,545	11,980
Wastewater Utility - Bond and Interest	-	100,920	100,920	-
Wastewater Utility - Debt Reserve	106,407	-	-	106,407
Wastewater Utility - Replacement	50,347	-	11,080	39,267
Wastewater Utility - Improvement	11,986	20,000	12,195	19,791
Fiduciary Funds:				
Utility Clearing	354	408,997	408,939	412
Koebcke	12,963	347	41	13,269
Excess Levy	2,380	4,980	-	7,360
Payroll	-	175,980	175,980	-
Totals	<u>\$ 690,316</u>	<u>\$ 1,463,490</u>	<u>\$ 1,595,191</u>	<u>\$ 558,615</u>

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

TOWN OF FRANCESVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2009 And 2010
(Continued)

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Governmental Funds:				
General	\$ 72,174	\$ 262,532	\$ 184,151	\$ 150,555
Motor Vehicle Highway	56,059	97,297	62,199	91,157
Local Road and Street	1,932	2,689	2,110	2,511
Park and Recreation	17,653	24,129	8,476	33,306
Law Enforcement Continuing Education	1,645	1,908	1,717	1,836
Cumulative Capital Improvement	3,097	2,650	2,400	3,347
County Development Income Tax	25,347	15,631	26,558	14,420
Francesville/Salem Rescue	19,291	5,047	-	24,338
Sanitation	9,779	57,349	58,650	8,478
Zoning Permits	426	220	165	481
Downtown Revitalization	6,762	169	-	6,931
Hail Damage Insurance Monies	8,757	3,285	11,152	890
Proprietary Funds:				
Water Utility - Operating	21,717	178,043	182,224	17,536
Water Utility - Bond and Interest	3,991	47,983	47,893	4,081
Water Utility - Customer Deposit	10,810	1,300	900	11,210
Water Utility - Debt Reserve	49,836	-	-	49,836
Water Utility - Improvement	50,853	33,330	15,681	68,502
Wastewater Utility - Operating	11,980	177,133	174,966	14,147
Wastewater Utility - Bond and Interest	-	102,440	102,440	-
Wastewater Utility - Debt Reserve	106,407	-	-	106,407
Wastewater Utility - Replacement	39,267	1,000	4,536	35,731
Wastewater Utility - Improvement	19,791	20,267	31,347	8,711
Fiduciary Funds:				
Utility Clearing	412	401,423	401,409	426
Koebcke	13,269	208	531	12,946
Excess Levy	7,360	423	7,360	423
Payroll	-	178,050	178,050	-
Totals	<u>\$ 558,615</u>	<u>\$ 1,614,506</u>	<u>\$ 1,504,915</u>	<u>\$ 668,206</u>

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

TOWN OF FRANCESVILLE
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, 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.

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 FRANCESVILLE
 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 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:	
Buildings	\$ 568,800
Improvements other than buildings	90,840
Machinery and equipment	<u>670,003</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,329,643</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Buildings	\$ 435,424
Improvements other than buildings	964,493
Machinery and equipment	<u>75,185</u>
Total Water Utility capital assets	<u>1,475,102</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	79,799
Improvements other than buildings	3,596,777
Machinery and equipment	<u>146,460</u>
Total Wastewater Utility capital assets	<u>3,823,036</u>
Total business-type activities capital assets	<u>\$ 5,298,138</u>

TOWN OF FRANCESVILLE
 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:		
Revenue bonds:		
Water Improvements	\$ 490,000	\$ 48,974
Wastewater Utility:		
Revenue bonds:		
Sewer Improvements	<u>575,000</u>	<u>103,637</u>
Total business-type activities debt	<u>\$ 1,065,000</u>	<u>\$ 152,611</u>

TOWN OF FRANCESVILLE
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2011, with Marla Dawson, Clerk-Treasurer, and Steve Sewell, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.