

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF ALBION

NOBLE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
04/26/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Carol A. Selby	01-01-08 to 12-31-15
President of the Town Council	James L. Stull	01-01-10 to 12-31-12
Superintendent of Utilities	John Forker	01-01-10 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ALBION, NOBLE COUNTY, INDIANA

We have examined the financial statements of the Town of Albion (Town), for the period of January 1, 2010 to December 31, 2011. The Town's management is responsible for the financial statements. 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, Town Council, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

March 8, 2012

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Town. The financial statements and notes are presented as intended by the Town.

TOWN OF ALBION
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 477,179	\$ 788,480	\$ 802,954	\$ 462,705
Motor Vehicle Highway	271,978	347,077	421,943	197,112
Local Road and Street	85,299	11,731	41,405	55,625
Park and Recreation	45,702	93,978	92,955	46,725
Cemetery	47,011	45,491	57,543	34,959
Local Law Continuing Education	953	1,336	-	2,289
Park-Donation	7,372	13,879	16,333	4,918
Park Development	1,465	2	-	1,467
Park-Fireworks Donation	3,924	3,904	3,243	4,585
Park-Soccer	50	-	-	50
Bullet Proof Vest Partner	-	1,842	1,842	-
Grant	-	600	600	-
Rainy Day	73,278	81,237	14,019	140,496
Levy Excess	-	2,296	-	2,296
Operation Pullover	-	330	315	15
TIF District #1	971,339	336,678	199,055	1,108,962
TIF District #2	80,107	36,510	3,284	113,333
General Donations	5,684	801	4,494	1,991
Forfeiture	223	-	-	223
Park-Skateboard	3,198	-	-	3,198
Chipper Replacement	4,069	508	-	4,577
Restitution	-	553	553	-
Debt Service Fire Station	(2,466)	107,018	104,552	-
Cumulative Capital Development	139,973	37,839	9,846	167,966
CEDIT	108,963	90,922	92,292	107,593
Cumulative Capital Improvement	46,996	6,687	7,416	46,267
Payroll	21,179	54,311	54,311	21,179
PERF	1,055	3,781	3,786	1,050
Federal Tax Withholding	-	66,127	66,127	-
State Tax Withholding	-	24,677	24,677	-
Social Security And Medicare	-	54,241	54,241	-
Local Tax Withholding	-	10,450	10,450	-
Credit Union	-	187,296	187,296	-
Employee Insurance	938	28,119	28,346	711
Aflac Insurance	203	1,469	1,483	189
Garnishments Ordered	-	-	-	-
HAS Deductible Contributions	-	18,348	18,348	-
Corporation Payroll Tax	152	174,823	174,821	154
Wastewater Utility Operating	91,748	249,595	265,298	76,045
Water Utility Operating	645,826	700,676	561,349	785,153
Water Utility Customer Deposit	45,740	8,700	6,270	48,170
Totals	<u>\$ 3,179,138</u>	<u>\$ 3,592,312</u>	<u>\$ 3,331,447</u>	<u>\$ 3,440,003</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF ALBION
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 462,705	\$ 773,769	\$ 807,690	\$ 428,784
Motor Vehicle Highway	197,112	342,008	264,023	275,097
Local Road and Street	55,625	11,384	-	67,009
Local Law Continuing Education	2,289	2,160	1,843	2,606
Park and Recreation	46,725	91,862	91,387	47,200
Rainy Day	140,496	35,000	18,278	157,218
Levy Excess	2,296	-	2,296	-
TIF District #1	1,108,962	336,844	103,018	1,342,788
Cumulative Capital Development	167,966	34,130	14,274	187,822
CEDIT	107,593	76,922	29,842	154,673
Cumulative Capital Improvement	46,267	6,559	659	52,167
Cemetery	34,959	61,760	46,495	50,224
Park-Donation	4,918	21,643	20,456	6,105
Park Development	1,467	1	-	1,468
Park-Fireworks Donation	4,585	4,356	3,210	5,731
Park-Soccer	50	-	-	50
Operation Pullover	15	1,211	1,095	131
TIF District #2	113,333	163,819	3,459	273,693
General Donations	1,991	4,400	3,296	3,095
Forfeiture	223	-	-	223
Park-Skateboard	3,198	-	-	3,198
Chipper Replacement	4,577	507	-	5,084
Debt Service	-	110,362	103,050	7,312
Payroll	21,179	54,666	54,666	21,179
PERF	1,050	5,088	6,137	1
Federal Tax Withholding	-	76,774	76,774	-
State Tax Withholding	-	25,104	25,104	-
Social Security And Medicare	-	40,374	40,374	-
Local Tax Withholding	-	10,502	10,502	-
Credit Union	-	216,601	216,601	-
Employee Insurance	711	30,598	29,854	1,455
Aflac Insurance	189	1,612	1,569	232
Garnishments Ordered	-	18	18	-
HAS Deductible Contributions	-	17,150	17,150	-
Corporation Payroll Tax	154	171,816	171,814	156
Wastewater Utility Operating	76,045	267,965	267,495	76,515
Water Utility Operating	785,153	831,829	560,048	1,056,934
Water Utility Customer Deposit	48,170	8,300	5,430	51,040
Totals	<u>\$ 3,440,003</u>	<u>\$ 3,837,094</u>	<u>\$ 2,997,907</u>	<u>\$ 4,279,190</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF ALBION
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, storm water, trash, and urban redevelopment and housing.

The accompanying financial statements present the financial information for the Town (primary government), and do not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF ALBION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

TOWN OF ALBION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Town may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Town. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Town. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Town submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

TOWN OF ALBION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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 5. Risk Management

The Town may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 Indiana Public Retirement System (INPRS) 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 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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:

TOWN OF ALBION
NOTES TO FINANCIAL STATEMENTS
(Continued)

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Motor Vehicle Highway	Local Road and Street	Park and Recreation	Cemetery	Local Law Continuing Education	Park-Donation
Cash and investments - beginning	\$ 477,179	\$ 271,978	\$ 85,299	\$ 45,702	\$ 47,011	\$ 953	\$ 7,372
Receipts:							
Taxes	340,176	253,784	-	87,988	35,842	-	-
Licenses and permits	2,568	-	-	-	-	910	3,725
Intergovernmental	319,822	85,668	11,731	5,990	2,439	-	-
Charges for services	107,636	-	-	-	7,210	165	900
Fines and forfeits	3,824	-	-	-	-	261	-
Utility fees	-	-	-	-	-	-	-
Other receipts	14,454	7,625	-	-	-	-	9,254
Total receipts	<u>788,480</u>	<u>347,077</u>	<u>11,731</u>	<u>93,978</u>	<u>45,491</u>	<u>1,336</u>	<u>13,879</u>
Disbursements:							
Personal services	460,331	181,826	-	63,522	31,658	-	-
Supplies	45,111	45,289	-	10,329	5,297	-	-
Other services and charges	245,555	12,717	-	14,280	913	-	-
Capital outlay	47,711	182,111	41,405	4,824	19,675	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	4,246	-	-	-	-	-	16,333
Total disbursements	<u>802,954</u>	<u>421,943</u>	<u>41,405</u>	<u>92,955</u>	<u>57,543</u>	<u>-</u>	<u>16,333</u>
Excess (deficiency) of receipts over disbursements	<u>(14,474)</u>	<u>(74,866)</u>	<u>(29,674)</u>	<u>1,023</u>	<u>(12,052)</u>	<u>1,336</u>	<u>(2,454)</u>
Cash and investments - ending	<u>\$ 462,705</u>	<u>\$ 197,112</u>	<u>\$ 55,625</u>	<u>\$ 46,725</u>	<u>\$ 34,959</u>	<u>\$ 2,289</u>	<u>\$ 4,918</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Park Development	Park-Fireworks Donation	Park-Soccer	Bullet Proof Vest Partner	Grant	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 1,465	\$ 3,924	\$ 50	\$ -	\$ -	\$ 73,278	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>2</u>	<u>3,904</u>	<u>-</u>	<u>1,842</u>	<u>600</u>	<u>81,237</u>	<u>2,296</u>
Total receipts	<u>2</u>	<u>3,904</u>	<u>-</u>	<u>1,842</u>	<u>600</u>	<u>81,237</u>	<u>2,296</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	12,521	-
Capital outlay	-	-	-	-	-	1,498	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>3,243</u>	<u>-</u>	<u>1,842</u>	<u>600</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>-</u>	<u>3,243</u>	<u>-</u>	<u>1,842</u>	<u>600</u>	<u>14,019</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2</u>	<u>661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,218</u>	<u>2,296</u>
Cash and investments - ending	<u>\$ 1,467</u>	<u>\$ 4,585</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,496</u>	<u>\$ 2,296</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Operation Pullover	TIF District #1	TIF District #2	General Donations	Forfeiture	Park- Skateboard	Chipper Replacement
Cash and investments - beginning	\$ -	\$ 971,339	\$ 80,107	\$ 5,684	\$ 223	\$ 3,198	\$ 4,069
Receipts:							
Taxes	-	336,678	36,510	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	330	-	-	801	-	-	508
Total receipts	330	336,678	36,510	801	-	-	508
Disbursements:							
Personal services	315	4,493	3,284	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	194,562	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	4,494	-	-	-
Total disbursements	315	199,055	3,284	4,494	-	-	-
Excess (deficiency) of receipts over disbursements	15	137,623	33,226	(3,693)	-	-	508
Cash and investments - ending	\$ 15	\$ 1,108,962	\$ 113,333	\$ 1,991	\$ 223	\$ 3,198	\$ 4,577

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Restitution	Debt Service Fire Station	Cumulative Capital Development	CEDIT	Cumulative Capital Improvement	Payroll	PERF
Cash and investments - beginning	\$ -	\$ (2,466)	\$ 139,973	\$ 108,963	\$ 46,996	\$ 21,179	\$ 1,055
Receipts:							
Taxes	-	65,556	35,427	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	4,462	2,412	90,922	6,687	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	553	37,000	-	-	-	54,311	3,781
Total receipts	553	107,018	37,839	90,922	6,687	54,311	3,781
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	3,676	-	-	-
Other services and charges	-	104,552	-	12,158	-	-	-
Capital outlay	-	-	9,846	76,458	7,416	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	553	-	-	-	-	54,311	3,786
Total disbursements	553	104,552	9,846	92,292	7,416	54,311	3,786
Excess (deficiency) of receipts over disbursements	-	2,466	27,993	(1,370)	(729)	-	(5)
Cash and investments - ending	\$ -	\$ -	\$ 167,966	\$ 107,593	\$ 46,267	\$ 21,179	\$ 1,050

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Federal Tax Withholding	State Tax Withholding	Social Security And Medicare	Local Tax Withholding	Credit Union	Employee Insurance	Aflac Insurance
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 938	\$ 203
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>66,127</u>	<u>24,677</u>	<u>54,241</u>	<u>10,450</u>	<u>187,296</u>	<u>28,119</u>	<u>1,469</u>
Total receipts	<u>66,127</u>	<u>24,677</u>	<u>54,241</u>	<u>10,450</u>	<u>187,296</u>	<u>28,119</u>	<u>1,469</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>66,127</u>	<u>24,677</u>	<u>54,241</u>	<u>10,450</u>	<u>187,296</u>	<u>28,346</u>	<u>1,483</u>
Total disbursements	<u>66,127</u>	<u>24,677</u>	<u>54,241</u>	<u>10,450</u>	<u>187,296</u>	<u>28,346</u>	<u>1,483</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(227)</u>	<u>(14)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 711</u>	<u>\$ 189</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Garnishments Ordered	HAS Deductible Contributions	Corporation Payroll Tax	Wastewater Utility Operating	Water Utility Operating	Water Utility Customer Deposit	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 152	\$ 91,748	\$ 645,826	\$ 45,740	\$ 3,179,138
Receipts:							
Taxes	-	-	-	-	-	-	1,191,961
Licenses and permits	-	-	-	-	-	-	7,203
Intergovernmental	-	-	-	-	-	-	530,133
Charges for services	-	-	-	-	-	-	115,911
Fines and forfeits	-	-	-	-	-	-	4,085
Utility fees	-	-	-	214,101	411,384	-	625,485
Other receipts	-	18,348	174,823	35,494	289,292	8,700	1,117,534
Total receipts	-	18,348	174,823	249,595	700,676	8,700	3,592,312
Disbursements:							
Personal services	-	-	-	-	-	-	745,429
Supplies	-	-	-	-	-	-	109,702
Other services and charges	-	-	-	-	-	-	402,696
Capital outlay	-	-	-	-	-	-	585,506
Utility operating expenses	-	-	-	245,298	561,349	6,270	812,917
Other disbursements	-	18,348	174,821	20,000	-	-	675,197
Total disbursements	-	18,348	174,821	265,298	561,349	6,270	3,331,447
Excess (deficiency) of receipts over disbursements	-	-	2	(15,703)	139,327	2,430	260,865
Cash and investments - ending	\$ -	\$ -	\$ 154	\$ 76,045	\$ 785,153	\$ 48,170	\$ 3,440,003

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General	Motor Vehicle Highway	Local Road and Street	Local Law Continuing Education	Park and Recreation	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 462,705	\$ 197,112	\$ 55,625	\$ 2,289	\$ 46,725	\$ 140,496	\$ 2,296
Receipts:							
Taxes	566,998	262,966	11,384	-	85,395	35,000	-
Licenses and permits	2,312	-	-	1,410	-	-	-
Intergovernmental	49,831	79,042	-	-	6,467	-	-
Charges for services	101,518	-	-	-	-	-	-
Fines and forfeits	5,436	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	47,674	-	-	750	-	-	-
Total receipts	<u>773,769</u>	<u>342,008</u>	<u>11,384</u>	<u>2,160</u>	<u>91,862</u>	<u>35,000</u>	<u>-</u>
Disbursements:							
Personal services	475,613	180,567	-	-	71,306	-	-
Supplies	82,900	40,046	-	1,843	9,282	-	-
Other services and charges	191,511	16,066	-	-	10,156	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	47,699	22,650	-	-	643	7,628	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	9,967	4,694	-	-	-	10,650	2,296
Total disbursements	<u>807,690</u>	<u>264,023</u>	<u>-</u>	<u>1,843</u>	<u>91,387</u>	<u>18,278</u>	<u>2,296</u>
Excess (deficiency) of receipts over disbursements	<u>(33,921)</u>	<u>77,985</u>	<u>11,384</u>	<u>317</u>	<u>475</u>	<u>16,722</u>	<u>(2,296)</u>
Cash and investments - ending	<u>\$ 428,784</u>	<u>\$ 275,097</u>	<u>\$ 67,009</u>	<u>\$ 2,606</u>	<u>\$ 47,200</u>	<u>\$ 157,218</u>	<u>\$ -</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	TIF District #1	Cumulative Capital Development	CEDIT	Cumulative Capital Improvement	Cemetery	Park-Donation	Park Development
Cash and investments - beginning	\$ 1,108,962	\$ 167,966	\$ 107,593	\$ 46,267	\$ 34,959	\$ 4,918	\$ 1,467
Receipts:							
Taxes	336,844	31,727	-	-	50,300	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	2,403	76,922	6,559	3,685	-	-
Charges for services	-	-	-	-	7,775	2,355	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	19,288	1
Total receipts	<u>336,844</u>	<u>34,130</u>	<u>76,922</u>	<u>6,559</u>	<u>61,760</u>	<u>21,643</u>	<u>1</u>
Disbursements:							
Personal services	-	-	-	-	35,974	-	-
Supplies	-	-	16,729	-	6,989	20,456	-
Other services and charges	1,179	-	-	-	1,243	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	64,839	14,274	12,638	659	2,289	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	37,000	-	475	-	-	-	-
Total disbursements	<u>103,018</u>	<u>14,274</u>	<u>29,842</u>	<u>659</u>	<u>46,495</u>	<u>20,456</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>233,826</u>	<u>19,856</u>	<u>47,080</u>	<u>5,900</u>	<u>15,265</u>	<u>1,187</u>	<u>1</u>
Cash and investments - ending	<u>\$ 1,342,788</u>	<u>\$ 187,822</u>	<u>\$ 154,673</u>	<u>\$ 52,167</u>	<u>\$ 50,224</u>	<u>\$ 6,105</u>	<u>\$ 1,468</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Park-Fireworks Donation	Park-Soccer	Operation Pullover	TIF District #2	General Donations	Forfeiture	Park- Skateboard
Cash and investments - beginning	\$ 4,585	\$ 50	\$ 15	\$ 113,333	\$ 1,991	\$ 223	\$ 3,198
Receipts:							
Taxes	-	-	-	163,819	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4,356	-	1,211	-	4,400	-	-
Total receipts	4,356	-	1,211	163,819	4,400	-	-
Disbursements:							
Personal services	-	-	1,095	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	3,459	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	3,210	-	-	-	3,296	-	-
Total disbursements	3,210	-	1,095	3,459	3,296	-	-
Excess (deficiency) of receipts over disbursements	1,146	-	116	160,360	1,104	-	-
Cash and investments - ending	\$ 5,731	\$ 50	\$ 131	\$ 273,693	\$ 3,095	\$ 223	\$ 3,198

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	<u>Chipper Replacement</u>	<u>Debt Service</u>	<u>Payroll</u>	<u>PERF</u>	<u>Federal Tax Withholding</u>	<u>State Tax Withholding</u>
Cash and investments - beginning	\$ 4,577	\$ -	\$ 21,179	\$ 1,050	\$ -	\$ -
Receipts:						
Taxes	-	68,197	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	5,165	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	<u>507</u>	<u>37,000</u>	<u>54,666</u>	<u>5,088</u>	<u>76,774</u>	<u>25,104</u>
Total receipts	<u>507</u>	<u>110,362</u>	<u>54,666</u>	<u>5,088</u>	<u>76,774</u>	<u>25,104</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	103,000	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>50</u>	<u>54,666</u>	<u>6,137</u>	<u>76,774</u>	<u>25,104</u>
Total disbursements	<u>-</u>	<u>103,050</u>	<u>54,666</u>	<u>6,137</u>	<u>76,774</u>	<u>25,104</u>
Excess (deficiency) of receipts over disbursements	<u>507</u>	<u>7,312</u>	<u>-</u>	<u>(1,049)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,084</u>	<u>\$ 7,312</u>	<u>\$ 21,179</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Social Security And Medicare	Local Tax Withholding	Credit Union	Employee Insurance	Aflac Insurance	Garnishments Ordered
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 711	\$ 189	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	40,374	10,502	216,601	30,598	1,612	18
Total receipts	40,374	10,502	216,601	30,598	1,612	18
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	40,374	10,502	216,601	29,854	1,569	18
Total disbursements	40,374	10,502	216,601	29,854	1,569	18
Excess (deficiency) of receipts over disbursements	-	-	-	744	43	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 1,455	\$ 232	\$ -

TOWN OF ALBION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	HAS Deductible Contributions	Corporation Payroll Tax	Wastewater Utility Operating	Water Utility Operating	Water Utility Customer Deposit	Totals
Cash and investments - beginning	\$ -	\$ 154	\$ 76,045	\$ 785,153	\$ 48,170	\$ 3,440,003
Receipts:						
Taxes	-	-	-	-	-	1,612,630
Licenses and permits	-	-	-	-	-	3,722
Intergovernmental	-	-	-	-	-	230,074
Charges for services	-	-	-	-	-	111,648
Fines and forfeits	-	-	-	-	-	5,436
Utility fees	-	-	242,242	394,460	-	636,702
Other receipts	17,150	171,816	25,723	437,369	8,300	1,236,882
Total receipts	17,150	171,816	267,965	831,829	8,300	3,837,094
Disbursements:						
Personal services	-	-	-	-	-	764,555
Supplies	-	-	-	-	-	178,245
Other services and charges	-	-	-	-	-	220,155
Debt service - principal and interest	-	-	-	-	-	103,000
Capital outlay	-	-	-	-	-	176,778
Utility operating expenses	-	-	247,495	224,004	-	471,499
Other disbursements	17,150	171,814	20,000	336,044	5,430	1,083,675
Total disbursements	17,150	171,814	267,495	560,048	5,430	2,997,907
Excess (deficiency) of receipts over disbursements	-	2	470	271,781	2,870	839,187
Cash and investments - ending	\$ -	\$ 156	\$ 76,515	\$ 1,056,934	\$ 51,040	\$ 4,279,190

TOWN OF ALBION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 Decemeber 31, 2011

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
Other:	
Capital assets, not being depreciated	
Land	\$ 220,020
Infrastructure	861,355
Buildings	3,040,486
Improvements other than buildings	316,485
Machinery and equipment	3,259,196
Total other capital assets	7,697,542
Water Utility:	
Capital assets, not being depreciated:	
Land	11,457
Infrastructure	1,332,243
Buildings	68,847
Improvements other than buildings	923,216
Machinery and equipment	334,358
Transportation equipment	125,493
Total Water Utility capital assets	2,795,614
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	15,002
Buildings	80,465
Improvements other than buildings	1,238,439
Machinery and equipment	142,452
Transportation equipment	134,209
Total Wastewater Utility capital assets	1,610,567
Total capital assets, not being depreciated	\$ 12,103,723

TOWN OF ALBION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2011

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Capital leases:			
Fire Station/Municipal Building	\$ 875,000	\$ 48,813	Debt Service
Town Loan Payable (1/2)	115,300	47,644	General
Water Loan Payable (1/2)	115,300	47,644	Water Utility
Note Payable/Fire Truck	374,214	130,346	General and Redevelopment
Total long-term debt	<u>\$ 1,479,814</u>	<u>\$ 274,447</u>	

TOWN OF ALBION
EXIT CONFERENCE

The contents of this report were discussed on March 8, 2012, with Carol A. Selby, Clerk-Treasurer; Beth Shellman, Town Manager; and Christina Magnuson, Town Council member. Our examination disclosed no material items that warrant comment at this time.