

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF BAINBRIDGE

PUTNAM COUNTY, INDIANA

January 1, 2009 to December 31, 2010



**FILED**  
04/26/2012



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jason T. Hartman	01-01-08 to 12-31-15
President of the Town Council	Richard Cope Charles McElwee	01-01-09 to 12-31-11 01-01-12 to 12-31-12
President of the Utility Service Board	Jeff Kiger	01-01-09 to 12-31-12
Superintendent of the Utilities	James Nelson	01-01-09 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 BAINBRIDGE, PUTNAM COUNTY, INDIANA

We have examined the financial statements of the Town of Bainbridge (Town), for the period of January 1, 2009 to December 31, 2010. 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.

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, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 23, 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 BAINBRIDGE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2009

Fund	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General	\$ 64,939	\$ 278,593	\$ 186,575	\$ 156,957
Motor Vehicle Highway	185,059	30,815	45,262	170,612
Local Road And Street	(8,150)	3,609	-	(4,541)
E.D.I.T	11,867	17,399	11,195	18,071
Police Continuing Education	1,670	300	150	1,820
Riverboat Wagering	28,105	4,649	-	32,754
Rainy Day	7,353	-	-	7,353
Criminal Justice Grant	702	-	-	702
Police Equipment Donation	866	100	-	966
Childrens Activities	739	-	-	739
Cumulative Capital Development	47,507	6,830	-	54,337
Cumulative Capital Improvement	21,246	2,278	-	23,524
Payroll	6,752	238,468	240,899	4,321
Electric Operating	37,897	543,013	509,214	71,696
Electric Replacement	15,898	-	9,806	6,092
Electric Meter Deposit	6,050	3,000	2,100	6,950
Electric Cash Reserve	6,481	-	-	6,481
Gas Operating	62,617	272,716	338,300	(2,967)
Gas Meter Deposit	7,400	2,100	2,100	7,400
Gas Emergency Reserve	109,107	-	-	109,107
Sewer Operating	77,415	157,965	130,137	105,243
Sewer Bond & Interest	(9,181)	86,781	37,600	40,000
Sewer Improvement	49,383	-	-	49,383
Sewer Meter Deposit	2,600	1,010	750	2,860
Sewer Debt Service	52,219	-	42,219	10,000
Water Operating	135,789	153,023	117,689	171,123
Water Bond And Interest	71,334	(40,000)	8,755	22,579
Water Replacement	37,094	-	3,852	33,242
Water Meter Deposit	2,191	1,010	680	2,521
Water Cash Reserve	37,463	-	-	37,463
Water Debt Service	34,181	-	-	34,181
Totals	<u>\$ 1,104,593</u>	<u>\$ 1,763,659</u>	<u>\$ 1,687,283</u>	<u>\$ 1,180,969</u>

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

TOWN OF BAINBRIDGE  
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	\$ 156,957	\$ 190,912	\$ 206,450	\$ 141,419
Motor Vehicle Highway	170,612	29,850	18,167	182,295
Local Road And Street	(4,541)	3,699	-	(842)
E.D.I.T.	18,071	18,655	11,196	25,530
Police Continuing Education	1,820	280	445	1,655
Riverboat Wagering	32,754	4,650	16,500	20,904
Rainy Day	7,353	7,889	10,000	5,242
Criminal Justice Grant	702	-	-	702
Police Equipment Donation	966	20	-	986
Childrens Activities	739	-	-	739
Cumulative Capital Development	54,337	1,261	-	55,598
Cumulative Capital Improvement	23,524	2,176	-	25,700
Energy Efficiency Grant	-	-	110,744	(110,744)
Federal Withholdings	-	2,200	-	2,200
Payroll	4,321	245,812	246,165	3,968
Electric Operating	71,696	588,056	526,301	133,451
Electric Replacement	6,092	-	-	6,092
Electric Meter Deposit	6,950	2,407	2,507	6,850
Electric Cash Reserve	6,481	-	-	6,481
Gas Operating	(2,967)	309,018	282,343	23,708
Gas Meter Deposit	7,400	2,700	2,500	7,600
Gas Emergency Reserve	109,107	-	59,107	50,000
Sewer Operating	105,243	160,002	125,900	139,345
Sewer Bond & Interest	40,000	2,959	40,341	2,618
Sewer Improvement	49,383	234,300	234,300	49,383
Sewer Meter Deposit	2,860	1,020	800	3,080
Sewer Debt Service	10,000	-	-	10,000
Water Operating	171,123	149,588	136,425	184,286
Water Bond And Interest	22,579	-	8,725	13,854
Water Replacement	33,242	-	-	33,242
Water Meter Deposit	2,521	1,020	741	2,800
Water Cash Reserve	37,463	-	-	37,463
Water Debt Service	34,181	-	-	34,181
<b>Totals</b>	<b>\$ 1,180,969</b>	<b>\$ 1,958,474</b>	<b>\$ 2,039,657</b>	<b>\$ 1,099,786</b>

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

TOWN OF BAINBRIDGE  
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, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, 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 BAINBRIDGE  
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, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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.

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

TOWN OF BAINBRIDGE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

**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.

TOWN OF BAINBRIDGE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 any 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 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 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.

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 BAINBRIDGE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 7. Subsequent Event**

The Water Utility was awarded a Community Development Block Grant in the amount of \$917,500 in 2011, which was used to repair and upgrade the water tower and water treatment plant and to purchase new meters and meter-reading software.

### SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2009 and 2010 Annual Reports can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

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 approved by management of the Town. It is presented as intended by the Town.

TOWN OF BAINBRIDGE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009

	General	Motor Vehicle Highway	Local Road And Street	E.D.I.T	Police Continuing Education	Riverboat Wagering	Rainy Day	Criminal Justice Grant
Cash and investments - beginning	\$ 64,939	\$ 185,059	\$ (8,150)	\$ 11,867	\$ 1,670	\$ 28,105	\$ 7,353	\$ 702
Receipts:								
Taxes	221,629	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	210	-	-	-
Intergovernmental	53,658	30,815	3,609	17,399	-	4,649	-	-
Charges for services	-	-	-	-	90	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	3,306	-	-	-	-	-	-	-
Total receipts	278,593	30,815	3,609	17,399	300	4,649	-	-
Disbursements:								
Personal services	93,937	-	-	-	-	-	-	-
Supplies	14,139	530	-	-	-	-	-	-
Other services and charges	48,475	35,530	-	-	150	-	-	-
Debt service - principal and interest	-	-	-	11,195	-	-	-	-
Capital outlay	30,024	9,202	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	186,575	45,262	-	11,195	150	-	-	-
Excess (deficiency) of receipts over disbursements	92,018	(14,447)	3,609	6,204	150	4,649	-	-
Cash and investments - ending	\$ 156,957	\$ 170,612	\$ (4,541)	\$ 18,071	\$ 1,820	\$ 32,754	\$ 7,353	\$ 702

TOWN OF BAINBRIDGE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Police Equipment Donation	Childrens Activities	Cumulative Capital Development	Cumulative Capital Improvement	Payroll	Electric Operating	Electric Replacement	Electric Meter Deposit
Cash and investments - beginning	\$ 866	\$ 739	\$ 47,507	\$ 21,246	\$ 6,752	\$ 37,897	\$ 15,898	\$ 6,050
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	6,830	2,278	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	213,505	-	3,000
Penalties	-	-	-	-	-	8,598	-	-
Other receipts	100	-	-	-	238,468	320,910	-	-
Total receipts	100	-	6,830	2,278	238,468	543,013	-	3,000
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	9,888	9,806	-
Utility operating expenses	-	-	-	-	-	489,995	-	2,100
Other disbursements	-	-	-	-	240,899	9,331	-	-
Total disbursements	-	-	-	-	240,899	509,214	9,806	2,100
Excess (deficiency) of receipts over disbursements	100	-	6,830	2,278	(2,431)	33,799	(9,806)	900
Cash and investments - ending	\$ 966	\$ 739	\$ 54,337	\$ 23,524	\$ 4,321	\$ 71,696	\$ 6,092	\$ 6,950

TOWN OF BAINBRIDGE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Electric Cash Reserve	Gas Operating	Gas Meter Deposit	Gas Emergency Reserve	Sewer Operating	Sewer Bond & Interest	Sewer Improvement	Sewer Meter Deposit
Cash and investments - beginning	\$ 6,481	\$ 62,617	\$ 7,400	\$ 109,107	\$ 77,415	\$ (9,181)	\$ 49,383	\$ 2,600
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	253,358	-	-	2,617	-	-	-
Penalties	-	-	-	-	1,736	-	-	-
Other receipts	-	19,358	2,100	-	153,612	86,781	-	1,010
Total receipts	-	272,716	2,100	-	157,965	86,781	-	1,010
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	7,600	-	-
Capital outlay	-	9,887	-	-	10,562	-	-	-
Utility operating expenses	-	302,907	2,100	-	106,402	30,000	-	750
Other disbursements	-	25,506	-	-	13,173	-	-	-
Total disbursements	-	338,300	2,100	-	130,137	37,600	-	750
Excess (deficiency) of receipts over disbursements	-	(65,584)	-	-	27,828	49,181	-	260
Cash and investments - ending	\$ 6,481	\$ (2,967)	\$ 7,400	\$ 109,107	\$ 105,243	\$ 40,000	\$ 49,383	\$ 2,860

TOWN OF BAINBRIDGE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Sewer Debt Service	Water Operating	Water Bond And Interest	Water Replacement	Water Meter Deposit	Water Cash Reserve	Water Debt Service	Totals
Cash and investments - beginning	\$ 52,219	\$ 135,789	\$ 71,334	\$ 37,094	\$ 2,191	\$ 37,463	\$ 34,181	\$ 1,104,593
Receipts:								
Taxes	-	-	-	-	-	-	-	221,629
Licenses and permits	-	-	-	-	-	-	-	210
Intergovernmental	-	-	-	-	-	-	-	119,238
Charges for services	-	-	-	-	-	-	-	90
Utility fees	-	8,875	-	-	-	-	-	481,355
Penalties	-	400	-	-	-	-	-	10,734
Other receipts	-	143,748	(40,000)	-	1,010	-	-	930,403
Total receipts	-	153,023	(40,000)	-	1,010	-	-	1,763,659
Disbursements:								
Personal services	-	-	-	-	-	-	-	93,937
Supplies	-	-	-	-	-	-	-	14,669
Other services and charges	-	-	-	-	-	-	-	84,155
Debt service - principal and interest	-	-	6,155	-	-	-	-	24,950
Capital outlay	-	14,767	-	3,852	-	-	-	97,988
Utility operating expenses	42,219	93,182	2,600	-	680	-	-	1,072,935
Other disbursements	-	9,740	-	-	-	-	-	298,649
Total disbursements	42,219	117,689	8,755	3,852	680	-	-	1,687,283
Excess (deficiency) of receipts over disbursements	(42,219)	35,334	(48,755)	(3,852)	330	-	-	76,376
Cash and investments - ending	\$ 10,000	\$ 171,123	\$ 22,579	\$ 33,242	\$ 2,521	\$ 37,463	\$ 34,181	\$ 1,180,969

TOWN OF BAINBRIDGE  
 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	E.D.I.T	Police Continuing Education	Riverboat Wagering	Rainy Day	Criminal Justice Grant	Police Equipment Donation
Cash and investments - beginning	\$ 156,957	\$ 170,612	\$ (4,541)	\$ 18,071	\$ 1,820	\$ 32,754	\$ 7,353	\$ 702	\$ 966
Receipts:									
Taxes	123,746	6,887	-	-	-	-	-	-	-
Intergovernmental	56,934	22,963	3,699	18,655	-	4,650	-	-	-
Charges for services	-	-	-	-	280	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-
Other receipts	10,232	-	-	-	-	-	7,889	-	20
Total receipts	<u>190,912</u>	<u>29,850</u>	<u>3,699</u>	<u>18,655</u>	<u>280</u>	<u>4,650</u>	<u>7,889</u>	<u>-</u>	<u>20</u>
Disbursements:									
Personal services	97,272	113	-	-	-	-	-	-	-
Supplies	14,322	2,946	-	-	295	-	-	-	-
Other services and charges	83,732	15,108	-	-	150	-	-	-	-
Debt service - principal and interest	-	-	-	7,010	-	-	-	-	-
Capital outlay	11,124	-	-	4,186	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	16,500	10,000	-	-
Total disbursements	<u>206,450</u>	<u>18,167</u>	<u>-</u>	<u>11,196</u>	<u>445</u>	<u>16,500</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(15,538)</u>	<u>11,683</u>	<u>3,699</u>	<u>7,459</u>	<u>(165)</u>	<u>(11,850)</u>	<u>(2,111)</u>	<u>-</u>	<u>20</u>
Cash and investments - ending	<u>\$ 141,419</u>	<u>\$ 182,295</u>	<u>\$ (842)</u>	<u>\$ 25,530</u>	<u>\$ 1,655</u>	<u>\$ 20,904</u>	<u>\$ 5,242</u>	<u>\$ 702</u>	<u>\$ 986</u>

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

	Childrens Activities	Cumulative Capital Development	Cumulative Capital Improvement	Energy Efficiency Grant	Federal Withholdings	Payroll	Electric Operating	Electric Replacement	Electric Meter Deposit
Cash and investments - beginning	\$ 739	\$ 54,337	\$ 23,524	\$ -	\$ -	\$ 4,321	\$ 71,696	\$ 6,092	\$ 6,950
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	1,261	2,176	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	541,493	-	-
Penalties	-	-	-	-	-	-	9,425	-	-
Other receipts	-	-	-	-	2,200	245,812	37,138	-	2,407
Total receipts	-	1,261	2,176	-	2,200	245,812	588,056	-	2,407
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	110,744	-	-	3,078	-	-
Utility operating expenses	-	-	-	-	-	-	475,161	-	2,450
Other disbursements	-	-	-	-	-	246,165	48,062	-	57
Total disbursements	-	-	-	110,744	-	246,165	526,301	-	2,507
Excess (deficiency) of receipts over disbursements	-	1,261	2,176	(110,744)	2,200	(353)	61,755	-	(100)
Cash and investments - ending	\$ 739	\$ 55,598	\$ 25,700	\$ (110,744)	\$ 2,200	\$ 3,968	\$ 133,451	\$ 6,092	\$ 6,850

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

	Electric Cash Reserve	Gas Operating	Gas Meter Deposit	Gas Emergency Reserve	Sewer Operating	Sewer Bond & Interest	Sewer Improvement	Sewer Meter Deposit
Cash and investments - beginning	\$ 6,481	\$ (2,967)	\$ 7,400	\$ 109,107	\$ 105,243	\$ 40,000	\$ 49,383	\$ 2,860
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	229,920	-	-	156,197	-	-	-
Penalties	-	62,533	-	-	1,294	-	-	-
Other receipts	-	16,565	2,700	-	2,511	2,959	234,300	1,020
Total receipts	-	309,018	2,700	-	160,002	2,959	234,300	1,020
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	40,341	-	-
Capital outlay	-	1,393	-	-	26,568	-	-	-
Utility operating expenses	-	258,697	2,500	59,107	84,884	-	234,300	800
Other disbursements	-	22,253	-	-	14,448	-	-	-
Total disbursements	-	282,343	2,500	59,107	125,900	40,341	234,300	800
Excess (deficiency) of receipts over disbursements	-	26,675	200	(59,107)	34,102	(37,382)	-	220
Cash and investments - ending	\$ 6,481	\$ 23,708	\$ 7,600	\$ 50,000	\$ 139,345	\$ 2,618	\$ 49,383	\$ 3,080

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

	Sewer Debt Service	Water Operating	Water Bond And Interest	Water Replacement	Water Meter Deposit	Water Cash Reserve	Water Debt Service	Totals
Cash and investments - beginning	\$ 10,000	\$ 171,123	\$ 22,579	\$ 33,242	\$ 2,521	\$ 37,463	\$ 34,181	\$ 1,180,969
Receipts:								
Taxes	-	-	-	-	-	-	-	130,633
Intergovernmental	-	-	-	-	-	-	-	110,338
Charges for services	-	-	-	-	-	-	-	280
Utility fees	-	117,925	-	-	-	-	-	1,045,535
Penalties	-	440	-	-	-	-	-	73,692
Other receipts	-	31,223	-	-	1,020	-	-	597,996
Total receipts	-	149,588	-	-	1,020	-	-	1,958,474
Disbursements:								
Personal services	-	-	-	-	-	-	-	97,385
Supplies	-	-	-	-	-	-	-	17,563
Other services and charges	-	-	-	-	-	-	-	98,990
Debt service - principal and interest	-	-	6,025	-	-	-	-	53,376
Capital outlay	-	-	2,700	-	-	-	-	159,793
Utility operating expenses	-	97,044	-	-	741	-	-	1,215,684
Other disbursements	-	39,381	-	-	-	-	-	396,866
Total disbursements	-	136,425	8,725	-	741	-	-	2,039,657
Excess (deficiency) of receipts over disbursements	-	13,163	(8,725)	-	279	-	-	(81,183)
Cash and investments - ending	\$ 10,000	\$ 184,286	\$ 13,854	\$ 33,242	\$ 2,800	\$ 37,463	\$ 34,181	\$ 1,099,786

TOWN OF BAINBRIDGE  
EXAMINATION RESULTS AND COMMENTS

***OVERDRAWN FUND BALANCES (Applies to Town and Gas Utility)***

The Local Road and Street Fund was overdrawn at December 31, 2009 and 2010. The Gas Operating Fund was overdrawn at December 31, 2009.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***OFFICIAL BOND (Applies to Town and Utilities)***

As stated in prior Report B36983, the Deputy Clerk-Treasurer was not bonded for 2009 or 2010.

Indiana Code 5-4-1-18 states in part:

"(a) Except as provided in subsection (b), the following . . . town, . . . officers and employees shall file an individual surety bond: . . .

(2) Town judges, and clerk-treasurers. . . .

(5) Those employees directed to file an individual bond by the fiscal body of a . . . town, . . .

(b) The fiscal body of a . . . town . . . may by ordinance authorize the purchase of a blanket bond or a crime insurance policy . . . to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a).

(c) The fiscal bodies of the respective units shall fix the amount of the bond of . . . town clerk-treasurers, Barrett Law fund custodians, . . . as follows:

(1) The amount must equal fifteen thousand dollars (\$15,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).

(2) The amount may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000). . . . The amount of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than eight thousand five hundred dollars (\$8,500). . . ."

NOTE: All employees who handle cash should be covered by some type of bond or crime insurance policy. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF BAINBRIDGE  
EXIT CONFERENCE

The contents of this report were discussed on March 23, 2012, with Jason T. Hartman, Clerk-Treasurer. The official concurred with our findings.