

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF SELLERSBURG

CLARK COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
01/29/2013



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	David L. Kinder	01-01-08 to 12-31-15
President of the Town Council	Brian K. Meyer Paul J. Rhodes	01-01-11 to 12-31-11 01-01-12 to 12-31-13
Director of Municipal Works	Kenneth J. Alexander	01-01-11 to 12-31-13



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF SELLERSBURG, CLARK COUNTY, INDIANA

We have examined the accompanying financial statement of the Town Of Sellersburg (Town), for the year ended December 31, 2011. The financial statement is the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statement 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 statement 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 statement 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 (Indiana Code 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 statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the year ended December 31, 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement 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

December 10, 2012

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## FINANCIAL STATEMENT

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

TOWN OF SELLERSBURG  
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 FUND	\$ 688,618	\$ 2,266,465	\$ 2,720,197	\$ 234,886
MOTOR VEHICLE HIGHWAY	42,894	167,555	169,954	40,495
LOCAL ROAD & STREET	80,895	62,323	57,455	85,763
RETIREE'S INSURANCE FUND	34,000	12,000	-	46,000
PUBLIC SAFETY FUND	83,773	224,367	128,317	179,823
IOCRA GRANT FUND	-	104,456	79,469	24,987
LECE	45,658	6,839	5,250	47,247
CLERKS RECORD PERP FUND	5,782	187	-	5,969
DEFERRAL USER FEE FUND	2,818	-	-	2,818
PARK & RECREATION	97,793	127,507	124,285	101,015
RAINY DAY	305,052	-	90,000	215,052
CUM CAP IMP - CIG TAX	19,697	17,434	17,887	19,244
CUM CAP DEVELOPMENT	84,050	40,835	37,205	87,680
SPD CHRISTMAS FOR KIDS	13,291	13,843	13,039	14,095
POLICE EQUIPMENT FUND	258	8,450	5,309	3,399
CEDIT	397,193	156,829	138,685	415,337
TIF FUND	-	24,121	3,034	21,087
METRO POLICE PENSION	176,447	80,015	79,228	177,234
STC COLLECTIONS	16,613	18,475	35,088	-
POLICE GRANTS	1,117	30,499	27,811	3,805
POLICE STATION FUND	1,857	-	-	1,857
STC BONDS	42,643	5,500	48,143	-
STC RESTITUTION	255	-	255	-
FIELDHOUSE FUND	375	190,661	177,044	13,992
PETTY/CASH FUND	1,350	-	750	600
PAYROLL NET SALARIES	-	507,173	507,173	-
PAYROLL DIRECT DEPOSIT CL	-	1,143,278	1,143,278	-
PAYROLL FEDERAL W/H	-	242,528	242,528	-
PAYROLL FICA/SOCIAL SEC	-	147,731	147,731	-
PAYROLL MEDICARE WH	-	61,979	61,979	-

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

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
PAYROLL STATE WH	-	68,907	68,907	-
PAYROLL COUNTY WH	-	38,809	38,809	-
PAYROLL POLICE PERF 77	-	21,108	21,108	-
PAYROLL HEALTH INS.	-	74,567	74,567	-
PAYROLL AFLAC	-	8,613	8,608	5
PAYROLL AFLAC LIFE	-	694	694	-
PAYROLL AUL LIFE	14	1,078	1,092	-
PAYROLL AUL VOL LIFE	2	11,548	11,530	20
PAYROLL AUL/DEF COMP	-	49,603	49,603	-
PAYROLL CHILD SUPPORT	-	26,459	26,459	-
PAYROLL GARNISHMENT NO. 1	-	7,200	7,200	-
PAYROLL GARNISHMENT NO. 2	-	7,134	7,134	-
WW OPERATING	55,526	1,896,880	1,740,032	212,374
WW TAP-IN	388,015	254,550	273,181	369,384
WW BOND & INTEREST	8,747	455,596	450,602	13,741
WW DEBT SERVICE	282,788	-	-	282,788
WW CD	166,000	-	-	166,000
WW EXPANSION	515,155	114,480	113,491	516,144
WW PETTY/CASH FUND	500	-	-	500
WATER OPERATING FUND	222,069	1,121,279	1,025,719	317,629
UTILITY METER DEPOSIT	230,140	-	15,000	215,140
WATER CAPITOL IMPROVEMENT	28,445	12,330	26,561	14,214
WATER B&I SINKING	61,628	-	61,628	-
WATER PETTY/CASH CHANGE	500	-	-	500
Totals	<u>\$ 4,101,958</u>	<u>\$ 9,831,885</u>	<u>\$ 10,083,019</u>	<u>\$ 3,850,824</u>

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

TOWN OF SELLERSBURG  
NOTES TO FINANCIAL STATEMENT

**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, trash and economic development.

The accompanying financial statement presents the financial information for the Town.

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (Indiana Code 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 statement. The aggregate receipts include 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 non-businesses 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.

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,

TOWN OF SELLERSBURG  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, and ordinance violations.

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 statement. The aggregate disbursements include 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 SELLERSBURG  
NOTES TO FINANCIAL STATEMENT  
(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 (Indiana Code 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 (Indiana Code 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 SELLERSBURG  
NOTES TO FINANCIAL STATEMENT  
(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 statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**Note 6. Pension Plans**

*A. 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 (Indiana Code 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:

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.

TOWN OF SELLERSBURG  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. 1925 Police Officers' Pension Plan*

*Plan Description*

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (Indiana Code 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

*Funding Policy*

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

*On Behalf Payments*

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

*C. 1977 Police Officers' and Firefighters' Pension and Disability Fund*

*Plan Description*

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (Indiana Code 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS 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:

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

*Funding Policy*

The contribution requirements of plan members and the Town are established by the Board of Trustees of INPRS.

## SUPPLEMENTARY INFORMATION – UNAUDITED

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 statement contained in this report and the financial information presented in the Annual Report of the Town which is 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 SELLERSBURG  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	RETIREE'S INSURANCE FUND	PUBLIC SAFETY FUND	IOCRA GRANT FUND	LECE
Cash and investments - beginning	\$ 688,618	\$ 42,894	\$ 80,895	\$ 34,000	\$ 83,773	\$ -	\$ 45,658
Receipts:							
Taxes	1,371,938	-	-	-	-	-	-
Licenses and permits	15,972	350	-	-	-	-	2,310
Intergovernmental	565,164	167,205	62,323	-	224,367	104,456	-
Charges for services	276,770	-	-	-	-	-	820
Fines and forfeits	22,711	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	13,910	-	-	12,000	-	-	3,709
Total receipts	<u>2,266,465</u>	<u>167,555</u>	<u>62,323</u>	<u>12,000</u>	<u>224,367</u>	<u>104,456</u>	<u>6,839</u>
Disbursements:							
Personal services	2,084,588	-	-	-	-	-	-
Supplies	99,818	-	2,574	-	-	-	-
Other services and charges	374,796	40,731	-	-	-	-	5,250
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	150,707	129,223	54,881	-	128,317	79,469	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	10,288	-	-	-	-	-	-
Total disbursements	<u>2,720,197</u>	<u>169,954</u>	<u>57,455</u>	<u>-</u>	<u>128,317</u>	<u>79,469</u>	<u>5,250</u>
Excess (deficiency) of receipts over disbursements	<u>(453,732)</u>	<u>(2,399)</u>	<u>4,868</u>	<u>12,000</u>	<u>96,050</u>	<u>24,987</u>	<u>1,589</u>
Cash and investments - ending	<u>\$ 234,886</u>	<u>\$ 40,495</u>	<u>\$ 85,763</u>	<u>\$ 46,000</u>	<u>\$ 179,823</u>	<u>\$ 24,987</u>	<u>\$ 47,247</u>

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

	CLERKS RECORD PERP FUND	DEFERRAL USER FEE FUND	PARK & RECREATION	RAINY DAY	CUM CAP IMP - CIG TAX	CUM CAP DEVELOPMENT	SPD CHRISTMAS FOR KIDS
Cash and investments - beginning	\$ 5,782	\$ 2,818	\$ 97,793	\$ 305,052	\$ 19,697	\$ 84,050	\$ 13,291
Receipts:							
Taxes	-	-	70,799	-	-	40,424	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	686	-	17,434	411	-
Charges for services	-	-	53,687	-	-	-	-
Fines and forfeits	187	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	2,335	-	-	-	13,843
Total receipts	187	-	127,507	-	17,434	40,835	13,843
Disbursements:							
Personal services	-	-	55,364	-	-	-	-
Supplies	-	-	28,334	-	-	-	-
Other services and charges	-	-	17,454	-	8,166	4,884	13,039
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	19,530	-	9,721	32,321	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	3,603	90,000	-	-	-
Total disbursements	-	-	124,285	90,000	17,887	37,205	13,039
Excess (deficiency) of receipts over disbursements	187	-	3,222	(90,000)	(453)	3,630	804
Cash and investments - ending	\$ 5,969	\$ 2,818	\$ 101,015	\$ 215,052	\$ 19,244	\$ 87,680	\$ 14,095

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

	POLICE EQUIPMENT FUND	CREDIT	TIF FUND	METRO POLICE PENSION	STC COLLECTIONS	POLICE GRANTS	POLICE STATION FUND
Cash and investments - beginning	\$ 258	\$ 397,193	\$ -	\$ 176,447	\$ 16,613	\$ 1,117	\$ 1,857
Receipts:							
Taxes	-	-	24,121	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	156,829	-	-	-	30,499	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	18,475	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	8,450	-	-	80,015	-	-	-
Total receipts	<u>8,450</u>	<u>156,829</u>	<u>24,121</u>	<u>80,015</u>	<u>18,475</u>	<u>30,499</u>	<u>-</u>
Disbursements:							
Personal services	-	806	-	79,128	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	100	35,088	27,811	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,309	137,879	3,034	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>5,309</u>	<u>138,685</u>	<u>3,034</u>	<u>79,228</u>	<u>35,088</u>	<u>27,811</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,141</u>	<u>18,144</u>	<u>21,087</u>	<u>787</u>	<u>(16,613)</u>	<u>2,688</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,399</u>	<u>\$ 415,337</u>	<u>\$ 21,087</u>	<u>\$ 177,234</u>	<u>\$ -</u>	<u>\$ 3,805</u>	<u>\$ 1,857</u>

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

	STC BONDS	STC RESTITUTION	FIELDHOUSE FUND	PETTY/CASH FUND	PAYROLL NET SALARIES	PAYROLL DIRECT DEPOSIT CL	PAYROLL FEDERAL W/H
Cash and investments - beginning	\$ 42,643	\$ 255	\$ 375	\$ 1,350	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	5,500	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	190,661	-	507,173	1,143,278	242,528
Total receipts	<u>5,500</u>	<u>-</u>	<u>190,661</u>	<u>-</u>	<u>507,173</u>	<u>1,143,278</u>	<u>242,528</u>
Disbursements:							
Personal services	-	-	74,366	-	507,173	1,143,278	-
Supplies	-	-	54,132	750	-	-	-
Other services and charges	48,143	255	45,590	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	336	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	2,620	-	-	-	242,528
Total disbursements	<u>48,143</u>	<u>255</u>	<u>177,044</u>	<u>750</u>	<u>507,173</u>	<u>1,143,278</u>	<u>242,528</u>
Excess (deficiency) of receipts over disbursements	<u>(42,643)</u>	<u>(255)</u>	<u>13,617</u>	<u>(750)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,992</u>	<u>\$ 600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	PAYROLL FICA/SOCIAL SEC	PAYROLL MEDICARE WH	PAYROLL STATE WH	PAYROLL COUNTY WH	PAYROLL POLICE PERF 77	PAYROLL HEALTH INS.	PAYROLL AFLAC
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	147,731	61,979	68,907	38,809	21,108	74,567	8,613
Total receipts	<u>147,731</u>	<u>61,979</u>	<u>68,907</u>	<u>38,809</u>	<u>21,108</u>	<u>74,567</u>	<u>8,613</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	147,731	61,979	68,907	38,809	21,108	74,567	8,608
Total disbursements	<u>147,731</u>	<u>61,979</u>	<u>68,907</u>	<u>38,809</u>	<u>21,108</u>	<u>74,567</u>	<u>8,608</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	5
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>

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

	PAYROLL AFLAC LIFE	PAYROLL AUL LIFE	PAYROLL AUL VOL LIFE	PAYROLL AUL/DEF COMP	PAYROLL CHILD SUPPORT	PAYROLL GARNISHMENT NO. 1	PAYROLL GARNISHMENT NO. 2
Cash and investments - beginning	\$ -	\$ 14	\$ 2	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	694	1,078	11,548	49,603	26,459	7,200	7,134
Total receipts	<u>694</u>	<u>1,078</u>	<u>11,548</u>	<u>49,603</u>	<u>26,459</u>	<u>7,200</u>	<u>7,134</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	694	1,092	11,530	49,603	26,459	7,200	7,134
Total disbursements	<u>694</u>	<u>1,092</u>	<u>11,530</u>	<u>49,603</u>	<u>26,459</u>	<u>7,200</u>	<u>7,134</u>
Excess (deficiency) of receipts over disbursements	-	(14)	18	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	WW OPERATING	WW TAP-IN	WW BOND & INTEREST	WW DEBT SERVICE	WW CD	WW EXPANSION	WW PETTY/CASH FUND
Cash and investments - beginning	\$ 55,526	\$ 388,015	\$ 8,747	\$ 282,788	\$ 166,000	\$ 515,155	\$ 500
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	1,776,993	254,550	-	-	-	114,480	-
Other receipts	119,887	-	455,596	-	-	-	-
Total receipts	<u>1,896,880</u>	<u>254,550</u>	<u>455,596</u>	<u>-</u>	<u>-</u>	<u>114,480</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	455,596	-	449,802	-	-	-	-
Capital outlay	43,648	273,181	-	-	-	113,491	-
Utility operating expenses	1,240,788	-	800	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>1,740,032</u>	<u>273,181</u>	<u>450,602</u>	<u>-</u>	<u>-</u>	<u>113,491</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>156,848</u>	<u>(18,631)</u>	<u>4,994</u>	<u>-</u>	<u>-</u>	<u>989</u>	<u>-</u>
Cash and investments - ending	<u>\$ 212,374</u>	<u>\$ 369,384</u>	<u>\$ 13,741</u>	<u>\$ 282,788</u>	<u>\$ 166,000</u>	<u>\$ 516,144</u>	<u>\$ 500</u>

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

	WATER OPERATING FUND	UTILITY METER DEPOSIT	WATER CAPITOL IMPROVEMENT	WATER B&I SINKING	WATER PETTY/CASH CHANGE	Totals
Cash and investments - beginning	\$ 222,069	\$ 230,140	\$ 28,445	\$ 61,628	\$ 500	\$ 4,101,958
Receipts:						
Taxes	47,059	-	-	-	-	1,554,341
Licenses and permits	-	-	-	-	-	18,632
Intergovernmental	-	-	-	-	-	1,329,374
Charges for services	-	-	-	-	-	331,277
Fines and forfeits	-	-	-	-	-	46,873
Utility fees	973,124	-	12,330	-	-	3,131,477
Other receipts	101,096	-	-	-	-	3,419,911
Total receipts	<u>1,121,279</u>	<u>-</u>	<u>12,330</u>	<u>-</u>	<u>-</u>	<u>9,831,885</u>
Disbursements:						
Personal services	-	-	-	-	-	3,944,703
Supplies	-	-	-	-	-	185,608
Other services and charges	-	-	-	-	-	621,307
Debt service - principal and interest	-	-	-	61,628	-	967,026
Capital outlay	111,772	-	26,561	-	-	1,319,380
Utility operating expenses	865,478	15,000	-	-	-	2,122,066
Other disbursements	48,469	-	-	-	-	922,929
Total disbursements	<u>1,025,719</u>	<u>15,000</u>	<u>26,561</u>	<u>61,628</u>	<u>-</u>	<u>10,083,019</u>
Excess (deficiency) of receipts over disbursements	<u>95,560</u>	<u>(15,000)</u>	<u>(14,231)</u>	<u>(61,628)</u>	<u>-</u>	<u>(251,134)</u>
Cash and investments - ending	<u>\$ 317,629</u>	<u>\$ 215,140</u>	<u>\$ 14,214</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 3,850,824</u>

TOWN OF SELLERSBURG  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 6,376,806	\$ 5,976,773
Wastewater	2,577,306	2,721,506
Water	<u>1,128,907</u>	<u>1,133,609</u>
Totals	<u>\$ 10,083,019</u>	<u>\$ 9,831,888</u>

TOWN OF SELLERSBURG  
SCHEDULE OF LEASES AND DEBT  
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: CHASE EQUIPMENT LEASING	POLICE CARS	\$ 43,338	03-04-11	03-04-14
Total of annual lease payments		<u>\$ 43,338</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities: Notes and loans payable	OFFICE BUILDING	\$ 49,251	\$ 54,739
Total governmental activities		<u>49,251</u>	<u>54,739</u>
Wastewater: General obligation bonds	2003 WW REFUNDING BONDS	1,415,000	391,023
General obligation bonds	2009 WASTEWATER REVENUE BONDS	<u>1,200,000</u>	<u>55,300</u>
Total Wastewater		<u>2,615,000</u>	<u>446,323</u>
Totals		<u>\$ 2,664,251</u>	<u>\$ 501,062</u>

TOWN OF SELLERSBURG  
 SCHEDULE OF CAPITAL ASSETS  
 December 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
Governmental activities:	
Land	\$ 2,050,632
Infrastructure	4,205,839
Buildings	1,890,632
Improvements other than buildings	330,464
Machinery, equipment and vehicles	1,570,134
Total governmental activities	10,047,701
Wastewater:	
Land	118,199
Buildings	734,263
Improvements other than buildings	26,677,784
Machinery, equipment and vehicles	1,293,444
Total Wastewater	28,823,690
Water:	
Land	976,526
Buildings	789,020
Improvements other than buildings	4,956,909
Machinery, equipment and vehicles	181,808
Total Water	6,904,263
Total capital assets	\$ 45,775,654

TOWN OF SELLERSBURG  
EXIT CONFERENCE

The contents of this report were discussed on December 10, 2012, with Michelle D. Miller, Chief Deputy Clerk-Treasurer, and Paul J. Rhodes, President of the Town Council. Our examination disclosed no material items that warrant comment at this time.