

B37301

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

EXAMINATION REPORT
OF
CITY OF GREENFIELD
HANCOCK COUNTY, INDIANA
January 1, 2009 to December 31, 2009



FILED
08/04/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Larry Breese	01-01-08 to 12-31-11
Mayor	Honorable Bradford DeReamer	01-01-08 to 12-31-11
President of the Common Council	Gary Evans	01-01-09 to 12-31-10
President of the Board of Public Works	Joseph Duffy	01-01-09 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF GREENFIELD, HANCOCK COUNTY, INDIANA

We have examined the financial information presented herein of the City of Greenfield (City), for the period of January 1, 2009 to December 31, 2009. The City's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the City for the year ended December 31, 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. The schedule has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

June 28, 2010

CITY OF GREENFIELD
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 1,956,669	\$ 6,413,133	\$ 7,065,796	\$ 1,304,006
Motor Vehicle Highway	337,047	934,956	973,095	298,908
Local Road and Street	93,217	171,752	243,772	21,197
Park and Recreation	105,174	661,344	670,384	96,134
Rainy Day	834,385	306,216	-	1,140,601
Cumulative Capital Improvement	407,319	55,516	443,966	18,869
Plaza Donation	2,163	1,102	-	3,265
Law Enforcement Continuing Education	68,235	34,381	20,846	81,770
Riverboat	219,024	91,367	32,815	277,576
Parking Meters	36,278	8,465	858	43,885
Cemetery	125,502	152,012	207,485	70,029
Drug Awareness DARE	2,730	6,130	3,675	5,185
Information Tech	296,308	308,902	322,332	282,878
Park Nonreverting Operating	104,847	199,256	242,586	61,517
Park Donations	44,053	13,361	16,074	41,340
Police Grant Operation Pullover	1,241	9,528	10,669	100
Fire Donations	6,939	15,424	12,325	10,038
TIF Redevelopment Construction	4,774,938	1,641,590	3,336,600	3,079,928
Animal Control Enrichment	3,444	21,200	18,618	6,026
Park Bond	31,021	109,868	128,832	12,057
Police Donation	13,862	13,974	8,442	19,394
Police Vehicle	3,216	-	-	3,216
Police STOP Grant	2,743	-	-	2,743
OJP Ballistic Vest/ Federal Grant	1,950	-	-	1,950
Task Force One	3,807	17	3,824	-
IDOT Grant McClarnon Drive	9,201	-	1,037	8,164
Shop with a Cop	1,892	22,091	13,360	10,623
Greenfield War Memorial	23,764	141,712	82,443	83,033
Community Development Block Grant	-	18,133	18,133	-
Pennsy Trail Extension/INDOT	738,937	-	662,266	76,671
Fire Territory	-	3,911,805	3,967,474	(55,669)
Fire Equipment Replacement	-	375,382	224,310	151,072
Health Insurance Reimbursement	-	123,615	26,187	97,428
Proprietary Funds:				
Electric Utility - Operating	4,856,561	25,396,475	23,751,621	6,501,415
Electric Utility - Depreciation	20,983	240,000	173,895	87,088
Electric Utility - Customer Deposit	481,941	86,493	32,942	535,492
Electric Utility - Availability	40,698	10,400	-	51,098
Electric Utility - Cash Reserve	47,813	-	-	47,813
Water Utility - Operating	3,874,114	2,854,649	2,559,809	4,168,954
Water Utility - Bond and Interest	324,619	860,000	818,832	365,787
Water Utility - Depreciation	3,846	-	-	3,846
Water Utility - Customer Deposit	147,299	18,750	8,078	157,971
Water Utility - Availability	34,160	90,729	-	124,889
Water Utility - Debt Service Reserve	888,250	-	-	888,250
Wastewater Utility - Operating	997,908	2,820,429	2,534,783	1,283,554
Wastewater Utility - Bond and Interest	115,696	648,000	634,366	129,330
Wastewater Utility - Availability	178,773	138,274	289,276	27,771
Wastewater Utility - Connection	647,530	98,719	107,987	638,262
Wastewater Utility - Debt Service Reserve	680,000	-	-	680,000
Storm Water	847,662	870,628	514,718	1,203,572
Fiduciary Funds:				
Police Pension	139,624	258,116	249,010	148,730
Firefighters' Pension	75,140	71,362	65,180	81,322
Cemetery Endowment	83,301	431	1,701	82,031
Utility Billing	50	944,389	816,323	128,116
Payroll	131,908	7,748,107	7,812,528	67,487
Totals	<u>\$ 24,867,782</u>	<u>\$ 58,918,183</u>	<u>\$ 59,129,253</u>	<u>\$ 24,656,712</u>

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

CITY OF GREENFIELD
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The City was established under the laws of the State of Indiana. The City provides the following services: public safety, highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, electric, water, wastewater, storm water, and urban redevelopment and housing.

Note 2. Fund Accounting

The City uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the City in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the City on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the City 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.

CITY OF GREENFIELD
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The City contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

CITY OF GREENFIELD
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
Year Ending December 31, 2009

The City has entered into the following long-term debt:

Description of Asset	Ending Balance	Due Within One Year
Governmental activities:		
Notes and loans payable		
Fire-rescue truck	\$ 248,284	\$ 129,200
Bonds payable:		
General obligation bonds:		
Park - Elmore center building	<u>725,000</u>	<u>129,423</u>
Total governmental activities long-term debt	<u><u>\$ 973,284</u></u>	<u><u>\$ 258,623</u></u>
Business-type activities:		
Water Utility:		
Revenue bonds:		
2005 East Side Water Plant	\$ <u>9,270,000</u>	\$ <u>820,531</u>
Total Water Utility	<u>9,270,000</u>	<u>820,531</u>
Wastewater Utility:		
Revenue bonds:		
2003 Plant Improvement	<u>4,990,000</u>	<u>640,566</u>
Total Wastewater Utility	<u>4,990,000</u>	<u>640,566</u>
Storm Water Utility:		
Notes and loans:		
2007 Loan From Water Operating	<u>250,000</u>	<u>125,000</u>
Total Storm Water Utility	<u>250,000</u>	<u>125,000</u>
Total business-type activities long-term debt	<u><u>\$ 14,510,000</u></u>	<u><u>\$ 1,586,097</u></u>

CITY OF GREENFIELD
EXAMINATION RESULT AND COMMENT

DELINQUENT ACCOUNTS

Delinquent Wastewater and Storm Water fees and penalties were not recorded with the County Recorder in 2009 nor were they certified to the County Auditor which would result in a lien against the property. A similar comment has appeared in the prior three reports.

IC 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

- (1) a list of the delinquent fees and penalties that are enforceable under this section, which must include the following:

- (A) the name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent;

- (B) a description of the premises, as shown by the records of the county auditor; and

- (C) the amount of the delinquent fees, together with the penalty; or

- (2) an individual instrument for each lot or parcel of real property on which the fees are delinquent."

"(c) The officer shall record a copy of each list or each individual instrument with the county recorder. . . ."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May . . ."

A similar language is contained in IC 8-1.5-5-30 which applies to delinquent Storm Water bills.

CITY OF GREENFIELD
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2010, with Larry Breese, Clerk-Treasurer, and the Honorable Bradford DeReamer, Mayor.