

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

EXAMINATION REPORT

OF

TOWN OF ZIONSVILLE

BOONE COUNTY, INDIANA

January 1, 2006 to December 31, 2006



**FILED**

10/11/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	John J. Yeo	01-01-04 to 12-31-07
President of the Town Council	Richard Crane	01-01-06 to 12-31-07
Town Manager	Edward J. Mitro	01-01-06 to 12-31-07
Wastewater Utility Superintendent	Dennis Mackey	01-01-06 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ZIONSVILLE, BOONE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Zionsville (Town), for the period of January 1, 2006 to December 31, 2006. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

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

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 27, 2007

TOWN OF ZIONSVILLE  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 1,540,111	\$ 5,016,640	\$ 4,149,857	\$ 2,406,894
Motor Vehicle Highway	367,790	1,459,650	1,209,830	617,610
Local Road and Street	47,698	64,519	40,000	72,217
Law Enforcement Continuing Education	22,221	11,741	9,959	24,003
Park and Recreation	199,030	711,613	378,999	531,644
Park Nonreverting - Operating	44,288	4,588	17,456	31,420
Park Nonreverting	102,204	50,000	-	152,204
Donation	37,193	23,771	830	60,134
Record Perpetuation	3,633	2,627	300	5,960
Drug Task Force	22,278	5,096	456	26,918
Rainy Day Fund	313,342	-	-	313,342
Food and Beverage	-	112,623	3,000	109,623
Park Impact Fee	-	93,100	-	93,100
Boone County Economic Development	-	950	700	250
Child Passenger Safety	-	3,700	3,601	99
Fatal Crash Reduction	-	7,936	7,936	-
IN Coalition to Reduce Underage Drinking	-	4,460	238	4,222
COPS Grant	(21,441)	40,606	19,165	-
Operation Pull Over	68	10,789	10,857	-
TIFF District Fund	313,554	181,122	45,116	449,560
Town Court	41,823	295,900	311,903	25,820
Debt Service	465,976	602,554	887,838	180,692
Cumulative Capital Improvement	(434)	31,349	25,000	5,915
Town Hall Improvement	313,012	-	49,610	263,402
TIF District Bond Anticipation Notes of 2004	-	540,191	77,276	462,915
Redevelopment District Construction	-	892,600	-	892,600
Park and Recreation Improvement	-	59,800	-	59,800
Cumulative Capital Development	173,020	276,670	192,343	257,347
Cobblestone Lake Road Improvement	100,000	-	-	100,000
Willow Road Construction	1,858,447	74,537	131,588	1,801,396
Redevelopment Authority	33,085	111,096	107,637	36,544
Proprietary Funds:				
Wastewater Utility - Operating	1,337,715	2,053,447	1,661,809	1,729,353
Wastewater Utility - Bond and Interest	3,276	137,300	140,267	309
Wastewater Utility - Reserve	1,206,961	14,822	1,221,783	-
Wastewater Utility - Sewer Sinking	130,892	139,068	269,460	500
Wastewater Utility - Availability Fees	1,486,246	750,931	2,053,547	183,630
Wastewater Utility - Construction	-	623,903	-	623,903
Wastewater Utility - Improvement	12,234	135,500	144,200	3,534
Trash/Recycling	(12,740)	342,045	323,820	5,485
Fiduciary Funds:				
Payroll	2,935	3,002,827	3,002,620	3,142
Levy Excess	47,279	29,445	47,280	29,444
Totals	<u>\$ 10,191,696</u>	<u>\$ 17,919,516</u>	<u>\$ 16,546,281</u>	<u>\$ 11,564,931</u>

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

TOWN OF ZIONSVILLE  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, health and social services, culture and recreation, general administrative services and sewer.

Note 2. Fund Accounting

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

Note 3. Budgets

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

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town 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 Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF ZIONSVILLE  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town 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 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% 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.

Note 7. Subsequent Event

The Town issued bonds totaling \$5,980,000 in January 2007 for Park District projects with estimated costs of: Mulberry Fields project, \$5,151,900; Skate Park project, \$428,000; American Legion Trail Crossing project, \$336,000; and Turkey Foot Bridge project, \$448,000.



TOWN OF ZIONSVILLE  
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2007, with Richard Crane, President of the Town Council; Edward Mitro, Town Manager; and John J. Yeo, Clerk-Treasurer. Our examination disclosed no material items that warrant comment at this time.