

FIELDING TOWN
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2003

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September 4, 2003

Honorable Mayor and Town Council
Fielding Town
Fielding, UT 84335

I have compiled the general purpose financial statements of the Town of Fielding as of June 30, 2003 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the town management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Steve Misener

Steven R. Misener
Certified Public Accountant

FIELDING TOWN
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2003

ASSETS	Governmental Fund Types	
	General	Capital Project
Cash (note 4)	\$31,672	\$211,195
Accounts receivable	1,913	- -
Prepaid bond payment	- -	- -
Land	- -	- -
Improvements and buildings	- -	- -
Furniture and equipment	- -	- -
Total assets	<u>\$33,585</u>	<u>\$211,195</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts payable	\$ 1,180	\$ - -
Bonds payable (note 6)	- -	- -
Total liabilities	<u>1,180</u>	<u>- -</u>
Fund Equity:		
Investment in general fixed assets	- -	- -
Fund balances:		
Reserved	- -	- -
Unreserved	<u>32,405</u>	<u>211,195</u>
Total fund equity	<u>32,405</u>	<u>211,195</u>
Total liabilities and fund equity	<u>\$33,585</u>	<u>\$211,195</u>

See accompanying notes and accountant's report.

EXHIBIT I

Account Groups		
<u>General Fixed Assets</u>	<u>General Long- Term Debt</u>	<u>Totals (Memorandum Only)</u>
\$ - -	\$ - -	\$242,867
- -	- -	1,913
- -	- -	- -
4,000	- -	4,000
15,000	- -	15,000
<u>129,119</u>	<u>- -</u>	<u>129,112</u>
<u>\$148,112</u>	<u>\$ - -</u>	<u>\$392,892</u>
\$ - -	\$ - -	\$ 1,180
<u>- -</u>	<u>- -</u>	<u>- -</u>
<u>- -</u>	<u>- -</u>	<u>1,180</u>
148,112	- -	148,112
- -	- -	- -
<u>- -</u>	<u>- -</u>	<u>243,600</u>
<u>148,112</u>	<u>- -</u>	<u>391,712</u>
<u>\$148,112</u>	<u>\$ - -</u>	<u>\$392,892</u>

EXHIBIT II

FIELDING TOWN
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2003

	General Fund	Capital Project Fund	Totals (Memorandum Only)
Revenues:			
Taxes	\$ 47,307	\$ - -	\$ 47,307
Licenses & permits	2,959	- -	2,959
Intergovernmental revenue	35,716	- -	35,716
Other	<u>19,084</u>	<u>3,827</u>	<u>22,911</u>
Total revenue	<u>105,066</u>	<u>3,827</u>	<u>108,893</u>
Expenditures:			
General government	21,054	- -	21,054
Public safety	25,051	- -	25,051
Highway & streets	33,096	- -	33,096
Parks & recreation	- -	- -	- -
Community & economic devel.	- -	- -	- -
Debt service:			
Principal	20,000	- -	20,000
Interest	<u>875</u>	<u>- -</u>	<u>875</u>
Total expenditures	<u>100,076</u>	<u>- -</u>	<u>100,076</u>
Other financing sources (uses):			
Transfers in (out)	<u><19,248></u>	<u>19,248</u>	<u>- -</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u><14,258></u>	23,075	8,817
Fund balance:			
Beginning of year	<u>46,663</u>	<u>188,120</u>	<u>234,783</u>
End of year	<u>\$ 32,405</u>	<u>\$211,195</u>	<u>\$243,600</u>

See accompanying notes and accountant's report.

FIELDING TOWN
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2003

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Revenues:			
Taxes	\$ 44,800	\$ 47,307	\$ 2,507
Licenses & permits	1,500	2,959	1,459
Intergovernmental revenue	37,130	35,716	<1,414>
Other	<u>19,550</u>	<u>19,084</u>	<u><466></u>
Total revenues	<u>102,980</u>	<u>105,066</u>	<u>2,086</u>
Expenditures:			
General government	24,872	21,054	3,818
Public safety	25,233	25,051	182
Highway & streets	34,000	33,096	904
Parks & recreation	- -	- -	- -
Community & economic devel.	- -	- -	- -
Debt service:			
Principal	- -	20,000	<20,000>
Interest	<u>875</u>	<u>875</u>	<u>- -</u>
Total expenditures	<u>84,980</u>	<u>100,076</u>	<u><15,096></u>
Other financing sources & (uses):			
Transfers in (out)	<u><18,000></u>	<u><19,248></u>	<u><1,248></u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	- -	<14,258>	<14,258>
Fund balance:			
Beginning of year	<u>46,663</u>	<u>46,663</u>	<u>- -</u>
End of year	<u>\$ 46,663</u>	<u>\$ 32,405</u>	<u>\$ <14,258></u>

See accompanying notes and accountant's report.

FIELDING TOWN
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2003

Capital Project Fund

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Other	\$ - -	21	21
Interest	<u>5,500</u>	<u>\$ 3,806</u>	<u>\$ <1,694></u>
Total revenues	<u>5,500</u>	<u>3,827</u>	<u><1,673></u>
Expenditures:			
General government	- -	- -	- -
Highway & streets	<u>80,000</u>	<u>- -</u>	<u>80,000</u>
Total expenditures	<u>80,000</u>	<u>- -</u>	<u>80,000</u>
Other financing sources & (uses):			
Transfers in (out)	<u>18,000</u>	<u>19,248</u>	<u>1,248</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<56,500>	23,075	79,575
Fund balance:			
Beginning of year	<u>188,120</u>	<u>188,120</u>	<u>- -</u>
End of year	<u>\$131,620</u>	<u>\$211,195</u>	<u>\$ 79,575</u>

See accompanying notes and accountant's report.

FIELDING TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Note 1. History and Organization

The Town operates under a mayor-council form of government and provides the following services authorized by its charter: public safety, highways and streets, sanitation, health services, public improvements, recreation, planning and zoning, and general administrative.

Note 2. Reporting Entity

The mayor and town council have responsibility over the activities related to the public entity. The Town is not included in any other governmental reporting entity and no other public entity is reported with the Town.

Note 3. Accounting Policies

The accounts of Fielding Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses. Resources are allocated to and accounted in funds based upon the purpose for which they are to be spent. The various funds in the financial statements are grouped as follows:

Governmental Funds and Account Groups

General Fund

The General Fund is the general operating fund of the Town. It is used to account for all financial resources that are not specifically accounted for in another fund.

General Fixed Assets

General fixed assets are expensed when purchased in the general fund and are capitalized at cost in the general fixed asset account group. Assets that are donated to the Town by outside interests are recorded at fair market value at the time of donation.

The group of general fixed assets is not a fund because its financial resources do not measure the results of operations. No depreciation is recorded on these assets.

Basis of Accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Licenses, charges for services, road funds, and miscellaneous revenues are recorded as revenues when received. General property taxes, sales taxes, and other intergovernmental revenues are recorded when they are in the hands of the intermediate collecting governments or given to the Town within sixty days after year end. Expenditures are generally recognized when the related fund liability is incurred. Exceptions to this general rule are principal and interest on general obligation long-term debt which are recognized when due.

Note 4: Cash and Cash Equivalents

The Town maintains cash that is available for use by all funds. Interest earned on these funds is allocated to the funds based on their balances which relate to pooled cash. Each fund's portion of this pool is displayed on the combined balance sheet.

At June 30, 2003, the carrying amount of the Town's deposits was \$242,867 and the bank balance was \$243,816. Of the bank balance \$100,000 was covered by federal depository insurance and \$143,816 was uninsured and uncollateralized. Deposits are not collateralized nor are they required to be by state statute.

At June 30, 2003, the Town's cash, cash held by trustee and investments include the following:

Demand deposit accounts	<u>\$242,867</u>
Total cash or cash equivalents	<u>\$242,867</u>

The Town follows the requirements of the Utah Money Management Act in handling its depository and temporary investment transactions. This law requires the depositing of Town funds in a "qualified depository". The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. The State of Utah Money Management Act also defines the types of securities allowed as appropriate temporary investments for the Town and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

Note 5: Changes in General Fixed Assets

<u>Description</u>	<u>June 30, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2003</u>
Land	\$ 4,000	\$ - -	\$ - -	\$ 4,000
Buildings and improvements	15,000	- -	- -	15,000
Furniture and equipment	<u>129,112</u>	<u>- -</u>	<u>- -</u>	<u>129,112</u>
Total	<u>\$ 148,112</u>	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 148,112</u>

Note 6: Long-Term Debt

The following is a summary of the Town's general long-term debt for the year ended June 30, 2003:

Balance at July 01, 2002	\$ 20,000
Less bond retired	<u><20,000></u>
Balance at June 30, 2003	<u>\$ - -</u>

General long-term debt bond payable is comprised of the following:

General obligation bonds; \$165,000 due in semi-annual installments ranging from \$17,137 to \$23,500 per year including interest of 8.75%	\$ _____
Total	<u>\$ - -</u>

Note 7: Overexpended

There following department overexpended its 2003 budget.

Debt service