

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

EXAMINATION REPORT

OF

CITY OF BATESVILLE

RIPLEY COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
11/15/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Ronald C. Weigel	01-01-08 to 12-31-11
Mayor	Richard C. Fledderman	01-01-08 to 12-31-11
President of the Board of Public Works	Richard C. Fledderman	01-01-08 to 12-31-11
President of the Common Council	Herman Strewing	01-01-10 to 12-31-11
Chairman of the Utility Service Board	Sue A. Seifert	01-01-10 to 12-31-11
Comptroller of Gas and Water Utilities	Douglas Browne	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CITY OF BATESVILLE, RIPLEY COUNTY, INDIANA

We have examined the financial statement of City of Batesville (City), for the period of January 1, 2010 to December 31, 2010. The City's management is responsible for the financial statement. 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 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 City 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 (IC 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 City for the year ended December 31, 2010, on the basis of accounting described in Note 1.

The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis and Schedule of Long-Term Debt, 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 City's management, Common Council, 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

September 14, 2011

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FINANCIAL STATEMENT

CITY OF BATESVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	\$ 623,601	\$ 2,882,059	\$ 3,055,913	\$ 449,747
Motor Vehicle Highway	224,427	839,853	974,166	90,114
Local Road And Street	107,986	27,424	-	135,410
EMS Fund	557,364	209,807	183,460	583,711
Law Enforcement Continuing Education	15,272	5,018	8,969	11,321
City - Deferral Program	-	627	-	627
Riverboat Revenue	351,365	67,324	33,561	385,128
Park And Recreation	68,724	157,055	184,344	41,435
Rainy Day Fund	396,073	191,117	-	587,190
Levy Excess Fund	-	6,737	-	6,737
Operation Pullover	-	5,996	5,996	-
Batesville Tree Fund	10,854	-	2,200	8,654
Police Donation Fund	24	-	-	24
Memorial Pool	69,868	78,963	103,686	45,145
Economic Development	228,400	-	-	228,400
Police Education User Fee	18,097	824	620	18,301
Pretrial Diversion Program	40,601	-	14,938	25,663
Clerk's Record Perpetuation	15,259	1,284	559	15,984
Microenterprise Assistance Fund	260	-	-	260
Sesquicentennial Park	63	-	-	63
Safe Passage Fund	1	-	-	1
Mayor's Youth Council	8,035	3,615	2,924	8,726
Baseball/Softball Complex	322,317	195,810	432,941	85,186
School Resource Officer	8,744	20,721	25,284	4,181
Ivy Tech Fund	37,184	-	25,000	12,184
Memorial Building Fund	7,836	12,220	2,568	17,488
Edit Tax Fund	2,492,179	354,768	725,298	2,121,649
Beltterra Funds	53,410	71,528	72,318	52,620
Public Trust Agency Fund	257	70,037	52,597	17,697
Brum Funds	161,761	250	-	162,011
Playground Equipment Fund	670	-	524	146
Butterfly Garden Fund	1,099	-	-	1,099
Microenterprise Inv. Fund	12,799	30	-	12,829
City General Grant Fund	-	511,210	511,210	-
Cumulative Capital Development	465,444	257,996	430,142	293,298
Cumulative Fire Equipment	841,258	64,102	24,751	880,609
Cumulative Capital Improvement	150,746	17,664	-	168,410
Stormwater Utility Fund	109,533	78,676	100,469	87,740
Cumulative Thoroughfare	160,354	-	-	160,354
Facade Improvement And Renovation	13,790	50,001	9,193	54,598
Police Pension	100,125	62,622	62,908	99,839
Gas And Water Retirement	16,703	18	10,671	6,050
Payroll Fund	164,991	4,613,821	4,704,346	74,466
Sewage Inspection Fees	-	37,784	37,784	-
Cobra And Retired Employee Insurance	6,574	10,582	13,339	3,817
City Court Fund	3,358	51,544	50,192	4,710
Gas Utility - Cash M&O	24,202	2,948,477	2,956,360	16,319
Gas Utility - Cash Special	2,060,556	570,589	126,290	2,504,855
Gas Utility Meter Deposits	25,800	51,700	52,000	25,500
W&G Clearing Account	210,973	6,602,505	6,632,145	181,333
Sewage M&O	861,119	1,903,942	1,777,299	987,762
Sewage Improvement	1,074,646	35,380	183,764	926,262
Sewage Sinking	515	775,800	776,175	140
Sewage Debt Reserve	776,935	-	-	776,935
Water Utility M&O	7,312	1,004,595	993,222	18,685
Water Utility Depreciation	293,844	510,107	434,572	369,379
Water Utility Meter Deposits	27,300	13,900	13,200	28,000
Totals	<u>\$ 13,230,608</u>	<u>\$ 25,376,082</u>	<u>\$ 25,807,898</u>	<u>\$ 12,798,792</u>

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

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor 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 statement presents the financial information for the City (primary government), and does not include financial information for any of the City'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 City (primary government).

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 (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 statement. 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 City.

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.

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT
(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.

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 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 City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 City 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 City. 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 City. 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 City 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 City 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 City 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.

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

State statutes authorize 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.

Note 5. Risk Management

The City 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 City 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 City by recording as a disbursement and replacement items purchased.

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 (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 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:

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 (IC 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 Public Employees' Retirement Fund 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 Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 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.

PERF 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:

CITY OF BATESVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy

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

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

CITY OF BATESVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General Fund	Motor Vehicle Highway	Local Road And Street	Ems Fund	Law Enforcement Continuing Education	City Deferral Program	Riverboat Revenue	Park And Recreation
Cash and investments - beginning	\$ 623,601	\$ 224,427	\$ 107,986	\$ 557,364	\$ 15,272	\$ -	\$ 351,365	\$ 68,724
Receipts:								
Taxes	1,157,813	627,160	-	-	-	-	-	132,585
Licenses and permits	16,015	50	-	-	2,180	-	-	-
Intergovernmental	108,591	206,806	27,424	-	-	-	29,570	11,697
Charges for services	1,180,431	126	-	209,281	-	-	37,754	7,385
Fines and forfeits	8,271	-	-	-	2,838	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	410,938	5,711	-	526	-	627	-	5,388
Total receipts	<u>2,882,059</u>	<u>839,853</u>	<u>27,424</u>	<u>209,807</u>	<u>5,018</u>	<u>627</u>	<u>67,324</u>	<u>157,055</u>
Disbursements:								
Personal services	1,734,508	450,108	-	98,391	-	-	-	124,254
Supplies	154,161	98,049	-	21,742	-	-	-	16,007
Other services and charges	620,717	359,898	-	53,327	-	-	-	34,276
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	136,417	66,111	-	10,000	8,969	-	-	9,807
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	410,110	-	-	-	-	-	33,561	-
Total disbursements	<u>3,055,913</u>	<u>974,166</u>	<u>-</u>	<u>183,460</u>	<u>8,969</u>	<u>-</u>	<u>33,561</u>	<u>184,344</u>
Excess (deficiency) of receipts over disbursements	<u>(173,854)</u>	<u>(134,313)</u>	<u>27,424</u>	<u>26,347</u>	<u>(3,951)</u>	<u>627</u>	<u>33,763</u>	<u>(27,289)</u>
Cash and investments - ending	<u>\$ 449,747</u>	<u>\$ 90,114</u>	<u>\$ 135,410</u>	<u>\$ 583,711</u>	<u>\$ 11,321</u>	<u>\$ 627</u>	<u>\$ 385,128</u>	<u>\$ 41,435</u>

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

	Rainy Day Fund	Levy Excess Fund	Operation Pullover	Batesville Tree Fund	Police Donation Fund	Memorial Pool	Economic Development	Police Education User Fee
Cash and investments - beginning	\$ 396,073	\$ -	\$ -	\$ 10,854	\$ 24	\$ 69,868	\$ 228,400	\$ 18,097
Receipts:								
Taxes	190,484	-	-	-	-	41,544	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	6,737	5,996	-	-	3,731	-	-
Charges for services	-	-	-	-	-	33,688	-	-
Fines and forfeits	-	-	-	-	-	-	-	824
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	633	-	-	-	-	-	-	-
Total receipts	191,117	6,737	5,996	-	-	78,963	-	824
Disbursements:								
Personal services	-	-	-	-	-	61,015	-	-
Supplies	-	-	-	-	-	10,492	-	-
Other services and charges	-	-	5,996	2,200	-	21,781	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	10,398	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	620
Total disbursements	-	-	5,996	2,200	-	103,686	-	620
Excess (deficiency) of receipts over disbursements	191,117	6,737	-	(2,200)	-	(24,723)	-	204
Cash and investments - ending	\$ 587,190	\$ 6,737	\$ -	\$ 8,654	\$ 24	\$ 45,145	\$ 228,400	\$ 18,301

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

	Pretrial Diversion Program	Clerk's Record Perpetuation	Microenterprise Assistance Fund	Sesquicentennial Park	Safe Passage Fund	Mayor's Youth Council	Baseball/Softball Complex
Cash and investments - beginning	\$ 40,601	\$ 15,259	\$ 260	\$ 63	\$ 1	\$ 8,035	\$ 322,317
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	1,284	-	-	-	3,615	195,810
Total receipts	-	1,284	-	-	-	3,615	195,810
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	14,938	-	-	-	-	2,924	432,941
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	559	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	14,938	559	-	-	-	2,924	432,941
Excess (deficiency) of receipts over disbursements	(14,938)	725	-	-	-	691	(237,131)
Cash and investments - ending	<u>\$ 25,663</u>	<u>\$ 15,984</u>	<u>\$ 260</u>	<u>\$ 63</u>	<u>\$ 1</u>	<u>\$ 8,726</u>	<u>\$ 85,186</u>

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

	School Resource Officer	Ivy Tech Fund	Memorial Building Fund	Edit Tax Fund	Belterra Funds	Public Trust Agency Fund	Brum Funds
Cash and investments - beginning	\$ 8,744	\$ 37,184	\$ 7,836	\$ 2,492,179	\$ 53,410	\$ 257	\$ 161,761
Receipts:							
Taxes	-	-	-	5,300	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	71,528	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	345,241	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	20,721	-	12,220	4,227	-	70,037	250
Total receipts	<u>20,721</u>	<u>-</u>	<u>12,220</u>	<u>354,768</u>	<u>71,528</u>	<u>70,037</u>	<u>250</u>
Disbursements:							
Personal services	25,284	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	25,000	2,568	720,529	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	4,769	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	72,318	52,597	-
Total disbursements	<u>25,284</u>	<u>25,000</u>	<u>2,568</u>	<u>725,298</u>	<u>72,318</u>	<u>52,597</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(4,563)</u>	<u>(25,000)</u>	<u>9,652</u>	<u>(370,530)</u>	<u>(790)</u>	<u>17,440</u>	<u>250</u>
Cash and investments - ending	<u>\$ 4,181</u>	<u>\$ 12,184</u>	<u>\$ 17,488</u>	<u>\$ 2,121,649</u>	<u>\$ 52,620</u>	<u>\$ 17,697</u>	<u>\$ 162,011</u>

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

	Playground Equipment Fund	Butterfly Garden Fund	Microenterprise Inv. Fund	City General Grant Fund	Cumulative Capital Development	Cumulative Fire Equipment	Cumulative Capital Improvement
Cash and investments - beginning	\$ 670	\$ 1,099	\$ 12,799	\$ -	\$ 465,444	\$ 841,258	\$ 150,746
Receipts:							
Taxes	-	-	-	-	132,585	54,190	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	125,411	4,684	17,664
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	30	511,210	-	5,228	-
Total receipts	-	-	30	511,210	257,996	64,102	17,664
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	524	-	-	511,210	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	430,142	24,751	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	524	-	-	511,210	430,142	24,751	-
Excess (deficiency) of receipts over disbursements	(524)	-	30	-	(172,146)	39,351	17,664
Cash and investments - ending	<u>\$ 146</u>	<u>\$ 1,099</u>	<u>\$ 12,829</u>	<u>\$ -</u>	<u>\$ 293,298</u>	<u>\$ 880,609</u>	<u>\$ 168,410</u>

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

	Stormwater Utility Fund	Cumulative Thoroughfare	Facade Improvement And Renovation	Police Pension	Gas And Water Retirement	Payroll Fund	Sewage Inspection Fees
Cash and investments - beginning	\$ 109,533	\$ 160,354	\$ 13,790	\$ 100,125	\$ 16,703	\$ 164,991	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	62,579	-	-	-
Charges for services	78,676	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	50,001	43	18	4,613,821	37,784
Total receipts	<u>78,676</u>	<u>-</u>	<u>50,001</u>	<u>62,622</u>	<u>18</u>	<u>4,613,821</u>	<u>37,784</u>
Disbursements:							
Personal services	-	-	-	62,908	-	-	-
Supplies	3,265	-	-	-	-	-	-
Other services and charges	35,035	-	-	-	10,671	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	62,169	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	9,193	-	-	4,704,346	37,784
Total disbursements	<u>100,469</u>	<u>-</u>	<u>9,193</u>	<u>62,908</u>	<u>10,671</u>	<u>4,704,346</u>	<u>37,784</u>
Excess (deficiency) of receipts over disbursements	<u>(21,793)</u>	<u>-</u>	<u>40,808</u>	<u>(286)</u>	<u>(10,653)</u>	<u>(90,525)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 87,740</u>	<u>\$ 160,354</u>	<u>\$ 54,598</u>	<u>\$ 99,839</u>	<u>\$ 6,050</u>	<u>\$ 74,466</u>	<u>\$ -</u>

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

	Cobra And Retired Employee Insurance	City Court Fund	Gas Utility Cash M&O	Gas Utility Cash Special	Gas Utility Meter Deposits	W&G Clearing Account	Sewage M&O
Cash and investments - beginning	\$ 6,574	\$ 3,358	\$ 24,202	\$ 2,060,556	\$ 25,800	\$ 210,973	\$ 861,119
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,836,797	265,000	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	10,200	-	-	4,353,060	1,847,642
Penalties	-	-	-	-	-	-	20,978
Other receipts	10,582	51,544	101,480	305,589	51,700	2,249,445	35,322
Total receipts	10,582	51,544	2,948,477	570,589	51,700	6,602,505	1,903,942
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	188,986	126,290	-	-	70,959
Utility operating expenses	-	-	2,462,479	-	-	32,160	872,124
Other disbursements	13,339	50,192	304,895	-	52,000	6,599,985	834,216
Total disbursements	13,339	50,192	2,956,360	126,290	52,000	6,632,145	1,777,299
Excess (deficiency) of receipts over disbursements	(2,757)	1,352	(7,883)	444,299	(300)	(29,640)	126,643
Cash and investments - ending	\$ 3,817	\$ 4,710	\$ 16,319	\$ 2,504,855	\$ 25,500	\$ 181,333	\$ 987,762

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

	Sewage Improvement	Sewage Sinking	Sewage Debt Reserve	Water Utility M&O	Water Utility Depreciation	Water Utility Meter Deposits	Totals
Cash and investments - beginning	\$ 1,074,646	\$ 515	\$ 776,935	\$ 7,312	\$ 293,844	\$ 27,300	\$ 13,230,608
Receipts:							
Taxes	-	-	-	-	-	-	2,341,661
Licenses and permits	-	-	-	-	-	-	18,245
Intergovernmental	-	-	-	973,875	-	-	4,758,090
Charges for services	-	-	-	-	-	-	1,547,341
Fines and forfeits	-	-	-	-	-	-	357,174
Utility fees	-	-	-	-	-	-	6,210,902
Penalties	-	-	-	-	-	-	20,978
Other receipts	35,380	775,800	-	30,720	510,107	13,900	10,121,691
Total receipts	35,380	775,800	-	1,004,595	510,107	13,900	25,376,082
Disbursements:							
Personal services	-	-	-	-	-	-	2,556,468
Supplies	-	-	-	-	-	-	303,716
Other services and charges	-	-	-	-	-	-	2,854,535
Debt service - principal and interest	-	776,175	-	-	-	-	776,175
Capital outlay	183,764	-	-	64,468	-	-	1,398,559
Utility operating expenses	-	-	-	826,858	-	-	4,193,621
Other disbursements	-	-	-	101,896	434,572	13,200	13,724,824
Total disbursements	183,764	776,175	-	993,222	434,572	13,200	25,807,898
Excess (deficiency) of receipts over disbursements	(148,384)	(375)	-	11,373	75,535	700	(431,816)
Cash and investments - ending	\$ 926,262	\$ 140	\$ 776,935	\$ 18,685	\$ 369,379	\$ 28,000	\$ 12,798,792

CITY OF BATESVILLE
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The City has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Bonds payable:		
General obligation bonds:		
Memorial Building	\$ 165,000	\$ 86,900
EDIT Bond	<u>2,050,000</u>	<u>185,024</u>
Total governmental activities debt	<u>\$ 2,215,000</u>	<u>\$ 271,924</u>
Business-type activities:		
Wastewater Utility:		
Loans payable:		
State Revolving Fund Loan	<u>\$ 6,315,000</u>	<u>\$ 776,285</u>
Total Wastewater Utility	<u>\$ 6,315,000</u>	<u>\$ 776,285</u>

CITY OF BATESVILLE
EXAMINATION RESULT AND COMMENT

UNPAID LOANS FROM GAS UTILITY

The Gas Utility has made loans to the Water Utility over the past several years. The balance of the unpaid loans, at December 31, 2009, was \$1,900,000 as shown in the following schedule:

<u>Year of Loan</u>	<u>Number of Years</u>	<u>Amount</u>
2000	9	\$ 59,535
2001	8	420,000
2003	6	1,165,365
2004	5	<u>255,100</u>
Total		<u>\$ 1,900,000</u>

In 2010, there were payments on the unpaid loans of \$304,820. The payments were applied to the 2000 loan balance.

Indiana Code 8-1.5-3-11(f) states: "A cash reserve fund, if authorized by ordinance, may be used to make loans to another utility owned by the same municipality, for periods not to exceed five (5) years, at any interest rate. The repayment of the loan and interest shall be returned to the cash reserve fund."

A similar comment was made in prior Reports B35195 and B37682.

CITY OF BATESVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 14, 2011, with Richard C. Fledderman, Mayor; Ronald C. Weigel, Clerk-Treasurer; and Douglas Browne, Comptroller of Gas and Water Utilities.