

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

EXAMINATION REPORT  
OF  
CITY OF GREENDALE  
DEARBORN COUNTY, INDIANA  
January 1, 2010 to December 31, 2010



**FILED**  
11/16/2011



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mary Jo Lynch	01-01-08 to 12-31-11
Mayor	Doug Hedrick	01-01-08 to 12-31-11
President of the Board of Public Works	Doug Hedrick	01-01-08 to 12-31-11
President of the Common Council	Doug Hedrick	01-01-08 to 12-31-11
City Manager	Steve Lampert	01-01-10 to 12-31-11
Utility Office Manager	Joyce Jackson	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 GREENDALE, DEARBORN COUNTY, INDIANA

We have examined the financial statement of City of Greendale (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.

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 and 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 13, 2011

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FINANCIAL STATEMENT

CITY OF GREENDALE  
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	\$ 1,303,507	\$ 3,172,099	\$ 3,103,889	\$ 1,371,717
Motor Vehicle Highway	204,168	318,334	305,341	217,161
Local Road And Street	156,731	31,530	-	188,261
K-9 Unit	795	-	-	795
Post Closure Landfill	162,513	4	-	162,517
Police Grant Fund	159	-	-	159
Law Enforcement Continuing Ed	19,356	3,040	700	21,696
Riverboat	7,382,431	2,302,584	1,288,153	8,396,862
Parks And Recreation	2,273	697	-	2,970
Park Donation	1,704	11,075	10,349	2,430
Rainy Day	73,878	58,929	-	132,807
Levy Excess	-	6,208	-	6,208
Redevelopment Grant	-	1,750,947	246,138	1,504,809
Operation Pullover	(8)	6,366	6,366	(8)
Redevelopment	1,712,353	685,765	82,798	2,315,320
Fire Non-Reverting	51,967	17,761	3,974	65,754
Law Enforcement Non-Rever	9,877	11,809	11,810	9,876
Firehouse Escrow	1,512	8	-	1,520
Cumulative Capl Imprv Cigarette Tax	44,520	12,578	-	57,098
Cumulative Capital Development	415,734	37,006	-	452,740
Payroll	-	2,354,842	2,354,842	-
Claim On Pooled Cash	648,583	8,535,679	8,330,452	853,810
Electric Utility Bond And Interest	5,976	123,792	123,785	5,983
Deprec/Improve Cash Dep	29,640	-	-	29,640
Customer Meter Deposits	72,455	75,150	26,425	121,180
Construction Fund Bond Account	8,024	96	380	7,740
Electric Utility Reserve	494,745	60,000	-	554,745
Debt Reserve	132,640	-	-	132,640
Claim On Pooled Cash Trash	38,468	473,189	473,073	38,584
Operating Cash Account	157,737	1,026,183	1,020,161	163,759
Reserve	65,000	-	-	65,000
Customer Deposits	7,350	1,500	2,750	6,100
Expansion Reserve	402,093	34,677	79,708	357,062
Claim On Pooled Cash - Monthly Depo	87,862	958,169	979,619	66,412
Claim On Pooled Cash	141,739	2,644,974	2,589,394	197,319
Water Bond Act Interest	2,246	75,340	75,341	2,245
Meter Deposits Paid	2,450	2,475	2,525	2,400
Construction Bond Account	117,985	112	20	118,077
Water Tower Project	1,808,635	15,174	1,639,919	183,890
Debt Reserve	75,610	-	-	75,610
Totals	<u>\$ 15,842,708</u>	<u>\$ 24,808,092</u>	<u>\$ 22,757,912</u>	<u>\$ 17,892,888</u>

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

CITY OF GREENDALE  
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 GREENDALE  
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 GREENDALE  
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 GREENDALE  
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 statement. 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 GREENDALE  
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. 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:

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.

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## 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/](http://www.in.gov/itp/annual_reports/).

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 City 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 prepared and/or approved by management of the City. It is presented as intended by the City.

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

	General	Motor Vehicle Highway	Local Road And Street	K-9 Unit	Post Closure Landfill	Police Grant Fund	Law Enforcement Continuing Ed
Cash and investments - beginning	\$ 1,303,507	\$ 204,168	\$ 156,731	\$ 795	\$ 162,513	\$ 159	\$ 19,356
Receipts:							
Taxes	1,819,054	187,038	-	-	-	-	-
Licenses and permits	20,265	-	-	-	-	-	1,490
Intergovernmental	705,610	129,846	31,530	-	-	-	-
Charges for services	542,189	-	-	-	-	-	1,305
Fines and forfeits	12,280	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	72,701	1,450	-	-	4	-	245
Total receipts	<u>3,172,099</u>	<u>318,334</u>	<u>31,530</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>3,040</u>
Disbursements:							
Personal services	2,200,092	146,681	-	-	-	-	-
Supplies	209,758	68,947	-	-	-	-	-
Other services and charges	688,566	47,895	-	-	-	-	700
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	3,792	41,818	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,681	-	-	-	-	-	-
Total disbursements	<u>3,103,889</u>	<u>305,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>700</u>
Excess (deficiency) of receipts over disbursements	<u>68,210</u>	<u>12,993</u>	<u>31,530</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>2,340</u>
Cash and investments - ending	<u>\$ 1,371,717</u>	<u>\$ 217,161</u>	<u>\$ 188,261</u>	<u>\$ 795</u>	<u>\$ 162,517</u>	<u>\$ 159</u>	<u>\$ 21,696</u>

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

	Riverboat	Parks And Recreation	Park Donation	Rainy Day	Levy Excess	Redevelopment Grant	Operation Pullover
Cash and investments - beginning	\$ 7,382,431	\$ 2,273	\$ 1,704	\$ 73,878	\$ -	\$ -	\$ (8)
Receipts:							
Taxes	-	-	-	-	6,208	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,105,956	-	-	58,929	-	1,750,000	-
Charges for services	-	697	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	196,628	-	11,075	-	-	947	6,366
Total receipts	<u>2,302,584</u>	<u>697</u>	<u>11,075</u>	<u>58,929</u>	<u>6,208</u>	<u>1,750,947</u>	<u>6,366</u>
Disbursements:							
Personal services	667	-	-	-	-	-	6,366
Supplies	-	-	2,237	-	-	-	-
Other services and charges	1,181,117	-	8,112	-	-	246,138	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	106,369	-	-	-	-	-	-
Total disbursements	<u>1,288,153</u>	<u>-</u>	<u>10,349</u>	<u>-</u>	<u>-</u>	<u>246,138</u>	<u>6,366</u>
Excess (deficiency) of receipts over disbursements	<u>1,014,431</u>	<u>697</u>	<u>726</u>	<u>58,929</u>	<u>6,208</u>	<u>1,504,809</u>	<u>-</u>
Cash and investments - ending	<u>\$ 8,396,862</u>	<u>\$ 2,970</u>	<u>\$ 2,430</u>	<u>\$ 132,807</u>	<u>\$ 6,208</u>	<u>\$ 1,504,809</u>	<u>\$ (8)</u>

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

	Redevelopment	Fire Non-Reverting	Law Enforcement Non-Rever	Firehouse Escrow	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development	Payroll
Cash and investments - beginning	\$ 1,712,353	\$ 51,967	\$ 9,877	\$ 1,512	\$ 44,520	\$ 415,734	\$ -
Receipts:							
Taxes	674,525	-	-	-	-	34,158	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	17,761	-	-	12,578	2,848	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	11,240	-	11,809	8	-	-	2,354,842
Total receipts	<u>685,765</u>	<u>17,761</u>	<u>11,809</u>	<u>8</u>	<u>12,578</u>	<u>37,006</u>	<u>2,354,842</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	2,215	-	-	-	-	-
Other services and charges	82,798	1,759	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	11,810	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	2,354,842
Total disbursements	<u>82,798</u>	<u>3,974</u>	<u>11,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,354,842</u>
Excess (deficiency) of receipts over disbursements	<u>602,967</u>	<u>13,787</u>	<u>(1)</u>	<u>8</u>	<u>12,578</u>	<u>37,006</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,315,320</u>	<u>\$ 65,754</u>	<u>\$ 9,876</u>	<u>\$ 1,520</u>	<u>\$ 57,098</u>	<u>\$ 452,740</u>	<u>\$ -</u>

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

	Claim On Pooled Cash	Electric Utility Bond And Interest	Deprec/Improve Cash Dep	Customer Meter Deposits	Construction Fund Bond Account	Electric Utility Reserve	Debt Reserve
Cash and investments - beginning	\$ 648,583	\$ 5,976	\$ 29,640	\$ 72,455	\$ 8,024	\$ 494,745	\$ 132,640
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	8,096,298	-	-	-	-	-	-
Penalties	38,850	-	-	-	-	-	-
Other receipts	400,531	123,792	-	75,150	96	60,000	-
Total receipts	<u>8,535,679</u>	<u>123,792</u>	<u>-</u>	<u>75,150</u>	<u>96</u>	<u>60,000</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	123,792	123,785	-	-	-	-	-
Capital outlay	193,291	-	-	-	-	-	-
Utility operating expenses	7,462,185	-	-	26,425	-	-	-
Other disbursements	551,184	-	-	-	380	-	-
Total disbursements	<u>8,330,452</u>	<u>123,785</u>	<u>-</u>	<u>26,425</u>	<u>380</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>205,227</u>	<u>7</u>	<u>-</u>	<u>48,725</u>	<u>(284)</u>	<u>60,000</u>	<u>-</u>
Cash and investments - ending	<u>\$ 853,810</u>	<u>\$ 5,983</u>	<u>\$ 29,640</u>	<u>\$ 121,180</u>	<u>\$ 7,740</u>	<u>\$ 554,745</u>	<u>\$ 132,640</u>

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

	Claim On Pooled Cash Trash	Operating Cash Account	Reserve	Customer Deposits	Expansion Reserve	Claim On Pooled Cash - Monthly Depo	Claim On Pooled Cash
Cash and investments - beginning	\$ 38,468	\$ 157,737	\$ 65,000	\$ 7,350	\$ 402,093	\$ 87,862	\$ 141,739
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	470,023	1,022,361	-	-	-	947,712	932,902
Penalties	-	-	-	-	-	8,721	5,561
Other receipts	3,166	3,822	-	1,500	34,677	1,736	1,706,511
Total receipts	<u>473,189</u>	<u>1,026,183</u>	<u>-</u>	<u>1,500</u>	<u>34,677</u>	<u>958,169</u>	<u>2,644,974</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	75,340
Capital outlay	-	-	-	-	79,708	-	81,878
Utility operating expenses	-	959,744	-	2,750	-	-	704,365
Other disbursements	473,073	60,417	-	-	-	979,619	1,727,811
Total disbursements	<u>473,073</u>	<u>1,020,161</u>	<u>-</u>	<u>2,750</u>	<u>79,708</u>	<u>979,619</u>	<u>2,589,394</u>
Excess (deficiency) of receipts over disbursements	<u>116</u>	<u>6,022</u>	<u>-</u>	<u>(1,250)</u>	<u>(45,031)</u>	<u>(21,450)</u>	<u>55,580</u>
Cash and investments - ending	<u>\$ 38,584</u>	<u>\$ 163,759</u>	<u>\$ 65,000</u>	<u>\$ 6,100</u>	<u>\$ 357,062</u>	<u>\$ 66,412</u>	<u>\$ 197,319</u>

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

	Water Bond Act Interest	Meter Deposits Paid	Construction Bond Account	Water Tower Project	Debt Reserve	Totals
Cash and investments - beginning	\$ 2,246	\$ 2,450	\$ 117,985	\$ 1,808,635	\$ 75,610	\$ 15,842,708
Receipts:						
Taxes	-	-	-	-	-	2,720,983
Licenses and permits	-	-	-	-	-	21,755
Intergovernmental	-	-	-	-	-	4,815,058
Charges for services	-	-	-	-	-	544,191
Fines and forfeits	-	-	-	-	-	12,280
Utility fees	-	-	-	-	-	11,469,296
Penalties	-	-	-	-	-	53,132
Other receipts	75,340	2,475	112	15,174	-	5,171,397
Total receipts	75,340	2,475	112	15,174	-	24,808,092
Disbursements:						
Personal services	-	-	-	-	-	2,353,806
Supplies	-	-	-	-	-	283,157
Other services and charges	-	-	-	-	-	2,257,085
Debt service - principal and interest	75,341	-	-	-	-	398,258
Capital outlay	-	-	-	1,639,919	-	2,052,216
Utility operating expenses	-	2,525	-	-	-	9,157,994
Other disbursements	-	-	20	-	-	6,255,396
Total disbursements	75,341	2,525	20	1,639,919	-	22,757,912
Excess (deficiency) of receipts over disbursements	(1)	(50)	92	(1,624,745)	-	2,050,180
Cash and investments - ending	\$ 2,245	\$ 2,400	\$ 118,077	\$ 183,890	\$ 75,610	\$ 17,892,888

CITY OF GREENDALE  
 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
<b>Governmental Activities:</b>		
Notes and loans payable		
New 800 Mhz Radio Project	\$ 117,200	8,211
Construction of New Fire Station	1,050,000	82,875
Renovation of Police Station	<u>1,360,000</u>	<u>95,200</u>
<b>Total governmental activities debt</b>	<b><u>\$ 2,527,200</u></b>	<b><u>\$ 186,286</u></b>
<b>Business-type Activities:</b>		
<b>Water Utility</b>		
Revenue bonds:		
Waterworks Improvements and Extensions- 1996	\$ 360,000	\$ 77,338
Waterworks Water Tank and Improvements- 2009	<u>1,776,500</u>	<u>108,824</u>
<b>Total Water Utility</b>	<b><u>2,136,500</u></b>	<b><u>186,162</u></b>
<b>Electric Utility:</b>		
Revenue bonds:		
Electric Utility System Improvements- 1998	<u>835,000</u>	<u>125,185</u>
<b>Total Electric Utility</b>	<b><u>835,000</u></b>	<b><u>125,185</u></b>
<b>Total business-type activities debt:</b>	<b><u>\$ 2,971,500</u></b>	<b><u>\$ 311,347</u></b>

CITY OF GREENDALE  
EXAMINATION RESULTS AND COMMENTS

***ANNUAL REPORT VARIANCES (Applies to Clerk-Treasurer)***

The following are examples of variances between amounts reported on the City and Town Annual Report (CTAR-1) and the financial ledger for the year 2010:

1. The financial ledger showed a certificate of deposit in the amount of \$1,000,000 that was not reported in the Annual Report's January 1, 2010 and December 31, 2010 cash and investment balances.
2. The financial ledger showed the Payroll Fund had a zero cash and investment balance at December 31, 2010. The Annual Report reported a \$1,819,054 cash and investment balance for the Payroll Fund at December 31, 2010.
3. The financial ledger showed the Water Utility's December 31, 2010 Claim on Pooled Cash Fund cash and investment balance in the amount of \$197,319. The Annual Report cash and investment balance for this fund was reported in the amount of \$204,374.
4. The financial ledger's December 31, 2010 General Fund balance was \$297 more than the Annual Report.

The financial ledger was correct for the above items. The City approved adjustments to be made to their financial statement for the items noted above.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***CAPITAL ASSET RECORDS - GOVERNMENTAL ACTIVITIES (Applies to Clerk-Treasurer)***

The City has not adopted a formal capital asset policy and detailed capital asset records prepared by the City are incomplete.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was included in prior Reports B33224, B34755, and B37806.

***CAPITAL ASSET RECORDS - BUSINESS-TYPE ACTIVITIES  
(Applies to Electric, Water, and Wastewater Utilities)***

The Utilities have not adopted formal capital asset policies and do not maintain sufficient detailed records of capital assets for their Utility Plant in Service accounts.

CITY OF GREENDALE  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was included in prior Reports B33224, B34755, and B37806.

***DELINQUENT WASTEWATER ACCOUNTS (Applies to Wastewater Utility)***

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 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 comment was included in prior Reports B33224, B34755, and B37806.

CITY OF GREENDALE  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

***SEPARATE BANK ACCOUNTS (Applies to Water and Electric Utilities)***

The operating funds of both the electric utility and the water utility are deposited and held in the same bank account.

Bond Ordinance 1998-4, in regards to the electric revenue bonds, and Bond Ordinance 12-1996, in regards to water utility revenue bonds, both state: ". . .The amounts in . . . all . . . funds and accounts created pursuant to this Ordinance shall be kept in separate bank accounts apart from all other bank accounts of the City. . . ."

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was included in prior Reports B33224, B34755, and B37806.

CITY OF GREENDALE  
EXIT CONFERENCE

The contents of this report were discussed on September 13, 2011, with Mary Jo Lynch, Clerk-Treasurer; Doug Hedrick, Mayor; and Steve Lampert, City Manager.