

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF WANATAH

LAPORTE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/11/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Stephen Mockler Diane Noll	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Charles Jonas	01-01-10 to 12-31-12
Superintendent of Utilities	Charles Mack	01-01-10 to 12-31-12



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF WANATAH, LAPORTE COUNTY, INDIANA

We have examined the financial statements of the Town of Wanatah (Town), for the period of January 1, 2010 to December 31, 2011. The Town's management is responsible for the financial statements. 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 statements 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 Town prepares its financial statements 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 statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, Town Council and others within the entity, 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

August 20, 2012

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were prepared by management of the Town. The financial statements and notes are presented as intended by the Town.

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

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	\$ 216,081	\$ 303,671	\$ 235,600	\$ 284,152
Motor Vehicle Highway	36,205	264,765	291,807	9,163
Local Road And Street	60,911	12,346	6,900	66,357
Riverboat	151,026	162,332	154,358	159,000
Parks And Recreation	5,825	10,699	14,898	1,626
Rainy Day	196	-	-	196
Major Moves Construction	11,381	-	-	11,381
Cum'L Cap Development	32,566	11,916	11,068	33,414
Cum'L Cap Improvement	58,014	2,966	-	60,980
Cedit	44,936	139,015	141,101	42,850
Payroll	-	241,640	241,640	-
Park Sales Tax Fund	28	67	28	67
Wastewater Operating	35,321	269,065	288,782	15,604
Wastewater Bond And Int	125,007	141,180	141,170	125,017
Wastewater Improvement	28,309	1,800	-	30,109
Wastewater Debt-Res	16,680	-	-	16,680
Water Operating	107,036	252,466	263,456	96,046
Water Bond And Interest	50,016	78,780	78,750	50,046
Water Customer Deposit	29,875	3,000	2,380	30,495
Water Improvement	10,800	-	-	10,800
Water Debt-Reserve	33,600	-	-	33,600
Totals	<u>\$ 1,053,813</u>	<u>\$ 1,895,708</u>	<u>\$ 1,871,938</u>	<u>\$ 1,077,583</u>

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

TOWN OF WANATAH
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
GENERAL FUND	\$ 284,152	\$ 237,866	\$ 320,488	\$ 201,530
MOTOR VEHICLE HIGHWAY	9,163	380,777	371,760	18,180
LOCAL ROAD AND STREET	66,357	11,050	22,410	54,997
RIVERBOAT	159,000	174,448	174,204	159,244
PARKS AND RECREATION	1,626	15,595	13,167	4,054
RAINY DAY FUND	196	40,000	-	40,196
CEDIT	42,850	160,344	172,000	31,194
EXCESS LEVY	-	5,771	-	5,771
MAJOR MOVES CONSTRUCTION	11,381	-	-	11,381
CUM'L CAP IMPROVEMENT	60,980	2,909	-	63,889
CUM'L CAP DEVELOPMENT	33,414	9,816	6,892	36,338
PARK SALES TAX FUND	67	46	111	2
PAYROLL	-	274,355	274,355	-
WASTEWATER OPERATING	15,604	263,016	230,577	48,043
WASTEWATER IMPROVEMENT	30,109	900	14,363	16,646
WASTEWATER BOND AND INT	17	70,053	70,070	-
WASTEWATER DEBT-RES	141,680	-	70,390	71,290
WATER OPERATING	96,046	247,649	273,779	69,916
WATER CUSTOMER DEPOSIT	30,495	3,200	2,190	31,505
WATER IMPROVEMENT	10,800	-	-	10,800
WATER BOND AND INTEREST	46	77,280	77,288	38
WATER DEBT-RESERVE	83,600	-	-	83,600
Totals	<u>\$ 1,077,583</u>	<u>\$ 1,975,075</u>	<u>\$ 2,094,044</u>	<u>\$ 958,614</u>

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

TOWN OF WANATAH
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council 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 and wastewater.

The accompanying financial statements present the financial information for the Town.

B. Basis of Accounting

The financial statements are 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 statements. The aggregate receipts may include 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 Town.

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.

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,

TOWN OF WANATAH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Penalties which include fees received for late payments.

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 statements. The aggregate disbursements may include 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 Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

TOWN OF WANATAH
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Town 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 Town. 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 Town. 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 Town 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 Town 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 Town 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.

TOWN OF WANATAH
NOTES TO FINANCIAL STATEMENTS
(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 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.

Note 5. Risk Management

The Town 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 Town 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 Town by recording as a disbursement any replacement items purchased.

Note 6. Pension Plan

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 Indiana Public Retirement System (INPRS) 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 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.

INPRS 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:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

TOWN OF WANATAH
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

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

Note 7. Subsequent Events

LaPorte County Property Taxes

For the past four property tax years LaPorte County has been unable to establish approved assessment amounts for county-wide properties. This has caused the County to bill property owners based on "provisional" tax bills since the 2007 pay 2008 property tax billing year. The County is currently working on preparing a reconciling bill for the 2008 pay 2009 property tax bill and the 2009 pay 2010 property tax bill. It is anticipated that these bills will be sent out to taxpayers in August 2012 with payment to be made in September 2012 and taxing district settlements to be made in October 2012. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the County. It is undetermined how much property tax collections the County will receive once all the reconciliation bills have been distributed and the collections received.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are 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 approved by management of the Town. It is presented as intended by the Town.

TOWN OF WANATAH
 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	Riverboat	Parks And Recreation	Rainy Day	Major Moves Construction	Cum'L Cap Development
Cash and investments - beginning	\$ 216,081	\$ 36,205	\$ 60,911	\$ 151,026	\$ 5,825	\$ 196	\$ 11,381	\$ 32,566
Receipts:								
Taxes	180,158	5,441	-	-	3,131	-	-	9,951
Licenses and permits	6,027	-	-	-	-	-	-	-
Intergovernmental	62,445	27,888	12,346	42,987	618	-	-	1,965
Charges for services	-	-	-	-	950	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	55,041	231,436	-	119,345	6,000	-	-	-
Total receipts	<u>303,671</u>	<u>264,765</u>	<u>12,346</u>	<u>162,332</u>	<u>10,699</u>	<u>-</u>	<u>-</u>	<u>11,916</u>
Disbursements:								
Personal services	61,790	64,473	-	-	3,954	-	-	-
Supplies	6,362	2,395	-	-	792	-	-	-
Other services and charges	166,960	24,883	6,900	4,773	4,152	-	-	11,068
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	39	56	-	49,585	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	449	200,000	-	100,000	6,000	-	-	-
Total disbursements	<u>235,600</u>	<u>291,807</u>	<u>6,900</u>	<u>154,358</u>	<u>14,898</u>	<u>-</u>	<u>-</u>	<u>11,068</u>
Excess (deficiency) of receipts over disbursements	<u>68,071</u>	<u>(27,042)</u>	<u>5,446</u>	<u>7,974</u>	<u>(4,199)</u>	<u>-</u>	<u>-</u>	<u>848</u>
Cash and investments - ending	<u>\$ 284,152</u>	<u>\$ 9,163</u>	<u>\$ 66,357</u>	<u>\$ 159,000</u>	<u>\$ 1,626</u>	<u>\$ 196</u>	<u>\$ 11,381</u>	<u>\$ 33,414</u>

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

	Cum'L Cap Improvement	Cedit	Payroll	Park Sales Tax Fund	Wastewater Operating	Wastewater Bond And Int	Wastewater Improvement
Cash and investments - beginning	\$ 58,014	\$ 44,936	\$ -	\$ 28	\$ 35,321	\$ 125,007	\$ 28,309
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,966	33,015	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	263,995	-	-
Penalties	-	-	-	-	3,373	-	-
Other receipts	-	106,000	241,640	67	1,697	141,180	1,800
Total receipts	2,966	139,015	241,640	67	269,065	141,180	1,800
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	141,170	-
Capital outlay	-	5,101	-	-	-	-	-
Utility operating expenses	-	-	-	-	140,328	-	-
Other disbursements	-	136,000	241,640	28	148,454	-	-
Total disbursements	-	141,101	241,640	28	288,782	141,170	-
Excess (deficiency) of receipts over disbursements	2,966	(2,086)	-	39	(19,717)	10	1,800
Cash and investments - ending	\$ 60,980	\$ 42,850	\$ -	\$ 67	\$ 15,604	\$ 125,017	\$ 30,109

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

	Wastewater Debt-Res	Water Operating	Water Bond And Interest	Water Customer Deposit	Water Improvement	Water Debt-Reserve	Totals
Cash and investments - beginning	\$ 16,680	\$ 107,036	\$ 50,016	\$ 29,875	\$ 10,800	\$ 33,600	\$ 1,053,813
Receipts:							
Taxes	-	-	-	-	-	-	198,681
Licenses and permits	-	-	-	-	-	-	6,027
Intergovernmental	-	-	-	-	-	-	184,230
Charges for services	-	-	-	-	-	-	950
Utility fees	-	233,415	-	-	-	-	497,410
Penalties	-	2,833	-	-	-	-	6,206
Other receipts	-	16,218	78,780	3,000	-	-	1,002,204
Total receipts	-	252,466	78,780	3,000	-	-	1,895,708
Disbursements:							
Personal services	-	-	-	-	-	-	130,217
Supplies	-	-	-	-	-	-	9,549
Other services and charges	-	-	-	-	-	-	218,736
Debt service - principal and interest	-	-	78,750	-	-	-	219,920
Capital outlay	-	11,169	-	-	-	-	65,950
Utility operating expenses	-	149,546	-	1,641	-	-	291,515
Other disbursements	-	102,741	-	739	-	-	936,051
Total disbursements	-	263,456	78,750	2,380	-	-	1,871,938
Excess (deficiency) of receipts over disbursements	-	(10,990)	30	620	-	-	23,770
Cash and investments - ending	\$ 16,680	\$ 96,046	\$ 50,046	\$ 30,495	\$ 10,800	\$ 33,600	\$ 1,077,583

TOWN OF WANATAH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD AND STREET	RIVERBOAT	PARKS AND RECREATION	RAINY DAY FUND	CEDIT	EXCESS LEVY
Cash and investments - beginning	\$ 284,152	\$ 9,163	\$ 66,357	\$ 159,000	\$ 1,626	\$ 196	\$ 42,850	\$ -
Receipts:								
Taxes	126,307	20,233	-	-	2,334	-	-	-
Licenses and permits	4,000	-	-	-	-	-	-	-
Intergovernmental	57,540	32,727	11,050	44,448	611	-	24,344	-
Charges for services	48,740	-	-	-	650	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	1,279	327,817	-	130,000	12,000	40,000	136,000	5,771
Total receipts	237,866	380,777	11,050	174,448	15,595	40,000	160,344	5,771
Disbursements:								
Personal services	67,615	77,290	-	-	4,019	-	-	-
Supplies	7,166	2,190	-	-	373	-	-	-
Other services and charges	177,763	290,967	-	7,313	8,775	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	9,538	1,313	2,410	36,891	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	58,406	-	20,000	130,000	-	-	172,000	-
Total disbursements	320,488	371,760	22,410	174,204	13,167	-	172,000	-
Excess (deficiency) of receipts over disbursements	(82,622)	9,017	(11,360)	244	2,428	40,000	(11,656)	5,771
Cash and investments - ending	\$ 201,530	\$ 18,180	\$ 54,997	\$ 159,244	\$ 4,054	\$ 40,196	\$ 31,194	\$ 5,771

TOWN OF WANATAH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	MAJOR MOVES CONSTRUCTION	CUM'L CAP IMPROVEMENT	CUM'L CAP DEVELOPMENT	PARK SALES TAX FUND	PAYROLL	WASTEWATER OPERATING	WASTEWATER IMPROVEMENT	WASTEWATER BOND AND INT
Cash and investments - beginning	\$ 11,381	\$ 60,980	\$ 33,414	\$ 67	\$ -	\$ 15,604	\$ 30,109	\$ 17
Receipts:								
Taxes	-	-	7,710	46	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	2,909	2,020	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	259,327	-	1,000
Penalties	-	-	-	-	-	3,381	-	-
Other receipts	-	-	86	-	274,355	308	900	69,053
Total receipts	-	2,909	9,816	46	274,355	263,016	900	70,053
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	70,070
Capital outlay	-	-	6,892	-	-	125	14,363	-
Utility operating expenses	-	-	-	-	-	148,621	-	-
Other disbursements	-	-	-	111	274,355	81,831	-	-
Total disbursements	-	-	6,892	111	274,355	230,577	14,363	70,070
Excess (deficiency) of receipts over disbursements	-	2,909	2,924	(65)	-	32,439	(13,463)	(17)
Cash and investments - ending	\$ 11,381	\$ 63,889	\$ 36,338	\$ 2	\$ -	\$ 48,043	\$ 16,646	\$ -

TOWN OF WANATAH
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	WASTEWATER DEBT-RES	WATER OPERATING	WATER CUSTOMER DEPOSIT	WATER IMPROVEMENT	WATER BOND AND INTEREST	WATER DEBT-RESERVE	TOTALS
Cash and investments - beginning	\$ 141,680	\$ 96,046	\$ 30,495	\$ 10,800	\$ 46	\$ 83,600	\$ 1,077,583
Receipts:							
Taxes	-	13,668	-	-	-	-	170,298
Licenses and permits	-	-	-	-	-	-	4,000
Intergovernmental	-	-	-	-	-	-	175,649
Charges for services	-	-	-	-	-	-	49,390
Utility fees	-	229,927	3,200	-	-	-	493,454
Penalties	-	2,916	-	-	-	-	6,297
Other receipts	-	1,138	-	-	77,280	-	1,075,987
Total receipts	-	247,649	3,200	-	77,280	-	1,975,075
Disbursements:							
Personal services	-	-	-	-	-	-	148,924
Supplies	-	-	-	-	-	-	9,729
Other services and charges	-	-	-	-	-	-	484,818
Debt service - principal and interest	70,390	-	-	-	77,288	-	217,748
Capital outlay	-	2,375	-	-	-	-	73,907
Utility operating expenses	-	154,016	-	-	-	-	302,637
Other disbursements	-	117,388	2,190	-	-	-	856,281
Total disbursements	70,390	273,779	2,190	-	77,288	-	2,094,044
Excess (deficiency) of receipts over disbursements	(70,390)	(26,130)	1,010	-	(8)	-	(118,969)
Cash and investments - ending	\$ 71,290	\$ 69,916	\$ 31,505	\$ 10,800	\$ 38	\$ 83,600	\$ 958,614

TOWN OF WANATAH
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater:			
Revenue bonds	1991 Series A	\$ 70,000	\$ 70,700
Water:			
Revenue bonds	2003 Refunding	685,000	80,825
Totals		<u>\$ 755,000</u>	<u>\$ 151,525</u>

TOWN OF WANATAH
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ -	\$ -
Wastewater	-	2,054
Water	-	1,875
Totals	<u>\$ -</u>	<u>\$ 3,929</u>

TOWN OF WANATAH
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 224,557
Buildings	312,072
Improvements other than buildings	190,200
Machinery, equipment and vehicles	384,759
Total governmental activities	1,111,588
Wastewater:	
Land	80,620
Buildings	257,300
Improvements other than buildings	3,153,088
Machinery, equipment and vehicles	162,849
Total Wastewater	3,653,857
Water:	
Land	4,954
Improvements other than buildings	78,359
Machinery, equipment and vehicles	1,421,423
Total Water	1,504,736
Total capital assets	\$ 6,270,181

TOWN OF WANATAH
EXAMINATION RESULT AND COMMENT

ANNUAL REPORT - CORRECTION OF ERRORS

The Cash and Investment balances of the following funds were restated by the Town upon submission of their 2011 Annual Report: Wastewater Bond and Interest, Wastewater Debt Reserve, \$125,000 each, Water Bond and Interest and Water Debt Reserve, \$50,000 each. The 2010 Annual Report incorrectly reflected two Certificates of Deposit within the wrong fund. The correction that was made to the beginning Cash and Investment balances for the 2011 Annual Report resulted in correct Cash and Investment balances for all funds at the end of 2011.

Receipt and disbursement corrections or other errors should be corrected by memorandum entry with the issuance of a check and receipt to document the flow of the transactions. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF WANATAH
EXIT CONFERENCE

The contents of this report were discussed over the telephone on August 13, 2012, with Stephen Mockler, former Clerk-Treasurer.

The contents of this report were discussed on August 20, 2012, with Diane Noll, Clerk-Treasurer, and Charles Jonas, President of the Town Council.