

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF CICERO

HAMILTON COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
11/13/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janice Unger	01-01-08 to 12-31-15
President of the Town Council	Sylvia K. Hartley Eric Hayden Brett Foster	01-01-10 to 12-31-10 01-01-11 to 12-31-11 01-01-12 to 12-31-12
Superintendent of Water Utility	Joseph Higgins	01-01-10 to 12-31-12
Superintendent of Wastewater Utility	Clarence Taylor	01-01-10 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF CICERO, HAMILTON COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Cicero (Town), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements 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.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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

September 26, 2012

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## FINANCIAL STATEMENTS

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

TOWN OF CICERO  
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	\$ 1,756,305	\$ 2,294,466	\$ 2,145,434	\$ 1,905,337
Motor Vehicle Highway	389,273	121,163	58,899	451,537
Local Road And Street	64,593	59,929	67,155	57,367
Donations	610	-	235	375
Causeway Grant	-	118,691	118,691	-
Law Enforcement Continuing Ed	6,023	5,218	2,738	8,503
Parks And Recreation	134,310	344,753	316,239	162,824
Grant, Misc	16,916	23,947	37,967	2,896
Rainy Day Fund	427,101	118,670	84,454	461,317
Festival Fund	-	8,570	3,932	4,638
Nonreverting Park Fund	10,434	385	80	10,739
Nonreverting Police Grant	76	5,400	5,400	76
Condo Tif	292,302	67,779	925	359,156
Nonreverting Baseball Park Donation	3,550	-	-	3,550
Trash	92,269	259,551	253,451	98,369
Park Impact	13,886	9,289	-	23,175
175Th B-Day Celebration	4,379	-	4,379	-
Southeast Tif	674	24,238	558	24,354
Fire Equipment Debt	29,933	65,201	70,701	24,433
Cumulative Capl Imprv Cigarette Tax	53,190	12,599	-	65,789
Cumulative Capital Development	229,990	117,173	32,527	314,636
Storm Water Management	307,456	88,656	136,399	259,713
Fire Bldg Bond Fund	-	127,999	127,999	-
Special Capital Fund	110,000	-	-	110,000
Payroll	30,597	919,372	918,203	31,766
Levy Excess #2	-	3,890	-	3,890
Wastewater Operating	160,343	886,737	856,555	190,525
Wasterwater Bond & Interest	317,185	298,888	292,429	323,644
Wastewater Customer Deposits	12,975	5,320	7,135	11,160
Wastewater Improvement	1,498,814	14,213	28,923	1,484,104
Water Operating	40,073	848,699	744,870	143,902
Water Bond & Interest	149,376	145,175	143,828	150,723
Water Customer Deposit	13,064	5,320	7,024	11,360
Water Improvement	470,654	115,496	167,349	418,801
Totals	<u>\$ 6,636,351</u>	<u>\$ 7,116,787</u>	<u>\$ 6,634,479</u>	<u>\$ 7,118,659</u>

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

TOWN OF CICERO  
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	\$ 1,905,337	\$ 2,098,572	\$ 2,176,331	\$ 1,827,578
Motor Vehicle Highway	451,537	128,506	92,591	487,452
Local Road And Street	57,367	59,794	21,611	95,550
Law Enforcement Continuing Ed	8,503	5,872	4,398	9,977
Parks And Recreation	162,824	446,483	438,285	171,022
Rainy Day Fund	461,317	-	87,440	373,877
Cumulative Capl Imprv Cigarette Tax	65,789	24,366	17,196	72,959
Cumulative Capital Development	314,636	114,400	23,787	405,249
Storm Water Management	259,713	90,112	34,916	314,909
Donations	375	15	-	390
Causeway Grant	-	107,469	107,469	-
Grant Misc	2,896	-	-	2,896
Festival Fund	4,638	9,250	10,074	3,814
Nonreverting Park Fund	10,739	4,649	31	15,357
Nonreverting Police Grant	76	-	-	76
Condo Tif	359,156	72,359	17,023	414,492
Nonreverting Baseball Park Donation	3,550	-	-	3,550
Trash	98,369	277,122	269,279	106,212
Park Impact	23,175	11,110	-	34,285
Southeast Tif	24,354	61,917	9,255	77,016
Fire Equipment Debt	24,433	78,509	80,201	22,741
Special Capital Fund	110,000	-	-	110,000
Payroll	31,766	955,038	955,812	30,992
Levy Excess #2	3,890	-	3,890	-
Wastewater Operating	190,525	949,999	909,168	231,356
Wastewater Bond & Interest	323,644	299,729	300,199	323,174
Wastewater Customer Deposits	11,160	4,760	3,240	12,680
Wastewater Improvement	1,484,104	10,694	492,329	1,002,469
Water Operating	143,902	734,404	719,214	159,092
Water Bond & Interest	150,723	144,282	146,000	149,005
Water Customer Deposit	11,360	4,760	3,240	12,880
Water Improvement	418,801	106,849	62,505	463,145
Totals	<u>\$ 7,118,659</u>	<u>\$ 6,801,020</u>	<u>\$ 6,985,484</u>	<u>\$ 6,934,195</u>

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

TOWN OF CICERO  
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, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

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 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

TOWN OF CICERO  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 statements. The aggregate disbursements 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.

Utility operating expenses which include all outflows for operating the utilities.

TOWN OF CICERO  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 CICERO  
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.

**Note 6. Pension Plan**

*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 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:

TOWN OF CICERO  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

*Funding Policy and Annual Pension Cost*

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

## 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/](http://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 CICERO  
 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	Donations	Causeway Grant	Law Enforcement Continuing Ed	Parks And Recreation
Cash and investments - beginning	\$ 1,756,305	\$ 389,273	\$ 64,593	\$ 610	\$ -	\$ 6,023	\$ 134,310
Receipts:							
Taxes	875,894	-	-	-	118,691	-	192,951
Licenses and permits	-	-	-	-	-	2,410	-
Intergovernmental	1,019,708	120,082	59,438	-	-	-	29,603
Charges for services	247,119	480	-	-	-	122	114,636
Fines and forfeits	3,587	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	148,158	601	491	-	-	2,686	7,563
Total receipts	<u>2,294,466</u>	<u>121,163</u>	<u>59,929</u>	<u>-</u>	<u>118,691</u>	<u>5,218</u>	<u>344,753</u>
Disbursements:							
Personal services	1,604,674	11,419	-	-	-	-	177,497
Supplies	109,485	15,577	17,155	48	-	-	45,003
Other services and charges	342,176	25,517	50,000	187	118,691	2,738	56,592
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	88,315	6,386	-	-	-	-	35,065
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	784	-	-	-	-	-	2,082
Total disbursements	<u>2,145,434</u>	<u>58,899</u>	<u>67,155</u>	<u>235</u>	<u>118,691</u>	<u>2,738</u>	<u>316,239</u>
Excess (deficiency) of receipts over disbursements	<u>149,032</u>	<u>62,264</u>	<u>(7,226)</u>	<u>(235)</u>	<u>-</u>	<u>2,480</u>	<u>28,514</u>
Cash and investments - ending	<u>\$ 1,905,337</u>	<u>\$ 451,537</u>	<u>\$ 57,367</u>	<u>\$ 375</u>	<u>\$ -</u>	<u>\$ 8,503</u>	<u>\$ 162,824</u>

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

	Grant, Misc	Rainy Day Fund	Festival Fund	Nonreverting Park Fund	Nonreverting Police Grant	Condo Tif	Nonreverting Baseball Park Donation
Cash and investments - beginning	\$ 16,916	\$ 427,101	\$ -	\$ 10,434	\$ 76	\$ 292,302	\$ 3,550
Receipts:							
Taxes	-	-	-	-	-	67,779	-
Licenses and permits	-	-	4,190	-	-	-	-
Intergovernmental	-	118,670	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	23,947	-	4,380	385	5,400	-	-
Total receipts	<u>23,947</u>	<u>118,670</u>	<u>8,570</u>	<u>385</u>	<u>5,400</u>	<u>67,779</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	3,932	-	-	-	-
Other services and charges	-	-	-	80	-	925	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	37,967	84,454	-	-	5,400	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>37,967</u>	<u>84,454</u>	<u>3,932</u>	<u>80</u>	<u>5,400</u>	<u>925</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(14,020)</u>	<u>34,216</u>	<u>4,638</u>	<u>305</u>	<u>-</u>	<u>66,854</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,896</u>	<u>\$ 461,317</u>	<u>\$ 4,638</u>	<u>\$ 10,739</u>	<u>\$ 76</u>	<u>\$ 359,156</u>	<u>\$ 3,550</u>

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

	Trash	Park Impact	175Th B-Day Celebration	Southeast Tif	Fire Equipment Debt	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ 92,269	\$ 13,886	\$ 4,379	\$ 674	\$ 29,933	\$ 53,190	\$ 229,990
Receipts:							
Taxes	-	-	-	24,238	56,529	-	101,586
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	259,551	-	-	-	8,672	12,599	15,587
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	9,289	-	-	-	-	-
Total receipts	259,551	9,289	-	24,238	65,201	12,599	117,173
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	1,678	-	-	-	-	-	-
Other services and charges	249,800	-	-	558	70,701	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	32,527
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,973	-	4,379	-	-	-	-
Total disbursements	253,451	-	4,379	558	70,701	-	32,527
Excess (deficiency) of receipts over disbursements	6,100	9,289	(4,379)	23,680	(5,500)	12,599	84,646
Cash and investments - ending	\$ 98,369	\$ 23,175	\$ -	\$ 24,354	\$ 24,433	\$ 65,789	\$ 314,636

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

	Storm Water Management	Fire Bldg Bond Fund	Special Capital Fund	Payroll	Levy Excess #2	Wastewater Operating	Wasterwater Bond & Interest
Cash and investments - beginning	\$ 307,456	\$ -	\$ 110,000	\$ 30,597	\$ -	\$ 160,343	\$ 317,185
Receipts:							
Taxes	-	110,974	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	17,025	-	-	-	-	-
Charges for services	88,656	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	871,762	-
Other receipts	-	-	-	919,372	3,890	14,975	298,888
Total receipts	<u>88,656</u>	<u>127,999</u>	<u>-</u>	<u>919,372</u>	<u>3,890</u>	<u>886,737</u>	<u>298,888</u>
Disbursements:							
Personal services	14,481	-	-	-	-	-	-
Supplies	1,736	-	-	-	-	-	-
Other services and charges	11,474	121,200	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	291,179
Capital outlay	108,616	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	535,815	-
Other disbursements	<u>92</u>	<u>6,799</u>	<u>-</u>	<u>918,203</u>	<u>-</u>	<u>320,740</u>	<u>1,250</u>
Total disbursements	<u>136,399</u>	<u>127,999</u>	<u>-</u>	<u>918,203</u>	<u>-</u>	<u>856,555</u>	<u>292,429</u>
Excess (deficiency) of receipts over disbursements	<u>(47,743)</u>	<u>-</u>	<u>-</u>	<u>1,169</u>	<u>3,890</u>	<u>30,182</u>	<u>6,459</u>
Cash and investments - ending	<u>\$ 259,713</u>	<u>\$ -</u>	<u>\$ 110,000</u>	<u>\$ 31,766</u>	<u>\$ 3,890</u>	<u>\$ 190,525</u>	<u>\$ 323,644</u>

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

	Wastewater Customer Deposits	Wastewater Improvement	Water Operating	Water Bond & Interest	Water Customer Deposit	Water Improvement	Totals
Cash and investments - beginning	\$ 12,975	\$ 1,498,814	\$ 40,073	\$ 149,376	\$ 13,064	\$ 470,654	\$ 6,636,351
Receipts:							
Taxes	-	-	-	-	-	-	1,548,642
Licenses and permits	-	-	-	-	-	-	6,600
Intergovernmental	-	-	-	-	-	-	1,660,935
Charges for services	-	-	-	-	-	-	451,013
Fines and forfeits	-	-	-	-	-	-	3,587
Utility fees	-	-	674,603	-	-	104,849	1,651,214
Other receipts	5,320	14,213	174,096	145,175	5,320	10,647	1,794,796
Total receipts	5,320	14,213	848,699	145,175	5,320	115,496	7,116,787
Disbursements:							
Personal services	-	-	-	-	-	-	1,808,071
Supplies	-	-	-	-	-	-	194,614
Other services and charges	-	-	-	-	-	-	1,050,639
Debt service - principal and interest	-	-	-	143,078	-	-	434,257
Capital outlay	-	-	-	-	-	-	398,730
Utility operating expenses	7,135	20,127	546,164	-	7,024	1,118	1,117,383
Other disbursements	-	8,796	198,706	750	-	166,231	1,630,785
Total disbursements	7,135	28,923	744,870	143,828	7,024	167,349	6,634,479
Excess (deficiency) of receipts over disbursements	(1,815)	(14,710)	103,829	1,347	(1,704)	(51,853)	482,308
Cash and investments - ending	\$ 11,160	\$ 1,484,104	\$ 143,902	\$ 150,723	\$ 11,360	\$ 418,801	\$ 7,118,659

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

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Parks And Recreation	Rainy Day Fund	Cumulative Capl Imprv Cigarette Tax
Cash and investments - beginning	\$ 1,905,337	\$ 451,537	\$ 57,367	\$ 8,503	\$ 162,824	\$ 461,317	\$ 65,789
Receipts:							
Taxes	880,051	-	-	-	193,854	-	-
Licenses and permits	64,257	-	-	5,707	-	-	-
Intergovernmental	831,652	121,839	59,434	-	23,773	-	12,357
Charges for services	197,750	480	-	165	228,396	-	-
Fines and forfeits	8,434	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	116,428	6,187	360	-	460	-	12,009
Total receipts	<u>2,098,572</u>	<u>128,506</u>	<u>59,794</u>	<u>5,872</u>	<u>446,483</u>	<u>-</u>	<u>24,366</u>
Disbursements:							
Personal services	1,676,488	9,057	-	-	183,603	-	-
Supplies	114,506	21,326	21,611	4,398	164,671	-	-
Other services and charges	311,530	25,358	-	-	53,162	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	62,829	36,850	-	-	36,849	87,440	17,196
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	10,978	-	-	-	-	-	-
Total disbursements	<u>2,176,331</u>	<u>92,591</u>	<u>21,611</u>	<u>4,398</u>	<u>438,285</u>	<u>87,440</u>	<u>17,196</u>
Excess (deficiency) of receipts over disbursements	<u>(77,759)</u>	<u>35,915</u>	<u>38,183</u>	<u>1,474</u>	<u>8,198</u>	<u>(87,440)</u>	<u>7,170</u>
Cash and investments - ending	<u>\$ 1,827,578</u>	<u>\$ 487,452</u>	<u>\$ 95,550</u>	<u>\$ 9,977</u>	<u>\$ 171,022</u>	<u>\$ 373,877</u>	<u>\$ 72,959</u>

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

	Cumulative Capital Development	Storm Water Management	Donations	Causeway Grant	Grant Misc	Festival Fund	Nonreverting Park Fund
Cash and investments - beginning	\$ 314,636	\$ 259,713	\$ 375	\$ -	\$ 2,896	\$ 4,638	\$ 10,739
Receipts:							
Taxes	97,831	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	4,250	-
Intergovernmental	11,997	-	-	-	-	-	-
Charges for services	-	90,109	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4,572	3	15	107,469	-	5,000	4,649
Total receipts	114,400	90,112	15	107,469	-	9,250	4,649
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	3,001	-	-	-	-	-
Other services and charges	-	3,680	-	107,469	-	10,074	31
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	23,787	28,235	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	23,787	34,916	-	107,469	-	10,074	31
Excess (deficiency) of receipts over disbursements	90,613	55,196	15	-	-	(824)	4,618
Cash and investments - ending	\$ 405,249	\$ 314,909	\$ 390	\$ -	\$ 2,896	\$ 3,814	\$ 15,357

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

	Nonreverting Police Grant	Condo Tif	Nonreverting Baseball Park Donation	Trash	Park Impact	Southeast Tif	Fire Equipment Debt
Cash and investments - beginning	\$ 76	\$ 359,156	\$ 3,550	\$ 98,369	\$ 23,175	\$ 24,354	\$ 24,433
Receipts:							
Taxes	-	72,359	-	-	-	61,917	61,471
Licenses and permits	-	-	-	-	11,040	-	-
Intergovernmental	-	-	-	-	-	-	7,538
Charges for services	-	-	-	277,056	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	66	70	-	9,500
Total receipts	-	72,359	-	277,122	11,110	61,917	78,509
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	1,747	-	-	-
Other services and charges	-	17,023	-	267,532	-	9,255	-
Debt service - principal and interest	-	-	-	-	-	-	70,701
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	9,500
Total disbursements	-	17,023	-	269,279	-	9,255	80,201
Excess (deficiency) of receipts over disbursements	-	55,336	-	7,843	11,110	52,662	(1,692)
Cash and investments - ending	\$ 76	\$ 414,492	\$ 3,550	\$ 106,212	\$ 34,285	\$ 77,016	\$ 22,741

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

	Special Capital Fund	Payroll	Levy Excess #2	Wastewater Operating	Wastewater Bond & Interest	Wastewater Customer Deposits
Cash and investments - beginning	\$ 110,000	\$ 31,766	\$ 3,890	\$ 190,525	\$ 323,644	\$ 11,160
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	949,999	-	-
Other receipts	-	955,038	-	-	299,729	4,760
Total receipts	-	955,038	-	949,999	299,729	4,760
Disbursements:						
Personal services	-	955,812	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	293,649	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	610,303	-	-
Other disbursements	-	-	3,890	298,865	6,550	3,240
Total disbursements	-	955,812	3,890	909,168	300,199	3,240
Excess (deficiency) of receipts over disbursements	-	(774)	(3,890)	40,831	(470)	1,520
Cash and investments - ending	\$ 110,000	\$ 30,992	\$ -	\$ 231,356	\$ 323,174	\$ 12,680

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

	Wastewater Improvement	Water Operating	Water Bond & Interest	Water Customer Deposit	Water Improvement	Totals
Cash and investments - beginning	\$ 1,484,104	\$ 143,902	\$ 150,723	\$ 11,360	\$ 418,801	\$ 7,118,659
Receipts:						
Taxes	-	-	-	-	-	1,367,483
Licenses and permits	-	-	-	-	-	85,254
Intergovernmental	-	-	-	-	-	1,068,590
Charges for services	-	-	-	-	-	793,956
Fines and forfeits	-	-	-	-	-	8,434
Utility fees	-	734,404	-	-	104,849	1,789,252
Other receipts	10,694	-	144,282	4,760	2,000	1,688,051
Total receipts	<u>10,694</u>	<u>734,404</u>	<u>144,282</u>	<u>4,760</u>	<u>106,849</u>	<u>6,801,020</u>
Disbursements:						
Personal services	-	-	-	-	-	2,824,960
Supplies	-	-	-	-	-	331,260
Other services and charges	-	-	-	-	-	805,114
Debt service - principal and interest	-	-	143,250	-	-	507,600
Capital outlay	16,288	-	-	-	18,033	327,507
Utility operating expenses	476,041	510,459	-	-	44,472	1,641,275
Other disbursements	-	208,755	2,750	3,240	-	547,768
Total disbursements	<u>492,329</u>	<u>719,214</u>	<u>146,000</u>	<u>3,240</u>	<u>62,505</u>	<u>6,985,484</u>
Excess (deficiency) of receipts over disbursements	<u>(481,635)</u>	<u>15,190</u>	<u>(1,718)</u>	<u>1,520</u>	<u>44,344</u>	<u>(184,464)</u>
Cash and investments - ending	<u>\$ 1,002,469</u>	<u>\$ 159,092</u>	<u>\$ 149,005</u>	<u>\$ 12,880</u>	<u>\$ 463,145</u>	<u>\$ 6,934,195</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Fifth Third Bank	Fire Equipment	\$ 70,701	09-06-05	01-15-16
Total of annual lease payments		<u>\$ 70,701</u>		

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose	
Wastewater:		
Revenue bonds	Wastewater Treatmentment Plant	\$ 765,000
Revenue bonds	Installation of new sewer lines	932,000
Total Wastewater		<u>1,697,000</u>
Water:		
Revenue bonds	Water Tower and pump station	520,000
Revenue bonds	Improvements to waterworks	415,000
Total Water		<u>935,000</u>
Totals		<u>\$ 2,632,000</u>
		<u>\$ 433,699</u>

TOWN OF CICERO  
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	\$ 1,362,957
Infrastructure	2,777,954
Buildings	1,583,009
Improvements other than buildings	882,508
Machinery, equipment and vehicles	2,223,118
Total governmental activities	8,829,546
Wastewater:	
Infrastructure	5,391,828
Buildings	660,191
Improvements other than buildings	120,434
Machinery, equipment and vehicles	1,315,430
Total Wastewater	7,487,883
Water:	
Land	64,646
Infrastructure	5,156,577
Buildings	25,600
Improvements other than buildings	61,000
Machinery, equipment and vehicles	333,543
Total Water	5,641,366
Total capital assets	\$ 21,958,795

TOWN OF CICERO  
EXAMINATION RESULTS AND COMMENTS

***FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS***

As of the date of this examination report, the Form 941 Quarterly Reports for the 4th Quarter 2011 and the 1st and 2nd Quarters of 2012 had not been filed with the Internal Revenue Service. Also, the Town did not always include the community building rent revenues in the taxable sales reported to the Indiana Department of Revenue on the Sales Tax Return, Form ST-103. The Clerk-Treasurer is currently working to get the required reports filed properly.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***PENALTIES, INTEREST, AND OTHER CHARGES***

During the audit period, the Clerk-Treasurer made a computation error on one of the sales tax returns, Form ST-103, for the Parks Department. This error resulted in the Indiana Department of Revenue assessing a penalty and interest in the amount of \$10.34. The \$10.34 was paid by the Town on July 15, 2010.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF CICERO  
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2012, with Janice Unger, Clerk-Treasurer.