

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

CITY OF WINCHESTER

RANDOLPH COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
07/30/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Report.....	3-4
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6
Notes to Financial Statement.....	7-11
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-23
Schedule of Receivables	24
Schedule of Leases and Debt	25
Schedule of Capital Assets.....	26
Exit Conference.....	27

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Vicki Haney	01-01-12 to 12-31-15
Mayor	Steven D. Croyle	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Steven D. Croyle	01-01-12 to 12-31-15
President of the Common Council	Todd Schroeder	01-01-12 to 12-31-13



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF WINCHESTER, RANDOLPH COUNTY, INDIANA

We have examined the accompanying financial statement of the City of Winchester (City), for the year ended December 31, 2012. The financial statement is the responsibility of the City's management. Our responsibility is to express an opinion on the financial statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2012.

In our opinion, except for the omission of the information discussed in the preceding paragraph, 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, 2012, on the basis of accounting described in Note 1.

INDEPENDENT ACCOUNTANT'S REPORT
(Continued)

Our examination was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of 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 statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.



Bruce Hartman
State Examiner

June 18, 2013

FINANCIAL STATEMENT

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

CITY OF WINCHESTER
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 1,403,757	\$ 2,352,455	\$ 2,406,015	\$ 1,350,197
Motor Vehicle Highway	141,857	618,849	499,254	261,452
Local Road And Street	57,009	20,431	17,335	60,105
Law Enforcement Continuing Education	812	5,518	2,383	3,947
Clerk's Records Perpetuation	2,805	2,628	2,210	3,223
Parks And Recreation	33,451	179,151	166,348	46,254
User Fee	17,149	15,840	15,432	17,557
Rainy Day	275,378	-	-	275,378
County Economic Development Income Tax	411,233	219,021	157,500	472,754
Cumulative Capital Development	333,737	41,544	14,731	360,550
Cumulative Capital Improvement	78,698	13,089	56,374	35,413
Fire Pension	108,394	45,500	47,589	106,305
Downtown Facade Planning Grant	106,406	271,904	376,477	1,833
E. P. Miller	15,013	215	10,225	5,003
City Court	16,454	212,827	212,584	16,697
Law Enforcement Aid Fund	1,543	-	100	1,443
CJI Laptop	-	5,390	5,390	-
Excess Levy	-	13,535	-	13,535
Revolving Loan	-	4,951	1	4,950
Heritage Program Grant	-	5,000	5,000	-
Union Street Reconstruction	-	139,455	139,455	-
Street Signing Inventory Grant	-	45,000	45,000	-
Redevelopment Authority Series B Sinking	33,254	220,002	213,303	39,953
Redevelopment Authority Series B O&R	5,223	4,000	4,000	5,223
Redevelopment Authority Series B Reserve	178,355	4	-	178,359
Redevelopment Authority Revenue Bonds 2012 A&B Debt Reserve	-	276,689	-	276,689
Redevelopment Authority Revenue Bonds 2012 A&B CREB Const	-	2,257,882	-	2,257,882
Redevelopment Authority Revenue Bonds 2012 A&B Const	-	317,881	-	317,881
Redevelopment Authority Bonds 2012 A&B CREB Iss. Exp	-	19,167	7,667	11,500
Redevelopment Authority Rev Bonds 2012 A&B Issuance Exp	-	120,334	112,651	7,683
Lights	49,420	31,679	50,328	30,771
Recycling	6,713	6,500	13,213	-
Indiana University Car Seats	524	-	200	324
Ambulance Non-Reverting	142,569	64,359	10,220	196,708
Sart-Forensic	1,511	-	1,511	-
Project Love	22	2	-	24
Fire Department Non Reverting	22,745	8,419	2,978	28,186
DARE Donation	10	5,703	5,225	488
Operation Pullover	25	18,542	18,135	432
Tomasco Capitalized Interest	589	-	589	-
East US 27 TIF	277,921	187,999	101,044	364,876
Court Cash Due County	-	18,471	18,471	-
Beeson Park	11,011	10,034	17,681	3,364
Weed Assessment	15,049	14,182	1,490	27,741
Animal Control	9,245	8,439	16,288	1,396
Fire Department Special CEDIT	11,613	-	-	11,613
Police Department Donation Walmart	39	-	37	2
Winchester Police Department Professional Development	308	2,520	112	2,716
Winchester Fire Department Professional Development	129	500	279	350
Park Events Donation	756	2,655	2,942	469
Economic Development Non-Reverting	1,006	-	-	1,006
Animal Control Donation	127	307	-	434
Employee Welfare Benefit Cash	348,973	705,916	627,507	427,382
Beeson Farm	239,239	38,074	40,693	236,620
Goodrich Park Cumulative Repair	103,835	73,435	123,328	53,942
Fire Department Donation (Wal-Mart)	1,775	-	-	1,775
Willow Ridge TIF	62,443	196,012	229,333	29,122
Safe Routes to School	-	40,000	40,000	-
Vision Park TIF	168,291	82,311	225,765	24,837
Tomasco Project TIF	567,036	310,910	383,018	494,928
Sidewalk Rehabilitaion	40,728	29,235	29,674	40,289
Payroll	1,074	1,067,075	1,067,724	425
Sewage Works Revenue Bonds 2003 Sinking	10,448	244,201	248,801	5,848
Wastewater Utility Operating	200,000	1,469,025	1,469,025	200,000
Wastewater Utility Bond And Interest	9,343	281,035	290,378	-
Wastewater Utility Depreciation Improvement	1,412,666	107,851	348,928	1,171,589
Wastewater Utility-Other #1	150	-	-	150
Wastewater Utility Debt Reserve	401,000	-	-	401,000
Totals	<u>\$ 7,338,861</u>	<u>\$ 12,453,653</u>	<u>\$ 9,901,941</u>	<u>\$ 9,890,573</u>

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

CITY OF WINCHESTER
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, wastewater, storm water, trash, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

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 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.

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,

CITY OF WINCHESTER
NOTES TO FINANCIAL STATEMENT
(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 statement. 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 City. It includes all expenditures for the reduction of the principal and interest of the City'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.

CITY OF WINCHESTER
NOTES TO FINANCIAL STATEMENT
(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 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 WINCHESTER
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.

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 Indiana Public Retirement System (INPRS) 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.

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

CITY OF WINCHESTER
NOTES TO FINANCIAL STATEMENT
(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.

B. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) 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.

INPRS 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

Funding Policy

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

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 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 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 approved by management of the City. It is presented as intended by the City.

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Education	Clerk's Records Perpetuation	Parks And Recreation	User Fee
Cash and investments - beginning	\$ 1,403,757	\$ 141,857	\$ 57,009	\$ 812	\$ 2,805	\$ 33,451	\$ 17,149
Receipts:							
Taxes	1,318,273	358,007	-	-	-	116,977	-
Licenses and permits	1,675	540	-	3,934	-	-	-
Intergovernmental	667,240	255,228	17,711	-	-	9,847	-
Charges for services	254,424	630	-	-	-	21,185	-
Fines and forfeits	92,499	-	-	1,194	2,628	-	15,840
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	18,344	4,444	2,720	390	-	31,142	-
Total receipts	<u>2,352,455</u>	<u>618,849</u>	<u>20,431</u>	<u>5,518</u>	<u>2,628</u>	<u>179,151</u>	<u>15,840</u>
Disbursements:							
Personal services	1,560,341	237,568	-	-	-	92,125	-
Supplies	121,465	66,979	-	2,383	-	34,827	-
Other services and charges	438,016	28,269	114	-	2,210	37,684	-
Debt service - principal and interest	109,555	-	-	-	-	-	-
Capital outlay	37,183	166,438	17,221	-	-	1,585	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	139,455	-	-	-	-	127	15,432
Total disbursements	<u>2,406,015</u>	<u>499,254</u>	<u>17,335</u>	<u>2,383</u>	<u>2,210</u>	<u>166,348</u>	<u>15,432</u>
Excess (deficiency) of receipts over disbursements	<u>(53,560)</u>	<u>119,595</u>	<u>3,096</u>	<u>3,135</u>	<u>418</u>	<u>12,803</u>	<u>408</u>
Cash and investments - ending	<u>\$ 1,350,197</u>	<u>\$ 261,452</u>	<u>\$ 60,105</u>	<u>\$ 3,947</u>	<u>\$ 3,223</u>	<u>\$ 46,254</u>	<u>\$ 17,557</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Rainy Day	County Economic Development Income Tax	Cumulative Capital Development	Cumulative Capital Improvement	Fire Pension	Downtown Facade Planning Grant	E. P. Miller
Cash and investments - beginning	\$ 275,378	\$ 411,233	\$ 333,737	\$ 78,698	\$ 108,394	\$ 106,406	\$ 15,013
Receipts:							
Taxes	-	-	38,318	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	198,941	3,226	13,089	-	253,741	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	-	20,080	-	-	45,500	18,163	215
Total receipts	-	219,021	41,544	13,089	45,500	271,904	215
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	7,500	11,583	55,274	-	25,405	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	150,000	3,148	1,100	-	330,991	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	47,589	20,081	10,225
Total disbursements	-	157,500	14,731	56,374	47,589	376,477	10,225
Excess (deficiency) of receipts over disbursements	-	61,521	26,813	(43,285)	(2,089)	(104,573)	(10,010)
Cash and investments - ending	\$ 275,378	\$ 472,754	\$ 360,550	\$ 35,413	\$ 106,305	\$ 1,833	\$ 5,003

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	City Court	Law Enforcement Aid Fund	CJI Laptop	Excess Levy	Revolving Loan	Heritage Program Grant	Union Street Reconstruction
Cash and investments - beginning	\$ 16,454	\$ 1,543	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	5,390	13,535	-	5,000	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	212,827	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	-	-	-	-	4,951	-	139,455
Total receipts	<u>212,827</u>	<u>-</u>	<u>5,390</u>	<u>13,535</u>	<u>4,951</u>	<u>5,000</u>	<u>139,455</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	139,455
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	5,390	-	-	5,000	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	212,584	100	-	-	1	-	-
Total disbursements	<u>212,584</u>	<u>100</u>	<u>5,390</u>	<u>-</u>	<u>1</u>	<u>5,000</u>	<u>139,455</u>
Excess (deficiency) of receipts over disbursements	<u>243</u>	<u>(100)</u>	<u>-</u>	<u>13,535</u>	<u>4,950</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 16,697</u>	<u>\$ 1,443</u>	<u>\$ -</u>	<u>\$ 13,535</u>	<u>\$ 4,950</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Street Signing Inventory Grant	Redevelopment Authority Series B Sinking	Redevelopment Authority Series B O&R	Redevelopment Authority Series B Reserve	Redevelopment Authority Revenue Bonds 2012 A & B Debt Reserve	Redevelopment Authority Revenue Bonds 2012 A & B GREB Const	Redevelopment Authority Revenue Bonds 2012 A & B Const
Cash and investments - beginning	\$ -	\$ 33,254	\$ 5,223	\$ 178,355	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	45,000	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	276,683	2,257,833	317,875
Other receipts	-	220,002	4,000	4	6	49	6
Total receipts	<u>45,000</u>	<u>220,002</u>	<u>4,000</u>	<u>4</u>	<u>276,689</u>	<u>2,257,882</u>	<u>317,881</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	45,000	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	213,303	4,000	-	-	-	-
Total disbursements	<u>45,000</u>	<u>213,303</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>6,699</u>	<u>-</u>	<u>4</u>	<u>276,689</u>	<u>2,257,882</u>	<u>317,881</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 39,953</u>	<u>\$ 5,223</u>	<u>\$ 178,359</u>	<u>\$ 276,689</u>	<u>\$ 2,257,882</u>	<u>\$ 317,881</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Redevelopment Authority Bonds 2012 A & B A&B CREB Iss. Exp	Redevelopment Authority Revenue Bonds 2012 A & B A&B Issuance Exp	Lights	Recycling	Indiana University Car Seats	Ambulance Non-Reverting	Sart-Forensic
Cash and investments - beginning	\$ -	\$ -	\$ 49,420	\$ 6,713	\$ 524	\$ 142,569	\$ 1,511
Receipts:							
Taxes	-	-	29,219	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,460	-	-	-	-
Charges for services	-	-	-	-	-	64,359	-
Fines and forfeits	-	-	-	6,500	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	19,167	120,333	-	-	-	-	-
Other receipts	-	1	-	-	-	-	-
Total receipts	19,167	120,334	31,679	6,500	-	64,359	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	3,016	-	8,748	-
Other services and charges	-	-	50,328	10,197	-	1,472	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	200	-	1,511
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	7,667	112,651	-	-	-	-	-
Total disbursements	7,667	112,651	50,328	13,213	200	10,220	1,511
Excess (deficiency) of receipts over disbursements	11,500	7,683	(18,649)	(6,713)	(200)	54,139	(1,511)
Cash and investments - ending	\$ 11,500	\$ 7,683	\$ 30,771	\$ -	\$ 324	\$ 196,708	\$ -

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Project Love	Fire Department Non Reverting	DARE Donation	Operation Pullover	Tomasco Capitalized Interest	East US 27 TIF	Court Cash Due County
Cash and investments - beginning	\$ 22	\$ 22,745	\$ 10	\$ 25	\$ 589	\$ 277,921	\$ -
Receipts:							
Taxes	-	-	-	-	-	187,659	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	4,799	-	18,542	-	-	-
Charges for services	-	3,200	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	18,471
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	2	420	5,703	-	-	340	-
Total receipts	<u>2</u>	<u>8,419</u>	<u>5,703</u>	<u>18,542</u>	<u>-</u>	<u>187,999</u>	<u>18,471</u>
Disbursements:							
Personal services	-	-	-	18,135	-	-	-
Supplies	-	665	-	-	-	-	-
Other services and charges	-	2,313	5,225	-	-	11,231	18,471
Debt service - principal and interest	-	-	-	-	-	89,813	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	589	-	-
Total disbursements	<u>-</u>	<u>2,978</u>	<u>5,225</u>	<u>18,135</u>	<u>589</u>	<u>101,044</u>	<u>18,471</u>
Excess (deficiency) of receipts over disbursements	<u>2</u>	<u>5,441</u>	<u>478</u>	<u>407</u>	<u>(589)</u>	<u>86,955</u>	<u>-</u>
Cash and investments - ending	<u>\$ 24</u>	<u>\$ 28,186</u>	<u>\$ 488</u>	<u>\$ 432</u>	<u>\$ -</u>	<u>\$ 364,876</u>	<u>\$ -</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Beeson Park	Weed Assessment	Animal Control	Fire Department Special CEDIT	Police Department Donation Walmart	Winchester Police Department Professional Development	Winchester Fire Department Professional Development
Cash and investments - beginning	\$ 11,011	\$ 15,049	\$ 9,245	\$ 11,613	\$ 39	\$ 308	\$ 129
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	1,272	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	9,750	14,182	-	-	-	-	-
Fines and forfeits	-	-	350	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	284	-	6,817	-	-	2,520	500
Total receipts	<u>10,034</u>	<u>14,182</u>	<u>8,439</u>	<u>-</u>	<u>-</u>	<u>2,520</u>	<u>500</u>
Disbursements:							
Personal services	1,184	-	-	-	-	-	-
Supplies	1,267	-	9,346	-	-	112	279
Other services and charges	11,709	1,490	3,120	-	37	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	370	-	3,822	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	3,151	-	-	-	-	-	-
Total disbursements	<u>17,681</u>	<u>1,490</u>	<u>16,288</u>	<u>-</u>	<u>37</u>	<u>112</u>	<u>279</u>
Excess (deficiency) of receipts over disbursements	<u>(7,647)</u>	<u>12,692</u>	<u>(7,849)</u>	<u>-</u>	<u>(37)</u>	<u>2,408</u>	<u>221</u>
Cash and investments - ending	<u>\$ 3,364</u>	<u>\$ 27,741</u>	<u>\$ 1,396</u>	<u>\$ 11,613</u>	<u>\$ 2</u>	<u>\$ 2,716</u>	<u>\$ 350</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Park Events Donation	Economic Development Non-Reverting	Animal Control Donation	Employee Welfare Benefit Cash	Beeson Farm	Goodrich Park Cumulative Repair	Fire Department Donation (Wal-Mart)
Cash and investments - beginning	\$ 756	\$ 1,006	\$ 127	\$ 348,973	\$ 239,239	\$ 103,835	\$ 1,775
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	2,655	-	-	-	38,060	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	-	-	307	705,916	14	73,435	-
Total receipts	<u>2,655</u>	<u>-</u>	<u>307</u>	<u>705,916</u>	<u>38,074</u>	<u>73,435</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	1,090	-	-
Supplies	657	-	-	-	-	6,577	-
Other services and charges	2,285	-	-	154,417	39,603	52,838	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	63,913	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	473,090	-	-	-
Total disbursements	<u>2,942</u>	<u>-</u>	<u>-</u>	<u>627,507</u>	<u>40,693</u>	<u>123,328</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(287)</u>	<u>-</u>	<u>307</u>	<u>78,409</u>	<u>(2,619)</u>	<u>(49,893)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 469</u>	<u>\$ 1,006</u>	<u>\$ 434</u>	<u>\$ 427,382</u>	<u>\$ 236,620</u>	<u>\$ 53,942</u>	<u>\$ 1,775</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Willow Ridge TIF	Safe Routes to School	Vision Park TIF	Tomasco Project TIF	Sidewalk Rehabilitaion	Payroll	Sewage Works Rev Bonds 2003 Sinking
Cash and investments - beginning	\$ 62,443	\$ -	\$ 168,291	\$ 567,036	\$ 40,728	\$ 1,074	\$ 10,448
Receipts:							
Taxes	84,893	-	53,306	303,234	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	40,000	-	-	29,235	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-
Other receipts	111,119	-	29,005	7,676	-	1,067,075	244,201
Total receipts	<u>196,012</u>	<u>40,000</u>	<u>82,311</u>	<u>310,910</u>	<u>29,235</u>	<u>1,067,075</u>	<u>244,201</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	2,984	-	-	640	6,101	-	-
Other services and charges	1,066	-	5,765	60,804	23,573	-	-
Debt service - principal and interest	74,763	-	220,000	70,700	-	-	-
Capital outlay	150,520	-	-	96,750	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	40,000	-	154,124	-	1,067,724	248,801
Total disbursements	<u>229,333</u>	<u>40,000</u>	<u>225,765</u>	<u>383,018</u>	<u>29,674</u>	<u>1,067,724</u>	<u>248,801</u>
Excess (deficiency) of receipts over disbursements	<u>(33,321)</u>	<u>-</u>	<u>(143,454)</u>	<u>(72,108)</u>	<u>(439)</u>	<u>(649)</u>	<u>(4,600)</u>
Cash and investments - ending	<u>\$ 29,122</u>	<u>\$ -</u>	<u>\$ 24,837</u>	<u>\$ 494,928</u>	<u>\$ 40,289</u>	<u>\$ 425</u>	<u>\$ 5,848</u>

CITY OF WINCHESTER
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Wastewater Utility Operating	Wastewater Utility Bond and Interest	Wastewater Utility Depreciation Improvement	Wastewater Utility-Other #1	Wastewater Utility Debt Reserve	Totals
Cash and investments - beginning	\$ 200,000	\$ 9,343	\$ 1,412,666	\$ 150	\$ 401,000	\$ 7,338,861
Receipts:						
Taxes	-	-	-	-	-	2,489,886
Licenses and permits	-	-	-	-	-	7,421
Intergovernmental	-	-	-	-	-	1,582,984
Charges for services	-	-	-	-	-	408,445
Fines and forfeits	-	-	-	-	-	350,309
Utility fees	1,453,415	-	-	-	-	1,453,415
Sale of bonds	-	-	-	-	-	2,991,891
Other receipts	15,610	281,035	107,851	-	-	3,169,302
Total receipts	1,469,025	281,035	107,851	-	-	12,453,653
Disbursements:						
Personal services	-	-	-	-	-	1,910,443
Supplies	-	-	-	-	-	266,046
Other services and charges	-	-	-	-	-	1,246,454
Debt service - principal and interest	-	-	-	-	-	564,831
Capital outlay	137,158	-	348,928	-	-	1,521,228
Utility operating expenses	933,721	821	-	-	-	934,542
Other disbursements	398,146	289,557	-	-	-	3,458,397
Total disbursements	1,469,025	290,378	348,928	-	-	9,901,941
Excess (deficiency) of receipts over disbursements	-	(9,343)	(241,077)	-	-	2,551,712
Cash and investments - ending	\$ 200,000	\$ -	\$ 1,171,589	\$ 150	\$ 401,000	\$ 9,890,573

CITY OF WINCHESTER
SCHEDULE OF RECEIVABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Receivable</u>
Wastewater	\$ 158,848
Governmental activities	<u>69,862</u>
Totals	<u>\$ 228,710</u>

CITY OF WINCHESTER
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Crossroads Bank	Sanitation Vehicles	\$ 109,555	04-01-11	07-01-16
First Capital Equipment Leasing	Police Vehicles	<u>33,424</u>	02-01-11	02-01-13
Total governmental activities		<u>142,979</u>		
Wastewater:				
PNC Equipment Finance	Utility Energy System	<u>99,185</u>	07-15-06	01-15-16
Total of annual lease payments		<u>\$ 242,164</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Economic Development Spec Building	\$ 680,000	\$ 220,000
Revenue bonds	Equipment & Economic Development	1,400,000	168,175
Revenue bonds	Streets and Sidewalks	920,000	88,313
Revenue bonds	Streets and Infrastructure	<u>667,979</u>	<u>74,779</u>
Total governmental activities		<u>3,667,979</u>	<u>551,267</u>
Wastewater:			
Revenue bonds	Wastewater Utility Improvements	909,000	45,289
Revenue bonds	Wastewater Utility Improvements	<u>230,000</u>	<u>296,000</u>
Total Wastewater		<u>1,139,000</u>	<u>341,289</u>
Totals		<u>\$ 4,806,979</u>	<u>\$ 892,556</u>

CITY OF WINCHESTER
SCHEDULE OF CAPITAL ASSETS
December 31, 2012

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	\$ 10,750
Infrastructure	2,229,289
Buildings	1,383,476
Improvements other than buildings	949,612
Machinery, equipment, and vehicles	3,798,634
Construction in progress	462,993
Total governmental activities	8,834,754
Wastewater:	
Land	117,149
Infrastructure	4,193,182
Buildings	8,698,730
Improvements other than buildings	66,085
Machinery, equipment, and vehicles	1,934,348
Total Wastewater	15,009,494
Total capital assets	\$ 23,844,248

CITY OF WINCHESTER
EXIT CONFERENCE

The contents of this report were discussed on June 18, 2013, with Vicki Haney, Clerk-Treasurer; Steven D. Croyle, Mayor; and Todd Schroeder, President of the Common Council. Our examination disclosed no material items that warrant comment at this time.