B39789

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, 2010 to December 31, 2010

FILED
11/22/2011

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OFFICIALS

Office	Official	Term
Clerk-Treasurer	Vicki Haney	01-01-08 to 12-31-11
Mayor	Steven D. Croyle	01-01-08 to 12-31-11
President of the Common Council	Todd Schroeder	01-01-10 to 12-31-11
Superintendent of Wastewater Utility	Chris Martin	01-01-10 to 12-31-11

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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial statement of the City of Winchester (City), for the period of January 1, 2010 to December 31, 2010. The City's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

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

As discussed in Note 1, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2010, on the basis of accounting described in Note 1.

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

This report is intended solely for the information and use of the City's management, and the Common Council, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

October 4, 2011

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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, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	$ 1,337,145	$ 2,533,648	$ 2,409,947	$ 1,460,846
Lights	65,113	48,730	49,840	64,003
Motor Vehicle Highway	149,281	669,611	675,602	143,290
Local Road And Street	75,463	20,210	55,178	40,495
Law Enforcement Continuing Education	1,980	3,633	4,735	878
Clerk's Records Perpetuation	8,013	1,796	4,091	5,718
Parks And Recreation	43,785	180,177	170,021	53,941
User Fee	17,404	11,623	11,659	17,368
Recycling	3,017	9,432	7,243	5,206
Indiana University Car Seats	600	700	684	616
Ambulance Non-Reverting	86,037	46,408	27,906	104,539
Sart-Forensic	45	1,720	-	1,765
Project Love	22	-	-	22
Fire Department Non-Reverting	16,605	2,882	1,732	17,755
CJI Grant	-	5,753	5,753	-
Rainy Day	154,194	121,184	-	275,378
Donation K-9	30	-	22	8
County Economic Development Income Tax	161,311	188,248	94,340	255,219
Dare Donation	356	6,046	5,616	786
Operation Pullover	1,646	17,000	17,908	738
Tomasco Capitalized Interest	71,289	-	70,700	589
East Us 27 TIF	122,946	220,689	138,044	205,591
Court Cash Due County	-	12,572	12,572	-
Beeson Park	4,705	29,146	19,064	14,787
Weed Assessment	8,688	7,030	6,379	9,339
Animal Control	68	3,733	3,801	-
Fire Department Special Cedit	11,613	-	-	11,613
Police Departmment Donation (Wal-Mart)	89	1,000	679	410
Police Department Professional Development	94	493	547	40
Fire Department Professional Development	1	601	212	390
Park Events Donation	219	3,935	4,072	82
Economic Development Non-Reverting	1,006	-	-	1,006
Epmiller Cemetery	15,000	454	441	15,013
Animal Control Donation	788	360	1,148	-
Employee Welfare Benefit Cash	185,139	657,348	547,373	295,114
Beeson Farm	210,744	31,733	26,251	216,226
Goodrich Park Cumulative Repair	60,543	114,401	114,418	60,526
Fire Department Donation (Wal-Mart)	1,775	-	-	1,775
Neighborhood Revitalization	-	2,349	1,402	947
Willow Ridge TIF	506,815	101,196	543,608	64,403
East Us 27 TIF	51,871	-	51,531	340
Vision Park TIF	453,177	152,360	258,208	347,329
Tomasco Project TIF	631,341	58,455	1,095	688,701
Cumulative Capital Development	339,485	51,160	91,709	298,936
Cumulative Capital Improvement	74,910	14,748	2,300	87,358
Sidewalk Rehabilitation	24,005	31,522	23,220	32,307
Fire Pension	71,162	65,268	47,589	88,841
Vision Park Redevelopment	202,362	437,792	433,575	206,579
City Court	6,103	146,609	147,341	5,371
Confidential Funds	2,255	-	-	2,255
Payroll	2,322	1,206,699	1,207,366	1,655
Wastewater Utility Operating	200,000	1,435,088	1,442,398	192,690
Wastewater Utility Bond And Interest	190,957	107,999	291,937	7,019
Wastewater Utility Depreciation/ Improvement	1,243,971	130,300	68,893	1,305,378
Wastewater Utility-Other #1	150	-	-	150
Wastewater Utility Debt Reserve	401,000	-	-	401,000
Wastewater Utility Sinking Fund Of 2003	18,259	245,664	249,425	14,498
Totals	$ 7,236,899	$ 9,139,505	$ 9,349,575	$ 7,026,829

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

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City (primary government), and does not include financial information for any of the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the City (primary government).

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies, which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

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

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

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The City may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement and replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

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

Funding Policy and Annual Pension Cost

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

B. *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 Public Employees' Retirement Fund as provided under Indiana Code 5-10.3-11.

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

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

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

Funding Policy

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

SUPPLEMENTARY INFORMATION – UNAUDITED

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

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the City which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

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

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

	General	Lights	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Education	Clerk's Records Perpetuation	Parks And Recreation
Cash and investments - beginning	$ 1,337,145	$ 65,113	$ 149,281	$ 75,463	$ 1,980	$ 8,013	$ 43,785
Receipts:							
Taxes	1,478,615	45,412	408,837	-	-	-	145,294
Licenses and permits	1,223	-	1,980	-	1,500	-	-
Intergovernmental	673,461	3,318	238,009	20,210	-	-	10,615
Charges for services	253,656	-	630	-	1,296	-	19,840
Fines and forfeits	29,925	-	-	-	837	1,796	-
Utility fees	-	-	-	-	-	-	-
Other receipts	96,768	-	20,155	-	-	-	4,428
Total receipts	2,533,648	48,730	669,611	20,210	3,633	1,796	180,177
Disbursements:							
Personal services	1,549,297	-	315,882	-	-	-	94,699
Supplies	88,110	-	90,152	34,845	4,680	-	38,607
Other services and charges	605,243	49,840	38,699	4,908	55	-	35,315
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	167,297	-	230,869	15,425	-	4,091	1,400
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	2,409,947	49,840	675,602	55,178	4,735	4,091	170,021
Excess (deficiency) of receipts over disbursements	123,701	(1,110)	(5,991)	(34,968)	(1,102)	(2,295)	10,156
Cash and investments - ending	$ 1,460,846	$ 64,003	$ 143,290	$ 40,495	$ 878	$ 5,718	$ 53,941

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

	User Fee	Recycling	Indiana University Car Seats	Ambulance Non-Reverting	Sart-Forensic	Project Love	Fire Department Non-Reverting
Cash and investments - beginning	$ 17,404	$ 3,017	$ 600	$ 86,037	$ 45	$ 22	$ 16,605
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	700	-	1,720	-	2,882
Charges for services	-	9,432	-	46,408	-	-	-
Fines and forfeits	11,623	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	11,623	9,432	700	46,408	1,720	-	2,882
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	6,348	684	23,103	-	-	46
Other services and charges	-	895	-	4,803	-	-	1,686
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	11,659	-	-	-	-	-	-
Total disbursements	11,659	7,243	684	27,906	-	-	1,732
Excess (deficiency) of receipts over disbursements	(36)	2,189	16	18,502	1,720	-	1,150
Cash and investments - ending	$ 17,368	$ 5,206	$ 616	$ 104,539	$ 1,765	$ 22	$ 17,755

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

	CJI Grant	Rainy Day	Donation K-9	County Economic Development Income Tax	Dare Donation	Operation Pullover	Tomasco Capitalized Interest
Cash and investments - beginning	$ -	$ 154,194	$ 30	$ 161,311	$ 356	$ 1,646	$ 71,289
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	5,753	36,328	-	178,248	-	17,000	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	84,856	-	10,000	6,046	-	-
Total receipts	5,753	121,184	-	188,248	6,046	17,000	-
Disbursements:							
Personal services	-	-	-	-	-	17,908	-
Supplies	-	-	22	-	5,616	-	-
Other services and charges	-	-	-	1,868	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	70,700
Capital outlay	5,753	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	92,472	-	-	-
Total disbursements	5,753	-	22	94,340	5,616	17,908	70,700
Excess (deficiency) of receipts over disbursements	-	121,184	(22)	93,908	430	(908)	(70,700)
Cash and investments - ending	$ -	$ 275,378	$ 8	$ 255,219	$ 786	$ 738	$ 589

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

	East Us 27 TIF	Court Cash Due County	Beeson Park	Weed Assessment	Animal Control	Fire Department Special Cedit	Police Departmment Donation (Wal-Mart)
Cash and investments - beginning	$ 122,946	$ -	$ 4,705	$ 8,688	$ 68	$ 11,613	$ 89
Receipts:							
Taxes	204,303	-	-	-	-	-	-
Licenses and permits	-	-	-	-	1,283	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	5,800	6,683	-	-	-
Fines and forfeits	-	12,572	-	-	671	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	16,386	-	23,346	347	1,779	-	1,000
Total receipts	220,689	12,572	29,146	7,030	3,733	-	1,000
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	3,070	-	1,485	771	3,801	-	679
Other services and charges	4,085	-	10,136	608	-	-	-
Debt service - principal and interest	31,031	-	-	-	-	-	-
Capital outlay	99,858	-	7,443	5,000	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	12,572	-	-	-	-	-
Total disbursements	138,044	12,572	19,064	6,379	3,801	-	679
Excess (deficiency) of receipts over disbursements	82,645	-	10,082	651	(68)	-	321
Cash and investments - ending	$ 205,591	$ -	$ 14,787	$ 9,339	$ -	$ 11,613	$ 410

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

	Police Department Professional Development	Fire Department Professional Development	Park Events Donation	Economic Development Non-Reverting	Epmiller Cemetery	Animal Control Donation
Cash and investments - beginning	$ 94	$ 1	$ 219	$ 1,006	$ 15,000	$ 788
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	2,318	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	493	601	1,617	-	454	360
Total receipts	493	601	3,935	-	454	360
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	547	212	680	-	-	63
Other services and charges	-	-	3,392	-	-	1,085
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	441	-
Total disbursements	547	212	4,072	-	441	1,148
Excess (deficiency) of receipts over disbursements	(54)	389	(137)	-	13	(788)
Cash and investments - ending	$ 40	$ 390	$ 82	$ 1,006	$ 15,013	$ -

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

	Employee Welfare Benefit Cash	Beeson Farm	Goodrich Park Cumulative Repair	Fire Department Donation (Wal-Mart)	Neighborhood Revitalization	Willow Ridge TIF
Cash and investments - beginning	$ 185,139	$ 210,744	$ 60,543	$ 1,775	$ -	$ 506,815
Receipts:						
Taxes	-	-	-	-	-	100,643
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	27,385	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	657,348	4,348	114,401	-	2,349	553
Total receipts	657,348	31,733	114,401	-	2,349	101,196
Disbursements:						
Personal services	-	989	-	-	-	-
Supplies	-	-	11,799	-	-	-
Other services and charges	-	2,262	14,165	-	1,402	184,401
Debt service - principal and interest	-	-	-	-	-	359,207
Capital outlay	-	-	88,454	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	547,373	23,000	-	-	-	-
Total disbursements	547,373	26,251	114,418	-	1,402	543,608
Excess (deficiency) of receipts over disbursements	109,975	5,482	(17)	-	947	(442,412)
Cash and investments - ending	$ 295,114	$ 216,226	$ 60,526	$ 1,775	$ 947	$ 64,403

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

	East Us 27 TIF	Vision Park TIF	Tomasco Project TIF	Cumulative Capital Development	Cumulative Capital Improvement	Sidewalk Rehabilitation
Cash and investments - beginning	$ 51,871	$ 453,177	$ 631,341	$ 339,485	$ 74,910	$ 24,005
Receipts:						
Taxes	-	59,480	58,455	47,677	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	3,446	14,748	31,522
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	92,880	-	37	-	-
Total receipts	-	152,360	58,455	51,160	14,748	31,522
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	150	-	-
Other services and charges	-	38,207	1,095	-	2,300	10,830
Debt service - principal and interest	51,531	215,788	-	-	-	-
Capital outlay	-	-	-	91,559	-	12,390
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	4,213	-	-	-	-
Total disbursements	51,531	258,208	1,095	91,709	2,300	23,220
Excess (deficiency) of receipts over disbursements	(51,531)	(105,848)	57,360	(40,549)	12,448	8,302
Cash and investments - ending	$ 340	$ 347,329	$ 688,701	$ 298,936	$ 87,358	$ 32,307

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

	Fire Pension	Vision Park Redevelopment	City Court	Confidential Funds	Payroll	Wastewater Utility Operating
Cash and investments - beginning	$ 71,162	$ 202,362	$ 6,103	$ 2,255	$ 2,322	$ 200,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	65,268	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	1,370,514
Other receipts	-	437,792	146,609	-	1,206,699	64,574
Total receipts	65,268	437,792	146,609	-	1,206,699	1,435,088
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	47,589	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	526,916
Other disbursements	-	433,575	147,341	-	1,207,366	915,482
Total disbursements	47,589	433,575	147,341	-	1,207,366	1,442,398
Excess (deficiency) of receipts over disbursements	17,679	4,217	(732)	-	(667)	(7,310)
Cash and investments - ending	$ 88,841	$ 206,579	$ 5,371	$ 2,255	$ 1,655	$ 192,690

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

	Wastewater Utility Bond And Interest	Wastewater Utility Depreciation/ Improvement	Wastewater Utility-Other #1	Wastewater Utility Debt Reserve	Wastewater Utility Sinking Fund Of 2003	Totals
Cash and investments - beginning	$ 190,957	$ 1,243,971	$ 150	$ 401,000	$ 18,259	$ 7,236,899
Receipts:						
Taxes	-	-	-	-	-	2,548,716
Licenses and permits	-	-	-	-	-	5,986
Intergovernmental	-	-	-	-	-	1,303,228
Charges for services	-	-	-	-	-	373,448
Fines and forfeits	-	-	-	-	-	57,424
Utility fees	-	-	-	-	-	1,370,514
Other receipts	107,999	130,300	-	-	245,664	3,480,189
Total receipts	107,999	130,300	-	-	245,664	9,139,505
Disbursements:						
Personal services	-	-	-	-		1,978,775
Supplies	-	-	-	-		315,470
Other services and charges	-	-	-	-		1,064,869
Debt service - principal and interest	291,117	-	-	-		1,019,374
Capital outlay	-	-	-	-		729,539
Utility operating expenses	-	-	-	-		526,916
Other disbursements	820	68,893	-	-	249,425	3,714,632
Total disbursements	291,937	68,893	-	-	249,425	9,349,575
Excess (deficiency) of receipts over disbursements	(183,938)	61,407	-	-	(3,761)	(210,070)
Cash and investments - ending	$ 7,019	$ 1,305,378	$ 150	$ 401,000	$ 14,498	$ 7,026,829

CITY OF WINCHESTER
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
December 31, 2010

Primary Government	Ending Balance
Governmental activities:	
Capital assets, not being depreciatec	
Land	$ 67,806
Infrastructure	603,525
Buildings	1,321,733
Improvements other than buildings	1,050,960
Machinery and equipment	2,681,846
Total governmental activities, capital assets not being depreciated	$ 5,725,870

Primary Government	Ending Balance
Business-type activities:	
Wastewater Utility	
Capital assets, not being depreciated:	
Land	$ 117,148
Infrastructure	2,881,674
Buildings	8,348,083
Improvements other than buildings	1,873,626
Machinery and equipment	935,783
Total Wastewater Utility capital assets	$ 14,156,314

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Capital leases:			
Patcher	$ 19,846	$ 10,673	MVH/ST
Vision Business Park	1,030,000	220,000	WTP
ESG - Waste Water Treatment Plant	479,878	54,778	WTP
Bonds payable:			
Revenue bonds:			
Tomasco (Vision Park)	1,400,000	70,700	VP TOMASCO
East US 27 TIF	980,000	91,313	EAST US 27
Wastewater Utility	695,000	261,300	WTP
USDA Rural Development	911,000	45,387	WTP
Total debt	$ 5,515,724	$ 754,151	

ORDINANCES AND RESOLUTIONS

The City has an ordinance concerning refundable deposits for rental of the Beeson Community Building. However, not all renters of the Beeson Community Building were required to pay a refundable deposit.

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

PARK, ANIMAL SHELTER, AND STREET DEPARTMENT DEPOSITS

In 6 of the 15 receipts tested, collections were deposited later than the next business day for the Park Department.

In numerous instances, receipts for the Animal Shelter were deposited later than the next business day.

In numerous instances, receipts for the Street Department were deposited later than the next business day.

Indiana Code 5-13-6-1(d) states:

> "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories: (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

POLICE DEPARTMENT RECEIPTS AND FEES

Receipts and fees collected by the Police Department were sometimes remitted to the Clerk-Treasurer less frequently than once a week.

Receipts and fees collected by a police department should be remitted to the clerk-treasurer or city controller at least once each week. (Cities and Towns Bulletin and Uniform Compliance Guidelines, September 2003)

CITY OF WINCHESTER
EXIT CONFERENCE

The contents of this report were discussed on October 4, 2011, with Vicki Haney, Clerk-Treasurer; Steven D. Croyle, Mayor; and Todd Schroeder, President of the Common Council.