

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TOWN OF BREMEN
MARSHALL COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
08/06/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janet M. Anglemyer	01-01-08 to 12-31-15
President of the Town Council	Rick Graverson James Leeper Heath A. Thornton	01-01-10 to 12-31-10 01-01-11 to 12-31-11 01-01-12 to 12-31-12
Director of Operations	Richard K. Martin	01-01-10 to 12-31-12
Superintendent of Water Utility	Tim Kyser Richard K. Martin, Interim Enrique Aguayo	01-01-10 to 05-21-10 05-22-10 to 06-13-10 06-14-10 to 12-31-12
Superintendent of Wastewater Utility	William Reed	01-01-10 to 12-31-12
Superintendent of Electric Utility	Timothy Montague Rollo (Jay) M. Stoneburner	01-01-10 to 02-13-11 02-14-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF BREMEN, MARSHALL COUNTY, INDIANA

We have audited the accompanying financial statements of the Town of Bremen (Town), for the years ended December 31, 2010 and 2011. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 of accounting 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.

In accordance with Government Auditing Standards, we have also issued a report dated July 12, 2012, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the Town's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit 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 Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the auditing procedures applied by us in the audit of 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, others within the entity, federal awarding agencies, and pass-through entities 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

July 12, 2012



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF BREMEN, MARSHALL COUNTY, INDIANA

We have audited the financial statements of the Town of Bremen (Town), for the years ended December 31, 2010 and 2011, and have issued our report thereon dated July 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Town's management, Town Council, others within the entity, federal awarding agencies, and pass-through entities 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

July 12, 2012

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 BREMEN
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	\$ 1,017,895	\$ 2,028,344	\$ 1,863,123	\$ 1,183,116
Petty Cash	100	-	-	100
Motor Vehicle Highway	276,725	469,900	328,163	418,462
Local Road And Street	144,085	20,418	100,019	64,484
Cemetery Operating	123,236	105,926	143,420	85,742
Emergency Ambulance Service	68,425	170,201	227,000	11,626
Donations	187,938	28,324	35,518	180,744
Economic Development	888	952	1,000	840
Law Enforcement Continuing Ed	2,328	4,331	5,442	1,217
Riverboat Fund	112,732	28,073	-	140,805
I.U. Automotive Safety Grant	49	-	-	49
Parks And Recreation	298,609	206,007	297,743	206,873
Rainy Day Fund	576,013	105,123	-	681,136
Criminal Just/Operation Pullover	35	2,740	2,767	8
Levy Excess Fund	48,178	6,295	48,178	6,295
Local Law Enf Block Grant	122	-	-	122
Garbage/Trash Pick-Up	71,401	236,403	237,430	70,374
Name Plate Fund	520	967	1,487	-
Pension Relief Fund	30,047	-	-	30,047
Revolving Improvement Fund	50,811	-	-	50,811
Senior Center Fund	2,434	50,565	48,378	4,621
Senior Center Security Deposits	3,400	700	330	3,770
Debt Service Fund	56,401	112,720	110,056	59,065
Cumulative Capital Improvement	94,762	13,135	-	107,897
Cumulative Capital Development	435,834	62,978	27,175	471,637
Bremen Redevelopment Fund	2,750,770	696,270	221,480	3,225,560
Storm Water Management Fund	221,240	87,521	60,339	248,422
Police Pension	53,074	105,383	68,512	89,945
Cemetery/Perpetual Care	252,825	4,768	-	257,593
Payroll Withholding	30,685	712,856	712,297	31,244
Electric Utility - Operating	693,417	10,831,908	9,897,209	1,628,116
Electric Utility - Depreciation	1,699,644	149,883	197,332	1,652,195
Electric Utility - Customer Deposit	96,737	10,355	8,283	98,809
Electric Cash Reserve	285,522	1,476	-	286,998
Electric Rate Stabilization	-	335,000	-	335,000
Wastewater Utility Operating	76,881	792,035	698,576	170,340
Wastewater Utility Bond & Interest	32	73,810	56,203	17,639
Wastewater Utility Improvement	242,097	131,360	131,483	241,974
Wastewater Utility Bond Reserve	72,059	82,506	72,235	82,330
Sewage Meter Change-Out	44,607	14,713	-	59,320
Water Utility Operating	170,448	706,268	724,599	152,117
Water Utility Improvement	225,041	141,127	65,137	301,031
Water Utility Customer Deposit	51,129	5,490	4,210	52,409
Water Meter Change-Out	44,607	14,713	-	59,320
Totals	\$ 10,613,783	\$ 18,551,544	\$ 16,395,124	\$ 12,770,203

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

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

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
GENERAL FUND	\$ 1,183,116	\$ 1,463,998	\$ 1,949,968	\$ 697,146
MVH	418,462	614,316	626,770	406,008
LOCAL ROAD & STREET	64,484	19,856	-	84,340
EMERGENCY AMBULANCE SERV.	11,626	323,122	234,000	100,748
ECONOMIC DEVELOPMENT FUND	840	800	800	840
LAW ENFORCE./CONT. ED.	1,217	3,255	3,708	764
PARK & RECREATION FUND	206,873	347,603	304,632	249,844
RAINY DAY FUND	681,136	-	-	681,136
NON REV. POLICE - CANINE FD	12	28,465	18,646	9,831
LEVY EXCESS FUND	6,295	-	6,295	-
CUMULATIVE CAPITAL DEV.	471,637	62,997	68,940	465,694
NON-REV PARK CAPITAL IMP.	144,422	14,420	54,456	104,386
BREMEN REDEVELOPMENT FUND	3,225,560	759,490	59,322	3,925,728
CUMULATIVE CAPITAL IMP.	107,897	12,883	-	120,780
POLICE PENSION FUND	89,945	109,995	62,282	137,658
NON-REV/RIVERBOAT WGR.TAX	140,805	28,074	-	168,879
OFFICE CASH FUND	100	-	-	100
CEMETERY OPERATING FUND	85,742	106,383	148,410	43,715
CEMETERY/PERPETUAL CARE	257,593	5,820	-	263,413
DRUG FREE COMM./DUI TASK	-	2,195	2,178	17
I.U. AUTOMOTIVE SAFETY GR	49	-	-	49
NON-REVERTING-D.A.R.E.	421	-	134	287
NON-REVERTING/CEMET	7,251	-	-	7,251
NON-REVERTING/POL.RES.	25,305	2,510	3,343	24,472
NON-REV POLICE/COMMUNITY	722	26,200	26,820	102
NON-REVERTING/FIRE	2,571	1,642	-	4,213
CRIM. JUST./OP.PULLOVER	8	2,214	2,150	72
NON REV. EMS	41	-	-	41
LOCAL LAW ENF BLOCK GRANT	122	-	-	122
REVOLVING IMPROVEMENT FD	50,811	-	-	50,811
GARBAGE/TRASH PICK-UP	70,374	250,934	249,889	71,419
DEBT SERVICE FUND	59,065	106,798	112,081	53,782
SENIOR CENTER FUND	4,621	60,721	52,635	12,707
SENIOR CTR SEC. DEP.	3,770	1,000	300	4,470
PENSION RELIEF FUND	30,047	-	-	30,047
WITHHOLDING FUND	31,244	702,379	707,060	26,563
STORM WATER MGMT. FUND	248,422	33,073	58,776	222,719
ELECTRIC OPERATING FUND	1,628,116	11,316,380	10,937,137	2,007,359
ELECTRIC METER DEPOSIT	98,809	11,065	7,877	101,997
ELECTRIC DEPRECIATION	1,652,195	5,440	123,485	1,534,150
ELECTRIC CASH RESERVE	286,998	924	-	287,922
ELE.RATE STABILIZATION FD	335,000	707,949	-	1,042,949
SEWAGE OPERATING FUND	170,340	922,698	892,077	200,961
SEWAGE WKS.IMPROVEMENT FD	241,974	139,320	66,249	315,045
SEWAGE BOND & INTEREST	17,639	173,279	190,905	13
SEWAGE BOND RESERVE	82,330	20,174	-	102,504
SEWAGE METER CHANGE-OUT	59,320	14,691	-	74,011
WATER OPERATING FUND	152,117	741,375	709,868	183,624
WATER METER DEPOSIT	52,409	6,560	3,960	55,009
WATERWORKS IMPROVEMENT FD	301,031	111,000	22,969	389,062
WATER METER CHANGE-OUT	59,320	14,691	-	74,011
Totals	<u>\$ 12,770,204</u>	<u>\$ 19,276,689</u>	<u>\$ 17,708,122</u>	<u>\$ 14,338,771</u>

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

TOWN OF BREMEN
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, storm water, trash, 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 state,

TOWN OF BREMEN
NOTES TO FINANCIAL STATEMENTS
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, 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, recycling fees, dog license fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, 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; 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, over-time 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 BREMEN
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.

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.

TOWN OF BREMEN
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension 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 Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

TOWN OF BREMEN
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' 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 36-8-6). 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 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' 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 Town 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/.

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 audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the Town. It is presented as intended by the Town.

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

	General	Petty Cash	Motor Vehicle Highway	Local Road And Street	Cemetery Operating	Emergency Ambulance Service
Cash and investments - beginning	\$ 1,017,895	\$ 100	\$ 276,725	\$ 144,085	\$ 123,236	\$ 68,425
Receipts:						
Taxes	1,119,312	-	320,758	-	50,998	153,697
Licenses and permits	2,955	-	20	-	-	-
Intergovernmental	752,942	-	141,866	20,418	3,991	12,029
Charges for services	45,000	-	840	-	48,199	-
Fines and forfeits	1,095	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	107,040	-	6,416	-	2,738	4,475
Total receipts	<u>2,028,344</u>	<u>-</u>	<u>469,900</u>	<u>20,418</u>	<u>105,926</u>	<u>170,201</u>
Disbursements:						
Personal services	1,322,984	-	226,296	-	132,498	-
Supplies	98,566	-	48,449	-	8,301	-
Other services and charges	340,305	-	48,775	100,019	1,346	227,000
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	69,785	-	4,643	-	1,235	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	31,483	-	-	-	40	-
Total disbursements	<u>1,863,123</u>	<u>-</u>	<u>328,163</u>	<u>100,019</u>	<u>143,420</u>	<u>227,000</u>
Excess (deficiency) of receipts over disbursements	<u>165,221</u>	<u>-</u>	<u>141,737</u>	<u>(79,601)</u>	<u>(37,494)</u>	<u>(56,799)</u>
Cash and investments - ending	<u>\$ 1,183,116</u>	<u>\$ 100</u>	<u>\$ 418,462</u>	<u>\$ 64,484</u>	<u>\$ 85,742</u>	<u>\$ 11,626</u>

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

	Donations	Economic Development	Law Enforcement Continuing Ed	Riverboat Fund	I.U. Automotive Safety Grant	Parks And Recreation
Cash and investments - beginning	\$ 187,938	\$ 888	\$ 2,328	\$ 112,732	\$ 49	\$ 298,609
Receipts:						
Taxes	-	-	-	-	-	163,720
Licenses and permits	-	-	1,304	-	-	-
Intergovernmental	-	-	-	28,073	-	12,815
Charges for services	-	-	554	-	-	19,569
Fines and forfeits	-	950	2,473	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	28,324	2	-	-	-	9,903
Total receipts	<u>28,324</u>	<u>952</u>	<u>4,331</u>	<u>28,073</u>	<u>-</u>	<u>206,007</u>
Disbursements:						
Personal services	-	-	-	-	-	133,915
Supplies	5,577	-	-	-	-	27,008
Other services and charges	-	-	4,555	-	-	8,383
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	17,548	-	887	-	-	127,990
Utility operating expenses	-	-	-	-	-	-
Other disbursements	12,393	1,000	-	-	-	447
Total disbursements	<u>35,518</u>	<u>1,000</u>	<u>5,442</u>	<u>-</u>	<u>-</u>	<u>297,743</u>
Excess (deficiency) of receipts over disbursements	<u>(7,194)</u>	<u>(48)</u>	<u>(1,111)</u>	<u>28,073</u>	<u>-</u>	<u>(91,736)</u>
Cash and investments - ending	<u>\$ 180,744</u>	<u>\$ 840</u>	<u>\$ 1,217</u>	<u>\$ 140,805</u>	<u>\$ 49</u>	<u>\$ 206,873</u>

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

	Rainy Day Fund	Criminal Just/Operation Pullover	Levy Excess Fund	Local Law Enf Block Grant	Garbage/Trash Pick-Up	Name Plate Fund
Cash and investments - beginning	\$ 576,013	\$ 35	\$ 48,178	\$ 122	\$ 71,401	\$ 520
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	105,123	2,740	-	-	-	-
Charges for services	-	-	-	-	236,067	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	6,295	-	336	967
Total receipts	<u>105,123</u>	<u>2,740</u>	<u>6,295</u>	<u>-</u>	<u>236,403</u>	<u>967</u>
Disbursements:						
Personal services	-	2,767	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	229,318	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	48,178	-	8,112	1,487
Total disbursements	<u>-</u>	<u>2,767</u>	<u>48,178</u>	<u>-</u>	<u>237,430</u>	<u>1,487</u>
Excess (deficiency) of receipts over disbursements	<u>105,123</u>	<u>(27)</u>	<u>(41,883)</u>	<u>-</u>	<u>(1,027)</u>	<u>(520)</u>
Cash and investments - ending	<u>\$ 681,136</u>	<u>\$ 8</u>	<u>\$ 6,295</u>	<u>\$ 122</u>	<u>\$ 70,374</u>	<u>\$ -</u>

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

	Pension Relief Fund	Revolving Improvement Fund	Senior Center Fund	Senior Center Security Deposits	Debt Service Fund	Cumulative Capital Improvement
Cash and investments - beginning	\$ 30,047	\$ 50,811	\$ 2,434	\$ 3,400	\$ 56,401	\$ 94,762
Receipts:						
Taxes	-	-	-	-	101,468	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	7,942	13,135
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	50,565	700	3,310	-
Total receipts	-	-	50,565	700	112,720	13,135
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	69	-	-	-
Other services and charges	-	-	32,900	-	-	-
Debt service - principal and interest	-	-	-	-	110,056	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	15,409	330	-	-
Total disbursements	-	-	48,378	330	110,056	-
Excess (deficiency) of receipts over disbursements	-	-	2,187	370	2,664	13,135
Cash and investments - ending	\$ 30,047	\$ 50,811	\$ 4,621	\$ 3,770	\$ 59,065	\$ 107,897

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

	Cumulative Capital Development	Bremen Redevelopment Fund	Storm Water Management Fund	Police Pension	Cemetery/Perpetual Care	Payroll Withholding
Cash and investments - beginning	\$ 435,834	\$ 2,750,770	\$ 221,240	\$ 53,074	\$ 252,825	\$ 30,685
Receipts:						
Taxes	55,218	652,185	77,728	105,383	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	4,322	-	6,083	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	3,438	44,085	3,710	-	4,768	712,856
Total receipts	<u>62,978</u>	<u>696,270</u>	<u>87,521</u>	<u>105,383</u>	<u>4,768</u>	<u>712,856</u>
Disbursements:						
Personal services	-	-	-	68,512	-	-
Supplies	-	-	343	-	-	-
Other services and charges	-	1,180	41,996	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	27,175	220,300	18,000	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	712,297
Total disbursements	<u>27,175</u>	<u>221,480</u>	<u>60,339</u>	<u>68,512</u>	<u>-</u>	<u>712,297</u>
Excess (deficiency) of receipts over disbursements	<u>35,803</u>	<u>474,790</u>	<u>27,182</u>	<u>36,871</u>	<u>4,768</u>	<u>559</u>
Cash and investments - ending	<u>\$ 471,637</u>	<u>\$ 3,225,560</u>	<u>\$ 248,422</u>	<u>\$ 89,945</u>	<u>\$ 257,593</u>	<u>\$ 31,244</u>

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

	Electric Utility - Operating	Electric Utility - Depreciation	Electric Utility - Customer Deposit	Electric Cash Reserve	Electric Rate Stabilization
Cash and investments - beginning	\$ 693,417	\$ 1,699,644	\$ 96,737	\$ 285,522	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	10,577,306	-	-	-	-
Penalties	19,688	-	-	-	-
Other receipts	234,914	149,883	10,355	1,476	335,000
Total receipts	<u>10,831,908</u>	<u>149,883</u>	<u>10,355</u>	<u>1,476</u>	<u>335,000</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	197,332	-	-	-
Utility operating expenses	9,393,381	-	8,283	-	-
Other disbursements	503,828	-	-	-	-
Total disbursements	<u>9,897,209</u>	<u>197,332</u>	<u>8,283</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>934,699</u>	<u>(47,449)</u>	<u>2,072</u>	<u>1,476</u>	<u>335,000</u>
Cash and investments - ending	<u>\$ 1,628,116</u>	<u>\$ 1,652,195</u>	<u>\$ 98,809</u>	<u>\$ 286,998</u>	<u>\$ 335,000</u>

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

	Wastewater Utility Operating	Wastewater Utility & Bond & Interest	Wastewater Utility Improvement	Wastewater Utility Bond Reserve	Sewage Meter Change-Out
Cash and investments - beginning	\$ 76,881	\$ 32	\$ 242,097	\$ 72,059	\$ 44,607
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	675,923	-	-	-	-
Penalties	-	-	-	-	-
Other receipts	116,112	73,810	131,360	82,506	14,713
Total receipts	<u>792,035</u>	<u>73,810</u>	<u>131,360</u>	<u>82,506</u>	<u>14,713</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	56,203	-	-	-
Capital outlay	-	-	116,983	-	-
Utility operating expenses	497,329	-	-	-	-
Other disbursements	201,247	-	14,500	72,235	-
Total disbursements	<u>698,576</u>	<u>56,203</u>	<u>131,483</u>	<u>72,235</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>93,459</u>	<u>17,607</u>	<u>(123)</u>	<u>10,271</u>	<u>14,713</u>
Cash and investments - ending	<u>\$ 170,340</u>	<u>\$ 17,639</u>	<u>\$ 241,974</u>	<u>\$ 82,330</u>	<u>\$ 59,320</u>

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

	Water Utility Operating	Water Utility Improvement	Water Utility Customer Deposit	Water Meter Change-Out	Totals
Cash and investments - beginning	\$ 170,448	\$ 225,041	\$ 51,129	\$ 44,607	\$ 10,613,783
Receipts:					
Taxes	-	-	-	-	2,800,467
Licenses and permits	-	-	-	-	4,279
Intergovernmental	-	-	-	-	1,111,479
Charges for services	-	-	-	-	350,229
Fines and forfeits	-	-	-	-	4,518
Utility fees	677,617	-	-	213	11,931,059
Penalties	-	-	-	-	19,688
Other receipts	28,651	141,127	5,490	14,500	2,329,825
Total receipts	<u>706,268</u>	<u>141,127</u>	<u>5,490</u>	<u>14,713</u>	<u>18,551,544</u>
Disbursements:					
Personal services	-	-	-	-	1,886,972
Supplies	-	-	-	-	188,313
Other services and charges	-	-	-	-	1,035,777
Debt service - principal and interest	-	-	-	-	166,259
Capital outlay	-	48,298	-	-	850,176
Utility operating expenses	495,048	-	4,210	-	10,398,251
Other disbursements	229,551	16,839	-	-	1,869,376
Total disbursements	<u>724,599</u>	<u>65,137</u>	<u>4,210</u>	<u>-</u>	<u>16,395,124</u>
Excess (deficiency) of receipts over disbursements	<u>(18,331)</u>	<u>75,990</u>	<u>1,280</u>	<u>14,713</u>	<u>2,156,420</u>
Cash and investments - ending	<u>\$ 152,117</u>	<u>\$ 301,031</u>	<u>\$ 52,409</u>	<u>\$ 59,320</u>	<u>\$ 12,770,203</u>

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

	GENERAL FUND	MVH	LOCAL ROAD & STREET	EMERGENCY AMBULANCE SERV.	ECONOMIC DEVELOPMENT FUND	LAW ENFORCE./CONT. ED.
Cash and investments - beginning	\$ 1,183,116	\$ 418,462	\$ 64,484	\$ 11,626	\$ 840	\$ 1,217
Receipts:						
Taxes	768,275	460,841	-	300,887	-	-
Licenses and permits	5,267	-	-	18,632	-	850
Intergovernmental	575,775	152,096	19,856	3,603	-	-
Charges for services	30,000	840	-	-	-	406
Fines and forfeits	520	-	-	-	-	1,684
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	84,161	539	-	-	800	315
Total receipts	<u>1,463,998</u>	<u>614,316</u>	<u>19,856</u>	<u>323,122</u>	<u>800</u>	<u>3,255</u>
Disbursements:						
Personal services	1,353,490	235,004	-	-	-	-
Supplies	121,978	77,104	-	-	-	-
Other services and charges	362,450	156,454	-	234,000	800	3,708
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	111,949	158,208	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	101	-	-	-	-	-
Total disbursements	<u>1,949,968</u>	<u>626,770</u>	<u>-</u>	<u>234,000</u>	<u>800</u>	<u>3,708</u>
Excess (deficiency) of receipts over disbursements	<u>(485,970)</u>	<u>(12,454)</u>	<u>19,856</u>	<u>89,122</u>	<u>-</u>	<u>(453)</u>
Cash and investments - ending	<u>\$ 697,146</u>	<u>\$ 406,008</u>	<u>\$ 84,340</u>	<u>\$ 100,748</u>	<u>\$ 840</u>	<u>\$ 764</u>

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

	PARK & RECREATION FUND	RAINY DAY FUND	NON REV. POLICE - CANINE FD	LEVY EXCESS FUND	CUMULATIVE CAPITAL DEV.	NON-REV PARK CAPITAL IMP.
Cash and investments - beginning	\$ 206,873	\$ 681,136	\$ 12	\$ 6,295	\$ 471,637	\$ 144,422
Receipts:						
Taxes	301,466	-	-	-	56,881	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	22,262	-	-	-	4,203	-
Charges for services	23,195	-	-	-	-	12,650
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	680	-	28,465	-	1,913	1,770
Total receipts	<u>347,603</u>	<u>-</u>	<u>28,465</u>	<u>-</u>	<u>62,997</u>	<u>14,420</u>
Disbursements:						
Personal services	127,722	-	-	-	-	-
Supplies	25,377	-	247	-	-	7,392
Other services and charges	12,790	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	138,347	-	18,387	-	68,940	47,064
Utility operating expenses	-	-	-	-	-	-
Other disbursements	396	-	12	6,295	-	-
Total disbursements	<u>304,632</u>	<u>-</u>	<u>18,646</u>	<u>6,295</u>	<u>68,940</u>	<u>54,456</u>
Excess (deficiency) of receipts over disbursements	<u>42,971</u>	<u>-</u>	<u>9,819</u>	<u>(6,295)</u>	<u>(5,943)</u>	<u>(40,036)</u>
Cash and investments - ending	<u>\$ 249,844</u>	<u>\$ 681,136</u>	<u>\$ 9,831</u>	<u>\$ -</u>	<u>\$ 465,694</u>	<u>\$ 104,386</u>

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

	BREMEN REDEVELOPMENT FUND	CUMULATIVE CAPITAL IMP.	POLICE PENSION FUND	NON-REV/RIVERBOAT WGR.TAX	OFFICE CASH FUND	CEMETERY OPERATING FUND
Cash and investments - beginning	\$ 3,225,560	\$ 107,897	\$ 89,945	\$ 140,805	\$ 100	\$ 85,742
Receipts:						
Taxes	718,017	-	34,780	-	-	54,163
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	12,883	2,570	28,074	-	4,003
Charges for services	-	-	-	-	-	44,989
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	41,473	-	72,645	-	-	3,228
Total receipts	<u>759,490</u>	<u>12,883</u>	<u>109,995</u>	<u>28,074</u>	<u>-</u>	<u>106,383</u>
Disbursements:						
Personal services	-	-	-	-	-	132,943
Supplies	-	-	-	-	-	9,129
Other services and charges	6,892	-	-	-	-	2,326
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	52,430	-	-	-	-	4,000
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	62,282	-	-	12
Total disbursements	<u>59,322</u>	<u>-</u>	<u>62,282</u>	<u>-</u>	<u>-</u>	<u>148,410</u>
Excess (deficiency) of receipts over disbursements	<u>700,168</u>	<u>12,883</u>	<u>47,713</u>	<u>28,074</u>	<u>-</u>	<u>(42,027)</u>
Cash and investments - ending	<u>\$ 3,925,728</u>	<u>\$ 120,780</u>	<u>\$ 137,658</u>	<u>\$ 168,879</u>	<u>\$ 100</u>	<u>\$ 43,715</u>

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

	CEMETERY/PERPETUAL CARE	DRUG FREE COMM./DUI TASK	I.U. AUTOMOTIVE SAFETY GR	NON-REVERTING-D.A.R.E.	NON-REVERTING/CEMET	NON-REVERTING/POL.RES.
Cash and investments - beginning	\$ 257,593	\$ -	\$ 49	\$ 421	\$ 7,251	\$ 25,305
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	2,195	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	5,820	-	-	-	-	2,510
Total receipts	<u>5,820</u>	<u>2,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,510</u>
Disbursements:						
Personal services	-	2,178	-	-	-	-
Supplies	-	-	-	134	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	3,343
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>2,178</u>	<u>-</u>	<u>134</u>	<u>-</u>	<u>3,343</u>
Excess (deficiency) of receipts over disbursements	<u>5,820</u>	<u>17</u>	<u>-</u>	<u>(134)</u>	<u>-</u>	<u>(833)</u>
Cash and investments - ending	<u>\$ 263,413</u>	<u>\$ 17</u>	<u>\$ 49</u>	<u>\$ 287</u>	<u>\$ 7,251</u>	<u>\$ 24,472</u>

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

	NON-REV POLICE/COMMUNITY	NON-REVERTING/FIRE	CRIM. JUST./OP.PULLOVER	NON REV. EMS	LOCAL LAW ENF BLOCK GRANT	REVOLVING IMPROVEMENT FD
Cash and investments - beginning	\$ 722	\$ 2,571	\$ 8	\$ 41	\$ 122	\$ 50,811
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	2,214	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	26,200	1,642	-	-	-	-
Total receipts	<u>26,200</u>	<u>1,642</u>	<u>2,214</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	-	30	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	26,820	-	2,120	-	-	-
Total disbursements	<u>26,820</u>	<u>-</u>	<u>2,150</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(620)</u>	<u>1,642</u>	<u>64</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 102</u>	<u>\$ 4,213</u>	<u>\$ 72</u>	<u>\$ 41</u>	<u>\$ 122</u>	<u>\$ 50,811</u>

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

	GARBAGE/TRASH PICK-UP	DEBT SERVICE FUND	SENIOR CENTER FUND	SENIOR CTR SEC. DEP.	PENSION RELIEF FUND	WITHHOLDING FUND
Cash and investments - beginning	\$ 70,374	\$ 59,065	\$ 4,621	\$ 3,770	\$ 30,047	\$ 31,244
Receipts:						
Taxes	-	99,269	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	7,336	-	-	-	-
Charges for services	250,712	-	60,663	1,000	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	222	193	58	-	-	702,379
Total receipts	<u>250,934</u>	<u>106,798</u>	<u>60,721</u>	<u>1,000</u>	<u>-</u>	<u>702,379</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	5,507	-	-	-
Other services and charges	240,063	-	27,638	-	-	-
Debt service - principal and interest	-	112,081	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	9,826	-	19,490	300	-	707,060
Total disbursements	<u>249,889</u>	<u>112,081</u>	<u>52,635</u>	<u>300</u>	<u>-</u>	<u>707,060</u>
Excess (deficiency) of receipts over disbursements	<u>1,045</u>	<u>(5,283)</u>	<u>8,086</u>	<u>700</u>	<u>-</u>	<u>(4,681)</u>
Cash and investments - ending	<u>\$ 71,419</u>	<u>\$ 53,782</u>	<u>\$ 12,707</u>	<u>\$ 4,470</u>	<u>\$ 30,047</u>	<u>\$ 26,563</u>

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

	STORM WATER MGMT. FUND	ELECTRIC OPERATING FUND	ELECTRIC METER DEPOSIT	ELECTRIC DEPRECIATION	ELECTRIC CASH RESERVE	ELE.RATE STABILIZATION FD
Cash and investments - beginning	\$ 248,422	\$ 1,628,116	\$ 98,809	\$ 1,652,195	\$ 286,998	\$ 335,000
Receipts:						
Taxes	30,071	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,222	183,711	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	11,109,323	11,065	-	-	-
Penalties	-	18,138	-	-	-	-
Other receipts	780	5,208	-	5,440	924	707,949
Total receipts	<u>33,073</u>	<u>11,316,380</u>	<u>11,065</u>	<u>5,440</u>	<u>924</u>	<u>707,949</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	47,320	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	4,986	11,437	-	123,485	-	-
Utility operating expenses	-	9,878,882	-	-	-	-
Other disbursements	6,470	1,046,818	7,877	-	-	-
Total disbursements	<u>58,776</u>	<u>10,937,137</u>	<u>7,877</u>	<u>123,485</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(25,703)</u>	<u>379,243</u>	<u>3,188</u>	<u>(118,045)</u>	<u>924</u>	<u>707,949</u>
Cash and investments - ending	<u>\$ 222,719</u>	<u>\$ 2,007,359</u>	<u>\$ 101,997</u>	<u>\$ 1,534,150</u>	<u>\$ 287,922</u>	<u>\$ 1,042,949</u>

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

	SEWAGE OPERATING FUND	SEWAGE WKS.IMPROVEMENT FD	SEWAGE BOND & INTEREST	SEWAGE BOND RESERVE	SEWAGE METER CHANGE-OUT
Cash and investments - beginning	\$ 170,340	\$ 241,974	\$ 17,639	\$ 82,330	\$ 59,320
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	858,924	-	-	-	-
Penalties	11,910	-	-	-	-
Other receipts	51,864	139,320	173,279	20,174	14,691
Total receipts	<u>922,698</u>	<u>139,320</u>	<u>173,279</u>	<u>20,174</u>	<u>14,691</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	190,305	-	-
Capital outlay	18,369	51,749	-	-	-
Utility operating expenses	531,139	-	-	-	-
Other disbursements	342,569	14,500	600	-	-
Total disbursements	<u>892,077</u>	<u>66,249</u>	<u>190,905</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>30,621</u>	<u>73,071</u>	<u>(17,626)</u>	<u>20,174</u>	<u>14,691</u>
Cash and investments - ending	<u>\$ 200,961</u>	<u>\$ 315,045</u>	<u>\$ 13</u>	<u>\$ 102,504</u>	<u>\$ 74,011</u>

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

	WATER OPERATING FUND	WATER METER DEPOSIT	WATERWORKS IMPROVEMENT FD	WATER METER CHANGE-OUT	TOTALS
Cash and investments - beginning	\$ 152,117	\$ 52,409	\$ 301,031	\$ 59,320	\$ 12,770,204
Receipts:					
Taxes	-	-	-	-	2,824,650
Licenses and permits	-	-	-	-	24,749
Intergovernmental	28,192	-	-	-	1,046,786
Charges for services	-	-	-	-	428,864
Fines and forfeits	-	-	-	-	2,204
Utility fees	709,290	6,560	-	-	12,695,162
Penalties	3,198	-	-	-	33,246
Other receipts	695	-	111,000	14,691	2,221,028
Total receipts	<u>741,375</u>	<u>6,560</u>	<u>111,000</u>	<u>14,691</u>	<u>19,276,689</u>
Disbursements:					
Personal services	-	-	-	-	1,851,367
Supplies	-	-	-	-	294,188
Other services and charges	-	-	-	-	1,047,121
Debt service - principal and interest	-	-	-	-	302,386
Capital outlay	-	-	8,469	-	821,163
Utility operating expenses	539,645	-	-	-	10,949,666
Other disbursements	170,223	3,960	14,500	-	2,442,231
Total disbursements	<u>709,868</u>	<u>3,960</u>	<u>22,969</u>	<u>-</u>	<u>17,708,122</u>
Excess (deficiency) of receipts over disbursements	<u>31,507</u>	<u>2,600</u>	<u>88,031</u>	<u>14,691</u>	<u>1,568,567</u>
Cash and investments - ending	<u>\$ 183,624</u>	<u>\$ 55,009</u>	<u>\$ 389,062</u>	<u>\$ 74,011</u>	<u>\$ 14,338,771</u>

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 80,093	\$ 14,709
Electric	39,293	42,003
Wastewater	6,310	9,456
Water	<u>63,160</u>	<u>6,172</u>
Totals	<u>\$ 188,856</u>	<u>\$ 72,340</u>

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

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable	Senior Center	\$ 127,779	\$ 15,409
General obligation bonds	Stormwater Sewer Improvements	<u>815,000</u>	<u>108,894</u>
Total governmental activities		<u>942,779</u>	<u>124,303</u>
Wastewater:			
Revenue bonds	Improvements to Municipal Sewage Works	315,000	56,998
Revenue bonds	Additions Extensions Improvements to Sewage Works System	<u>2,197,000</u>	<u>115,660</u>
Total Wastewater		<u>2,512,000</u>	<u>172,658</u>
Totals		<u>\$ 3,454,779</u>	<u>\$ 296,961</u>

TOWN OF BREMEN
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	\$ 677,800
Infrastructure	1,777,284
Buildings	2,754,011
Improvements other than buildings	1,335,852
Machinery, equipment and vehicles	3,310,028
Construction in progress	120,530
Total governmental activities	9,975,505
Electric:	
Land	36,724
Buildings	413,122
Improvements other than buildings	1,807,195
Machinery, equipment and vehicles	3,039,477
Construction in progress	43,740
Total Electric	5,340,258
Wastewater:	
Land	11,314
Infrastructure	595,983
Buildings	3,844,722
Improvements other than buildings	468,298
Machinery, equipment and vehicles	896,807
Construction in progress	2,290,793
Total Wastewater	8,107,917
Water:	
Land	39,747
Buildings	1,001,791
Improvements other than buildings	1,143,619
Machinery, equipment and vehicles	546,485
Total Water	2,731,642
Total capital assets	\$ 26,155,322

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE TOWN OF BREMEN, MARSHALL COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Bremen (Town) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the years ended December 31, 2010 and 2011. The Town's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2010 and 2011.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Town's management, Town Council, others within the entity, federal awarding agencies, and pass-through entities 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

July 12, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the Town. The schedule and note are presented as intended by the Town.

TOWN OF BREMEN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended December 31, 2010 and 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 12-31-10	Total Federal Awards Expended 12-31-11
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through the Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205		\$ 22,030	\$ -
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety Safety Belt Performance Grants	20.600 20.609		586 2,154	4,713 -
Total for cluster			<u>2,740</u>	<u>4,713</u>
Total for federal grantor agency			<u>24,770</u>	<u>4,713</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Pass-Through Indiana Finance Authority Capitalization Grants for Clean Water State Revolving Funds	66.458	WW091225001	444,086	393,261
<u>U.S. DEPARTMENT OF ENERGY</u>				
Pass-Through Indiana Office of Energy Development ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	038-ARRA-EECBGX	141,000	-
Total federal awards expended			<u>\$ 609,856</u>	<u>\$ 397,974</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

TOWN OF BREMEN
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Bremen (Town) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1 et seq.), audits of Towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

TOWN OF BREMEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiency identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

TOWN OF BREMEN
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TOWN OF BREMEN
EXIT CONFERENCE

The contents of this report were discussed on July 12, 2012, with Janet M. Anglemyer, Clerk-Treasurer, and Trend Weldy, Council member. Our audit disclosed no material items that warrant comment at this time.