

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

CITY OF MARTINSVILLE

MORGAN COUNTY, INDIANA

January 1, 2013 to December 31, 2014



**FILED**  
04/26/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mary Lou Peden Valerie Hugart	01-01-12 to 12-13-13 12-14-13 to 12-31-19
Mayor	Phil R. Deckard, Sr. Shannon E. Kohl	01-01-12 to 12-31-15 01-01-16 to 12-31-19
President of the Board of Public Works	Phil R. Deckard, Sr. Shannon E. Kohl	01-01-12 to 12-31-15 01-01-16 to 12-31-16
President Pro Tempore of the Common Council	Eric Bowlen	01-01-13 to 12-31-16
Superintendent of Utilities	Kevin Broyer	01-01-13 to 12-31-16
Utility Office Manager	Mary Malone Mae Cooper	01-01-13 to 06-07-14 06-08-14 to 12-31-16



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF MARTINSVILLE, MORGAN COUNTY, INDIANA

We have examined the accompanying financial statement of the City of Martinsville (City), for the period of January 1, 2013 to December 31, 2014. The financial statement is the responsibility of the City's management. Our responsibility is to express an opinion on the financial statement based on our examination.

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

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

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the period of January 1, 2013 to December 31, 2014.

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 period of January 1, 2013 to December 31, 2014, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

March 8, 2016

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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.

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CITY OF MARTINSVILLE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2013 and 2014

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13	Receipts	Disbursements	Cash and Investments 12-31-14
General	\$ 3,741,965	\$ 6,542,779	\$ 8,007,940	\$ 2,276,804	\$ 7,545,482	\$ 8,128,026	\$ 1,694,260
Motor Vehicle Highway	455,455	1,313,607	1,142,213	626,849	1,185,286	1,065,920	746,215
Local Road And Street	299,895	110,142	-	410,037	109,511	291,550	227,998
Planning And Zoning	141,575	5,295	2,811	144,059	6,700	-	150,759
CRIMINAL JUSTICE	3,493	650	725	3,418	-	-	3,418
Community Development Block	1,238	-	-	1,238	-	-	1,238
Law Enforcement Continuing Ed	31,803	28,319	12,571	47,551	11,769	15,973	43,347
Riverboat	325,633	70,068	57,904	337,797	70,068	179,531	228,334
Parks And Recreation	703,114	587,853	899,412	391,555	734,352	799,412	326,495
Pretrial Diversion	108,850	133,237	95,160	146,927	118,034	149,712	115,249
Rainy Day	62,568	300,000	346,083	16,485	-	16,485	-
T.I.F. MORGAN STREET	121	34,953	-	35,074	66,817	5,855	96,036
Cumulative Capital Development	100,154	505,183	300,705	304,632	193,718	214,663	283,687
DOWNTOWN BLIGHT	-	-	2,000	(2,000)	2,000	-	-
TIF OHIO STREET	-	10,150	-	10,150	-	-	10,150
Industrial Park (Construction)	40,397	-	-	40,397	-	-	40,397
GOVT BLDG LEASE RENTAL	-	71,000	68,378	2,622	141,520	144,123	19
Cumulative Capital Improvement	263,805	32,166	-	295,971	32,450	107,512	220,909
TIF SOUTHEAST 37	-	28,195	7,300	20,895	-	620	20,275
TIF STATE ROAD 39	-	38,842	-	38,842	179,099	-	217,941
Martinsville City Court	41,371	685,591	702,698	24,264	458,353	459,026	23,591
2007 D&R FD 318119	12,268	3,464	500	15,232	6,089	539	20,782
2007 Pay Agt 318122	104,000	100,000	102,000	102,000	102,500	204,500	-
MUNICIPAL BLDG BOND	375,300	1,518,980	1,378,076	516,204	107,141	353,601	269,744
GO BOND 2011	387,891	787,468	905,278	270,081	606,861	591,955	284,987
MAIN STREET REVITALIZATION	-	-	-	-	335,072	327,377	7,695
Martinsville Redev 2011 PA	-	-	-	-	591,455	591,455	-
GO BOND 2014 OPERATING	-	-	-	-	2,018,866	178,635	1,840,231
RD14 OPERATING	-	-	-	-	2,022,627	105,157	1,917,470
MBB OPERATING	-	-	-	-	152,107	-	152,107

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

CITY OF MARTINSVILLE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2013 and 2014  
(Continued)

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13	Receipts	Disbursements	Cash and Investments 12-31-14
Petty Cash	500	-	-	500	-	-	500
Speed Grant	268	-	-	268	-	-	268
Fire Donation	3,416	-	-	3,416	-	-	3,416
Operation Pullover	10	7,611	7,611	10	8,153	8,153	10
Fire Hydrant Maintenance	21,661	5,030	-	26,691	5,030	3,327	28,394
Court Fees	11,271	10,481	11,000	10,752	6,904	7,913	9,743
City Park Cum Cap	496	-	-	496	-	-	496
Loit-Public Safety	1,018,925	750,200	852,416	916,709	1,116,783	1,032,848	1,000,644
Downtown Renovation	242	-	-	242	1,000	1,242	-
Food And Beverage	157,521	549,256	550,919	155,858	344,138	453,546	46,450
Food And Beverage Debt Reserve	365,136	-	-	365,136	-	-	365,136
Historical Preservation Grant	319	-	-	319	-	-	319
Police Drug Evidence	18,263	18,166	17,574	18,855	34,142	32,933	20,064
Auditor Court Costs	-	48,606	48,606	-	33,982	33,982	-
Bail Bond-Admin	16,759	2,740	-	19,499	2,180	-	21,679
Environmental Renovations	1,146	-	-	1,146	-	-	1,146
Judicial Salary	11,595	13,767	31,442	(6,080)	45,154	32,085	6,989
Parking Control Fund	17,232	-	-	17,232	-	-	17,232
Police Camera	560	1,313	-	1,873	550	2,125	298
Record Perpetuation	110,752	6,414	3,747	113,419	4,484	-	117,903
Recording Fees	126	-	-	126	-	-	126
Park Bond	71,217	38,733	77,471	32,479	95,563	86,325	41,717
Edit Fund	713,337	471,879	663,516	521,700	500,051	861,703	160,048
Emp Trust Donley Company	(548,332)	3,571,896	2,508,724	514,840	2,293,774	2,331,714	476,900
Fire Pension#3	124,921	206,292	198,449	132,764	208,473	203,013	138,224
Police Pension#3	133,768	242,898	240,743	135,923	263,109	254,150	144,882
Payroll	164,204	6,170,202	6,244,327	90,079	6,452,981	6,458,202	84,858
Miscellaneous Fund	85,630	-	-	85,630	-	-	85,630
Trans Station	24,651	1	-	24,652	1	-	24,653
Com Ind Fac Bg GRP Lease Rental Bonds 2012	668,716	54	35,527	633,243	633,367	633,305	633,305

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

CITY OF MARTINSVILLE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2013 and 2014  
(Continued)

Fund	Cash and Investments			Cash and Investments			Cash and Investments
	01-01-13	Receipts	Disbursements	12-31-13	Receipts	Disbursements	12-31-14
ISR WW 04 B	-	47,873	47,873	-	-	-	-
SRF WW MART	543,000	-	543,000	-	-	-	-
Sink Fund 2007	121,575	240,921	362,495	1	122,115	122,114	2
Sewage 2011 Esc 2004	2,937,018	-	-	2,937,018	-	-	2,937,018
Sewer Bond & Interest	147,908	1,109,377	830,146	427,139	852,600	832,519	447,220
Sewer Debt Reserve	836,067	2,892	-	838,959	2,892	-	841,851
Martinsville GFBC 2012 DSRF	138,703	12	-	138,715	138,724	138,729	138,710
SEWAGE REF 2011 -PA	-	-	-	-	262,080	262,080	-
Wastewater Utility-Construction	1,428	-	-	1,428	1	-	1,429
Sewer Operations (Hb)	400,630	2,582,862	3,436,164	(452,672)	3,104,842	2,846,898	(194,728)
City Availability (Hb)	62,909	13,930	-	76,839	875	-	77,714
Developer Availability (Hb)	111,762	16,380	-	128,142	875	4,139	124,878
Plant Expansion (Hb)	190,030	17,910	-	207,940	3,825	-	211,765
Sewer Improvement (Hb)	410,103	676,149	384,154	702,098	-	540,000	162,098
WATER METER DEPOSIT	107,081	26,432	10,503	123,010	26,058	16,633	132,435
Redevelopment "GO" Dist 2011-PA	294,949	-	294,949	-	-	-	-
Water Bond & Interest	218,183	1,059,115	851,044	426,254	853,509	853,801	425,962
Water Debt Reserve	726,861	54,380	-	781,241	-	-	781,241
WATERWORKS REV SERIES 2004	-	-	-	-	420,644	349,174	71,470
GOVT FAC LEASE RENTAL 2012	-	-	-	-	84,564	76,169	8,395
Water Operations (Hb)	177,941	2,607,555	2,517,461	268,035	2,596,981	2,254,895	610,121
Water Meter Deposits (Hb)	(6,243)	-	-	(6,243)	6,743	-	500
Water Improvement (Hb)	15,254	-	-	15,254	-	-	15,254
Utility Clearance (Hb)	73,654	4,474,871	4,461,040	87,485	5,138,951	4,906,094	320,342
STORMWATER	-	67,447	57,605	9,842	211,464	84,764	136,542
Totals	<u>\$ 17,904,019</u>	<u>\$ 38,021,587</u>	<u>\$ 39,320,260</u>	<u>\$ 16,605,346</u>	<u>\$ 42,675,439</u>	<u>\$ 39,656,202</u>	<u>\$ 19,624,583</u>

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

CITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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 include the following sources:

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

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

CITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 include the following uses:

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

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

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

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

CITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

CITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

CITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

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

*B. 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. 1937 Firefighters' Pension Plan*

*Plan Description*

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

*Funding Policy*

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

*On Behalf Payments*

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



CITY OF MARTINSVILLE  
 NOTES TO FINANCIAL STATEMENT  
 (Continued)

*D. 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  
 One North Capitol, Suite 001  
 Indianapolis, IN 46204  
 Ph. (888) 526-1687

*Funding Policy*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of expenditures exceeding revenues.

**Note 8. Restatements**

For the year ended December 31, 2013, a change has been made to a beginning balance of the financial statement to more appropriately reflect financial activity of the City. The following schedule presents a summary of the restated beginning balance.

Fund Name	Balance as of December 31, 2012	Prior Period Adjustment	Balance as of January 1, 2013
SRF WW MART	\$ -	\$ 543,000	\$ 543,000

ITY OF MARTINSVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. *Holding Corporation***

The City has entered into a capital lease with City of Martinsville Government Facility Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the years 2013 and 2014 totaled \$71,000 and \$141,500, respectively.

**Note 10. *Other Postemployment Benefits***

The City provides to eligible retirees and their spouses the following benefits: health including dental and vision and death benefits. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

#### OTHER INFORMATION - UNAUDITED

The City's Annual Report information for years 2011 and later can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

The other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013

	General	Motor Vehicle Highway	Local Road And Street	Planning And Zoning	CRIMINAL JUSTICE	Community Development Block	Law Enforcement Continuing Ed	Riverboat	Parks And Recreation	Pretrial Diversion
Cash and investments - beginning	\$ 3,741,965	\$ 455,455	\$ 299,895	\$ 141,575	\$ 3,493	\$ 1,238	\$ 31,803	\$ 325,633	\$ 703,114	\$ 108,850
Receipts:										
Taxes	2,082,835	822,207	290	-	-	-	-	-	261,966	-
Licenses and permits	140,454	-	-	-	-	-	8,105	-	-	-
Intergovernmental	3,450,671	486,713	108,928	-	-	-	-	70,068	24,786	-
Charges for services	48	-	-	-	650	-	19,681	-	75,955	-
Fines and forfeits	82,572	-	-	-	-	-	-	-	-	133,237
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	786,199	4,687	924	5,295	-	-	533	-	225,146	-
Total receipts	6,542,779	1,313,607	110,142	5,295	650	-	28,319	70,068	587,853	133,237
Disbursements:										
Personal services	5,890,810	882,812	-	-	-	-	-	-	304,014	-
Supplies	81,194	177,950	-	-	725	-	-	-	33,668	-
Other services and charges	998,988	80,035	-	-	-	-	12,571	3,040	60,943	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	564,437	1,416	-	-	-	-	-	54,864	500,787	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	472,511	-	-	2,811	-	-	-	-	-	95,160
Total disbursements	8,007,940	1,142,213	-	2,811	725	-	12,571	57,904	899,412	95,160
Excess (deficiency) of receipts over disbursements	(1,465,161)	171,394	110,142	2,484	(75)	-	15,748	12,164	(311,559)	38,077
Cash and investments - ending	\$ 2,276,804	\$ 626,849	\$ 410,037	\$ 144,059	\$ 3,418	\$ 1,238	\$ 47,551	\$ 337,797	\$ 391,555	\$ 146,927

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	Rainy Day	T.I.F. MORGAN STREET	Cumulative Capital Development	DOWNTOWN BLIGHT	TIF OHIO STREET	Industrial Park (Construction)	GOVT BLDG LEASE RENTAL	Cumulative Capital Improvement	TIF SOUTHEAST 37	TIF STATE ROAD 39
Cash and investments - beginning	\$ 62,568	\$ 121	\$ 100,154	\$ -	\$ -	\$ 40,397	\$ -	\$ 263,805	\$ -	\$ -
Receipts:										
Taxes	-	-	178,757	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	34,953	12,106	-	10,150	-	-	32,166	28,195	38,842
Charges for services	-	-	13,000	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	300,000	-	301,320	-	-	-	71,000	-	-	-
Total receipts	300,000	34,953	505,183	-	10,150	-	71,000	32,166	28,195	38,842
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	173,139	-	-	-	-	-	-	-	7,300	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	172,944	-	300,705	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,000	-	-	68,378	-	-	-
Total disbursements	346,083	-	300,705	2,000	-	-	68,378	-	7,300	-
Excess (deficiency) of receipts over disbursements	(46,083)	34,953	204,478	(2,000)	10,150	-	2,622	32,166	20,895	38,842
Cash and investments - ending	\$ 16,485	\$ 35,074	\$ 304,632	\$ (2,000)	\$ 10,150	\$ 40,397	\$ 2,622	\$ 295,971	\$ 20,895	\$ 38,842

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	Martinsville City Court	2007 D&R FD 318119	2007 Pay Agt 318122	MUNICIPAL BLDG BOND	GO BOND 2011	MAIN STREET REVITALIZATION	Martinsville Redev 2011 PA	GO BOND 2014 OPERATING	RD14 OPERATING	MBB OPERATING
Cash and investments - beginning	\$ 41,371	\$ 12,268	\$ 104,000	\$ 375,300	\$ 387,891	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Taxes	-	-	-	124,576	548,136	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	8,614	43,787	-	-	-	-	-
Charges for services	-	-	-	76,950	195,340	-	-	-	-	-
Fines and forfeits	685,591	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	3,464	100,000	1,308,840	205	-	-	-	-	-
Total receipts	<u>685,591</u>	<u>3,464</u>	<u>100,000</u>	<u>1,518,980</u>	<u>787,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	6,375	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	71,000	293,524	-	-	-	-	-
Capital outlay	-	-	-	50,000	611,754	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	702,698	500	102,000	1,250,701	-	-	-	-	-	-
Total disbursements	<u>702,698</u>	<u>500</u>	<u>102,000</u>	<u>1,378,076</u>	<u>905,278</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(17,107)</u>	<u>2,964</u>	<u>(2,000)</u>	<u>140,904</u>	<u>(117,810)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 24,264</u>	<u>\$ 15,232</u>	<u>\$ 102,000</u>	<u>\$ 516,204</u>	<u>\$ 270,081</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	Petty Cash	Speed Grant	Fire Donation	Operation Pullover	Fire Hydrant Maintenance	Court Fees	City Park Cum Cap	Loit-Public Safety	Downtown Renovation	Food And Beverage
Cash and investments - beginning	\$ 500	\$ 268	\$ 3,416	\$ 10	\$ 21,661	\$ 11,271	\$ 496	\$ 1,018,925	\$ 242	\$ 157,521
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	323,681
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	744,750	-	-
Charges for services	-	-	-	7,611	5,030	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	10,481	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	5,450	-	225,575
Total receipts	-	-	-	7,611	5,030	10,481	-	750,200	-	549,256
Disbursements:										
Personal services	-	-	-	7,611	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	157,197	-	-
Other services and charges	-	-	-	-	-	-	-	372,540	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	550,919
Capital outlay	-	-	-	-	-	-	-	322,679	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	11,000	-	-	-	-
Total disbursements	-	-	-	7,611	-	11,000	-	852,416	-	550,919
Excess (deficiency) of receipts over disbursements	-	-	-	-	5,030	(519)	-	(102,216)	-	(1,663)
Cash and investments - ending	\$ 500	\$ 268	\$ 3,416	\$ 10	\$ 26,691	\$ 10,752	\$ 496	\$ 916,709	\$ 242	\$ 155,858

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	Food And Beverage Debt Reserve	Historical Preservation Grant	Police Drug Evidence	Auditor Court Costs	Bail Bond-Admin	Environmental Renovations	Judicial Salary	Parking Control Fund	Police Camera	Record Perpetuation
Cash and investments - beginning	\$ 365,136	\$ 319	\$ 18,263	\$ -	\$ 16,759	\$ 1,146	\$ 11,595	\$ 17,232	\$ 560	\$ 110,752
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	48,606	2,740	-	13,767	-	-	6,414
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	18,166	-	-	-	-	-	1,313	-
Total receipts	-	-	18,166	48,606	2,740	-	13,767	-	1,313	6,414
Disbursements:										
Personal services	-	-	-	-	-	-	31,442	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	17,574	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	48,606	-	-	-	-	-	3,747
Total disbursements	-	-	17,574	48,606	-	-	31,442	-	-	3,747
Excess (deficiency) of receipts over disbursements	-	-	592	-	2,740	-	(17,675)	-	1,313	2,667
Cash and investments - ending	\$ 365,136	\$ 319	\$ 18,855	\$ -	\$ 19,499	\$ 1,146	\$ (6,080)	\$ 17,232	\$ 1,873	\$ 113,419



CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	Recording Fees	Park Bond	Edit Fund	Emp Trust Donley Company	Fire Pension#3	Police Pension#3	Payroll	Miscellaneous Fund	Trans Station	Com Ind Fac Bg GRP Lease Rental Bonds 2012
Cash and investments - beginning	\$ 126	\$ 71,217	\$ 713,337	\$ (548,332)	\$ 124,921	\$ 133,768	\$ 164,204	\$ 85,630	\$ 24,651	\$ 668,716
Receipts:										
Taxes	-	35,237	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	3,429	471,879	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	67	-	3,571,896	206,292	242,898	6,170,202	-	1	54
Total receipts	-	38,733	471,879	3,571,896	206,292	242,898	6,170,202	-	1	54
Disbursements:										
Personal services	-	-	10,030	2,508,724	198,449	240,743	6,244,327	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	361,773	-	-	-	-	-	-	-
Debt service - principal and interest	-	77,390	-	-	-	-	-	-	-	-
Capital outlay	-	-	291,713	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	81	-	-	-	-	-	-	-	35,527
Total disbursements	-	77,471	663,516	2,508,724	198,449	240,743	6,244,327	-	-	35,527
Excess (deficiency) of receipts over disbursements	-	(38,738)	(191,637)	1,063,172	7,843	2,155	(74,125)	-	1	(35,473)
Cash and investments - ending	\$ 126	\$ 32,479	\$ 521,700	\$ 514,840	\$ 132,764	\$ 135,923	\$ 90,079	\$ 85,630	\$ 24,652	\$ 633,243

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	ISR WW 04 B	SRF WW MART	Sink Fund 2007	Sewage 2011 Esc 2004	Sewer Bond & Interest	Sewer Debt Reserve	Martinsville GFBC 2012 DSRF	SEWAGE REF 2011 -PA	Wastewater Utility- Construction	Sewer Operations (Hb)
Cash and investments - beginning	\$ -	\$ 543,000	\$ 121,575	\$ 2,937,018	\$ 147,908	\$ 836,067	\$ 138,703	\$ -	\$ 1,428	\$ 400,630
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	47,873	-	240,921	-	1,109,377	2,892	12	-	-	2,582,862
Total receipts	47,873	-	240,921	-	1,109,377	2,892	12	-	-	2,582,862
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	644,203
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	159,983
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	16,846
Utility operating expenses	-	-	-	-	-	-	-	-	-	2,314,622
Other disbursements	47,873	543,000	362,495	-	830,146	-	-	-	-	300,510
Total disbursements	47,873	543,000	362,495	-	830,146	-	-	-	-	3,436,164
Excess (deficiency) of receipts over disbursements	-	(543,000)	(121,574)	-	279,231	2,892	12	-	-	(853,302)
Cash and investments - ending	\$ -	\$ -	\$ 1	\$ 2,937,018	\$ 427,139	\$ 838,959	\$ 138,715	\$ -	\$ 1,428	\$ (452,672)

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	City Availability (Hb)	Developer Availability (Hb)	Plant Expansion (Hb)	Sewer Improvement (Hb)	WATER METER DEPOSIT	Redevelopment "GO" Dist 2011-PA	Water Bond & Interest	Water Debt Reserve
Cash and investments - beginning	\$ 62,909	\$ 111,762	\$ 190,030	\$ 410,103	\$ 107,081	\$ 294,949	\$ 218,183	\$ 726,861
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	13,930	16,380	17,910	-	26,281	-	-	-
Other receipts	-	-	-	676,149	151	-	1,059,115	54,380
Total receipts	13,930	16,380	17,910	676,149	26,432	-	1,059,115	54,380
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	294,949	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	159,154	10,503	-	-	-
Other disbursements	-	-	-	225,000	-	-	851,044	-
Total disbursements	-	-	-	384,154	10,503	294,949	851,044	-
Excess (deficiency) of receipts over disbursements	13,930	16,380	17,910	291,995	15,929	(294,949)	208,071	54,380
Cash and investments - ending	\$ 76,839	\$ 128,142	\$ 207,940	\$ 702,098	\$ 123,010	\$ -	\$ 426,254	\$ 781,241

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	WATERWORKS REV SERIES 2004	GOVT FAC LEASE RENTAL 2012	Water Operations (Hb)	Water Meter Deposits (Hb)	Water Improvement (Hb)	Utility Clearance (Hb)	STORMWATER	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 177,941	\$ (6,243)	\$ 15,254	\$ 73,654	\$ -	\$ 17,904,019
Receipts:								
Taxes	-	-	-	-	-	-	-	4,377,685
Licenses and permits	-	-	-	-	-	-	-	148,559
Intergovernmental	-	-	-	-	-	-	-	5,570,037
Charges for services	-	-	-	-	-	-	-	394,265
Fines and forfeits	-	-	-	-	-	-	-	983,408
Utility fees	-	-	85,979	-	-	4,474,503	6,625	4,641,608
Other receipts	-	-	2,521,576	-	-	368	60,822	21,906,025
Total receipts	-	-	2,607,555	-	-	4,474,871	67,447	38,021,587
Disbursements:								
Personal services	-	-	389,227	-	-	-	-	17,352,392
Supplies	-	-	-	-	-	-	-	450,734
Other services and charges	-	-	181,999	-	-	-	-	2,436,260
Debt service - principal and interest	-	-	-	-	-	-	-	1,287,782
Capital outlay	-	-	-	-	-	-	-	2,888,145
Utility operating expenses	-	-	1,944,563	-	-	-	57,605	4,486,447
Other disbursements	-	-	1,672	-	-	4,461,040	-	10,418,500
Total disbursements	-	-	2,517,461	-	-	4,461,040	57,605	39,320,260
Excess (deficiency) of receipts over disbursements	-	-	90,094	-	-	13,831	9,842	(1,298,673)
Cash and investments - ending	\$ -	\$ -	\$ 268,035	\$ (6,243)	\$ 15,254	\$ 87,485	\$ 9,842	\$ 16,605,346

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014

	General	Motor Vehicle Highway	Local Road And Street	Planning And Zoning	CRIMINAL JUSTICE	Community Development Block	Law Enforcement Continuing Ed	Riverboat	Parks And Recreation	Pretrial Diversion
Cash and investments - beginning	\$ 2,276,804	\$ 626,849	\$ 410,037	\$ 144,059	\$ 3,418	\$ 1,238	\$ 47,551	\$ 337,797	\$ 391,555	\$ 146,927
Receipts:										
Taxes	2,447,569	479,196	-	-	-	-	-	-	559,651	-
Licenses and permits	20,760	-	-	6,700	-	-	4,300	-	-	-
Intergovernmental	3,561,727	684,705	109,511	-	-	-	-	70,068	44,483	-
Charges for services	306,771	-	-	-	-	-	7,469	-	109,210	-
Fines and forfeits	59,020	-	-	-	-	-	-	-	-	118,034
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	1,149,635	21,385	-	-	-	-	-	-	21,008	-
Total receipts	7,545,482	1,185,286	109,511	6,700	-	-	11,769	70,068	734,352	118,034
Disbursements:										
Personal services	5,466,000	899,635	-	-	-	-	-	-	360,425	-
Supplies	43,252	153,280	-	-	-	-	15,973	150,034	111,540	-
Other services and charges	1,125,108	13,005	-	-	-	-	-	29,497	140,824	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	30,799	-	-	-	-	-	-	-	156,623	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	1,462,867	-	291,550	-	-	-	-	-	30,000	149,712
Total disbursements	8,128,026	1,065,920	291,550	-	-	-	15,973	179,531	799,412	149,712
Excess (deficiency) of receipts over disbursements	(582,544)	119,366	(182,039)	6,700	-	-	(4,204)	(109,463)	(65,060)	(31,678)
Cash and investments - ending	\$ 1,694,260	\$ 746,215	\$ 227,998	\$ 150,759	\$ 3,418	\$ 1,238	\$ 43,347	\$ 228,334	\$ 326,495	\$ 115,249

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Rainy Day	T.I.F. MORGAN STREET	Cumulative Capital Development	DOWNTOWN BLIGHT	TIF OHIO STREET	Industrial Park (Construction)	GOVT BLDG LEASE RENTAL	Cumulative Capital Improvement	TIF SOUTHEAST 37	TIF STATE ROAD 39
Cash and investments - beginning	\$ 16,485	\$ 35,074	\$ 304,632	\$ (2,000)	\$ 10,150	\$ 40,397	\$ 2,622	\$ 295,971	\$ 20,895	\$ 38,842
Receipts:										
Taxes	-	66,817	180,532	-	-	-	-	-	-	179,099
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	13,186	-	-	-	-	32,450	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	2,000	-	-	141,520	-	-	-
Total receipts	-	66,817	193,718	2,000	-	-	141,520	32,450	-	179,099
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	7,512	620	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	16,485	-	214,663	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	5,855	-	-	-	-	144,123	100,000	-	-
Total disbursements	16,485	5,855	214,663	-	-	-	144,123	107,512	620	-
Excess (deficiency) of receipts over disbursements	(16,485)	60,962	(20,945)	2,000	-	-	(2,603)	(75,062)	(620)	179,099
Cash and investments - ending	\$ -	\$ 96,036	\$ 283,687	\$ -	\$ 10,150	\$ 40,397	\$ 19	\$ 220,909	\$ 20,275	\$ 217,941

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Martinsville City Court	2007 D&R FD 318119	2007 Pay Agt 318122	MUNICIPAL BLDG BOND	GO BOND 2011	MAIN STREET REVITALIZATION	Martinsville Redev 2011 PA	GO BOND 2014 OPERATING	RD14 OPERATING	MBB OPERATING
Cash and investments - beginning	\$ 24,264	\$ 15,232	\$ 102,000	\$ 516,204	\$ 270,081	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Taxes	-	-	-	4,333	534,376	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	286	39,030	49,900	-	-	-	-
Charges for services	-	-	-	42,000	-	-	-	-	-	-
Fines and forfeits	458,353	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	6,089	102,500	60,522	33,455	285,172	591,455	2,018,866	2,022,627	152,107
Total receipts	458,353	6,089	102,500	107,141	606,861	335,072	591,455	2,018,866	2,022,627	152,107
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	327,377	-	81,713	105,157	-
Debt service - principal and interest	-	-	-	141,000	591,455	-	591,455	-	-	-
Capital outlay	-	-	-	-	-	-	-	96,922	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	459,026	539	204,500	212,601	500	-	-	-	-	-
Total disbursements	459,026	539	204,500	353,601	591,955	327,377	591,455	178,635	105,157	-
Excess (deficiency) of receipts over disbursements	(673)	5,550	(102,000)	(246,460)	14,906	7,695	-	1,840,231	1,917,470	152,107
Cash and investments - ending	\$ 23,591	\$ 20,782	\$ -	\$ 269,744	\$ 284,987	\$ 7,695	\$ -	\$ 1,840,231	\$ 1,917,470	\$ 152,107

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Petty Cash	Speed Grant	Fire Donation	Operation Pullover	Fire Hydrant Maintenance	Court Fees	City Park Cum Cap	Loit-Public Safety	Downtown Renovation	Food And Beverage
Cash and investments - beginning	\$ 500	\$ 268	\$ 3,416	\$ 10	\$ 26,691	\$ 10,752	\$ 496	\$ 916,709	\$ 242	\$ 155,858
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	344,138
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	766,783	-	-
Charges for services	-	-	-	8,153	5,030	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	6,904	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	350,000	1,000	-
Total receipts	-	-	-	8,153	5,030	6,904	-	1,116,783	1,000	344,138
Disbursements:										
Personal services	-	-	-	8,153	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	157,098	-	-
Other services and charges	-	-	-	-	3,327	-	-	432,790	1,242	7,159
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	446,387
Capital outlay	-	-	-	-	-	-	-	92,960	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	7,913	-	350,000	-	-
Total disbursements	-	-	-	8,153	3,327	7,913	-	1,032,848	1,242	453,546
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,703	(1,009)	-	83,935	(242)	(109,408)
Cash and investments - ending	\$ 500	\$ 268	\$ 3,416	\$ 10	\$ 28,394	\$ 9,743	\$ 496	\$ 1,000,644	\$ -	\$ 46,450



CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Food And Beverage Debt Reserve	Historical Preservation Grant	Police Drug Evidence	Auditor Court Costs	Bail Bond-Admin	Environmental Renovations	Judicial Salary	Parking Control Fund	Police Camera	Record Perpetuation
Cash and investments - beginning	\$ 365,136	\$ 319	\$ 18,855	\$ -	\$ 19,499	\$ 1,146	\$ (6,080)	\$ 17,232	\$ 1,873	\$ 113,419
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	34,142	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	33,982	2,180	-	9,154	-	-	4,484
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	36,000	-	550	-
Total receipts	-	-	34,142	33,982	2,180	-	45,154	-	550	4,484
Disbursements:										
Personal services	-	-	-	-	-	-	32,085	-	-	-
Supplies	-	-	-	-	-	-	-	-	2,125	-
Other services and charges	-	-	32,933	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	33,982	-	-	-	-	-	-
Total disbursements	-	-	32,933	33,982	-	-	32,085	-	2,125	-
Excess (deficiency) of receipts over disbursements	-	-	1,209	-	2,180	-	13,069	-	(1,575)	4,484
Cash and investments - ending	\$ 365,136	\$ 319	\$ 20,064	\$ -	\$ 21,679	\$ 1,146	\$ 6,989	\$ 17,232	\$ 298	\$ 117,903

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	Recording Fees	Park Bond	Edit Fund	Emp Trust Donley Company	Fire Pension#3	Police Pension#3	Payroll	Miscellaneous Fund	Trans Station	Com Ind Fac Bg GRP Lease Rental Bonds 2012
Cash and investments - beginning	\$ 126	\$ 32,479	\$ 521,700	\$ 514,840	\$ 132,764	\$ 135,923	\$ 90,079	\$ 85,630	\$ 24,652	\$ 633,243
Receipts:										
Taxes	-	83,045	-	-	208,473	263,109	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	6,601	500,051	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	5,917	-	2,293,774	-	-	6,452,981	-	1	633,367
Total receipts	-	95,563	500,051	2,293,774	208,473	263,109	6,452,981	-	1	633,367
Disbursements:										
Personal services	-	-	10,753	2,331,714	203,013	254,150	6,458,202	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	165	847,919	-	-	-	-	-	-	-
Debt service - principal and interest	-	86,160	-	-	-	-	-	-	-	-
Capital outlay	-	-	3,031	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-	633,305
Total disbursements	-	86,325	861,703	2,331,714	203,013	254,150	6,458,202	-	-	633,305
Excess (deficiency) of receipts over disbursements	-	9,238	(361,652)	(37,940)	5,460	8,959	(5,221)	-	1	62
Cash and investments - ending	\$ 126	\$ 41,717	\$ 160,048	\$ 476,900	\$ 138,224	\$ 144,882	\$ 84,858	\$ 85,630	\$ 24,653	\$ 633,305

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	ISR WW 04 B	SRF WW MART	Sink Fund 2007	Sewage 2011 Esc 2004	Sewer Bond & Interest	Sewer Debt Reserve	Martinsville GFBC 2012 DSRF	SEWAGE REF 2011 -PA	Wastewater Utility- Construction	Sewer Operations (Hb)
Cash and investments - beginning	\$ -	\$ -	\$ 1	\$ 2,937,018	\$ 427,139	\$ 838,959	\$ 138,715	\$ -	\$ 1,428	\$ (452,672)
Receipts:										
Taxes	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	122,115	-	852,600	2,892	138,724	262,080	1	3,104,842
Total receipts	-	-	122,115	-	852,600	2,892	138,724	262,080	1	3,104,842
Disbursements:										
Personal services	-	-	-	-	-	-	-	-	-	587,927
Supplies	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	190,475
Debt service - principal and interest	-	-	-	-	832,519	-	-	-	-	855,492
Capital outlay	-	-	-	-	-	-	-	-	-	132,395
Utility operating expenses	-	-	2	-	-	-	-	-	-	1,080,609
Other disbursements	-	-	122,112	-	-	-	138,729	262,080	-	-
Total disbursements	-	-	122,114	-	832,519	-	138,729	262,080	-	2,846,898
Excess (deficiency) of receipts over disbursements	-	-	1	-	20,081	2,892	(5)	-	1	257,944
Cash and investments - ending	\$ -	\$ -	\$ 2	\$ 2,937,018	\$ 447,220	\$ 841,851	\$ 138,710	\$ -	\$ 1,429	\$ (194,728)

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	City Availability (Hb)	Developer Availability (Hb)	Plant Expansion (Hb)	Sewer Improvement (Hb)	WATER METER DEPOSIT	Redevelopment "GO" Dist 2011-PA	Water Bond & Interest	Water Debt Reserve
Cash and investments - beginning	\$ 76,839	\$ 128,142	\$ 207,940	\$ 702,098	\$ 123,010	\$ -	\$ 426,254	\$ 781,241
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	875	875	3,825	-	26,058	-	-	-
Other receipts	-	-	-	-	-	-	853,509	-
Total receipts	<u>875</u>	<u>875</u>	<u>3,825</u>	<u>-</u>	<u>26,058</u>	<u>-</u>	<u>853,509</u>	<u>-</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	4,139	-	-	16,633	-	-	-
Other disbursements	-	-	-	540,000	-	-	853,801	-
Total disbursements	<u>-</u>	<u>4,139</u>	<u>-</u>	<u>540,000</u>	<u>16,633</u>	<u>-</u>	<u>853,801</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>875</u>	<u>(3,264)</u>	<u>3,825</u>	<u>(540,000)</u>	<u>9,425</u>	<u>-</u>	<u>(292)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 77,714</u>	<u>\$ 124,878</u>	<u>\$ 211,765</u>	<u>\$ 162,098</u>	<u>\$ 132,435</u>	<u>\$ -</u>	<u>\$ 425,962</u>	<u>\$ 781,241</u>

CITY OF MARTINSVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014  
 (Continued)

	WATERWORKS REV SERIES 2004	GOVT FAC LEASE RENTAL 2012	Water Operations (Hb)	Water Meter Deposits (Hb)	Water Improvement (Hb)	Utility Clearance (Hb)	STORMWATER	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 268,035	\$ (6,243)	\$ 15,254	\$ 87,485	\$ 9,842	\$ 16,605,346
Receipts:								
Taxes	-	-	-	-	-	-	275	5,350,613
Licenses and permits	-	-	-	-	-	-	-	31,760
Intergovernmental	-	-	-	-	-	-	-	5,878,781
Charges for services	-	-	-	-	-	-	-	512,775
Fines and forfeits	-	-	-	-	-	-	-	692,111
Utility fees	-	-	66,401	-	-	5,138,574	28,887	5,265,495
Other receipts	420,644	84,564	2,530,580	6,743	-	377	182,302	24,943,904
Total receipts	420,644	84,564	2,596,981	6,743	-	5,138,951	211,464	42,675,439
Disbursements:								
Personal services	-	-	470,853	-	-	-	-	17,082,910
Supplies	-	-	-	-	-	-	-	633,302
Other services and charges	-	-	211,549	-	-	-	-	3,558,372
Debt service - principal and interest	-	-	858,198	-	-	-	-	4,402,666
Capital outlay	-	-	-	-	-	-	-	743,878
Utility operating expenses	-	-	485,222	-	-	6,348	84,764	1,677,717
Other disbursements	349,174	76,169	229,073	-	-	4,899,746	-	11,557,357
Total disbursements	349,174	76,169	2,254,895	-	-	4,906,094	84,764	39,656,202
Excess (deficiency) of receipts over disbursements	71,470	8,395	342,086	6,743	-	232,857	126,700	3,019,237
Cash and investments - ending	\$ 71,470	\$ 8,395	\$ 610,121	\$ 500	\$ 15,254	\$ 320,342	\$ 136,542	\$ 19,624,583

CITY OF MARTINSVILLE  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
City of Martinsville Government Facility Building Corporation	Lease Rental Revenue Bonds Series 2012	\$ 140,500	4/26/2012	2/1/2032
Total governmental activities		<u>140,500</u>		
Total of annual lease payments		<u>\$ 140,500</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Redevelopment District Bonds of 2011	\$ 290,000	\$ 292,465
General obligation bonds	Park District Bonds Series 2009	330,000	82,761
General obligation bonds	General Obligation Bonds Series 2014	2,000,000	296,575
General obligation bonds	Redevelopment District Bonds Series 2014	2,000,000	299,061
Revenue bonds	Food and Beverage Tax Revenue Bonds Series 2007	<u>350,000</u>	<u>242,432</u>
Total governmental activities		<u>4,970,000</u>	<u>1,213,294</u>
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds Series 2005 (SRF)	387,000	43,055
Revenue bonds	Sewage Works Revenue Bonds Series 2006 (SRF)	5,089,000	502,486
Revenue bonds	Sewage Works Refunding Revenue Bonds of 2011	2,430,000	266,240
Revenue bonds	Sewage Works Revenue Bonds Series 2009 (SRF)	<u>296,000</u>	<u>24,380</u>
Total Wastewater		<u>8,202,000</u>	<u>836,161</u>
Water:			
Revenue bonds	Waterworks Refunding Revenue Bonds Series 2004	70,000	71,470
Revenue bonds	Waterworks Revenue Bonds of 2007 Series A (SRF)	<u>8,181,000</u>	<u>709,142</u>
Total Water		<u>8,251,000</u>	<u>780,612</u>
Totals		<u>\$ 21,423,000</u>	<u>\$ 2,830,067</u>

CITY OF MARTINSVILLE  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2014

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	\$ 5,613,641
Infrastructure	8,561,294
Buildings	2,694,364
Improvements other than buildings	390,487
Machinery, equipment, and vehicles	5,643,881
Total governmental activities	22,903,667
Wastewater:	
Land	212,500
Infrastructure	20,388,599
Machinery, equipment, and vehicles	3,526,110
Total Wastewater	24,127,209
Water:	
Land	304,500
Infrastructure	12,373,623
Buildings	13,038
Machinery, equipment, and vehicles	970,810
Total Water	13,661,971
Total capital assets	\$ 60,692,847

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.