

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF CRAWFORDSVILLE
MONTGOMERY COUNTY, INDIANA

January 1, 2015 to December 31, 2015



FILED
08/12/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Terri J. Gadd	01-01-12 to 12-31-19
Mayor	Todd D. Barton	01-01-12 to 12-31-19
President Pro Tempore of the Common Council	Dan Guard Andrew P. Biddle	01-01-15 to 12-31-15 01-01-16 to 12-31-16
Superintendent of Wastewater Utility	Larry Kadinger	01-01-15 to 12-31-16
Superintendent of Electric Utility	Phillip R. Goode	01-01-15 to 12-31-16



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Crawfordsville (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (Indiana Code 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, 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 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 the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2015.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of 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 auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2016, on our consideration of the City'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* in considering the City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

June 20, 2016



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

We have audited, 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, the financial statement of the City of Crawfordsville (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated June 20, 2016, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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 statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 that we consider to be a material weakness.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the City's financial statement is 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

City of Crawfordsville's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

June 20, 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.

CITY OF CRAWFORDSVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
General	\$ 5,801,296	\$ 9,633,626	\$ 10,025,582	\$ 5,409,340
Street	1,339,241	1,957,782	1,678,493	1,618,530
Local Road And Street	256,988	56,094	87,086	225,996
Aviation	105,891	169,869	179,462	96,298
Park Nonreverting Operating	126,484	188,912	219,183	96,213
Trash Service	28,780	239,661	236,342	32,099
Civil Defense	202,851	-	-	202,851
Law Enforcement Continuing Ed	70,539	20,291	6,644	84,186
Riverboat	558,522	94,279	-	652,801
Parks And Recreation	892,350	962,554	811,990	1,042,914
CELP Electric	600	550	600	550
Rainy Day	368,837	100,000	-	468,837
Police/Drug Seizure Fund	1,721	248	-	1,969
Cumulative Capl Imprv Cigarette Tax	437,900	104,445	185,789	356,556
Cumulative Capital Development	1,318,548	303,368	159,403	1,462,513
Park Nonreverting Capital	5,338	-	-	5,338
Sunshine Van Fund	117,240	131,352	124,782	123,810
Police Equipment (Not Debt Service)	14,689	36,668	27,352	24,005
Fire Equipment (Not Debt Service)	14,587	3,250	7,169	10,668
Cumulative Building	150	-	-	150
Cumulative Cap Imprv (Special Fire)	817,456	177,954	-	995,410
Central Garage	(41,794)	203,545	196,047	(34,296)
Police Pension	199,789	598,166	484,104	313,851
Fire Pension	570,166	440,938	426,811	584,293
Cops Grant	(10,317)	77,049	66,732	-
Sugar Creek Nature Park	668	-	-	668
Civil Defense Donations	100	-	-	100
Police Copy Fee Fund	2,218	1,581	-	3,799
Firearms Training Fund	6,390	7,580	5	13,965
Ivy Tech Bond & Int	327,000	232,000	176,000	383,000
Commerce Park TIF	-	85,478	83,418	2,060
Aviation Fuel Non-Rev	-	100,369	98,181	2,188
Aviation Aircraft Rental	-	17,924	11,381	6,543
Aviation Flight Instruct	-	5,180	4,969	211
Aviation Aircraft Maintenance	-	52,033	49,459	2,574
Mayor's Promotion Fund	-	10,850	10,044	806
2015 Bond Project Proceeds	-	975,000	447,715	527,285
2015 Bond Proj Debt Reserve	-	74,250	-	74,250
Community Paramedic Grant	-	37,776	-	37,776
Safer Retention Fund	-	407,736	451,906	(44,170)
Ambulance/Ems Nonreverting	587,503	215,008	195,872	606,639
Golf Course	(4,527)	310,354	337,057	(31,230)
Civil Defense Copier Fund	38,316	3,200	908	40,608
Communication Center	19,898	-	1,204	18,694
Park & Rec Muffy	25,435	15,000	20,654	19,781
Park & Rec Tittle III	(6,004)	8,023	1,010	1,009
Police/Child Victim	1,808	-	-	1,808
Rehabilitation	158,565	11,984	31,308	139,241
Wheel Tax Fund	178,450	151,619	155,098	174,971
Udag	35,112	-	35,000	112
Aviation Grant Fund	25,314	1,992,643	1,997,811	20,146
Golf Course Improvement Fund	13,102	7,662	17,956	2,808
Commerce Park Operating	25,629	18,979	8,199	36,409
Safer Grant Fund	(90,091)	90,091	-	-
Commerce Park Bond & Int Fund	306,886	363,411	495,504	174,793
Kroger Pace Dairy Bond & Int	361,382	181,042	97,190	445,234
Cville Historic Dist/Cap Impr	92,421	10,118	17,030	85,509
Aviation Hanger Rent	6,639	66,562	57,222	15,979
Downtown Sidwlk & Streetsc	318	-	226	92
Sidewalk Maint/Improvement	35,313	5,905	-	41,218
Aviation Construction	94,723	-	94,723	-
Cville Sq Allocation Fund	3,685,184	917,552	285,631	4,317,105
Payroll Fund	103,872	13,170,237	13,094,207	179,902
Drainage Permits	15	-	-	15
CELP General MM	3,491,462	35,750,693	36,429,992	2,812,163
CELP Deprec MM	614,018	1,229	-	615,247
CEL&P Gen Operating	127,851	6,142,821	6,236,105	34,567
CEL&P Meter Deposit	237,756	154,385	127,805	264,336
CEL&P Telecommunications	6,094	45,671	51,565	200
Stormwater O/M	738,013	513,393	523,500	727,906
Wastewater Utility-Operating	2,104,598	2,427,189	2,223,555	2,308,232
Wastewater Util-Bond And Interest	55	369,900	369,900	55
Wastewater Utility-Construction	10,784	-	-	10,784
Wastewater Utility-Debt Reserve	574,785	-	-	574,785
Totals	\$ 27,134,907	\$ 80,453,029	\$ 79,162,881	\$ 28,425,055

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

CITY OF CRAWFORDSVILLE
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 the following: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF CRAWFORDSVILLE
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 these types of receipts include, but are not limited to the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions 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.

Penalties, which include fees received for late payments.

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

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services, which 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.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Capital outlay, which includes 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

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

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.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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.

CITY OF CRAWFORDSVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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. The Central Garage, Safer Retention Fund, and Golf Course funds had deficits as of December 31, 2015, as a result of expenditures exceeding revenues.

OTHER INFORMATION - UNAUDITED

The City's Annual Financial Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Financial Report of the City which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the 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 other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	General	Street	Local Road And Street	Aviation	Park Nonreverting Operating	Trash Service	Civil Defense
Cash and investments - beginning	\$ 5,801,296	\$ 1,339,241	\$ 256,988	\$ 105,891	\$ 126,484	\$ 28,780	\$ 202,851
Receipts:							
Taxes	5,476,445	1,218,581	-	137,202	-	-	-
Licenses and permits	177,096	4,475	-	-	-	-	-
Intergovernmental	2,780,372	625,285	56,094	7,593	-	-	-
Charges for services	935,776	5,670	-	21,850	1,465	239,661	-
Fines and forfeits	3,888	7,556	-	-	171,516	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	260,049	96,215	-	3,224	15,931	-	-
Total receipts	<u>9,633,626</u>	<u>1,957,782</u>	<u>56,094</u>	<u>169,869</u>	<u>188,912</u>	<u>239,661</u>	<u>-</u>
Disbursements:							
Personal services	7,074,078	617,706	-	61,175	94,899	109,819	-
Supplies	271,898	254,067	-	15,400	-	23,043	-
Other services and charges	1,782,895	258,695	87,086	93,763	2,414	88,311	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	171,906	167,965	-	-	29,835	2,558	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	724,805	380,060	-	9,124	92,035	12,611	-
Total disbursements	<u>10,025,582</u>	<u>1,678,493</u>	<u>87,086</u>	<u>179,462</u>	<u>219,183</u>	<u>236,342</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(391,956)</u>	<u>279,289</u>	<u>(30,992)</u>	<u>(9,593)</u>	<u>(30,271)</u>	<u>3,319</u>	<u>-</u>
Cash and investments - ending	<u>\$ 5,409,340</u>	<u>\$ 1,618,530</u>	<u>\$ 225,996</u>	<u>\$ 96,298</u>	<u>\$ 96,213</u>	<u>\$ 32,099</u>	<u>\$ 202,851</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Law Enforcement Continuing Ed	Riverboat	Parks And Recreation	CELP Electric	Rainy Day	Police/Drug Seizure Fund	Cumulative Capl Imprv Cigarette Tax
Cash and investments - beginning	\$ 70,539	\$ 558,522	\$ 892,350	\$ 600	\$ 368,837	\$ 1,721	\$ 437,900
Receipts:							
Taxes	-	-	872,958	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	94,279	48,311	-	-	-	48,766
Charges for services	-	-	41,231	-	-	-	55,679
Fines and forfeits	16,726	-	-	550	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	3,565	-	54	-	100,000	248	-
Total receipts	<u>20,291</u>	<u>94,279</u>	<u>962,554</u>	<u>550</u>	<u>100,000</u>	<u>248</u>	<u>104,445</u>
Disbursements:							
Personal services	-	-	479,720	-	-	-	-
Supplies	-	-	63,182	-	-	-	-
Other services and charges	-	-	173,231	-	-	-	168,314
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	6,644	-	41,179	-	-	-	17,475
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	54,678	600	-	-	-
Total disbursements	<u>6,644</u>	<u>-</u>	<u>811,990</u>	<u>600</u>	<u>-</u>	<u>-</u>	<u>185,789</u>
Excess (deficiency) of receipts over disbursements	<u>13,647</u>	<u>94,279</u>	<u>150,564</u>	<u>(50)</u>	<u>100,000</u>	<u>248</u>	<u>(81,344)</u>
Cash and investments - ending	<u>\$ 84,186</u>	<u>\$ 652,801</u>	<u>\$ 1,042,914</u>	<u>\$ 550</u>	<u>\$ 468,837</u>	<u>\$ 1,969</u>	<u>\$ 356,556</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Cumulative Capital Development	Park Nonreverting Capital	Sunshine Van Fund	Police Equipment (Not Debt Service)	Fire Equipment (Not Debt Service)	Cumulative Building	Cumulative Cap Imprv (Special Fire)
Cash and investments - beginning	\$ 1,318,548	\$ 5,338	\$ 117,240	\$ 14,689	\$ 14,587	\$ 150	\$ 817,456
Receipts:							
Taxes	252,933	-	-	-	-	-	168,622
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	13,998	-	-	-	-	-	9,332
Charges for services	36,437	-	116,223	-	-	-	-
Fines and forfeits	-	-	-	5,351	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	15,129	31,317	3,250	-	-
Total receipts	<u>303,368</u>	<u>-</u>	<u>131,352</u>	<u>36,668</u>	<u>3,250</u>	<u>-</u>	<u>177,954</u>
Disbursements:							
Personal services	-	-	92,833	-	-	-	-
Supplies	-	-	1,830	-	-	-	-
Other services and charges	154,318	-	23,017	5,235	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,085	-	-	22,117	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	7,102	-	7,169	-	-
Total disbursements	<u>159,403</u>	<u>-</u>	<u>124,782</u>	<u>27,352</u>	<u>7,169</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>143,965</u>	<u>-</u>	<u>6,570</u>	<u>9,316</u>	<u>(3,919)</u>	<u>-</u>	<u>177,954</u>
Cash and investments - ending	<u>\$ 1,462,513</u>	<u>\$ 5,338</u>	<u>\$ 123,810</u>	<u>\$ 24,005</u>	<u>\$ 10,668</u>	<u>\$ 150</u>	<u>\$ 995,410</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Central Garage	Police Pension	Fire Pension	Cops Grant	Sugar Creek Nature Park	Civil Defense Donations	Police Copy Fee Fund
Cash and investments - beginning	\$ (41,794)	\$ 199,789	\$ 570,166	\$ (10,317)	\$ 668	\$ 100	\$ 2,218
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	77,049	-	-	-
Charges for services	-	-	-	-	-	-	1,581
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	203,545	598,166	440,938	-	-	-	-
Total receipts	<u>203,545</u>	<u>598,166</u>	<u>440,938</u>	<u>77,049</u>	<u>-</u>	<u>-</u>	<u>1,581</u>
Disbursements:							
Personal services	111,804	3,002	3,002	42,926	-	-	-
Supplies	70,609	25	209	-	-	-	-
Other services and charges	141	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	13,493	481,077	423,600	23,806	-	-	-
Total disbursements	<u>196,047</u>	<u>484,104</u>	<u>426,811</u>	<u>66,732</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>7,498</u>	<u>114,062</u>	<u>14,127</u>	<u>10,317</u>	<u>-</u>	<u>-</u>	<u>1,581</u>
Cash and investments - ending	<u>\$ (34,296)</u>	<u>\$ 313,851</u>	<u>\$ 584,293</u>	<u>\$ -</u>	<u>\$ 668</u>	<u>\$ 100</u>	<u>\$ 3,799</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Firearms Training Fund	Ivy Tech Bond & Int	Commerce Park TIF	Aviation Fuel Non-Rev	Aviation Aircraft Rental	Aviation Flight Instruct	Aviation Aircraft Maintenance
Cash and investments - beginning	\$ 6,390	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	1,314	1,112	-	603
Licenses and permits	7,580	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	232,000	-	-	16,291	-	-
Fines and forfeits	-	-	-	-	-	4,619	41,215
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	85,478	99,055	521	561	10,215
Total receipts	<u>7,580</u>	<u>232,000</u>	<u>85,478</u>	<u>100,369</u>	<u>17,924</u>	<u>5,180</u>	<u>52,033</u>
Disbursements:							
Personal services	-	-	-	-	-	4,683	27,098
Supplies	-	-	-	92,926	287	-	-
Other services and charges	-	176,000	83,418	1,655	10,357	-	19,691
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	5	-	-	3,600	737	286	2,670
Total disbursements	<u>5</u>	<u>176,000</u>	<u>83,418</u>	<u>98,181</u>	<u>11,381</u>	<u>4,969</u>	<u>49,459</u>
Excess (deficiency) of receipts over disbursements	<u>7,575</u>	<u>56,000</u>	<u>2,060</u>	<u>2,188</u>	<u>6,543</u>	<u>211</u>	<u>2,574</u>
Cash and investments - ending	<u>\$ 13,965</u>	<u>\$ 383,000</u>	<u>\$ 2,060</u>	<u>\$ 2,188</u>	<u>\$ 6,543</u>	<u>\$ 211</u>	<u>\$ 2,574</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Mayor's Promotion Fund	2015 Bond Project Proceeds	2015 Bond Proj Debt Reserve	Community Paramedic Grant	Safer Retention Fund	Ambulance/Ems Nonreverting	Golf Course
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 587,503	\$ (4,527)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	37,776	-	-	-
Charges for services	-	-	-	-	-	1,000	297,903
Fines and forfeits	-	-	-	-	-	-	20
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	10,850	975,000	74,250	-	407,736	214,008	12,431
Total receipts	<u>10,850</u>	<u>975,000</u>	<u>74,250</u>	<u>37,776</u>	<u>407,736</u>	<u>215,008</u>	<u>310,354</u>
Disbursements:							
Personal services	-	-	-	-	289,566	-	146,840
Supplies	-	-	-	-	-	3,653	87,053
Other services and charges	10,044	198,465	-	-	-	2,060	76,350
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	175,000	-	-	-	177,867	3,089
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	74,250	-	-	162,340	12,292	23,725
Total disbursements	<u>10,044</u>	<u>447,715</u>	<u>-</u>	<u>-</u>	<u>451,906</u>	<u>195,872</u>	<u>337,057</u>
Excess (deficiency) of receipts over disbursements	<u>806</u>	<u>527,285</u>	<u>74,250</u>	<u>37,776</u>	<u>(44,170)</u>	<u>19,136</u>	<u>(26,703)</u>
Cash and investments - ending	<u>\$ 806</u>	<u>\$ 527,285</u>	<u>\$ 74,250</u>	<u>\$ 37,776</u>	<u>\$ (44,170)</u>	<u>\$ 606,639</u>	<u>\$ (31,230)</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Civil Defense Copier Fund	Communication Center	Park & Rec Muffy	Park & Rec Tittle III	Police/Child Victim	Rehabilitation	Wheel Tax Fund
Cash and investments - beginning	\$ 38,316	\$ 19,898	\$ 25,435	\$ (6,004)	\$ 1,808	\$ 158,565	\$ 178,450
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	151,619
Charges for services	3,200	-	-	8,023	-	3,120	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	15,000	-	-	8,864	-
Total receipts	3,200	-	15,000	8,023	-	11,984	151,619
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	380	1,161	-	-	-	-	155,098
Other services and charges	528	-	-	-	-	31,308	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	43	20,654	1,010	-	-	-
Total disbursements	908	1,204	20,654	1,010	-	31,308	155,098
Excess (deficiency) of receipts over disbursements	2,292	(1,204)	(5,654)	7,013	-	(19,324)	(3,479)
Cash and investments - ending	\$ 40,608	\$ 18,694	\$ 19,781	\$ 1,009	\$ 1,808	\$ 139,241	\$ 174,971

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Udag	Aviation Grant Fund	Golf Course Improvement Fund	Commerce Park Operating	Safer Grant Fund	Commerce Park Bond & Int Fund	Kroger Pace Dairy Bond & Int
Cash and investments - beginning	\$ 35,112	\$ 25,314	\$ 13,102	\$ 25,629	\$ (90,091)	\$ 306,886	\$ 361,382
Receipts:							
Taxes	-	-	-	-	-	363,411	181,042
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,897,920	-	-	90,091	-	-
Charges for services	-	-	-	18,979	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	94,723	7,662	-	-	-	-
Total receipts	<u>-</u>	<u>1,992,643</u>	<u>7,662</u>	<u>18,979</u>	<u>90,091</u>	<u>363,411</u>	<u>181,042</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	116,484	-	8,199	-	366,582	-
Debt service - principal and interest	-	-	-	-	-	128,922	97,190
Capital outlay	-	-	7,221	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	35,000	1,881,327	10,735	-	-	-	-
Total disbursements	<u>35,000</u>	<u>1,997,811</u>	<u>17,956</u>	<u>8,199</u>	<u>-</u>	<u>495,504</u>	<u>97,190</u>
Excess (deficiency) of receipts over disbursements	<u>(35,000)</u>	<u>(5,168)</u>	<u>(10,294)</u>	<u>10,780</u>	<u>90,091</u>	<u>(132,093)</u>	<u>83,852</u>
Cash and investments - ending	<u>\$ 112</u>	<u>\$ 20,146</u>	<u>\$ 2,808</u>	<u>\$ 36,409</u>	<u>\$ -</u>	<u>\$ 174,793</u>	<u>\$ 445,234</u>

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Cville Historic Dist/Cap Impr	Aviation Hanger Rent	Downtown Sidw/ck & Streetsc	Sidewalk Maint/Improvement	Aviation Construction	Cville Sq Allocation Fund	Payroll Fund
Cash and investments - beginning	\$ 92,421	\$ 6,639	\$ 318	\$ 35,313	\$ 94,723	\$ 3,685,184	\$ 103,872
Receipts:							
Taxes	-	-	-	-	-	851,140	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	65,046	-	5,905	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	10,118	1,516	-	-	-	66,412	13,170,237
Total receipts	10,118	66,562	-	5,905	-	917,552	13,170,237
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	7,000	42,223	226	-	-	285,631	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	10,030	14,999	-	-	94,723	-	13,094,207
Total disbursements	17,030	57,222	226	-	94,723	285,631	13,094,207
Excess (deficiency) of receipts over disbursements	(6,912)	9,340	(226)	5,905	(94,723)	631,921	76,030
Cash and investments - ending	\$ 85,509	\$ 15,979	\$ 92	\$ 41,218	\$ -	\$ 4,317,105	\$ 179,902

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Drainage Permits	CELP General MM	CELP Deprec MM	CELP Gen Operating	CELP Meter Deposit	CELP Telecommunications
Cash and investments - beginning	\$ 15	\$ 3,491,462	\$ 614,018	\$ 127,851	\$ 237,756	\$ 6,094
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	29,911,573	-	47,136	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	5,839,120	1,229	6,095,685	154,385	45,671
Total receipts	-	35,750,693	1,229	6,142,821	154,385	45,671
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	36,429,992	-	6,236,105	127,805	51,565
Total disbursements	-	36,429,992	-	6,236,105	127,805	51,565
Excess (deficiency) of receipts over disbursements	-	(679,299)	1,229	(93,284)	26,580	(5,894)
Cash and investments - ending	\$ 15	\$ 2,812,163	\$ 615,247	\$ 34,567	\$ 264,336	\$ 200

CITY OF CRAWFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Stormwater O/M	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Construction	Wastewater Utility-Debt Reserve	Totals
Cash and investments - beginning	\$ 738,013	\$ 2,104,598	\$ 55	\$ 10,784	\$ 574,785	\$ 27,134,907
Receipts:						
Taxes	-	-	-	-	-	9,525,363
Licenses and permits	-	-	-	-	-	189,151
Intergovernmental	-	-	-	-	-	5,938,485
Charges for services	-	-	-	-	-	2,107,040
Fines and forfeits	-	-	-	-	-	251,441
Utility fees	495,378	2,256,211	-	-	-	32,710,298
Penalties	669	2,319	-	-	-	2,988
Other receipts	17,346	168,659	369,900	-	-	29,728,263
Total receipts	<u>513,393</u>	<u>2,427,189</u>	<u>369,900</u>	<u>-</u>	<u>-</u>	<u>80,453,029</u>
Disbursements:						
Personal services	58,842	584,226	-	-	-	9,802,219
Supplies	-	-	-	-	-	1,040,821
Other services and charges	4,459	28,141	-	-	-	4,306,241
Debt service - principal and interest	-	-	369,900	-	-	596,012
Capital outlay	1,695	34,800	-	-	-	864,436
Utility operating expenses	436,680	967,489	-	-	-	1,404,169
Other disbursements	21,824	608,899	-	-	-	61,148,983
Total disbursements	<u>523,500</u>	<u>2,223,555</u>	<u>369,900</u>	<u>-</u>	<u>-</u>	<u>79,162,881</u>
Excess (deficiency) of receipts over disbursements	<u>(10,107)</u>	<u>203,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,290,148</u>
Cash and investments - ending	<u>\$ 727,906</u>	<u>\$ 2,308,232</u>	<u>\$ 55</u>	<u>\$ 10,784</u>	<u>\$ 574,785</u>	<u>\$ 28,425,055</u>

CITY OF CRAWFORDSVILLE
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
TCF Equipment Finance	Golf Cart Lease	\$ 16,153	10/1/2015	9/1/2020
TCF Equipment Finance	Street Sweeper	36,817	7/17/2013	7/17/2019
TCF Equipment Finance	Stormwater Camera System	<u>27,416</u>	8/1/2014	8/1/2018
Total of annual lease payments		<u>\$ 80,386</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Revenue bonds	Commerce Park TIF Bond	\$ 3,019,000	\$ 324,623
Revenue bonds	Ivy Tech Lease Bonds	3,673,500	353,000
Notes and loans payable	UDAG Loan to Golf Course to City	35,000	19,074
Notes and loans payable	Fire Department Equipment SCBA	88,022	45,850
Notes and loans payable	Aviation Terminal Mortgage	<u>580,072</u>	<u>42,223</u>
Total governmental activities		<u>7,395,594</u>	<u>784,770</u>
Storm Water:			
Notes and loans payable	Street Sweeper	139,211	36,817
Notes and loans payable	Stormwater Camera System	<u>79,052</u>	<u>27,416</u>
Total Storm Water		<u>218,263</u>	<u>64,233</u>
Wastewater:			
Notes and loans payable	Waste Water SRF Loan	<u>1,045,864</u>	<u>369,900</u>
Totals		<u>\$ 8,659,721</u>	<u>\$ 1,218,903</u>

CITY OF CRAWFORDSVILLE
SCHEDULE OF CAPITAL ASSETS
December 31, 2015

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	\$ 3,573,883
Infrastructure	64,269,907
Buildings	13,993,067
Improvements other than buildings	8,217,244
Machinery, equipment, and vehicles	5,912,202
Total governmental activities	95,966,303
Electric:	
Land	373,309
Infrastructure	29,472,125
Buildings	13,683,386
Machinery, equipment, and vehicles	7,998,925
Total Electric	51,527,745
Storm Water:	
Machinery, equipment, and vehicles	353,843
Wastewater:	
Land	1,068,919
Infrastructure	567,683
Buildings	13,839,797
Improvements other than buildings	5,798,242
Machinery, equipment, and vehicles	18,098,947
Total Wastewater	39,373,588
Total capital assets	\$ 187,221,479

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 FOR THE MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF CRAWFORDSVILLE, MONTGOMERY COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of Crawfordsville's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2015. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 City'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 on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2015.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)


Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance 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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

June 20, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

CITY OF CRAWFORDSVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Downtown Plan Grant	Office of Community and Rural Affairs	14.228	A192-15-PL14-012	\$ -	\$ 24,000
<u>Department of Justice</u>					
Public Safety Partnership and Community Policing Grants COPS Grant	Direct Grant	16.710	2011UMWX0062	-	77,049
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation				
Concord Road		20.205	DES# 1400794	-	62,765
Sugar Creek Trail		20.205	DES# 1383414	-	61,065
Signal Preemption		20.205	DES# 1383471	-	36,437
Total - Highway Planning and Construction Cluster				-	160,267
Airport Improvement Program	Direct Grant				
Extend Runway 4/22: Construction		20.106	3-18-015-013-2014	-	1,798,029
Total - Department of Transportation				-	1,958,296
<u>Department of Homeland Security</u>					
Staffing for Adequate Fire and Emergency Response (SAFER) SAFER Grant	Direct Grant	97.083	EMW-2012-FH-00794	-	90,091
Total federal awards expended				\$ -	\$ 2,149,436

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF CRAWFORDSVILLE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-133, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

CITY OF CRAWFORDSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Program and type of auditor's report issued on compliance:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.106	Airport Improvement Program	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

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

FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The City did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The City should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, it was identified that amounts in the schedule included funding provided by the state. This resulted in overstatements totaling \$128,565. There were several other errors such as incorrect program names, pass-through agencies, and CFDA numbers. One incorrect CFDA number caused the agency to be incorrect. Audit adjustments were proposed, accepted by the City, and made to the SEFA presented in this report.

CITY OF CRAWFORDSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

2 CFR section 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with section 200.510 Financial statements. . . ."

2 CFR section 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with section 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in section 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in section 200.414 Indirect (F&A) costs."

CITY OF CRAWFORDSVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not established a system of internal control that would ensure proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected. The SEFA contained the errors identified in the *Condition*.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan, which is part of this report.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the City. The document is presented as intended by the City.

CITY OF
CRAWFORDSVILLE
P.O. Box 329
Crawfordsville, IN 47933

Terri J. Gadd, IAMC
Clerk Treasurer

City Building
(765) 364-5150

May 26, 2016

CORRECTIVE ACTION PLAN

FINDING 2015-001

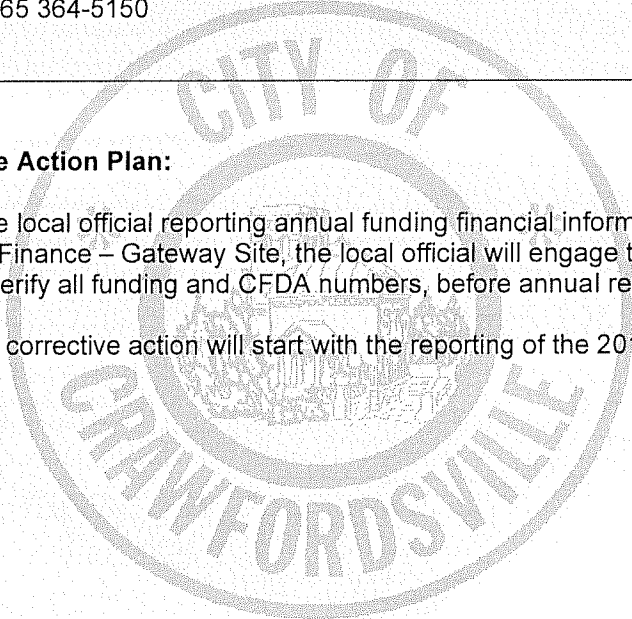
Contact Person Responsible for Corrective Action: Terri Gadd, Clerk Treasurer
Contact Phone Number: 765 364-5150

Description of Corrective Action Plan:

The Clerk Treasurer as the local official reporting annual funding financial information to the Department of Local Government and Finance – Gateway Site, the local official will engage the secretary of the Airport Aviation Board to verify all funding and CFDA numbers, before annual report is filed.

The implementation of the corrective action will start with the reporting of the 2016 annual financial reporting.

Anticipated Completion Date: May 26, 2016


Terri Gadd
(Signature)

Clerk Treasurer
(Title)

May 26, 2016

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/>.