

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF MONTGOMERY

DAVISS COUNTY, INDIANA

January 1, 2012 to December 31, 2015



**FILED**  
04/25/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Cynthia Smith	01-01-12 to 12-31-19
President of the Town Council	John M. Healy	01-01-12 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MONTGOMERY, DAVIESS COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Montgomery (Town), for the period of January 1, 2012 to December 31, 2015. The Town's management is responsible for the financial statements. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statements 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 to the financial statements, the Town prepares its financial statements 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 statements 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 statements referred to above do not present, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2012 to December 31, 2015.

In our opinion, the financial statements referred to above present, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2012 to December 31, 2015, based on the prescribed basis of accounting described in Note 1.

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

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

March 20, 2017

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FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

TOWN OF MONTGOMERY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2012 and 2013

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12	Receipts	Disbursements	Cash and Investments 12-31-13
General	\$ 60,140	\$ 57,155	\$ 71,154	\$ 46,141	\$ 145,588	\$ 152,783	\$ 38,946
Motor Vehicle Highway	63,745	51,024	55,245	59,524	46,095	15,217	90,402
Local Road and Street	11,732	1,914	12,743	903	1,893	-	2,796
Firefighting	40,717	17,972	24,747	33,942	16,096	17,401	32,637
Cumulative Capl Imprv Cigarette Tax	8,309	946	-	9,255	438	-	9,693
Co Economic Development Income Tax	33,780	14,531	-	48,311	5,023	-	53,334
Federal Grants # 1	5	-	5	-	-	-	-
Fire Donation	8,897	7,334	2,946	13,285	6,632	1,876	18,041
Wastewater Utility - Operating	104,696	125,205	125,196	104,705	131,959	153,615	83,049
Wastewater Utility - Bond and Interest	81,554	54,053	41,351	94,256	54,669	7,513	141,412
Wastewater Utility - Deprec/Improve	19,000	1,000	-	20,000	1,000	-	21,000
Water Utility - Operating	518,166	126,565	119,069	525,662	137,915	145,436	518,141
Water Utility-Depreciation/Improve	33,594	100	-	33,694	1,000	-	34,694
Water Utility - Customer Deposit	7,870	1,100	280	8,690	1,810	375	10,125
<b>Totals</b>	<b>\$ 992,205</b>	<b>\$ 458,899</b>	<b>\$ 452,736</b>	<b>\$ 998,368</b>	<b>\$ 550,118</b>	<b>\$ 494,216</b>	<b>\$ 1,054,270</b>

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



TOWN OF MONTGOMERY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2014 and 2015

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14	Receipts	Disbursements	Cash and Investments 12-31-15
General	\$ 38,946	\$ 92,093	\$ 67,478	\$ 63,561	\$ 77,361	\$ 78,270	\$ 62,652
Motor Vehicle Highway	90,402	22,504	45,544	67,362	33,956	64,332	36,986
Local Road and Street	2,796	1,908	-	4,704	1,929	-	6,633
Firefighting	32,637	10,009	18,250	24,396	58,338	56,524	26,210
Cumulative Capl Imprv Cigarette Tax	9,693	907	-	10,600	862	-	11,462
Co Economic Development Income Tax	53,334	5,374	-	58,708	18,771	20,238	57,241
Fire Donation	18,041	31,746	1,645	48,142	58,265	67,675	38,732
Wastewater Utility - Operating	83,049	219,948	273,115	29,882	136,990	168,999	(2,127)
Wastewater Utility - Bond and Interest	141,412	55,241	76,136	120,517	54,772	43,241	132,048
Wastewater Utility - Deprec/Improve	21,000	1,000	-	22,000	1,000	-	23,000
Water Utility - Operating	518,141	134,983	139,175	513,949	140,612	142,299	512,262
Water Utility - Depreciation/Improve	34,694	1,000	-	35,694	1,000	-	36,694
Water Utility - Customer Deposit	10,125	1,500	540	11,085	2,210	345	12,950
Totals	<u>\$ 1,054,270</u>	<u>\$ 578,213</u>	<u>\$ 621,883</u>	<u>\$ 1,010,600</u>	<u>\$ 586,066</u>	<u>\$ 641,923</u>	<u>\$ 954,743</u>

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

TOWN OF MONTGOMERY  
NOTES TO FINANCIAL STATEMENTS

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

*A. Reporting Entity*

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

The accompanying financial statements present the financial information for the Town.

*B. Basis of Accounting*

The financial statements are reported on a regulatory basis of accounting prescribed by the 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 statements. The aggregate receipts include the following sources:

*Taxes.* Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

*Licenses and permits.* Amounts received from businesses, occupations, or non-businesses 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, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF MONTGOMERY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*Intergovernmental receipts.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental 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 distributions 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.* Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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.

*Utility fees.* Amounts received from charges for current services.

*Other receipts.* Amounts received from various sources, including, but 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 statements. The aggregate disbursements include the following uses:

*Personal services.* Amounts disbursed 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.* Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

*Capital outlay.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Utility operating expenses.* Amounts disbursed for operating the utilities.

TOWN OF MONTGOMERY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*Other disbursements.* Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

TOWN OF MONTGOMERY  
NOTES TO FINANCIAL STATEMENTS  
(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 Town to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

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

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

**Note 6. Pension Plan**

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

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

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

TOWN OF MONTGOMERY  
NOTES TO FINANCIAL STATEMENTS  
(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.

**Note 7. Subsequent Event**

The Town Council has approved and ratified rate increases for the Water Utility and the Wastewater Utility. The new rates will be effective with the May 2017 billing.

#### OTHER INFORMATION - UNEXAMINED

The Town'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 statements contained in this report and the financial information presented in the Town's Annual Financial Report 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 Town. It is presented as intended by the Town.

TOWN OF MONTGOMERY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2012

	General	Motor Vehicle Highway	Local Road and Street	Firefighting	Cumulative Capl Imprv Cigarette Tax	Co Economic Development Income Tax	Federal Grants # 1	Fire Donation
Cash and investments - beginning	\$ 60,140	\$ 63,745	\$ 11,732	\$ 40,717	\$ 8,309	\$ 33,780	\$ 5	\$ 8,897
Receipts:								
Taxes	23,809	-	1,914	-	-	-	-	-
Intergovernmental receipts	23,049	51,024	-	5,850	946	14,531	-	-
Charges for services	200	-	-	12,122	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	10,097	-	-	-	-	-	-	7,334
Total receipts	57,155	51,024	1,914	17,972	946	14,531	-	7,334
Disbursements:								
Personal services	48,632	6,928	-	4,238	-	-	-	-
Supplies	845	47,285	-	72	-	-	-	-
Other services and charges	9,551	1,032	12,743	20,437	-	-	-	2,946
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	5,836	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	6,290	-	-	-	-	-	5	-
Total disbursements	71,154	55,245	12,743	24,747	-	-	5	2,946
Excess (deficiency) of receipts over disbursements	(13,999)	(4,221)	(10,829)	(6,775)	946	14,531	(5)	4,388
Cash and investments - ending	\$ 46,141	\$ 59,524	\$ 903	\$ 33,942	\$ 9,255	\$ 48,311	\$ -	\$ 13,285



TOWN OF MONTGOMERY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2012  
 (Continued)

	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Deprec/ Improve	Water Utility - Operating	Water Utility-Depreciation/ Improve	Water Utility - Customer Deposit	Totals
Cash and investments - beginning	\$ 104,696	\$ 81,554	\$ 19,000	\$ 518,166	\$ 33,594	\$ 7,870	\$ 992,205
Receipts:							
Taxes	-	-	-	-	-	-	25,723
Intergovernmental receipts	-	-	-	-	-	-	95,400
Charges for services	-	-	-	-	-	-	12,322
Utility fees	124,735	-	-	124,889	-	1,100	250,724
Other receipts	470	54,053	1,000	1,676	100	-	74,730
Total receipts	<u>125,205</u>	<u>54,053</u>	<u>1,000</u>	<u>126,565</u>	<u>100</u>	<u>1,100</u>	<u>458,899</u>
Disbursements:							
Personal services	21,709	-	-	29,022	-	-	110,529
Supplies	-	-	-	-	-	-	48,202
Other services and charges	3,309	-	-	11,305	-	-	61,323
Debt service - principal and interest	-	41,351	-	-	-	-	41,351
Capital outlay	-	-	-	-	-	-	5,836
Utility operating expenses	45,125	-	-	67,280	-	280	112,685
Other disbursements	55,053	-	-	11,462	-	-	72,810
Total disbursements	<u>125,196</u>	<u>41,351</u>	<u>-</u>	<u>119,069</u>	<u>-</u>	<u>280</u>	<u>452,736</u>
Excess (deficiency) of receipts over disbursements	<u>9</u>	<u>12,702</u>	<u>1,000</u>	<u>7,496</u>	<u>100</u>	<u>820</u>	<u>6,163</u>
Cash and investments - ending	<u>\$ 104,705</u>	<u>\$ 94,256</u>	<u>\$ 20,000</u>	<u>\$ 525,662</u>	<u>\$ 33,694</u>	<u>\$ 8,690</u>	<u>\$ 998,368</u>

TOWN OF MONTGOMERY  
 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	Firefighting	Cumulative Capl Imprv Cigarette Tax	Co Economic Development Income Tax	Federal Grants # 1	Fire Donation
Cash and investments - beginning	\$ 46,141	\$ 59,524	\$ 903	\$ 33,942	\$ 9,255	\$ 48,311	\$ -	\$ 13,285
Receipts:								
Taxes	24,901	19,640	1,893	5,355	438	5,023	-	-
Licenses and permits	1,450	-	-	-	-	-	-	-
Intergovernmental receipts	116,174	26,455	-	-	-	-	-	-
Charges for services	180	-	-	10,000	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	2,883	-	-	741	-	-	-	6,632
Total receipts	145,588	46,095	1,893	16,096	438	5,023	-	6,632
Disbursements:								
Personal services	9,854	6,976	-	3,208	-	-	-	-
Supplies	205	6,303	-	-	-	-	-	-
Other services and charges	32,242	-	-	14,193	-	-	-	1,876
Capital outlay	10,960	1,938	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	99,522	-	-	-	-	-	-	-
Total disbursements	152,783	15,217	-	17,401	-	-	-	1,876
Excess (deficiency) of receipts over disbursements	(7,195)	30,878	1,893	(1,305)	438	5,023	-	4,756
Cash and investments - ending	\$ 38,946	\$ 90,402	\$ 2,796	\$ 32,637	\$ 9,693	\$ 53,334	\$ -	\$ 18,041

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

	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Deprec/ Improve	Water Utility - Operating	Water Utility-Depreciation/ Improve	Water Utility - Customer Deposit	Totals
Cash and investments - beginning	\$ 104,705	\$ 94,256	\$ 20,000	\$ 525,662	\$ 33,694	\$ 8,690	\$ 998,368
Receipts:							
Taxes	-	-	-	-	-	-	57,250
Licenses and permits	-	-	-	-	-	-	1,450
Intergovernmental receipts	-	-	-	-	-	-	142,629
Charges for services	-	-	-	-	-	-	10,180
Utility fees	131,959	-	-	137,915	-	-	269,874
Other receipts	-	54,669	1,000	-	1,000	1,810	68,735
Total receipts	<u>131,959</u>	<u>54,669</u>	<u>1,000</u>	<u>137,915</u>	<u>1,000</u>	<u>1,810</u>	<u>550,118</u>
Disbursements:							
Personal services	-	-	-	-	-	-	20,038
Supplies	-	-	-	-	-	-	6,508
Other services and charges	-	-	-	-	-	-	48,311
Capital outlay	-	-	-	-	-	-	12,898
Utility operating expenses	-	-	-	-	-	375	375
Other disbursements	153,615	7,513	-	145,436	-	-	406,086
Total disbursements	<u>153,615</u>	<u>7,513</u>	<u>-</u>	<u>145,436</u>	<u>-</u>	<u>375</u>	<u>494,216</u>
Excess (deficiency) of receipts over disbursements	<u>(21,656)</u>	<u>47,156</u>	<u>1,000</u>	<u>(7,521)</u>	<u>1,000</u>	<u>1,435</u>	<u>55,902</u>
Cash and investments - ending	<u>\$ 83,049</u>	<u>\$ 141,412</u>	<u>\$ 21,000</u>	<u>\$ 518,141</u>	<u>\$ 34,694</u>	<u>\$ 10,125</u>	<u>\$ 1,054,270</u>

TOWN OF MONTGOMERY  
 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	Firefighting	Cumulative Capital Imprv Cigarette Tax	Co Economic Development Income Tax	Fire Donation
Cash and investments - beginning	\$ 38,946	\$ 90,402	\$ 2,796	\$ 32,637	\$ 9,693	\$ 53,334	\$ 18,041
Receipts:							
Taxes	65,708	-	1,908	-	907	-	-
Licenses and permits	1,973	-	-	-	-	-	-
Intergovernmental receipts	22,474	22,504	-	-	-	5,374	-
Charges for services	255	-	-	10,000	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,683	-	-	9	-	-	31,746
Total receipts	<u>92,093</u>	<u>22,504</u>	<u>1,908</u>	<u>10,009</u>	<u>907</u>	<u>5,374</u>	<u>31,746</u>
Disbursements:							
Personal services	10,493	7,806	-	3,226	-	-	-
Supplies	645	37,738	-	2,339	-	-	-
Other services and charges	33,897	-	-	12,685	-	-	1,645
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	22,443	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>67,478</u>	<u>45,544</u>	<u>-</u>	<u>18,250</u>	<u>-</u>	<u>-</u>	<u>1,645</u>
Excess (deficiency) of receipts over disbursements	<u>24,615</u>	<u>(23,040)</u>	<u>1,908</u>	<u>(8,241)</u>	<u>907</u>	<u>5,374</u>	<u>30,101</u>
Cash and investments - ending	<u>\$ 63,561</u>	<u>\$ 67,362</u>	<u>\$ 4,704</u>	<u>\$ 24,396</u>	<u>\$ 10,600</u>	<u>\$ 58,708</u>	<u>\$ 48,142</u>

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

	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Deprec/ Improve	Water Utility - Operating	Water Utility - Depreciation/ Improve	Water Utility - Customer Deposit	Totals
Cash and investments - beginning	\$ 83,049	\$ 141,412	\$ 21,000	\$ 518,141	\$ 34,694	\$ 10,125	\$ 1,054,270
Receipts:							
Taxes	-	-	-	-	-	-	68,523
Licenses and permits	-	-	-	-	-	-	1,973
Intergovernmental receipts	-	-	-	-	-	-	50,352
Charges for services	-	-	-	-	-	-	10,255
Utility fees	219,720	-	-	134,232	-	1,500	355,452
Other receipts	228	55,241	1,000	751	1,000	-	91,658
<b>Total receipts</b>	<b>219,948</b>	<b>55,241</b>	<b>1,000</b>	<b>134,983</b>	<b>1,000</b>	<b>1,500</b>	<b>578,213</b>
Disbursements:							
Personal services	22,508	-	-	29,038	-	-	73,071
Supplies	-	-	-	-	-	-	40,722
Other services and charges	2,750	-	-	6,650	-	-	57,627
Debt service - principal and interest	-	76,136	-	-	-	-	76,136
Capital outlay	-	-	-	14,419	-	-	36,862
Utility operating expenses	183,671	-	-	65,488	-	540	249,699
Other disbursements	64,186	-	-	23,580	-	-	87,766
<b>Total disbursements</b>	<b>273,115</b>	<b>76,136</b>	<b>-</b>	<b>139,175</b>	<b>-</b>	<b>540</b>	<b>621,883</b>
Excess (deficiency) of receipts over disbursements	(53,167)	(20,895)	1,000	(4,192)	1,000	960	(43,670)
Cash and investments - ending	\$ 29,882	\$ 120,517	\$ 22,000	\$ 513,949	\$ 35,694	\$ 11,085	\$ 1,010,600

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

	General	Motor Vehicle Highway	Local Road and Street	Firefighting	Cumulative Capital Imprv Cigarette Tax	Co Economic Development Income Tax	Fire Donation
Cash and investments - beginning	\$ 63,561	\$ 67,362	\$ 4,704	\$ 24,396	\$ 10,600	\$ 58,708	\$ 48,142
Receipts:							
Taxes	51,114	-	-	4,661	862	18,771	-
Licenses and permits	850	-	-	-	-	-	-
Intergovernmental receipts	22,707	33,956	1,929	-	-	-	-
Charges for services	175	-	-	10,000	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,515	-	-	43,677	-	-	58,265
Total receipts	<u>77,361</u>	<u>33,956</u>	<u>1,929</u>	<u>58,338</u>	<u>862</u>	<u>18,771</u>	<u>58,265</u>
Disbursements:							
Personal services	14,706	10,014	-	3,452	-	-	-
Supplies	1,324	54,318	-	15	-	-	-
Other services and charges	54,928	-	-	53,057	-	20,238	67,675
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	7,312	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>78,270</u>	<u>64,332</u>	<u>-</u>	<u>56,524</u>	<u>-</u>	<u>20,238</u>	<u>67,675</u>
Excess (deficiency) of receipts over disbursements	<u>(909)</u>	<u>(30,376)</u>	<u>1,929</u>	<u>1,814</u>	<u>862</u>	<u>(1,467)</u>	<u>(9,410)</u>
Cash and investments - ending	<u>\$ 62,652</u>	<u>\$ 36,986</u>	<u>\$ 6,633</u>	<u>\$ 26,210</u>	<u>\$ 11,462</u>	<u>\$ 57,241</u>	<u>\$ 38,732</u>

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

	Wastewater Utility - Operating	Wastewater Utility - Bond and Interest	Wastewater Utility - Deprec/ Improve	Water Utility - Operating	Water Utility - Depreciation/ Improve	Water Utility - Customer Deposit	Totals
Cash and investments - beginning	\$ 29,882	\$ 120,517	\$ 22,000	\$ 513,949	\$ 35,694	\$ 11,085	\$ 1,010,600
Receipts:							
Taxes	-	-	-	-	-	-	75,408
Licenses and permits	-	-	-	-	-	-	850
Intergovernmental receipts	-	-	-	-	-	-	58,592
Charges for services	-	-	-	-	-	-	10,175
Utility fees	136,849	-	-	139,938	-	2,210	278,997
Other receipts	141	54,772	1,000	674	1,000	-	162,044
Total receipts	<u>136,990</u>	<u>54,772</u>	<u>1,000</u>	<u>140,612</u>	<u>1,000</u>	<u>2,210</u>	<u>586,066</u>
Disbursements:							
Personal services	23,197	-	-	32,080	-	-	83,449
Supplies	-	-	-	-	-	-	55,657
Other services and charges	2,782	-	-	6,128	-	-	204,808
Debt service - principal and interest	81,061	43,241	-	-	-	-	124,302
Capital outlay	-	-	-	-	-	-	7,312
Utility operating expenses	61,959	-	-	94,323	-	-	156,282
Other disbursements	-	-	-	9,768	-	345	10,113
Total disbursements	<u>168,999</u>	<u>43,241</u>	<u>-</u>	<u>142,299</u>	<u>-</u>	<u>345</u>	<u>641,923</u>
Excess (deficiency) of receipts over disbursements	<u>(32,009)</u>	<u>11,531</u>	<u>1,000</u>	<u>(1,687)</u>	<u>1,000</u>	<u>1,865</u>	<u>(55,857)</u>
Cash and investments - ending	<u>\$ (2,127)</u>	<u>\$ 132,048</u>	<u>\$ 23,000</u>	<u>\$ 512,262</u>	<u>\$ 36,694</u>	<u>\$ 12,950</u>	<u>\$ 954,743</u>

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TOWN OF MONTGOMERY  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2015

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 50,439	\$ 1,978
Water	8,750	991
Governmental activities	8,806	-
Totals	\$ 67,995	\$ 2,969

TOWN OF MONTGOMERY  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2015

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater:			
Notes and loans payable	Sewer Upgrade	\$ 631,000	\$ 35,478
Notes and loans payable	Sewer Work	<u>121,000</u>	<u>7,294</u>
Total Wastewater		<u>752,000</u>	<u>42,772</u>
Totals		<u>\$ 752,000</u>	<u>\$ 42,772</u>

TOWN OF MONTGOMERY  
 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	\$ 25,000
Buildings	87,517
Machinery, equipment, and vehicles	384,745
Total governmental activities	497,262
Wastewater:	
Land	17,000
Buildings	910,584
Improvements other than buildings	1,090,045
Machinery, equipment, and vehicles	13,200
Total Wastewater	2,030,829
Water:	
Land	64,000
Buildings	346,943
Improvements other than buildings	984,378
Machinery, equipment, and vehicles	74,997
Total Water	1,470,318
Total capital assets	\$ 3,998,409

#### OTHER REPORTS

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