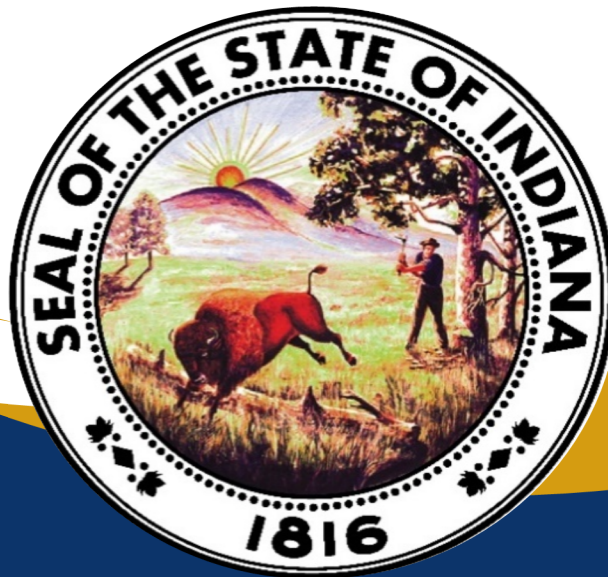


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
CITY OF SEYMOUR
JACKSON COUNTY, INDIANA
January 1, 2023 to December 31, 2023



FILED
12/04/2024



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

December 4, 2024

To: The Officials of the City of Seymour
City of Seymour
Jackson County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of City of Seymour. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of City of Seymour as of December 31, 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the findings included in the report on pages 36 through 37. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 38-39.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a supplemental report of City of Seymour was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

CITY OF SEYMOUR
Jackson County, Indiana

FINANCIAL STATEMENT
For the Year Ended December 31, 2023

CITY OF SEYMOUR
Jackson County, Indiana

FINANCIAL STATEMENT
For the Year Ended December 31, 2023

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CITY OF SEYMOUR
SCHEDULE OF OFFICIALS (Unaudited)
December 31, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Darrin Boas	01-01-23 to 12-31-23
Mayor	Matthew Nicholson	01-01-23 to 12-31-23
President of the Board of Public Works and Safety	Matthew Nicholson	01-01-23 to 12-31-23
President of the Town Council	David W. Earley	01-01-23 to 12-31-23

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
City of Seymour
Jackson County, Indiana

Opinions

We have audited the accompanying statement of receipts, disbursements, and cash and investment balances of the City of Seymour (the "City") as of December 31, 2023, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the City as of December 31, 2023, and its cash receipts and cash disbursements for the year then ended, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

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 section of our report, 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 of the City as of December 31, 2023, or changes in net position for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As discussed in Note 1 to the financial statement, the Unit 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 and pervasive.

(Continued)

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards 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* is presented for purposes of additional analysis 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 themselves, 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 as a whole.

(Continued)

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, Schedule of Capital Assets, and State Reporting Information, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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.



Crowe LLP

Indianapolis, Indiana
September 30, 2024

CITY OF SEYMOUR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2023

<u>Fund</u>	Cash and Investments <u>01-01-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-2023</u>
General Fund	\$ 8,157,183	\$ 17,782,816	\$ 16,692,573	\$ 9,247,426
MHV	576,255	969,437	837,171	708,521
Local Road And Street	489,314	230,753	111,662	608,405
MVH Restricted	963,269	464,454	206,935	1,220,788
Thoroughfare	598	-	-	598
Park & Rec. Activity N.R.	161,651	112,912	153,812	120,751
Police Seizure Fund	12,868	9,588	7,618	14,838
Economic Development	15,404	-	-	15,404
Landfill Cost Non-Revert.	204,747	670,929	685,820	189,856
Transit Operating Reserve Fund	111,647	47,511	-	159,158
Curb Appeal Grant	6,826	10,000	7,335	9,491
Law Enforcement Training	80,917	203,891	81,038	203,770
Park & Recreation Fund	38,779	2,214,644	1,975,713	277,710
Rainy Day Fund	6,190	164,990	-	171,180
Loit - Public Safety	729,758	924,549	904,586	749,721
Fire Dept-Hazardous Waste	4,419	-	2,721	1,698
Certified Technology Park 2012	719,455	-	480,000	239,455
2021 Building Corp Bonds Project Fund	1,855,566	20,943	897,662	978,847
Cumulative Capital Dev.	676,628	482,652	378,276	781,004
TIF Burkart Dr./1-65 Allo	8,428,916	6,511,830	7,086,209	7,854,537
Cumulative Fire Equipment	231,743	24,272	88,674	167,341
Cumulative Capital Impr.	104,627	39,152	-	143,779
Seymour 2023 Go Bond	-	2,266,584	20	2,266,564
2020 Go Construction Fund	359,856	553	243,793	116,616
Edit Tax Fund	435,596	1,474,410	1,211,520	698,486
Siho Insurance Bank Account	478,018	4,807,420	4,949,861	335,577
Police Pension	218,741	498,967	515,036	202,672
Fire Pension	224,224	434,440	408,149	250,515
Electrical Licensing	13,340	5,925	2,945	16,320
Police Dept. Petty Cash	150	-	-	150
Dept. Of Public Works Petty Cash	100	-	-	100
Transit Care Act	-	54,168	-	54,168
ARP - American Rescue Plan Act Of 2021	3,278,572	11,709	994,459	2,295,822
2016 A/B G.O.Bond Capitalized Interest	9	22	-	31
Opioid Settlement Unrestricted	4,112	50	-	4,162
Opioid Settlement Restricted	16,933	4,249	-	21,182
Silgan Allocation Fund	27,271	214,107	116,144	125,234
Rdc Bond & Interest 2011	526	2,678,233	2,678,233	526
Rdc Debt Reserve 2011	167,544	753	-	168,297
Redevelopment District 2020 Ban	277,232	28	-	277,260
Bonds & Int. 2005 & 2010	221,897	1,306,632	1,375,678	152,851

(Continued)

CITY OF SEYMOUR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2023

<u>Fund</u>	Cash and Investments <u>01-01-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-2023</u>
Recycling Fund	\$ 131,665	\$ 15,629	\$ 69,877	\$ 77,417
Police Dept Concession Fund	175	7,600	7,741	34
Fire Dept.Educational N.R	24,787	49,634	53,367	21,054
Sidewalk Fund	10,790	15,000	3,180	22,610
2016-B General Obligation Bond	30,830	69	-	30,899
2020 Go Capitalized Interest	-	39	-	39
City Hall Concession Fund	601	-	-	601
Dept.Of Public Works Facility Concession	1,560	3,125	3,096	1,589
Trails Development Fund	11,063	-	-	11,063
Grant Holding Fund	1,480,095	3,213,240	3,384,714	1,308,621
Region XI	30,576	-	-	30,576
Seymour Community Center	2,180	12,487	13,442	1,225
Park & Rec. League N.R.	106,306	107,597	109,810	104,093
Park & Rec.Petty Cash	500	-	-	500
Park & Recreation Online	304	76,744	76,383	665
Police Federal Seizure Fund	22,200	85,291	11,470	96,021
D.A.R.E. Police Fund	5,807	333	4,068	2,072
City Of Seymour Bushman Project	515,375	414,533	201,510	728,398
2020 Rda Restricted Reserve Account	778,140	-	-	778,140
Police Dept Online	142	1,441	1,521	62
Afa Life Insurance	(1,180)	23,404	22,223	1
Afa Accident/Cancer	5,194	34,453	34,926	4,721
Switzerland County	-	25	25	-
Payroll-Fica	925	-	925	-
Payroll-Medicare	6,284	-	6,284	-
Payroll-State W/H	-	384,188	384,188	-
Payroll-County W/H	6,993	219,157	219,779	6,371
Payroll-Perf	-	23,443	23,443	-
Payroll-Indiana Police	-	193,147	193,147	-
Texas Life Insurance	1,282	21,661	21,465	1,478
Payroll-Ind.Fire Pension	-	143,312	142,971	341
Keaton Gay/First Financial Bank	50	-	-	50
Garnishments	161	-	-	161
Payroll-Filing Fees	58	284	308	34
Payroll-United Fund	441	3,070	3,175	336
Scott County Tax	-	4,051	3,896	155
Siho	55,865	669,787	718,439	7,213
Payroll-Police Dues	670	12,541	13,211	-
Payroll-Fire Dues	473	12,386	12,859	-
Payroll-Nationwide Ret So	145	3,700	3,845	-
Payroll-Aflac	730	-	124	606
Ee Social Security	-	11,353	11,099	254

(Continued)

CITY OF SEYMOUR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2023

<u>Fund</u>	<u>Cash and Investments 01-01-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-2023</u>
City Share Fica	\$ -	\$ 327,235	\$ 327,235	\$ -
City Sh Medicare	-	335,235	335,235	-
City Share Perf	-	1,864,689	1,864,689	-
City Share Unemployment	-	12,146	12,146	-
Net Payroll	191	9,444,144	9,444,335	-
Washington County Tax	465	1,006	1,458	13
Reimb. Charges Incurred By Employee	49	-	-	49
Delta Dental	(934)	181,782	193,900	(13,052)
Lawrence County Tax	-	1,080	1,080	-
Marion County Tax	122	1,403	1,403	122
Reimburse Overpayments	44	-	-	44
Aul Loan Payback	452	25,595	25,962	85
Bartholomew County Tax	-	6,764	6,712	52
Aul Deferred Comp	8,818	246,150	254,968	-
Aflac Life Insurance	-	504	504	-
Aflac/Caic	4,134	1,502	5,636	-
Jefferson County Tax	25	566	566	25
Supporting Heros Inc	1,274	6,364	7,638	-
Ripley County	-	838	838	-
Ee Federal W/H	-	1,079,392	1,079,392	-
In Fire Retirement	-	192,704	192,704	-
Child Support	-	37,388	37,388	-
Employer Social Security	1,610	327,236	328,845	1
AFA Long Term Disb	-	46,825	46,825	-
AFA Flex Account	1,280	7,323	8,238	365
Anytime Fitness	-	1,713	1,477	236
2021 Bond & Interest Account	12,771	1,125,630	1,125,975	12,426
Srf Debt Reserve 2021	2,523,776	-	-	2,523,776
SMSU Operating	1,840,603	10,462,022	9,854,486	2,448,139
SMSU On-Line Payments	168,544	2,254,693	2,235,160	188,077
SMSU Improvement	2,891,029	-	1,116,375	1,774,654
SMSU Petty Cash	150	-	-	150
2013 Refunding Bond (Srf)	13,981	-	-	13,981
2015 Bond & Interest	380	1,106,844	1,106,846	378
SMSU 2017 Bond & Interest (Clarifier)	-	99,232	99,231	1
S.M.S.U. - Stormwater Utility	713,281	1,225,445	1,151,646	787,080
RDC Bond & Int 2011	-	1,950,000	1,950,000	-
Totals	<u>\$ 40,714,113</u>	<u>\$ 82,779,747</u>	<u>\$ 81,669,047</u>	<u>\$ 41,824,813</u>

See accompanying notes to financial statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The City was established under the laws of the State of Indiana. The City operates under a City 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 Redevelopment Authority was organized by the City as a separate body corporate and politic and as an instrumentality of the City pursuant to state statute for the purpose of financing and constructing and leasing local public improvements to the redevelopment commission of the City. A financial burden/benefit relationship exists between the City and the Redevelopment Authority. The Redevelopment Authority is reported as if it is a part of the City and is reported as the RDC Bond & Int 2011 fund.

The accompanying financial statement presents the financial information for the City and the Redevelopment Authority. Although it is legally separate entity from the City, it exists to provide services entirely or almost entirely to the City and the Redevelopment Authority's total debt outstanding, if any, including leases, is expected to be repaid almost entirely with the resources of the City.

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 basis of accounting also requires presentation of certain information as Other Information.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), 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. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

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.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes. Amounts received including 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. 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.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Fines and forfeits. Amounts received 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. Amounts received from charges for current services.

Other receipts. 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.

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. 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 office supplies, operating supplies, and repair and maintenance supplies.

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

Debt service principal and interest. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the Unit. It includes all expenditures for the reduction of the principal and interest of the Unit general obligation indebtedness as well as lease agreements.

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.

Other disbursements. Amounts disbursed for various 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.

Interfund Transfers: The City 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.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting: Separate funds are established, maintained, and reported by the City. 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 Unit. 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 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 City 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 December 31 of the year preceding the budget year or January 15 of the budget year if the City is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund (PDIF). 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, 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 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 Unit 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.

The City has purchased insurance to address the risks described above.

NOTE 6 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

Financial Report

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. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

(Continued)

NOTE 6 - PENSION PLANS (Continued)

1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers Pension Plan is a single-employer defined benefit 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 member and beneficiaries. The plan was established by the plan administrator, as provided by states 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 the 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.

1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit 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 member and beneficiaries. The plan was established by the plan administrator, as provided by states 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 the plan members for the 1937 Firefighters' Pension Plan are established by state statute.

On Behalf Payments

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

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

1937 Police Officers' and Firefighters' Pension and Disability Fund is a cost sharing multiple-employer defined benefit plan administered through the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977, providing retirement, disability, and survivor benefits.

State statute (IC 36-8-) 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. And employee with 20 years of service may leave service, but will not receive benefits until reaching the age of 52.

(Continued)

NOTE 6 - PENSION PLANS (Continued)

Financial Report

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. (844) 464-6777

Contributions

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS based on actuarial valuation. Employers may pay all or part of the member contribution for the member.

NOTE 7 - CASH BALANCE DEFICITS

The financial statement contains some funds with deficits in cash. This is a result of payroll withholding funds which have not been reconciled as of December 31, 2023, to determine the cause of the negative fund balance.

NOTE 8 - HOLDING CORPORATION

The City has entered into a capital lease with the City of Seymour Municipal Facilities Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose for financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2023 total \$462,000.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

The City provides health insurance benefits to eligible police and fire retirees and their spouses. These benefits pose a liability to the City for this year and in future years. Information regarding these benefits can be obtained by contacting the City.

OTHER INFORMATION (Unaudited)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	GENERAL FUND	MVH	LOCAL ROAD AND STREET	MVH Restricted	THOROUGHFARE	PARK & REC. ACTIVITY N.R.	POLICE SEIZURE FUND	ECONOMIC DEVELOPMENT	LANDFILL COST NON-REVERT.	TRANSIT OPERATING RESERVE FUND	CURB APPEAL GRANT	LAW ENFORCEMENT TRAINING	PARK & RECREATION FUND
Cash and investments - beginning	\$ 8,157,183.00	\$ 576,255.00	\$ 489,314.00	\$ 963,269.00	\$ 598.00	\$ 161,651.00	\$ 12,868.00	\$ 15,404.00	\$ 204,747.00	\$ 111,647.00	\$ 6,826.00	\$ 80,917.00	\$ 38,779.00
Receipts:													
Taxes	8,952,019	473,072	-	-	-	-	-	-	-	-	-	-	1,262,658
Licenses and permits	168,935	-	-	-	-	-	-	-	-	-	-	16,532	-
Intergovernmental receipts	5,796,035	496,365	199,211	464,454	-	-	-	-	-	-	-	-	85,114
Charges for services	4	-	-	-	-	90,272	-	-	661,811	47,511	-	11,879	61,828
Fines and forfeits	1,992	-	-	-	-	-	8,730	-	-	-	-	324	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2,863,831	-	31,542	-	-	22,640	858	-	9,118	-	10,000	175,156	805,044
Total receipts	17,782,816	969,437	230,753	464,454	-	112,912	9,588	-	670,929	47,511	10,000	203,891	2,214,644
Disbursements:													
Personal services	13,384,224	740,630	-	77,239	-	-	-	-	-	-	-	-	741,384
Supplies	539,174	37,696	111,662	82,104	-	-	-	-	-	-	-	-	142,308
Other services and charges	1,238,701	27,955	-	47,592	-	16,295	-	-	-	-	7,335	81,038	169,788
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	8,700	14,293	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	1,521,774	16,597	-	-	-	137,517	7,618	-	685,820	-	-	-	922,233
Total disbursements	16,692,573	837,171	111,662	206,935	-	153,812	7,618	-	685,820	-	7,335	81,038	1,975,713
Excess (deficiency) of receipts over disbursements	1,090,243	132,266	119,091	257,519	-	(40,900)	1,970	-	(14,891)	47,511	2,665	122,853	238,931
Cash and investments - ending	\$ 9,247,426	\$ 708,521	\$ 608,405	\$ 1,220,788	\$ 598	\$ 120,751	\$ 14,838	\$ 15,404	\$ 189,856	\$ 159,158	\$ 9,491	\$ 203,770	\$ 277,710

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	RAINY DAY FUND	LOIT - PUBLIC SAFETY	FIRE DEPT- HAZARDOUS WASTE	CERTIFIED TECHNOLOGY PARK 2012	2021 BUILDING CORP BONDS PROJECT FUND	CUMULATIVE CAPITAL DEV.	TIF BURKART DR./1-65 ALLO	CUMULATIVE FIRE EQUIPMENT	CUMULATIVE CAPITAL IMPR.	SEYMOUR 2023 GO BOND	2020 GO CONSTRUCTION FUND	EDIT TAX FUND
Cash and investments - beginning	\$ 6,190.00	\$ 729,758.00	\$ 4,419.00	\$ 719,455.00	\$ 1,855,566.00	\$ 676,628.00	\$ 8,428,916.00	\$ 231,743.00	\$ 104,627.00	\$ -	\$ 359,856.00	\$ 435,596.00
Receipts:												
Taxes	-	-	-	-	-	452,145	6,511,830	22,747	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	876,977	-	-	-	30,507	-	1,525	39,152	-	-	1,474,410
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	164,990	47,572	-	-	20,943	-	-	-	-	2,266,584	553	-
Total receipts	164,990	924,549	-	-	20,943	482,652	6,511,830	24,272	39,152	2,266,584	553	1,474,410
Disbursements:												
Personal services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	355,078	2,721	-	-	45,768	-	13,483	-	-	-	-
Other services and charges	-	478,032	-	480,000	16,581	119,406	2,079,958	-	-	20	-	1,211,520
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	66,990	-	-	881,081	213,102	49,445	75,191	-	-	243,793	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	4,486	-	-	-	-	4,956,806	-	-	-	-	-
Total disbursements	-	904,586	2,721	480,000	897,662	378,276	7,086,209	88,674	-	20	243,793	1,211,520
Excess (deficiency) of receipts over disbursements	164,990	19,963	(2,721)	(480,000)	(876,719)	104,376	(574,379)	(64,402)	39,152	2,266,564	(243,240)	262,890
Cash and investments - ending	\$ 171,180	\$ 749,721	\$ 1,698	\$ 239,455	\$ 978,847	\$ 781,004	\$ 7,854,537	\$ 167,341	\$ 143,779	\$ 2,266,564	\$ 116,616	\$ 698,486

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	SIHO INSURANCE BANK ACCOUNT	POLICE PENSION	FIRE PENSION	ELECTRICAL LICENSING	POLICE DEPT. PETTY CASH	DEPT. OF PUBLIC WORKS PETTY CASH	TRANSIT CARE ACT	ARP - AMERICAN RESCUE PLAN ACT OF 2021	2016 A/B G.O.BOND CAPITALIZED INTEREST	OPIOID SETTLEMENT UNRESTRICTED	OPIOID SETTLEMENT RESTRICTED	SILGAN ALLOCATION FUND	RDC BOND & INTEREST 2011
Cash and investments - beginning	\$ 478,018.00	\$ 218,741.00	\$ 224,224.00	\$ 13,340.00	\$ 150.00	\$ 100.00	\$ -	\$ 3,278,572.00	\$ 9.00	\$ 4,112.00	\$ 16,933.00	\$ 27,271.00	\$ 526.00
Receipts:													
Taxes	-	-	-	-	-	-	-	-	-	-	-	214,107	-
Licenses and permits	-	-	-	5,925	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	50	4,249	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	4,807,420	498,967	434,440	-	-	-	54,168	11,709	22	-	-	-	2,678,233
Total receipts	4,807,420	498,967	434,440	5,925	-	-	54,168	11,709	22	50	4,249	214,107	2,678,233
Disbursements:													
Personal services	-	514,936	408,049	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	994,459	-	-	-	-	-
Other services and charges	4,949,861	100	100	-	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	2,678,233
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,945	-	-	-	-	-	-	-	116,144	-
Total disbursements	4,949,861	515,036	408,149	2,945	-	-	-	994,459	-	-	-	116,144	2,678,233
Excess (deficiency) of receipts over disbursements	(142,441)	(16,069)	26,291	2,980	-	-	54,168	(982,750)	22	50	4,249	97,963	-
Cash and investments - ending	\$ 335,577	\$ 202,672	\$ 250,515	\$ 16,320	\$ 150	\$ 100	\$ 54,168	\$ 2,295,822	\$ 31	\$ 4,162	\$ 21,182	\$ 125,234	\$ 526

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	RDC DEBT RESERVE 2011	REDEVELOPMENT DISTRICT 2020 BAN	BONDS & INT. 2005 & 2010	RECYCLING FUND	POLICE DEPT CONCESSION FUND	FIRE DEPT. EDUCATIONAL N.R	SIDEWALK FUND	2016-B GENERAL OBLIGATION BOND	2020 GO CAPITALIZED INTEREST	CITY HALL CONCESSION FUND	DEPT.OF PUBLIC WORKS FACILITY CONCESSION	TRAILS DEVELOPMENT FUND
Cash and investments - beginning	\$ 167,544.00	\$ 277,232.00	\$ 221,897.00	\$ 131,665.00	\$ 175.00	\$ 24,787.00	\$ 10,790.00	\$ 30,830.00	\$ -	\$ 601.00	\$ 1,560.00	\$ 11,063.00
Receipts:												
Taxes	-	-	1,240,807	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	65,115	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	5,907	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	753	28	710	9,722	7,600	49,634	15,000	69	39	-	3,125	-
Total receipts	753	28	1,306,632	15,629	7,600	49,634	15,000	69	39	-	3,125	-
Disbursements:												
Personal services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	69,877	-	-	3,180	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	1,375,678	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	7,741	53,367	-	-	-	-	3,096	-
Total disbursements	-	-	1,375,678	69,877	7,741	53,367	3,180	-	-	-	3,096	-
Excess (deficiency) of receipts over disbursements	753	28	(69,046)	(54,248)	(141)	(3,733)	11,820	69	39	-	29	-
Cash and investments - ending	\$ 168,297	\$ 277,260	\$ 152,851	\$ 77,417	\$ 34	\$ 21,054	\$ 22,610	\$ 30,899	\$ 39	\$ 601	\$ 1,589	\$ 11,063

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	GRANT HOLDING FUND	REGION XI	SEYMOUR COMMUNITY CENTER	PARK & REC. LEAGUE N.R.	PARK & REC. PETTY CASH	PARK & RECREATION ONLINE	POLICE FEDERAL SEIZURE FUND	D.A.R.E. POLICE FUND	CITY OF SEYMOUR BUSHMAN PROJECT	2020 RDA RESTRICTED RESERVE ACCOUNT	POLICE DEPT ONLINE	AFA LIFE INSURANCE	AFA ACCIDENT/ CANCER	Switzerland County
Cash and investments - beginning	\$ 1,480,095.00	\$ 30,576.00	\$ 2,180.00	\$ 106,306.00	\$ 500.00	\$ 304.00	\$ 22,200.00	\$ 5,807.00	\$ 515,375.00	\$ 778,140.00	\$ 142.00	\$ (1,180.00)	\$ 5,194.00	\$ -
Receipts:														
Taxes	-	-	-	-	-	-	-	-	414,533	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	3,207,940	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	7,476	57,410	-	76,744	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	5,300	-	5,011	50,187	-	-	85,291	333	-	-	1,441	23,404	34,453	25
Total receipts	3,213,240	-	12,487	107,597	-	76,744	85,291	333	414,533	-	1,441	23,404	34,453	25
Disbursements:														
Personal services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	5,644	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	3,791	-	-	-	-	-	-	1,521	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	3,384,714	-	13,442	100,375	-	76,383	11,470	4,068	201,510	-	-	22,223	34,926	25
Total disbursements	3,384,714	-	13,442	109,810	-	76,383	11,470	4,068	201,510	-	1,521	22,223	34,926	25
Excess (deficiency) of receipts over disbursements	(171,474)	-	(955)	(2,213)	-	361	73,821	(3,735)	213,023	-	(80)	1,181	(473)	-
Cash and investments - ending	\$ 1,308,621	\$ 30,576	\$ 1,225	\$ 104,093	\$ 500	\$ 665	\$ 96,021	\$ 2,072	\$ 728,398	\$ 778,140	\$ 62	\$ 1	\$ 4,721	\$ -

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	PAYROLL- FICA	PAYROLL- MEDICARE	PAYROLL- STATE W/H	PAYROLL- COUNTY W/H	PAYROLL- PERF	PAYROLL- INDIANA POLICE	Texas Life Insurance	PAYROLL- IND. FIRE PENSION	Keaton Gay/First Financial Bank	GARNISHMENTS	PAYROLL- FILING FEES	PAYROLL- UNITED FUND	SCOTT COUNTY TAX	SIHO	PAYROLL- POLICE DUES
Cash and investments - beginning	\$ 925.00	\$ 6,284.00	\$ -	\$ 6,993.00	\$ -	\$ -	\$ 1,282.00	\$ -	\$ 50.00	\$ 161.00	\$ 58.00	\$ 441.00	\$ -	\$ 55,865.00	\$ 670.00
Receipts:															
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	384,188	219,157	23,443	193,147	21,661	143,312	-	-	284	3,070	4,051	669,787	12,541
Total receipts	-	-	384,188	219,157	23,443	193,147	21,661	143,312	-	-	284	3,070	4,051	669,787	12,541
Disbursements:															
Personal services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	925	6,284	384,188	219,779	23,443	193,147	21,465	142,971	-	-	308	3,175	3,896	718,439	13,211
Total disbursements	925	6,284	384,188	219,779	23,443	193,147	21,465	142,971	-	-	308	3,175	3,896	718,439	13,211
Excess (deficiency) of receipts over disbursements	(925)	(6,284)	-	(622)	-	-	196	341	-	-	(24)	(105)	155	(48,652)	(670)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 6,371	\$ -	\$ -	\$ 1,478	\$ 341	\$ 50	\$ 161	\$ 34	\$ 336	\$ 155	\$ 7,213	\$ -

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	PAYROLL- FIRE DUES	PAYROLL- NATIONWIDE RET SO	PAYROLL- AFLAC	EE Social Security	CITY SHARE FICA	CITY SH MEDICARE	CITY SHARE PERF	CITY SHARE UNEMPLOYMENT	NET PAYROLL	WASHINGTON COUNTY TAX	Reimb. charges incurred by employee	Delta Dental	Lawrence County Tax	MARION COUNTY TAX	REIMBURSE OVERPAYMENTS
Cash and investments - beginning	\$ 473.00	\$ 145.00	\$ 730.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191.00	\$ 465.00	\$ 49.00	\$ (934.00)	\$ -	\$ 122.00	\$ 44.00
Receipts:															
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	12,386	3,700	-	11,353	327,235	335,235	1,864,689	12,146	9,444,144	1,006	-	181,782	1,080	1,403	-
Total receipts	12,386	3,700	-	11,353	327,235	335,235	1,864,689	12,146	9,444,144	1,006	-	181,782	1,080	1,403	-
Disbursements:															
Personal services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	12,859	3,845	124	11,099	327,235	335,235	1,864,689	12,146	9,444,335	1,458	-	193,900	1,080	1,403	-
Total disbursements	12,859	3,845	124	11,099	327,235	335,235	1,864,689	12,146	9,444,335	1,458	-	193,900	1,080	1,403	-
Excess (deficiency) of receipts over disbursements	(473)	(145)	(124)	254	-	-	-	-	(191)	(452)	-	(12,118)	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 606	\$ 254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ 49	\$ (13,052)	\$ -	\$ 122	\$ 44

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	AUL LOAN PAYBACK	BARTHOLOMEW COUNTY TAX	AUL DEFERRED COMP	AFLAC LIFE INSURANCE	AFLAC/ CAIC	Jefferson County Tax	SUPPORTING HEROS INC	Ripley County	EE Federal W/H	IN FIRE Retirement	Child Support	Employer Social Security	AFA Long Term Disb	AFA Flex Account
Cash and investments - beginning	\$ 452.00	\$ -	\$ 8,818.00	\$ -	\$ 4,134.00	\$ 25.00	\$ 1,274.00	\$ -	\$ -	\$ -	\$ -	\$ 1,610.00	\$ -	\$ 1,280.00
Receipts:														
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	25,595	6,764	246,150	504	1,502	566	6,364	838	1,079,392	192,704	37,388	327,236	46,825	7,323
Total receipts	25,595	6,764	246,150	504	1,502	566	6,364	838	1,079,392	192,704	37,388	327,236	46,825	7,323
Disbursements:														
Personal services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	25,962	6,712	254,968	504	5,636	566	7,638	838	1,079,392	192,704	37,388	328,845	46,825	8,238
Total disbursements	25,962	6,712	254,968	504	5,636	566	7,638	838	1,079,392	192,704	37,388	328,845	46,825	8,238
Excess (deficiency) of receipts over disbursements	(367)	52	(8,818)	-	(4,134)	-	(1,274)	-	-	-	-	(1,609)	-	(915)
Cash and investments - ending	\$ 85	\$ 52	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 365

(Continued)

CITY OF SEYMOUR
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

	Anytime Fitness	2021 BOND & INTEREST ACCOUNT	SRF DEBT RESERVE 2021	SMSU OPERATING	SMSU ON-LINE PAYMENTS	SMSU IMPROVEMENT	SMSU PETTY CASH	2013 REFUNDING BOND (SRF)	2015 BOND & INTEREST	SMSU 2017 BOND & INTEREST (CLARIFIER)	S.M.S.U. -STORMWATER UTILITY	RDC Bond & Int 2011	Totals
Cash and investments - beginning	\$ -	\$ 12,771.00	\$ 2,523,776.00	\$ 1,840,603.00	\$ 168,544.00	\$ 2,891,029.00	\$ 150.00	\$ 13,981.00	\$ 380.00	\$ -	\$ 713,281.00	\$ -	\$ 40,714,113.00
Receipts:													
Taxes	-	-	-	-	-	-	-	-	-	-	-	1,950,000	21,493,918
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	191,392
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-	12,741,104
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	1,020,842
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	11,046
Utility fees	-	-	-	9,546,902	-	-	-	-	-	-	1,004,611	-	10,551,513
Other receipts	1,713	1,125,630	-	915,120	2,254,693	-	-	-	1,106,844	99,232	220,834	-	36,769,932
Total receipts	1,713	1,125,630	-	10,462,022	2,254,693	-	-	-	1,106,844	99,232	1,225,445	1,950,000	82,779,747
Disbursements:													
Personal services	-	-	-	918,870	-	-	-	-	-	-	480,617	-	17,265,949
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	2,403,154
Other services and charges	-	-	-	434,649	-	-	-	-	-	-	134,839	-	11,499,082
Debt service - principal and interest	-	1,125,625	-	-	-	-	-	-	1,106,846	99,231	-	1,950,000	8,335,613
Capital outlay	-	-	-	-	-	1,116,375	-	-	-	-	-	-	2,668,970
Utility operating expenses	-	-	-	2,859,484	-	-	-	-	-	-	352,824	-	3,212,308
Other disbursements	1,477	350	-	5,641,483	2,235,160	-	-	-	-	-	183,366	-	36,283,971
Total disbursements	1,477	1,125,975	-	9,854,486	2,235,160	1,116,375	-	-	1,106,846	99,231	1,151,646	1,950,000	81,669,047
Excess (deficiency) of receipts over disbursements	236	(345)	-	607,536	19,533	(1,116,375)	-	-	(2)	1	73,799	-	1,110,700
Cash and investments - ending	\$ 236	\$ 12,426	\$ 2,523,776	\$ 2,448,139	\$ 188,077	\$ 1,774,654	\$ 150	\$ 13,981	\$ 378	\$ 1	\$ 787,080	\$ -	\$ 41,824,813

CITY OF SEYMOUR
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2023

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 295,521	\$ -
Smsu Operating	99,116	761,358
Smsu Stormwater Utility	<u>1</u>	<u>64,636</u>
Totals	<u>\$ 394,638</u>	<u>\$ 825,994</u>

CITY OF SEYMOUR
SCHEDULE OF LEASES AND DEBT
December 31, 2023

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Bushman Estataes	Residential Development	\$ 200,000	9/15/2013	2/1/2031
City of Seymour	Trash Truck Lease	65,493	4/6/2020	3/6/2025
John Deere Financial	Backhoe Loader	50,562	8/21/2023	8/21/2026
Seymour Building Corporation	New Fire Station/City Hall remodel	681,000	10/13/2021	2/1/2041
Seymour Redevelopment Authority	Public Works Facility	324,000	6/14/2012	1/15/2032
Seymour Redevelopment Authority	Burkhart Blvd Phase 1	1,264,072	12/17/2019	2/1/2039
Seymour Redevelopment Authority	City of Seymour Redevelopment Commission	351,621	12/1/2020	2/1/2040
Seymour Redevelopment District	Downtown Park	<u>398,275</u>	6/15/2017	7/15/2027
Total governmental activities		<u>3,335,023</u>		
Total of annual lease payments		<u>\$ 3,335,023</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General obligation bonds	General Obligation Revenue Bonds of 2010	\$ -	\$ -
General obligation bonds	Seymour General Obligation Bonds 2020	-	-
General obligation bonds	Seymour General Obligation Bonds 2023	2,335,000	730,000
Revenue bonds	Redevelopment District Tax Increment Revenue Bond 2019	<u>1,705,000</u>	<u>90,000</u>
Total governmental activities		<u>4,040,000</u>	<u>820,000</u>
Smsu Operating:			
Revenue bonds	Sewage Works Revenue Bonds of 2015	11,990,000	775,000
Revenue bonds	Sewage Works Revenue Refunding Bonds - Series 2021	6,845,000	880,000
Revenue bonds	Seymour Sewage Works Revenue Bonds Series 2017	<u>3,000,000</u>	<u>-</u>
Total Smsu Operating		<u>21,835,000</u>	<u>1,655,000</u>
Totals		<u>\$ 25,875,000</u>	<u>\$ 2,475,000</u>

CITY OF SEYMOUR
SCHEDULE OF CAPITAL ASSETS
December 31, 2023

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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 4,038,199
Infrastructure	56,737,263
Buildings	16,126,312
Improvements other than buildings	3,504,108
Machinery, equipment, and vehicles	10,934,903
Construction in progress	<u>779,210</u>
Total governmental activities	<u>92,119,995</u>
Smsu Operating:	
Land	112,575
Infrastructure	37,825,690
Buildings	32,610,425
Improvements other than buildings	133,525
Machinery, equipment, and vehicles	<u>4,941,788</u>
Total Smsu Operating	<u>75,624,003</u>
Smsu Stormwater Utility:	
Total Smsu Stormwater Utility	<u>-</u>
Total capital assets	<u>\$ 167,743,998</u>

CITY OF SEYMOUR
STATE REPORTING INFORMATION
December 31, 2023

The reports presented herein were prepared in addition to another official report prepared for the City as listed below:

Indiana State Board of Accounts Compliance Examination of the City of Seymour.

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Cities and Towns*.

SUPPLEMENTARY INFORMATION

CITY OF SEYMOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing 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 State CDBG Program	Office of Community & Rural Affairs	14.228	B21DC180001	\$ -	224,799
Total - Department of Housing and Urban Development				-	224,799
<u>Department of Justice</u>					
Bulletproof Vest Partnership Program Bullet Proof Vest Program	Department of Justice	16.607	152036004	-	13,725
Equitable Sharing Program Asset Forfeitures	DEA	16.922	14-DEA-601060	-	11,470
Total - Department of Justice				-	25,195
<u>Department of Transportation</u>					
Highway Safety Cluster State and Community Highway Safety Operation Pullover	Indiana Criminal Justice Institute	20.600	CHIRP-2023-00027-FR1	-	43,472
Total - Highway Safety Cluster				-	43,472
Highway Planning and Construction Railroad Crossing Work Bypass - Phase 2 4th & O'Brien St Roundabout Reconstruction of Signals 2nd & Chestnut Reconstruction of W 2nd St From Lasher to Walnut Reconstruction of W 2nd and Community Dr. Intersection O'Brien St (US 50 to 4th) O'Brien St (US 50 to Village Cir Ave) O'Brien St (Burkart RAB to Village Circle Ave)	INDOT	20.205	21-GCF-LPA-36 DES1703014 DES1703015 DES1802875 DES1802876 DES1802877 DES1902762 DES1902764 DES2101694	- - - - - - - - -	17,487 378,089 36,009 13,204 30,454 37,770 57,502 58,677 32,183
Total - Highway Planning and Construction				-	661,375
Formula Grants for Rural Areas and Tribal Transit Program Transit Grant Transit Grant	INDOT	20.509	IN-2021-031-00 IN-2022-014-00	- -	45,720 105,734
Total - Formula Grants for Rural Areas and Tribal Transit Program				-	151,454
Total - Department of Transportation				-	856,301

(Continued)

CITY OF SEYMOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2023

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of the Treasury</u> Coronavirus Relief Fund Transit CARES Grant	INDOT	21.019	IN-2020-007-00	\$ -	33,325
Coronavirus State and Local Fiscal Recovery Funds Health Issues & Challenges Grant ARP - American Rescue Plan Act of 2021	Schneck Medical Center Direct Grant	21.027	Contract #65851 CY2021	-	528,741
Total - Coronavirus State and Local Fiscal Recovery Funds				-	1,511,490
Total - Department of the Treasury				-	1,544,815
<u>Environmental Protection Agency</u> Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements FY22 Seymour Community Wide Brownfield Assessment Grant	US EPA	66.818	00E03208	-	91,923
Total - Environmental Protection Agency				-	91,923
Total federal awards expended				\$ -	2,743,033

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF SEYMOUR
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2023

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the City of Seymour (the "City") under programs of the federal government for the year ended December 31, 2023. The information in the Schedule 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 Schedule presents only a select portion of the operations of the City, it is not intended to and does not present the receipts, disbursements, and cash and investment balances – regulatory basis of the City.

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, 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.

NOTE 2 - INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - OTHER INFORMATION

The City did not have any subrecipient activity for the year ended December 31, 2023.

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

Those Charged with Governance
City of Seymour
Jackson County, Indiana

We have audited, in accordance with the 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 Seymour ("City"), which comprise the statement of receipts, disbursements, and cash and investment balances of the City as of and for the year ended December 31, 2023 and the related notes to the financial statement, which collectively comprise the City's financial statement, and have issued our report thereon dated September 30, 2024.

Report on 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) as a basis for designing 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 a 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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statement is free from 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 financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

(Continued)

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
September 30, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE

Those Charged with Governance
City of Seymour
Jackson County, Indiana

Report on Compliance for Major Federal Program

Qualified Opinion on Major Federal Program

We have audited City of Seymour ("City") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. 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.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2023.

Basis for Qualified Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on the Coronavirus State and Local Fiscal Recovery Funds Major Program

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding Assistance Listing Number 21.027, Coronavirus State and Local Fiscal Recovery Funds, as described in finding number 2023-001 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

(Continued)

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

(Continued)

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
September 30, 2024

CITY OF SEYMOUR
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 December 31, 2023

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 weakness(es) identified?	_____	Yes	_____ <u>X</u> _____ No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	_____ <u>X</u> _____ None Reported
Noncompliance material to financial statement noted?	_____	Yes	_____ <u>X</u> _____ No

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	_____ <u>X</u> _____	Yes	_____ _____ No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	_____ <u>X</u> _____ None Reported
Type of auditor’s report issued on compliance for major programs:	Qualified		
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____	Yes	_____ <u>X</u> _____ No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee?	_____	Yes	_____ <u>X</u> _____ No
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Section II – Financial Statement Findings

None noted.

(Continued)

CITY OF SEYMOUR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2023

Section III – Federal Award Findings and Questioned Costs

FINDING 2023-001

Information on the federal program:

Subject: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds – Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Numbers and Years (or Other Identifying Numbers): 65851

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness, Qualified Opinion

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR section 200.318 states in part:

(a) The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in §§ 200.317 through 200.327.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders...

(h) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

2 CFR section 200.320 states in part:

(b) *Formal procurement methods.* When the value of the procurement for property or services under a Federal financial assistance award exceeds the SAT, or a lower threshold established by a non-Federal entity, formal procurement methods are required. Formal procurement methods require following documented procedures. Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with § 200.319 or paragraph (c) of this section. The following formal methods of procurement are used for procurement of property or services above the simplified acquisition threshold or a value below the simplified acquisition threshold the non-Federal entity determines to be appropriate:...

(Continued)

CITY OF SEYMOUR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2023

Section III – Federal Award Findings and Questioned Costs (Continued)

FINDING 2023-001 (Continued)

(c) *Noncompetitive procurement.* There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:

- (1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see paragraph (a)(1) of this section);
- (2) The item is available only from a single source;
- (3) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;
- (4) The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or
- (5) After solicitation of a number of sources, competition is determined inadequate.

Condition: The City contracted a vendor utilizing federal funds without performing a formal bid process for a project exceeding the simplified acquisition threshold of \$150,000 nor did the City provide documentation supporting a noncompetitive procurement. There was no available history of the procurement process, including a lack of documented City Council approval for the contract and they City's verification check for vendor suspension or debarment. The contract entered into also did not include the required Buy America Build America Provisions.

Cause: The City's management had not developed a system of internal controls to ensure compliance with the compliance requirements listed above. Also, the City does not have written Procurement Policies that comply with the Federal Uniform Guidance requirements for non-Federal entities. The City's current policy does not address the following requirements:

- Written standards of conduct for employees involved in contracting.
- Written standards for solicitations to foster full and open competition.
- Micro-purchase threshold of \$10,000 (listed at \$25k)
- No formal written or documented City policy or ordinance regarding the City's procedures for verifying that an entity with which it plans to enter into a covered transaction is not debarred, suspended, or otherwise excluded.

Effect: The failure to establish an effective internal control system placed the City at risk of noncompliance with the grant agreement and the compliance requirements.

Questioned Costs: There were no questioned costs identified.

Context: During the procurement contract testing, the City was unable to provide any procurement history for a selected vendor contract funded through the Coronavirus State and Local Fiscal Recovery Funds grant. The City had entered into the vendor contract based on previous experience with the vendor. Upon inquiry of the City on their purchasing policies and procedures, it was verified the City does not have procurement policies for purchases that conform to the requirements of the Uniform Guidance.

Identification as a repeat finding: See Finding 2022-001

Recommendation: We recommend that management of the City establish a proper system of internal controls and develop and implement procurement policies and procedures that adheres of the procurement requirements for purchases with federal awards as required by the 2 CFR 200 Uniform Guidance.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and has prepared a corrective action plan.



City of Seymour

City Hall 301-309 N. Chestnut Street • Seymour, Indiana 47274
Phone (812) 522-4020 • Fax: (812) 523-6687

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

December 31, 2023

FINDING 2023-001

Information on the federal program:

Subject: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds – Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Numbers and Years (or Other Identifying Numbers): 65851, CY2021

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness, Other Matters

Condition: The City contracted a vendor utilizing federal funds without performing a formal bid process for a project exceeding the simplified acquisition threshold of \$250,000 no did the City provide documentation supporting a noncompetitive procurement. There was available history of the procurement process, including a lack of documented City Council approval for the contract. The contract entered into also did not include the required Buy America Build America Provisions.

Context: During the procurement contract testing, the City was unable to provide any procurement history for a selected vendor contract funded through the Coronavirus State and Local Fiscal Recovery Funds grant. The City had entered into the vendor contract based on previous experience with the vendor. Upon inquiry of the City on their purchasing policies and procedures, it was verify the City does not have procurement policies for purchases that conform to the requirements of the Uniform Guidance.

Views of Responsible Official and Corrective Action Plan: We recommend that management of the City establish a proper system of internal controls and develop and implement procurement policies and procedures that adheres of the procurement requirements for purchases with federal awards as required by the 2 CFR 200 Uniform Guidance.

Description of Corrective Action Plan: Management will develop, adopt and implement a procurement policy for federal purchases that aligns with the requirement of the 2 CFR 200 Uniform Guidance. This process will include steps within the interview and application process to ensure contractors and subrecipients are eligible (no suspended, debarred, or otherwise excluded) to enter into an agreement, contract, or subaward with the City. The process will also includes steps to ensure all necessary language, such as the Buy America Build America Provisions are included in the final contracts.

Responsible Party and Timeline for Completion:

Clerk/Treasurer: Darrin Boas
dboas@seymourin.org 812-522-4020

Timeline for Completion: November 1st, 2024

On September 23rd, Seymour City Council passed Ordinance # 30, Council Bill 58, passed and ordinance addressing Suspension and/or Disbarment of Vendor when Federal Funds/Federal Assistance is Involved. This will be fully implemented in all contract bids/proposals moving forward effective by 11/1/24.

For additional procurement compliance – we will adhere to the CFR 200 Uniform Guidance to ensure proper vetting, along with the proper formal bidding process. We will amend our current procurement Ordinance to meet all federal requirements.

Timeline for completion: December 1, 2024

**ORDINANCE NO. 30
COUNCIL BILL NO. 58
(2024)**

AN ORDINANCE AMENDING CHAPTER 32 OF THE SEYMOUR CITY CODE: CITY POLICIES

- WHEREAS,** periodic updates to City Code are required to comply with State and Federal guidelines;
- WHEREAS,** the Clerk-Treasurer's Office recommends implementing a policy to ensure that all contracts supported by federal or state funding include a Suspension and Debarment clause in order to ensure efficient and effective administration of the funding;
- WHEREAS,** a Suspension and Debarment policy will ensure that the City only contracts with contractors and consultants that are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into a contract with the City by any federal or state agency; and
- WHEREAS,** the Clerk-Treasurer of the City of Seymour has affirmed the following addition to City Code are necessary and proper.

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SEYMOUR, INDIANA, THAT:

Section 1. Chapter 32 of the Seymour City Code is hereby amended to create § 32.21, which shall read as follows:

§ 32.21 SUSPENSION AND/OR DEBARMENT OF VENDOR WHEN FEDERAL FUNDS/FEDERAL ASSISTANCE INVOLVED

The following specific provisions are applicable under the purchasing policy and procedure of the City for determining suspension and/or debarment status of any vendor doing business with the City of Seymour, Indiana for which federal funds and/or federal assistance are being utilized by the City, namely:

(A) *SAM search, verification by contracted vendor, or contractual provision.* Prior to any purchase for which federal funds and/or federal assistance is being utilized by the City, the purchasing agency, or its designee, shall:

(1) Examine and verify the status of any vendor participating in or to be contracted for business with the City utilizing federal funds and/or federal assistance for debarment and suspension status to determine whether such vendor is qualified to participate. The check or verification for debarment and suspension shall be performed using the System for Award Management ("SAM"), or any similar such system as then currently approved for such purposes. The City department responsible for facilitating, coordinating, and utilizing federal funds and/or federal assistance will be required to conduct and complete the SAM search, or its approved equivalent, as such procedures and methods are amended, on all vendors with whom the City intends to conduct business utilizing such federal funds. Further, the City or entity responsible shall provide a hard copy proof and verification of each SAM search, or its approved equivalent search, which

will be required to be provided to the Clerk-Treasurer for maintenance and record keeping in the Office of the Clerk-Treasurer;

(2) Require each contracted vendor that is utilizing federal funds and/or federal assistance to certify that the contracted vendor was not suspended or debarred; or

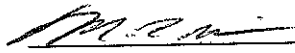
(3) Add a clause to appropriate contract to ensure that the contracted vendors were not suspended or debarred.

(B) *No business with debarred or suspended entity.* It is specifically directed and required that the City will not conduct any business with any firm, individual, or entity which has been identified and verified as having been debarred or suspended for such purposes, in conformance with applicable law, as the same may be amended from time to time. Further, these policy requirements for determination of suspension and/or debarment status of any vendor doing business with the City in which federal funds and/or federal assistance is utilized shall pertain to "Covered Transactions" under 2 C.F.R. pt. 180 subpt. B, which include those government contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000, or meet certain other specified criteria.

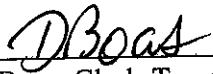
Section 2. All prior ordinances or parts thereof inconsistent with any provision of this Ordinance are hereby repealed to the extent incompatible.

Section 3. This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

ADOPTED by the Common Council and APPROVED by me, the Mayor, this 23
day of September 2024 at 7:35 P.M.


Matthew Nicholson, Mayor
City of Seymour, Indiana

Attest:


Darrin Boas, Clerk-Treasurer
City of Seymour, Indiana

ORDINANCE NO. 30
COUNCIL BILL NO. 58
(2024)

Passed First Reading: 5-0-2

Passed Second Reading: 5-0-2

	First	Second
Clint Blish	<u>Absent</u>	<u>Absent</u>
Brian Terrell	<u>Y</u>	<u>Y</u>
Jerry Hackney	<u>Y</u>	<u>Y</u>
Chad Hubbard	<u>Y</u>	<u>Y</u>
Seth Davidson	<u>Y</u>	<u>Y</u>
Brad Lucas	<u>Y</u>	<u>Y</u>
Drew Storey	<u>Absent</u>	<u>Absent</u>



City of Seymour

City Hall 301-309 N. Chestnut Street • Seymour, Indiana 47274
Phone (812) 522-4020 • Fax: (812) 523-6687

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS December 31, 2023

FINDING 2022-001

Subject: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds – Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Numbers and Years (or Other Identifying Numbers): CY2021

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness, Modified Opinion

Condition: The City elected to receive the standard revenue loss allowance, allowing the City to claim its total State and Local Fiscal Recovery Funds (SLFRF) allocation of \$4,530,623 as revenue loss to use for government services. As such, all SLFRF program funds to date were expended under the revenue loss eligible use category. The U.S. Department of the Treasury (Treasury) determined that there are no subawards under this eligible use category, and that recipients' use of revenue loss funds would not give rise to subrecipient relationships given that there is no federal program or purpose to carry out in the case of the revenue loss portion of the award.

Prior to entering into subawards and covered transactions with SLFRF award funds, recipients are required to verify that such contractors and subrecipients are not suspended, debarred, or otherwise excluded. "Covered transactions" include, but are not limited to contracts for goods and services awarded under a non-procurement transaction (i.e., grant agreement) that are expected to equal or exceed \$25,000. The verification is to be done by checking the Excluded Parties List System (EPLS), collecting a certification from that person, or adding a clause or condition to the covered transaction with that person. Due to the Treasury's determination that the revenue loss eligible use category does not give rise to subawards, the City was only required to comply with suspension and debarment requirements related to covered transactions.

Upon inquiry of the City to review the procedures in place for verifying that an entity with which it plans to enter into a covered transaction is not suspended, debarred, or otherwise excluded, the City divulged that they were unaware of the suspension and debarment requirements related to the SLFRF awards. A population of 13 covered transactions, totaling \$1,244,679, that equaled or exceeded \$25,000 paid from SLFRF funds during the audit period was identified. For each of the 13 transactions, the City did not verify the suspension and debarment status prior to payment due to the City not having any policies or procedures in place to verify that contractors and subrecipients were neither suspended nor debarred, or otherwise excluded or disqualified from participating in federal assistance programs or activities.

Status of Prior Year Finding: Unresolved. See current finding 2023-001.

(Continued)

FINDING 2022-002

Subject: COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - Reporting
Federal Agency: Department of the Treasury
Federal Program: COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
Assistance Listings Number: 21.027
Federal Award Number and Year (or Other Identifying Number): CY2021
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Condition: The City had not properly designed or implemented a system of internal controls, which would include appropriate segregation of duties that would likely be effective in preventing, or detecting and correcting, noncompliance. Recipients are required to submit quarterly or annually Project and Expenditure (P&E) reports to the U.S. Department of the Treasury (Treasury). The reporting periods, as well as the respective due dates, are based upon type of recipient and its population, as well as the recipient's allocation amount. Information to be reported includes projects funded, expenditures, and contracts for the appropriate reporting period.

The City was classified as a metropolitan city with a population below 250,000 residents that received an allocation of less than \$10 million in Coronavirus State and Local Fiscal Recovery Funds (SLFRF). As such, the initial P&E report, covering the period from March 3, 2021 to March 31, 2022, was required to be submitted to the Treasury by April 30, 2022. The subsequent annual reports are to cover one calendar year and must be submitted to the Treasury by April 30 each year.

The City submitted one P&E report during the audit period; however, a single employee prepared and submitted the P&E report without a review or oversight process in place to prevent, or detect and correct, errors.

The lack of internal controls was a systemic issue throughout the audit period.

Status of Prior Year Finding: This finding was remediated.