

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF DEMOTTE

JASPER COUNTY, INDIANA

January 1, 2011 to December 31, 2014



**FILED**

11/06/2015



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Margaret Michelin	01-01-08 to 12-31-15
President of the Town Council	Mark Boer	01-01-11 to 12-31-15
Town Court Judge	Greg Osborn (Vacant) Scott Osborn (Vacant) Russell D. Bailey	01-01-11 to 06-30-14 07-01-14 to 08-31-14 09-01-14 to 12-31-14 01-01-15 to 04-22-15 04-23-15 to 12-31-15
Superintendent of Street Department	Paul Featherston Jeff Powers	01-01-11 to 03-12-12 03-13-12 to 12-31-15
Superintendent of Wastewater Utility	Richard Higgins Robert Barton	01-01-11 to 03-31-14 04-01-14 to 12-31-15



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF DEMOTTE, JASPER COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of DeMotte (Town), for the period of January 1, 2011 to December 31, 2014. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements based on our examination.

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

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

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2011 to December 31, 2014.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2011 to December 31, 2014, on the basis of accounting described in Note 1.

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

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

August 27, 2015

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## FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

TOWN OF DEMOTTE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2011 and 2012

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 303,517	\$ 1,397,482	\$ 1,353,765	\$ 347,234	\$ 1,425,657	\$ 1,417,223	\$ 355,668
Motor Vehicle Hwy Fund	23,866	85,585	98,301	11,150	102,334	94,669	18,815
Local Roads & Streets	8,376	16,667	20,500	4,543	17,503	15,000	7,046
Parks Nonreverting	10,417	12,694	8,672	14,439	11,875	18,947	7,367
OWI	1,087	4,000	4,434	653	2,400	2,217	836
Grant Receipts	-	-	-	-	190,531	190,531	-
Law Enforcement Cont Edu	3,057	2,801	3,881	1,977	5,106	3,473	3,610
Rainy Day Fund	506,700	12,181	128,265	390,616	118,670	9,106	500,180
Levy Excess	2,434	-	-	2,434	46,154	-	48,588
Cumulative Capital Imprv	38,528	9,287	34,702	13,113	10,116	-	23,229
Cumulative Capital Dev	7,314	46,397	13,905	39,806	44,467	73,385	10,888
CEDIT Revenue Fund	56,438	103,106	46,558	112,986	131,408	180,830	63,564
Park Donations	29,772	29,963	33,928	25,807	1,640	16,465	10,982
Attendance Officer Grant	190	-	-	190	-	-	190
Water Non Reverting	520	520	500	540	988	950	578
LOIT - Public Safety	114,816	117,876	92,363	140,329	116,728	108,113	148,944
MVH Sign Non Reverting	(218)	218	-	-	-	-	-
Lease Rent Pmt	64,068	-	-	64,068	96,050	158,107	2,011
Sewage Debt Serv Reserve	394,647	-	-	394,647	-	-	394,647
Payroll Fund	25,791	1,252,863	1,278,654	-	1,335,871	1,335,871	-
Sewage Bond & Interest	105,882	301,488	300,623	106,747	307,296	307,649	106,394
Sewage Construction Fund	695,739	652,300	37,718	1,310,321	358,352	240,474	1,428,199
Sewage Utility Operating	549,934	1,354,746	1,540,640	364,040	1,249,801	1,359,914	253,927
Town Court	946	1,964	2,863	47	2,817	2,777	87
Totals	<u>\$ 2,943,821</u>	<u>\$ 5,402,138</u>	<u>\$ 5,000,272</u>	<u>\$ 3,345,687</u>	<u>\$ 5,575,764</u>	<u>\$ 5,535,701</u>	<u>\$ 3,385,750</u>

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

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

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13	Receipts	Disbursements	Cash and Investments 12-31-14
General	\$ 355,668	\$ 1,435,505	\$ 1,437,096	\$ 354,077	\$ 1,632,127	\$ 1,599,782	\$ 386,422
Motor Vehicle Hwy Fund	18,815	109,360	97,002	31,173	139,077	118,810	51,440
Local Roads & Streets	7,046	19,112	20,869	5,289	18,074	21,000	2,363
Parks Nonreverting	7,367	15,621	14,799	8,189	14,432	11,369	11,252
OWI	836	2,614	1,105	2,345	3,000	2,158	3,187
Law Enforcement Cont Edu	3,610	4,278	4,135	3,753	3,600	1,685	5,668
Park Donations	10,982	1,000	-	11,982	1,000	2,767	10,215
Rainy Day Funds	500,180	4,400	330,131	174,449	122,459	167,164	129,744
CEDIT Revenue Fund	63,564	134,992	118,000	80,556	156,593	233,956	3,193
Levy Excess Fund	48,588	-	-	48,588	2,431	51,019	-
Cumulative Capital Imprv	23,229	10,239	31,410	2,058	10,089	-	12,147
Cumulative Capital Dev	10,888	53,838	52,447	12,279	57,609	55,548	14,340
Sewage Bond & Interest	106,394	305,895	305,720	106,569	319,109	385,333	40,345
TIF District Revenue	-	16,013	12,035	3,978	6,146	-	10,124
LOIT - Public Safety	148,944	122,663	109,532	162,075	128,445	204,521	85,999
Attendance Officer Grant	190	-	-	190	-	-	190
Lease Rent Pmt	2,011	193,189	170,603	24,597	230,608	177,046	78,159
Water Non Reverting	578	-	-	578	-	578	-
Payroll Fund	-	1,439,750	1,428,219	11,531	1,483,640	1,451,674	43,497
Sewage Utility Operating	253,927	1,338,367	1,137,947	454,347	1,785,509	1,757,813	482,043
Sewage Construction Fund	1,428,199	17,309	26,882	1,418,626	12,800	239,645	1,191,781
Sewage Bond & Interest	-	-	-	-	-	-	-
Sewage Debt Serv Reserve	394,647	-	-	394,647	-	394,647	-
TOWN COURT	87	3,275	2,741	621	1,336	1,419	538
Totals	<u>\$ 3,385,750</u>	<u>\$ 5,227,420</u>	<u>\$ 5,300,673</u>	<u>\$ 3,312,497</u>	<u>\$ 6,128,084</u>	<u>\$ 6,877,934</u>	<u>\$ 2,562,647</u>

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

TOWN OF DEMOTTE  
NOTES TO FINANCIAL STATEMENTS

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

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

The financial statements are reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

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

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

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

TOWN OF DEMOTTE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

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

*E. Disbursements*

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

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

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

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

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

TOWN OF DEMOTTE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

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

*G. Fund Accounting*

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

TOWN OF DEMOTTE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 4. *Deposits and Investments***

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

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

**Note 5. *Risk Management***

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

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

**Note 6. *Holding Corporation***

In 2010, the Town entered into capital leases with DeMotte Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related party of the Town. Lease payments during the years 2011, 2012, 2013, and 2014 were \$0, \$169,000, \$168,000, and \$166,000, respectively.

**Note 7. *Subsequent Events***

In September of 2014, the Town of DeMotte passed an ordinance to refinance its 2000 Sewage Works Revenue Bonds. These old bonds are considered retired and a new bond issue "Sewage Works Refunding Revenue Bonds Series 2014" was put into place when the closing occurred in January of 2015. The principal total of the new issue was \$1,560,000. The new bond is scheduled to be paid off in November of 2021. In 2015, a total debt service payment of \$242,021 will be required.

**Note 8. *Retirement Plan***

The Town of DeMotte offers its employees the option to participate in a simple IRA plan with Edward Jones. If the employee chooses to do so, after 2 years of employment, the employee is eligible and the Town will match 100 percent of the employee's contribution up to a total of 3 percent of their salary.

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#### OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Motor Vehicle Hwy Fund	Local Roads & Streets	Parks Nonreverting	OWI	Grant Receipts	Law Enforcement Cont Edu	Rainy Day Fund	Levy Excess
Cash and investments - beginning	\$ 303,517	\$ 23,866	\$ 8,376	\$ 10,417	\$ 1,087	\$ -	\$ 3,057	\$ 506,700	\$ 2,434
Receipts:									
Taxes	861,642	-	-	-	-	-	-	-	-
Licenses and permits	48,273	-	-	-	-	-	1,000	-	-
Intergovernmental	369,968	85,585	16,667	-	-	-	-	-	-
Charges for services	39,755	-	-	-	-	-	-	-	-
Fines and forfeits	28,540	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	49,304	-	-	12,694	4,000	-	1,801	12,181	-
Total receipts	1,397,482	85,585	16,667	12,694	4,000	-	2,801	12,181	-
Disbursements:									
Personal services	1,022,158	63,541	-	-	-	-	-	-	-
Supplies	77,071	18,146	-	-	-	-	-	-	-
Other services and charges	249,528	5,500	20,500	-	4,434	-	3,881	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	5,008	11,114	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	8,672	-	-	-	128,265	-
Total disbursements	1,353,765	98,301	20,500	8,672	4,434	-	3,881	128,265	-
Excess (deficiency) of receipts over disbursements	43,717	(12,716)	(3,833)	4,022	(434)	-	(1,080)	(116,084)	-
Cash and investments - ending	\$ 347,234	\$ 11,150	\$ 4,543	\$ 14,439	\$ 653	\$ -	\$ 1,977	\$ 390,616	\$ 2,434

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

	Cumulative Capital Imprv	Cumulative Capital Dev	CEDIT Revenue Fund	Park Donations	Attendance Officer Grant	Water Non Reverting	LOIT - Public Safety	MVH Sign Non Reverting
Cash and investments - beginning	\$ 38,528	\$ 7,314	\$ 56,438	\$ 29,772	\$ 190	\$ 520	\$ 114,816	\$ (218)
Receipts:								
Taxes	-	42,592	-	-	-	-	117,876	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	9,287	3,805	103,106	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	29,963	-	520	-	218
Total receipts	9,287	46,397	103,106	29,963	-	520	117,876	218
Disbursements:								
Personal services	-	-	-	-	-	-	63,704	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	34,702	13,905	46,558	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	27,939	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	33,928	-	500	720	-
Total disbursements	34,702	13,905	46,558	33,928	-	500	92,363	-
Excess (deficiency) of receipts over disbursements	(25,415)	32,492	56,548	(3,965)	-	20	25,513	218
Cash and investments - ending	\$ 13,113	\$ 39,806	\$ 112,986	\$ 25,807	\$ 190	\$ 540	\$ 140,329	\$ -

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

	Lease Rent Pmt	Sewage Debt Serv Reserve	Payroll Fund	Sewage Bond & Interest	Sewage Construction Fund	Sewage Utility Operating	Town Court	Totals
Cash and investments - beginning	\$ 64,068	\$ 394,647	\$ 25,791	\$ 105,882	\$ 695,739	\$ 549,934	\$ 946	\$ 2,943,821
Receipts:								
Taxes	-	-	-	-	-	-	-	1,022,110
Licenses and permits	-	-	-	-	-	-	-	49,273
Intergovernmental	-	-	-	-	-	-	-	588,418
Charges for services	-	-	-	-	-	-	-	39,755
Fines and forfeits	-	-	-	-	-	-	-	28,540
Utility fees	-	-	-	-	152,300	1,202,287	1,964	1,356,551
Other receipts	-	-	1,252,863	301,488	500,000	152,459	-	2,317,491
Total receipts	-	-	1,252,863	301,488	652,300	1,354,746	1,964	5,402,138
Disbursements:								
Personal services	-	-	1,278,654	-	-	197,129	-	2,625,186
Supplies	-	-	-	-	-	-	-	95,217
Other services and charges	-	-	-	-	-	17,045	-	396,053
Debt service - principal and interest	-	-	-	299,598	-	-	-	299,598
Capital outlay	-	-	-	-	33,890	-	-	77,951
Utility operating expenses	-	-	-	-	-	495,227	-	495,227
Other disbursements	-	-	-	1,025	3,828	831,239	2,863	1,011,040
Total disbursements	-	-	1,278,654	300,623	37,718	1,540,640	2,863	5,000,272
Excess (deficiency) of receipts over disbursements	-	-	(25,791)	865	614,582	(185,894)	(899)	401,866
Cash and investments - ending	\$ 64,068	\$ 394,647	\$ -	\$ 106,747	\$ 1,310,321	\$ 364,040	\$ 47	\$ 3,345,687

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

	General	Motor Vehicle Hwy Fund	Local Roads & Streets	Parks Nonreverting	OWI	Grant Receipts	Law Enforcement Cont Edu	Rainy Day Fund	Levy Excess
Cash and investments - beginning	\$ 347,234	\$ 11,150	\$ 4,543	\$ 14,439	\$ 653	\$ -	\$ 1,977	\$ 390,616	\$ 2,434
Receipts:									
Taxes	693,576	-	-	-	-	-	-	-	46,154
Licenses and permits	51,475	-	-	-	-	-	2,590	-	-
Intergovernmental	595,865	93,252	17,503	-	-	190,531	-	-	-
Charges for services	43,578	-	-	11,875	-	-	-	-	-
Fines and forfeits	430	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	40,733	9,082	-	-	2,400	-	2,516	118,670	-
Total receipts	1,425,657	102,334	17,503	11,875	2,400	190,531	5,106	118,670	46,154
Disbursements:									
Personal services	997,926	50,035	-	-	-	-	-	-	-
Supplies	81,015	23,158	15,000	14,868	-	-	-	-	-
Other services and charges	228,602	982	-	-	2,217	-	3,473	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	4,877	-	-	-	-	190,531	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	104,803	20,494	-	4,079	-	-	-	9,106	-
Total disbursements	1,417,223	94,669	15,000	18,947	2,217	190,531	3,473	9,106	-
Excess (deficiency) of receipts over disbursements	8,434	7,665	2,503	(7,072)	183	-	1,633	109,564	46,154
Cash and investments - ending	\$ 355,668	\$ 18,815	\$ 7,046	\$ 7,367	\$ 836	\$ -	\$ 3,610	\$ 500,180	\$ 48,588

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

	Cumulative Capital Imprv	Cumulative Capital Dev	CEDIT Revenue Fund	Park Donations	Attendance Officer Grant	Water Non Reverting	LOIT - Public Safety	MVH Sign Non Reverting
Cash and investments - beginning	\$ 13,113	\$ 39,806	\$ 112,986	\$ 25,807	\$ 190	\$ 540	\$ 140,329	\$ -
Receipts:								
Taxes	-	40,358	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	988	-	-
Intergovernmental	10,116	4,109	131,408	-	-	-	116,728	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,640	-	-	-	-
Total receipts	<u>10,116</u>	<u>44,467</u>	<u>131,408</u>	<u>1,640</u>	<u>-</u>	<u>988</u>	<u>116,728</u>	<u>-</u>
Disbursements:								
Personal services	-	-	-	-	-	-	61,963	-
Supplies	-	73,385	-	-	-	-	3,092	-
Other services and charges	-	-	-	16,465	-	950	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	43,058	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	180,830	-	-	-	-	-
Total disbursements	<u>-</u>	<u>73,385</u>	<u>180,830</u>	<u>16,465</u>	<u>-</u>	<u>950</u>	<u>108,113</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>10,116</u>	<u>(28,918)</u>	<u>(49,422)</u>	<u>(14,825)</u>	<u>-</u>	<u>38</u>	<u>8,615</u>	<u>-</u>
Cash and investments - ending	<u>\$ 23,229</u>	<u>\$ 10,888</u>	<u>\$ 63,564</u>	<u>\$ 10,982</u>	<u>\$ 190</u>	<u>\$ 578</u>	<u>\$ 148,944</u>	<u>\$ -</u>

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

	Lease Rent Pmt	Sewage Debt Serv Reserve	Payroll Fund	Sewage Bond & Interest	Sewage Construction Fund	Sewage Utility Operating	Town Court	Totals
Cash and investments - beginning	\$ 64,068	\$ 394,647	\$ -	\$ 106,747	\$ 1,310,321	\$ 364,040	\$ 47	\$ 3,345,687
Receipts:								
Taxes	87,174	-	-	-	-	-	-	867,262
Licenses and permits	-	-	-	-	-	-	-	55,053
Intergovernmental	8,876	-	-	-	-	-	-	1,168,388
Charges for services	-	-	-	-	-	-	-	55,453
Fines and forfeits	-	-	-	-	-	-	2,817	3,247
Utility fees	-	-	-	-	33,352	1,247,613	-	1,280,965
Other receipts	-	-	1,335,871	307,296	325,000	2,188	-	2,145,396
<b>Total receipts</b>	<b>96,050</b>	<b>-</b>	<b>1,335,871</b>	<b>307,296</b>	<b>358,352</b>	<b>1,249,801</b>	<b>2,817</b>	<b>5,575,764</b>
Disbursements:								
Personal services	-	-	1,335,871	-	-	219,148	-	2,664,943
Supplies	-	-	-	-	-	-	-	210,518
Other services and charges	-	-	-	-	-	19,805	-	272,494
Debt service - principal and interest	158,107	-	-	306,874	-	-	-	464,981
Capital outlay	-	-	-	-	51,252	-	-	289,718
Utility operating expenses	-	-	-	-	-	197,828	-	197,828
Other disbursements	-	-	-	775	189,222	923,133	2,777	1,435,219
<b>Total disbursements</b>	<b>158,107</b>	<b>-</b>	<b>1,335,871</b>	<b>307,649</b>	<b>240,474</b>	<b>1,359,914</b>	<b>2,777</b>	<b>5,535,701</b>
Excess (deficiency) of receipts over disbursements	(62,057)	-	-	(353)	117,878	(110,113)	40	40,063
Cash and investments - ending	\$ 2,011	\$ 394,647	\$ -	\$ 106,394	\$ 1,428,199	\$ 253,927	\$ 87	\$ 3,385,750

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

	General	Motor Vechicle Hwy Fund	Local Roads & Streets	Parks Nonreverting	OWI	Law Enforcement Cont Edu	Park Donations	Rainy Day Funds	CEDIT Revenue Fund
Cash and investments - beginning	\$ 355,668	\$ 18,815	\$ 7,046	\$ 7,367	\$ 836	\$ 3,610	\$ 10,982	\$ 500,180	\$ 63,564
Receipts:									
Taxes	690,209	-	-	-	-	-	-	-	-
Licenses and permits	57,206	-	-	-	-	2,470	-	-	-
Intergovernmental	621,911	109,331	19,112	-	-	-	-	-	134,992
Charges for services	31,188	-	-	-	-	-	-	-	-
Fines and forfeits	542	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	34,449	29	-	15,621	2,614	1,808	1,000	4,400	-
Total receipts	1,435,505	109,360	19,112	15,621	2,614	4,278	1,000	4,400	134,992
Disbursements:									
Personal services	1,057,600	52,379	-	-	-	-	-	-	-
Supplies	85,916	26,368	20,869	5,732	-	-	-	-	-
Other services and charges	193,111	544	-	-	1,105	4,135	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	2,819	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	97,650	17,711	-	9,067	-	-	-	330,131	118,000
Total disbursements	1,437,096	97,002	20,869	14,799	1,105	4,135	-	330,131	118,000
Excess (deficiency) of receipts over disbursements	(1,591)	12,358	(1,757)	822	1,509	143	1,000	(325,731)	16,992
Cash and investments - ending	\$ 354,077	\$ 31,173	\$ 5,289	\$ 8,189	\$ 2,345	\$ 3,753	\$ 11,982	\$ 174,449	\$ 80,556

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

	Levy Excess Fund	Cumulative Capital Imprv	Cumulative Capital Dev	Sewage Bond & Interest	TIF District Revenue	LOIT - Public Safety	Attendance Officer Grant	Lease Rent Pmt
Cash and investments - beginning	\$ 48,588	\$ 23,229	\$ 10,888	\$ 106,394	\$ -	\$ 148,944	\$ 190	\$ 2,011
Receipts:								
Taxes	-	-	42,286	-	16,013	-	-	175,118
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	10,239	11,552	-	-	122,663	-	18,071
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	305,895	-	-	-	-
Total receipts	-	10,239	53,838	305,895	16,013	122,663	-	193,189
Disbursements:								
Personal services	-	-	-	-	-	81,180	-	-
Supplies	-	-	-	-	-	1,013	-	-
Other services and charges	-	31,410	52,447	-	-	-	-	-
Debt service - principal and interest	-	-	-	304,945	-	-	-	170,603
Capital outlay	-	-	-	-	-	27,339	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	775	12,035	-	-	-
Total disbursements	-	31,410	52,447	305,720	12,035	109,532	-	170,603
Excess (deficiency) of receipts over disbursements	-	(21,171)	1,391	175	3,978	13,131	-	22,586
Cash and investments - ending	\$ 48,588	\$ 2,058	\$ 12,279	\$ 106,569	\$ 3,978	\$ 162,075	\$ 190	\$ 24,597

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

	Water Non Reverting	Payroll Fund	Sewage Utility Operating	Sewage Construction Fund	Sewage Bond & Interest	Sewage Debt Serv Reserve	TOWN COURT	Totals
Cash and investments - beginning	\$ 578	\$ -	\$ 253,927	\$ 1,428,199	\$ -	\$ 394,647	\$ 87	\$ 3,385,750
Receipts:								
Taxes	-	-	-	-	-	-	-	923,626
Licenses and permits	-	-	-	-	-	-	-	59,676
Intergovernmental	-	-	-	-	-	-	-	1,047,871
Charges for services	-	-	-	-	-	-	-	31,188
Fines and forfeits	-	-	-	-	-	-	3,275	3,817
Utility fees	-	-	1,337,055	17,309	-	-	-	1,354,364
Other receipts	-	1,439,750	1,312	-	-	-	-	1,806,878
Total receipts	-	1,439,750	1,338,367	17,309	-	-	3,275	5,227,420
Disbursements:								
Personal services	-	1,428,219	239,637	-	-	-	-	2,859,015
Supplies	-	-	-	-	-	-	-	139,898
Other services and charges	-	-	22,123	-	-	-	-	304,875
Debt service - principal and interest	-	-	-	-	-	-	-	475,548
Capital outlay	-	-	-	26,499	-	-	-	56,657
Utility operating expenses	-	-	196,714	-	-	-	-	196,714
Other disbursements	-	-	679,473	383	-	-	2,741	1,267,966
Total disbursements	-	1,428,219	1,137,947	26,882	-	-	2,741	5,300,673
Excess (deficiency) of receipts over disbursements	-	11,531	200,420	(9,573)	-	-	534	(73,253)
Cash and investments - ending	\$ 578	\$ 11,531	\$ 454,347	\$ 1,418,626	\$ -	\$ 394,647	\$ 621	\$ 3,312,497

TOWN OF DEMOTTE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2014

	General	Motor Vechicle Hwy Fund	Local Roads & Streets	Parks Nonreverting	OWI	Law Enforcement Cont Edu	Park Donations	Rainy Day Funds	CEDIT Revenue Fund
Cash and investments - beginning	\$ 354,077	\$ 31,173	\$ 5,289	\$ 8,189	\$ 2,345	\$ 3,753	\$ 11,982	\$ 174,449	\$ 80,556
Receipts:									
Taxes	713,859	-	-	-	-	-	-	-	-
Licenses and permits	53,571	-	-	-	-	2,185	-	-	-
Intergovernmental	672,268	134,831	18,074	-	-	-	-	-	156,593
Charges for services	30,962	-	-	-	-	-	-	-	-
Fines and forfeits	350	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	161,117	4,246	-	14,432	3,000	1,415	1,000	122,459	-
Total receipts	1,632,127	139,077	18,074	14,432	3,000	3,600	1,000	122,459	156,593
Disbursements:									
Personal services	1,159,929	68,180	-	-	-	-	-	-	-
Supplies	80,211	38,457	21,000	4,199	-	-	-	-	-
Other services and charges	180,952	1,980	-	-	2,158	1,685	2,767	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	4,836	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	173,854	10,193	-	7,170	-	-	-	167,164	233,956
Total disbursements	1,599,782	118,810	21,000	11,369	2,158	1,685	2,767	167,164	233,956
Excess (deficiency) of receipts over disbursements	32,345	20,267	(2,926)	3,063	842	1,915	(1,767)	(44,705)	(77,363)
Cash and investments - ending	\$ 386,422	\$ 51,440	\$ 2,363	\$ 11,252	\$ 3,187	\$ 5,668	\$ 10,215	\$ 129,744	\$ 3,193

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

	Levy Excess Fund	Cumulative Capital Imprv	Cumulative Capital Dev	Sewage Bond & Interest	TIF District Revenue	LOIT - Public Safety	Attendance Officer Grant	Lease Rent Pmt
Cash and investments - beginning	\$ 48,588	\$ 2,058	\$ 12,279	\$ 106,569	\$ 3,978	\$ 162,075	\$ 190	\$ 24,597
Receipts:								
Taxes	2,431	-	41,291	-	6,146	-	-	208,495
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	10,089	16,318	-	-	128,445	-	22,113
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	319,109	-	-	-	-
Total receipts	2,431	10,089	57,609	319,109	6,146	128,445	-	230,608
Disbursements:								
Personal services	-	-	-	-	-	80,513	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	55,548	-	-	-	-	-
Debt service - principal and interest	-	-	-	302,850	-	-	-	177,046
Capital outlay	-	-	-	-	-	124,008	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	51,019	-	-	82,483	-	-	-	-
Total disbursements	51,019	-	55,548	385,333	-	204,521	-	177,046
Excess (deficiency) of receipts over disbursements	(48,588)	10,089	2,061	(66,224)	6,146	(76,076)	-	53,562
Cash and investments - ending	\$ -	\$ 12,147	\$ 14,340	\$ 40,345	\$ 10,124	\$ 85,999	\$ 190	\$ 78,159

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

	Water Non Reverting	Payroll Fund	Sewage Utility Operating	Sewage Construction Fund	Sewage Bond & Interest	Sewage Debt Serv Reserve	TOWN COURT	Totals
Cash and investments - beginning	\$ 578	\$ 11,531	\$ 454,347	\$ 1,418,626	\$ -	\$ 394,647	\$ 621	\$ 3,312,497
Receipts:								
Taxes	-	-	-	-	-	-	-	972,222
Licenses and permits	-	-	-	-	-	-	-	55,756
Intergovernmental	-	-	-	-	-	-	-	1,158,731
Charges for services	-	-	-	-	-	-	-	30,962
Fines and forfeits	-	-	-	-	-	-	1,336	1,686
Utility fees	-	-	1,690,986	12,800	-	-	-	1,703,786
Other receipts	-	1,483,640	94,523	-	-	-	-	2,204,941
Total receipts	-	1,483,640	1,785,509	12,800	-	-	1,336	6,128,084
Disbursements:								
Personal services	-	1,451,674	289,077	-	-	-	-	3,049,373
Supplies	-	-	-	-	-	-	-	143,867
Other services and charges	578	-	27,684	-	-	-	-	273,352
Debt service - principal and interest	-	-	-	-	-	-	-	479,896
Capital outlay	-	-	2,860	239,645	-	-	-	371,349
Utility operating expenses	-	-	282,877	-	-	-	-	282,877
Other disbursements	-	-	1,155,315	-	-	394,647	1,419	2,277,220
Total disbursements	578	1,451,674	1,757,813	239,645	-	394,647	1,419	6,877,934
Excess (deficiency) of receipts over disbursements	(578)	31,966	27,696	(226,845)	-	(394,647)	(83)	(749,850)
Cash and investments - ending	\$ -	\$ 43,497	\$ 482,043	\$ 1,191,781	\$ -	\$ -	\$ 538	\$ 2,562,647

TOWN OF DEMOTTE  
SCHEDULE OF RECEIVABLES  
December 31, 2014

<u>Government or Enterprise</u>	<u>Accounts Receivable</u>
Wastewater Utility	\$ <u>15,392</u>
Totals	\$ <u><u>15,392</u></u>

TOWN OF DEMOTTE  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment
Governmental activities:		
DeMotte Building Corporation	\$1,200,000 Taxable Ad Valorem Series 2010 A	\$ 91,000
DeMotte Building Corporation	\$800,000 Taxable Ad Valorem Series 2010 B	<u>72,000</u>
Total of annual lease payments		<u>\$ 163,000</u>

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater Utility:			
Sewage Works Revenue Bonds of 2000		\$ 1,485,000	\$ 238,065
Sewage Works Revenue Bonds of 2005		<u>395,000</u>	<u>67,450</u>
Total Wastewater Utility Debt		<u>\$ 1,880,000</u>	<u>\$ 305,515</u>

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TOWN OF DEMOTTE  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2014

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 986,685
Buildings	2,217,406
Improvements other than buildings	1,109,612
Machinery, equipment, and vehicles	591,135
Total governmental activities	4,904,838
Wastewater Utility:	
Land	75,000
Infrastructure	18,771,412
Buildings	1,908,226
Improvements other than buildings	1,939,275
Machinery, equipment, and vehicles	640,061
Total Wastewater Utility	23,333,974
Total capital assets	\$ 28,238,812

#### OTHER REPORTS

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