

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF NORTH SALEM

HENDRICKS COUNTY, INDIANA

January 1, 2011 to December 31, 2014



FILED
02/12/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Beth Russell	01-01-11 to 12-31-18
President of the Town Council	Michael Selch	01-01-11 to 12-31-16



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF NORTH SALEM, HENDRICKS COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of North Salem (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.

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 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

October 5, 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 NORTH SALEM
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 Fund	\$ 79,391	\$ 156,288	\$ 175,994	\$ 59,685	\$ 157,884	\$ 183,597	\$ 33,972
Mvh	13,901	55,624	64,760	4,765	47,758	54,475	(1,952)
Lrs	16,714	7,834	24,665	(117)	6,765	3,285	3,363
Lece	3,408	579	3,840	147	428	131	444
Cedit Special Revenue	44,886	17,001	-	61,887	18,914	-	80,801
Cumulative Capital Improvement	4,690	1,697	1,516	4,871	1,374	-	6,245
Town Of North Salem	100	-	-	100	-	-	100
Trash Fund	12,523	16,486	15,204	13,805	17,406	15,891	15,320
Payroll	5,960	210,958	210,610	6,308	235,551	235,795	6,064
Waste Water Utility Customer Deposit	4,381	-	25	4,356	1,200	50	5,506
Wastewater Utility-Operating	1,112	126,770	117,665	10,217	132,413	123,016	19,614
Wastewater Util-Bond And Interest	161	10	-	171	10	-	181
Wastewater Utility-Deprec/Improve	7,646	-	-	7,646	-	-	7,646
Water Utility-Operating	2,240	99,451	99,132	2,559	148,812	99,322	52,049
Water Utility-Bond And Interest	161	10	-	171	10	-	181
Water Utility-Depreciation/Improve	12,922	-	-	12,922	-	-	12,922
Water Utility-Customer Deposit	12,558	1,800	1,060	13,298	1,250	550	13,998
Water Utility Debt Service	1,000	-	1,000	-	-	-	-
Totals	<u>\$ 223,754</u>	<u>\$ 694,508</u>	<u>\$ 715,471</u>	<u>\$ 202,791</u>	<u>\$ 769,775</u>	<u>\$ 716,112</u>	<u>\$ 256,454</u>

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

TOWN OF NORTH SALEM
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 Fund	\$ 33,972	\$ 169,284	\$ 210,374	\$ (7,118)	\$ 191,631	\$ 188,473	\$ (3,960)
Mvh	(1,952)	37,636	36,901	(1,217)	38,850	26,830	10,803
Lrs	3,363	6,692	2,875	7,180	6,172	5,075	8,277
Lece	444	400	-	844	444	150	1,138
Cedit Special Revenue	80,802	18,511	-	99,313	19,853	4,000	115,166
Cumulative Capital Improvement	6,245	1,391	644	6,992	1,370	1,038	7,324
Planning Grant	-	30,000	30,000	-	-	-	-
Emergency Water Line Grant	-	33,310	30,920	2,390	113,690	116,080	-
Town Of North Salem	100	-	-	100	-	-	100
Trash Fund	15,320	19,219	15,621	18,918	18,912	31,827	6,003
Payroll	6,064	266,456	265,619	6,901	260,440	260,763	6,578
Waste Water Utility Customer Deposit	5,506	350	425	5,431	475	190	5,716
Wastewater Utility-Operating	19,614	153,822	149,378	24,058	120,064	139,630	4,492
Wastewater Util-Bond And Interest	181	10	-	191	10	-	201
Wastewater Utility-Deprec/Improve	7,646	-	-	7,646	-	-	7,646
Water Utility-Operating	52,049	125,313	140,099	37,263	102,731	114,509	25,485
Water Utility-Bond And Interest	181	10	-	191	10	-	201
Water Utility-Depreciation/Improve	12,922	-	-	12,922	-	-	12,922
Water Utility-Customer Deposit	13,998	325	1,175	13,148	525	680	12,993
Totals	<u>\$ 256,455</u>	<u>\$ 862,729</u>	<u>\$ 884,031</u>	<u>\$ 235,153</u>	<u>\$ 875,177</u>	<u>\$ 889,245</u>	<u>\$ 221,085</u>

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

TOWN OF NORTH SALEM
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may 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 NORTH SALEM
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.

Penalties which include fees received for late payments.

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

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial 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 NORTH SALEM
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 NORTH SALEM
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. Cash Balance Deficits

The financial statements contain some funds with deficits in cash. The 2011 deficit is the result of paving project expenses. The 2012 deficit is the result of overtime hours paid to the Street Superintendent and his assistant. The 2013 Mvh deficit is the result of overtime hours paid to the Street Superintendent, as well as an increased payment for street lights due to a rate increase. The 2013 General Fund deficit is the result of an unexpected electrical issue at the fire station, as well as paying for an additional Town Deputy Marshal. The 2014 deficit in the General Fund is the result of the residual effect of the 2013 deficit.

Note 7. Combined Funds

Funds related to customer deposits were reported as combined in the prior financial statements, but were separated into two funds for the current financial statements.

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

	General Fund	Mvh	Lrs	Lece	Cedit Special Revenue	Cumulative Capital Improvement	Town Of North Salem
Cash and investments - beginning	\$ 79,391	\$ 13,901	\$ 16,714	\$ 3,408	\$ 44,886	\$ 4,690	\$ 100
Receipts:							
Taxes	77,833	18,606	-	-	-	-	-
Licenses and permits	-	-	-	540	-	-	-
Intergovernmental	68,832	34,155	7,834	-	17,001	1,697	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	39	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	9,623	2,863	-	-	-	-	-
Total receipts	<u>156,288</u>	<u>55,624</u>	<u>7,834</u>	<u>579</u>	<u>17,001</u>	<u>1,697</u>	<u>-</u>
Disbursements:							
Personal services	106,021	40,111	-	-	-	-	-
Supplies	9,393	2,478	4,060	-	-	-	-
Other services and charges	51,598	7,563	4,747	3,840	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	7,446	14,608	14,608	-	-	1,516	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,536	-	1,250	-	-	-	-
Total disbursements	<u>175,994</u>	<u>64,760</u>	<u>24,665</u>	<u>3,840</u>	<u>-</u>	<u>1,516</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(19,706)</u>	<u>(9,136)</u>	<u>(16,831)</u>	<u>(3,261)</u>	<u>17,001</u>	<u>181</u>	<u>-</u>
Cash and investments - ending	<u>\$ 59,685</u>	<u>\$ 4,765</u>	<u>\$ (117)</u>	<u>\$ 147</u>	<u>\$ 61,887</u>	<u>\$ 4,871</u>	<u>\$ 100</u>

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

	Trash Fund	Payroll	Waste Water Utility Customer Deposit	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Deprec/Improve
Cash and investments - beginning	\$ 12,523	\$ 5,960	\$ 4,381	\$ 1,112	\$ 161	\$ 7,646
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	16,486	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	126,770	-	-
Other receipts	-	210,958	-	-	10	-
Total receipts	<u>16,486</u>	<u>210,958</u>	<u>-</u>	<u>126,770</u>	<u>10</u>	<u>-</u>
Disbursements:						
Personal services	-	210,610	-	29,892	-	-
Supplies	-	-	-	-	-	-
Other services and charges	15,204	-	-	3,514	-	-
Debt service - principal and interest	-	-	-	23,850	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	55,562	-	-
Other disbursements	-	-	25	4,847	-	-
Total disbursements	<u>15,204</u>	<u>210,610</u>	<u>25</u>	<u>117,665</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,282</u>	<u>348</u>	<u>(25)</u>	<u>9,105</u>	<u>10</u>	<u>-</u>
Cash and investments - ending	<u>\$ 13,805</u>	<u>\$ 6,308</u>	<u>\$ 4,356</u>	<u>\$ 10,217</u>	<u>\$ 171</u>	<u>\$ 7,646</u>

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

	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Water Utility Debt Service	Totals
Cash and investments - beginning	\$ 2,240	\$ 161	\$ 12,922	\$ 12,558	\$ 1,000	\$ 223,754
Receipts:						
Taxes	-	-	-	-	-	96,439
Licenses and permits	-	-	-	-	-	540
Intergovernmental	-	-	-	-	-	129,519
Charges for services	-	-	-	-	-	16,486
Fines and forfeits	-	-	-	-	-	39
Utility fees	99,451	-	-	-	-	226,221
Other receipts	-	10	-	1,800	-	225,264
Total receipts	<u>99,451</u>	<u>10</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>694,508</u>
Disbursements:						
Personal services	43,587	-	-	-	-	430,221
Supplies	-	-	-	-	-	15,931
Other services and charges	3,514	-	-	-	-	89,980
Debt service - principal and interest	15,928	-	-	-	1,000	40,778
Capital outlay	-	-	-	-	-	38,178
Utility operating expenses	20,994	-	-	-	-	76,556
Other disbursements	15,109	-	-	1,060	-	23,827
Total disbursements	<u>99,132</u>	<u>-</u>	<u>-</u>	<u>1,060</u>	<u>1,000</u>	<u>715,471</u>
Excess (deficiency) of receipts over disbursements	<u>319</u>	<u>10</u>	<u>-</u>	<u>740</u>	<u>(1,000)</u>	<u>(20,963)</u>
Cash and investments - ending	<u>\$ 2,559</u>	<u>\$ 171</u>	<u>\$ 12,922</u>	<u>\$ 13,298</u>	<u>\$ -</u>	<u>\$ 202,791</u>

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

	General Fund	Mvh	Lrs	Lece	Cedit Special Revenue	Cumulative Capital Improvement	Town Of North Salem
Cash and investments - beginning	\$ 59,685	\$ 4,765	\$ (117)	\$ 147	\$ 61,887	\$ 4,871	\$ 100
Receipts:							
Taxes	78,717	18,252	-	-	-	-	-
Licenses and permits	-	-	-	310	-	-	-
Intergovernmental	76,687	29,506	6,765	-	18,914	1,374	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	118	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,480	-	-	-	-	-	-
Total receipts	<u>157,884</u>	<u>47,758</u>	<u>6,765</u>	<u>428</u>	<u>18,914</u>	<u>1,374</u>	<u>-</u>
Disbursements:							
Personal services	114,019	46,897	-	-	-	-	-
Supplies	12,808	2,479	2,785	-	-	-	-
Other services and charges	51,610	5,099	500	131	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,160	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>183,597</u>	<u>54,475</u>	<u>3,285</u>	<u>131</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(25,713)</u>	<u>(6,717)</u>	<u>3,480</u>	<u>297</u>	<u>18,914</u>	<u>1,374</u>	<u>-</u>
Cash and investments - ending	<u>\$ 33,972</u>	<u>\$ (1,952)</u>	<u>\$ 3,363</u>	<u>\$ 444</u>	<u>\$ 80,801</u>	<u>\$ 6,245</u>	<u>\$ 100</u>

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

	Trash Fund	Payroll	Waste Water Utility Customer Deposit	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Deprec/Improve
Cash and investments - beginning	\$ 13,805	\$ 6,308	\$ 4,356	\$ 10,217	\$ 171	\$ 7,646
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	17,406	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	132,413	-	-
Other receipts	-	235,551	1,200	-	10	-
Total receipts	<u>17,406</u>	<u>235,551</u>	<u>1,200</u>	<u>132,413</u>	<u>10</u>	<u>-</u>
Disbursements:						
Personal services	-	235,795	-	33,359	-	-
Supplies	-	-	-	-	-	-
Other services and charges	15,891	-	-	3,517	-	-
Debt service - principal and interest	-	-	-	23,150	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	53,348	-	-
Other disbursements	-	-	50	9,642	-	-
Total disbursements	<u>15,891</u>	<u>235,795</u>	<u>50</u>	<u>123,016</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,515</u>	<u>(244)</u>	<u>1,150</u>	<u>9,397</u>	<u>10</u>	<u>-</u>
Cash and investments - ending	<u>\$ 15,320</u>	<u>\$ 6,064</u>	<u>\$ 5,506</u>	<u>\$ 19,614</u>	<u>\$ 181</u>	<u>\$ 7,646</u>

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

	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Water Utility Debt Service	Totals
Cash and investments - beginning	\$ 2,559	\$ 171	\$ 12,922	\$ 13,298	\$ -	\$ 202,791
Receipts:						
Taxes	-	-	-	-	-	96,969
Licenses and permits	-	-	-	-	-	310
Intergovernmental	-	-	-	-	-	133,246
Charges for services	-	-	-	-	-	17,406
Fines and forfeits	-	-	-	-	-	118
Utility fees	148,812	-	-	-	-	281,225
Other receipts	-	10	-	1,250	-	240,501
Total receipts	<u>148,812</u>	<u>10</u>	<u>-</u>	<u>1,250</u>	<u>-</u>	<u>769,775</u>
Disbursements:						
Personal services	44,128	-	-	-	-	474,198
Supplies	-	-	-	-	-	18,072
Other services and charges	3,517	-	-	-	-	80,265
Debt service - principal and interest	15,300	-	-	-	-	38,450
Capital outlay	-	-	-	-	-	5,160
Utility operating expenses	22,532	-	-	-	-	75,880
Other disbursements	13,845	-	-	550	-	24,087
Total disbursements	<u>99,322</u>	<u>-</u>	<u>-</u>	<u>550</u>	<u>-</u>	<u>716,112</u>
Excess (deficiency) of receipts over disbursements	<u>49,490</u>	<u>10</u>	<u>-</u>	<u>700</u>	<u>-</u>	<u>53,663</u>
Cash and investments - ending	<u>\$ 52,049</u>	<u>\$ 181</u>	<u>\$ 12,922</u>	<u>\$ 13,998</u>	<u>\$ -</u>	<u>\$ 256,454</u>

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

	General Fund	Mvh	Lrs	Lece	Cedit Special Revenue	Cumulative Capital Improvement	Planning Grant
Cash and investments - beginning	\$ 33,972	\$ (1,952)	\$ 3,363	\$ 444	\$ 80,802	\$ 6,245	\$ -
Receipts:							
Taxes	91,821	7,781	-	-	-	-	-
Licenses and permits	-	-	-	270	-	-	-
Intergovernmental	74,529	29,855	6,042	-	18,511	1,391	30,000
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	130	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,934	-	650	-	-	-	-
Total receipts	<u>169,284</u>	<u>37,636</u>	<u>6,692</u>	<u>400</u>	<u>18,511</u>	<u>1,391</u>	<u>30,000</u>
Disbursements:							
Personal services	140,879	28,154	-	-	-	-	-
Supplies	14,627	2,955	2,025	-	-	-	-
Other services and charges	46,313	5,792	850	-	-	644	30,000
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	8,555	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>210,374</u>	<u>36,901</u>	<u>2,875</u>	<u>-</u>	<u>-</u>	<u>644</u>	<u>30,000</u>
Excess (deficiency) of receipts over disbursements	<u>(41,090)</u>	<u>735</u>	<u>3,817</u>	<u>400</u>	<u>18,511</u>	<u>747</u>	<u>-</u>
Cash and investments - ending	<u>\$ (7,118)</u>	<u>\$ (1,217)</u>	<u>\$ 7,180</u>	<u>\$ 844</u>	<u>\$ 99,313</u>	<u>\$ 6,992</u>	<u>\$ -</u>

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

	Emergency Water Line Grant	Town Of North Salem	Trash Fund	Payroll	Waste Water Utility Customer Deposit	Wastewater Utility-Operating	Wastewater Util-Bond And Interest
Cash and investments - beginning	\$ -	\$ 100	\$ 15,320	\$ 6,064	\$ 5,506	\$ 19,614	\$ 181
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	33,310	-	-	-	-	-	-
Charges for services	-	-	19,219	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	128,979	-
Other receipts	-	-	-	266,456	350	24,843	10
Total receipts	<u>33,310</u>	<u>-</u>	<u>19,219</u>	<u>266,456</u>	<u>350</u>	<u>153,822</u>	<u>10</u>
Disbursements:							
Personal services	-	-	-	265,619	-	38,341	-
Supplies	-	-	-	-	-	-	-
Other services and charges	30,920	-	15,621	-	-	5,317	-
Debt service - principal and interest	-	-	-	-	-	23,450	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	63,216	-
Other disbursements	-	-	-	-	425	19,054	-
Total disbursements	<u>30,920</u>	<u>-</u>	<u>15,621</u>	<u>265,619</u>	<u>425</u>	<u>149,378</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,390</u>	<u>-</u>	<u>3,598</u>	<u>837</u>	<u>(75)</u>	<u>4,444</u>	<u>10</u>
Cash and investments - ending	<u>\$ 2,390</u>	<u>\$ 100</u>	<u>\$ 18,918</u>	<u>\$ 6,901</u>	<u>\$ 5,431</u>	<u>\$ 24,058</u>	<u>\$ 191</u>

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

	Wastewater Utility-Deprec/Improve	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 7,646	\$ 52,049	\$ 181	\$ 12,922	\$ 13,998	\$ 256,455
Receipts:						
Taxes	-	-	-	-	-	99,602
Licenses and permits	-	-	-	-	-	270
Intergovernmental	-	-	-	-	-	193,638
Charges for services	-	-	-	-	-	19,219
Fines and forfeits	-	-	-	-	-	130
Utility fees	-	100,470	-	-	-	229,449
Other receipts	-	24,843	10	-	325	320,421
Total receipts	-	125,313	10	-	325	862,729
Disbursements:						
Personal services	-	47,640	-	-	-	520,633
Supplies	-	-	-	-	-	19,607
Other services and charges	-	5,317	-	-	-	140,774
Debt service - principal and interest	-	14,750	-	-	-	38,200
Capital outlay	-	-	-	-	-	8,555
Utility operating expenses	-	36,888	-	-	-	100,104
Other disbursements	-	35,504	-	-	1,175	56,158
Total disbursements	-	140,099	-	-	1,175	884,031
Excess (deficiency) of receipts over disbursements	-	(14,786)	10	-	(850)	(21,302)
Cash and investments - ending	\$ 7,646	\$ 37,263	\$ 191	\$ 12,922	\$ 13,148	\$ 235,153

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

	General Fund	Mvh	Lrs	Lece	Cedit Special Revenue	Cumulative Capital Improvement	Planning Grant
Cash and investments - beginning	\$ (7,118)	\$ (1,217)	\$ 7,180	\$ 844	\$ 99,313	\$ 6,992	\$ -
Receipts:							
Taxes	93,281	2,305	-	-	-	-	-
Licenses and permits	-	-	-	340	-	-	-
Intergovernmental	79,491	32,503	6,172	-	19,853	1,370	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	104	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	18,859	4,042	-	-	-	-	-
Total receipts	<u>191,631</u>	<u>38,850</u>	<u>6,172</u>	<u>444</u>	<u>19,853</u>	<u>1,370</u>	<u>-</u>
Disbursements:							
Personal services	128,909	17,382	-	-	-	-	-
Supplies	12,940	3,656	4,925	-	-	-	-
Other services and charges	42,860	5,792	150	150	-	1,038	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	4,000	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	3,764	-	-	-	-	-	-
Total disbursements	<u>188,473</u>	<u>26,830</u>	<u>5,075</u>	<u>150</u>	<u>4,000</u>	<u>1,038</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,158</u>	<u>12,020</u>	<u>1,097</u>	<u>294</u>	<u>15,853</u>	<u>332</u>	<u>-</u>
Cash and investments - ending	<u>\$ (3,960)</u>	<u>\$ 10,803</u>	<u>\$ 8,277</u>	<u>\$ 1,138</u>	<u>\$ 115,166</u>	<u>\$ 7,324</u>	<u>\$ -</u>

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

	Emergency Water Line Grant	Town Of North Salem	Trash Fund	Payroll	Waste Water Utility Customer Deposit	Wastewater Utility-Operating	Wastewater Util-Bond And Interest
Cash and investments - beginning	\$ 2,390	\$ 100	\$ 18,918	\$ 6,901	\$ 5,431	\$ 24,058	\$ 191
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	113,690	-	-	-	-	-	-
Charges for services	-	-	18,912	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	116,300	-
Other receipts	-	-	-	260,440	475	3,764	10
Total receipts	113,690	-	18,912	260,440	475	120,064	10
Disbursements:							
Personal services	-	-	-	260,763	-	47,740	-
Supplies	-	-	-	-	-	-	-
Other services and charges	116,080	-	15,827	-	-	6,007	-
Debt service - principal and interest	-	-	-	-	-	13,735	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	62,773	-
Other disbursements	-	-	16,000	-	190	9,375	-
Total disbursements	116,080	-	31,827	260,763	190	139,630	-
Excess (deficiency) of receipts over disbursements	(2,390)	-	(12,915)	(323)	285	(19,566)	10
Cash and investments - ending	\$ -	\$ 100	\$ 6,003	\$ 6,578	\$ 5,716	\$ 4,492	\$ 201

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

	Wastewater Utility-Deprec/Improve	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 7,646	\$ 37,263	\$ 191	\$ 12,922	\$ 13,148	\$ 235,153
Receipts:						
Taxes	-	-	-	-	-	95,586
Licenses and permits	-	-	-	-	-	340
Intergovernmental	-	-	-	-	-	253,079
Charges for services	-	-	-	-	-	18,912
Fines and forfeits	-	-	-	-	-	104
Utility fees	-	102,731	-	-	-	219,031
Other receipts	-	-	10	-	525	288,125
Total receipts	-	102,731	10	-	525	875,177
Disbursements:						
Personal services	-	52,923	-	-	-	507,717
Supplies	-	-	-	-	-	21,521
Other services and charges	-	6,007	-	-	-	193,911
Debt service - principal and interest	-	12,686	-	-	-	26,421
Capital outlay	-	-	-	-	-	4,000
Utility operating expenses	-	27,293	-	-	-	90,066
Other disbursements	-	15,600	-	-	680	45,609
Total disbursements	-	114,509	-	-	680	889,245
Excess (deficiency) of receipts over disbursements	-	(11,778)	10	-	(155)	(14,068)
Cash and investments - ending	\$ 7,646	\$ 25,485	\$ 201	\$ 12,922	\$ 12,993	\$ 221,085

TOWN OF NORTH SALEM
 SCHEDULE OF LEASES AND DEBT
 December 31, 2014

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater:			
Revenue bonds	Wastewater Utility	\$ -	\$ -
Notes and loans payable	To Pay Off Revenue Bonds	<u>145,680</u>	<u>21,428</u>
Total Wastewater		<u>145,680</u>	<u>21,428</u>
Water:			
Revenue bonds	Water Utility	-	-
Notes and loans payable	To Pay Off Revenue Bonds	<u>54,588</u>	<u>13,800</u>
Total Water		<u>54,588</u>	<u>13,800</u>
Totals		<u>\$ 200,268</u>	<u>\$ 35,228</u>

TOWN OF NORTH SALEM
 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	\$ 46,767
Infrastructure	8,626
Buildings	569,523
Machinery, equipment, and vehicles	85,937
Total governmental activities	710,853
Wastewater:	
Land	44,728
Buildings	253,327
Improvements other than buildings	1,004,056
Machinery, equipment, and vehicles	651,157
Total Wastewater	1,953,268
Water:	
Land	3,245
Buildings	104,210
Improvements other than buildings	347,510
Machinery, equipment, and vehicles	56,084
Total Water	511,049
Total capital assets	\$ 3,175,170

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/>.