

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

TOWN OF FILLMORE  
PUTNAM COUNTY, INDIANA

January 1, 2013 to December 31, 2014



**FILED**  
04/07/2016



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Wanda Seidler (Vacant) Paul Alleyn (Vacant) Thomas P. Gilson	01-01-08 to 04-04-15 04-05-15 to 04-13-15 04-14-15 to 08-08-15 08-09-15 to 09-30-15 10-01-15 to 12-31-15
President of the Town Council	James Wesley Terhune Alan F. Jones	01-01-11 to 12-31-11 01-01-12 to 12-31-15
Superintendent of Utilities	Joseph Cash	01-01-11 to 12-31-15



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF FILLMORE, PUTNAM COUNTY, INDIANA

### **Report on the Financial Statement**

We have audited the accompanying financial statement of the Town of Fillmore (Town), which comprises the financial position and results of operations for the period of January 1, 2013 to December 31, 2014, and the related notes to the financial statement as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statement***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

As discussed in Note 1 of the financial statement, the Town prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2013 to December 31, 2014.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2013 to December 31, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the Town's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated December 17, 2015, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

December 17, 2015



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

TO: THE OFFICIALS OF THE TOWN OF FILLMORE, PUTNAM COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Town of Fillmore (Town), which comprises the financial position and results of operations for the period of January 1, 2013 to December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated December 17, 2015, wherein we noted the Town followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

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

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

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


The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001.

**Town of Fillmore's Response to Findings**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

December 17, 2015

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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TOWN OF FILLMORE  
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	\$ 25,026	\$ 87,618	\$ 84,200	\$ 28,444	\$ 74,800	\$ 69,835	\$ 33,409
Motor Vehicle Highway	43,538	60,314	53,374	50,478	36,638	24,536	62,580
Local Road And Street	16,971	2,550	-	19,521	4,706	1,307	22,920
TF/FVFD Fire Station PF-13-1-1	-	-	-	-	27,000	-	27,000
Law Enforcement Continuing Ed	2,524	2,029	1,649	2,904	626	840	2,690
Riverboat	-	3,222	3,222	-	3,157	3,157	-
Rainy Day	9,523	-	5,047	4,476	-	-	4,476
Cedit	19,776	58,189	32,898	45,067	6,959	-	52,026
Cum Capital Improvement	16,784	750	-	17,534	1,410	-	18,944
Donations	1,170	-	-	1,170	148	-	1,318
Payroll	1,805	111,559	111,742	1,622	146,221	154,891	(7,048)
Wastewater Operating	118,172	234,410	225,289	127,293	233,830	209,856	151,267
WW Bond and Interest	13,951	-	-	13,951	-	-	13,951
WW Customer Deposits	5,881	-	-	5,881	-	-	5,881
WW Debt Service Reserve	16,324	-	-	16,324	52,551	26,275	42,600
Wastewater Security Dep 2	7,682	1,875	1,927	7,630	1,800	600	8,830
Water Operating	(15,419)	107,571	92,533	(381)	103,085	91,065	11,639
Water Bond And Interest	400	-	-	400	-	-	400
Water Customer Deposits	7,200	-	-	7,200	-	-	7,200
Water Debt Services Res	700	-	-	700	-	40	660
Water Security Deposit 2	10,023	2,400	2,769	9,654	2,200	919	10,935
Storm Water Operating	-	2,434	251	2,183	2,748	-	4,931
Stormwater Grant	-	719,436	719,336	100	-	-	100
Totals	<u>\$ 302,031</u>	<u>\$ 1,394,357</u>	<u>\$ 1,334,237</u>	<u>\$ 362,151</u>	<u>\$ 697,879</u>	<u>\$ 583,321</u>	<u>\$ 476,709</u>

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

TOWN OF FILLMORE  
NOTES TO FINANCIAL STATEMENT

**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, general administrative services, water, wastewater, and storm water.

The accompanying financial statement presents the financial information for the Town.

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of 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 statement. 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 FILLMORE  
NOTES TO FINANCIAL STATEMENT  
(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 FILLMORE  
NOTES TO FINANCIAL STATEMENT  
(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 statement. 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 statement contains some funds with deficits in cash. The financial statement presented in this report included the following funds with overdrawn cash balances: the Water Operating fund has a negative balance of \$381 as of December 31, 2013, and the Payroll fund has a negative balance of \$7,048 as of December 31, 2014. This was the result of cash disbursements exceeding cash receipts as of December 31 for the years noted and will be corrected with future receipts.

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#### OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Motor Vehicle Highway	Local Road And Street	TF/FVFD Fire Station PF-13-1-1	Law Enforcement Continuing Ed	Riverboat	Rainy Day	Cedit
Cash and investments - beginning	\$ 25,026	\$ 43,538	\$ 16,971	\$ -	\$ 2,524	\$ -	\$ 9,523	\$ 19,776
Receipts:								
Taxes	47,119	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	380	-	-	-
Intergovernmental	22,506	60,314	2,550	-	-	3,222	-	58,189
Charges for services	28	-	-	-	-	-	-	-
Fines and forfeits	955	-	-	-	1,649	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	17,010	-	-	-	-	-	-	-
Total receipts	<u>87,618</u>	<u>60,314</u>	<u>2,550</u>	<u>-</u>	<u>2,029</u>	<u>3,222</u>	<u>-</u>	<u>58,189</u>
Disbursements:								
Personal services	45,314	8,546	-	-	-	-	-	-
Supplies	841	2,716	-	-	-	-	-	-
Other services and charges	38,045	40,077	-	-	1,649	-	-	32,898
Debt service - principal and interest	-	2,035	-	-	-	3,222	5,047	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>84,200</u>	<u>53,374</u>	<u>-</u>	<u>-</u>	<u>1,649</u>	<u>3,222</u>	<u>5,047</u>	<u>32,898</u>
Excess (deficiency) of receipts over disbursements	<u>3,418</u>	<u>6,940</u>	<u>2,550</u>	<u>-</u>	<u>380</u>	<u>-</u>	<u>(5,047)</u>	<u>25,291</u>
Cash and investments - Gateway ending	<u>\$ 28,444</u>	<u>\$ 50,478</u>	<u>\$ 19,521</u>	<u>\$ -</u>	<u>\$ 2,904</u>	<u>\$ -</u>	<u>\$ 4,476</u>	<u>\$ 45,067</u>

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

	Cum Capital Improvement	Donations	Payroll	Wastewater Operating	WW Bond and Interest	WW Customer Deposits	WW Debt Service Reserve	Wastewater Security Dep 2
Cash and investments - beginning	\$ 16,784	\$ 1,170	\$ 1,805	\$ 118,172	\$ 13,951	\$ 5,881	\$ 16,324	\$ 7,682
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	750	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	201,821	-	-	-	-
Penalties	-	-	-	6,269	-	-	-	-
Other receipts	-	-	111,559	26,320	-	-	-	1,875
Total receipts	750	-	111,559	234,410	-	-	-	1,875
Disbursements:								
Personal services	-	-	-	22,427	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	5,034	-	-	-	-
Debt service - principal and interest	-	-	-	44,643	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	153,185	-	-	-	-
Other disbursements	-	-	111,742	-	-	-	-	1,927
Total disbursements	-	-	111,742	225,289	-	-	-	1,927
Excess (deficiency) of receipts over disbursements	750	-	(183)	9,121	-	-	-	(52)
Cash and investments - Gateway ending	\$ 17,534	\$ 1,170	\$ 1,622	\$ 127,293	\$ 13,951	\$ 5,881	\$ 16,324	\$ 7,630

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

	Water Operating	Water Bond And Interest	Water Customer Deposits	Water Debt Services Res	Water Security Deposit 2	Storm Water Operating	Stormwater Grant	Totals
Cash and investments - beginning	\$ (15,419)	\$ 400	\$ 7,200	\$ 700	\$ 10,023	\$ -	\$ -	\$ 302,031
Receipts:								
Taxes	-	-	-	-	-	-	-	47,119
Licenses and permits	-	-	-	-	-	-	-	380
Intergovernmental	-	-	-	-	-	-	719,336	866,867
Charges for services	-	-	-	-	-	-	-	28
Fines and forfeits	-	-	-	-	-	-	-	2,604
Utility fees	94,573	-	-	-	-	2,434	-	298,828
Penalties	8,041	-	-	-	-	-	-	14,310
Other receipts	4,957	-	-	-	2,400	-	100	164,221
Total receipts	<u>107,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400</u>	<u>2,434</u>	<u>719,436</u>	<u>1,394,357</u>
Disbursements:								
Personal services	26,707	-	-	-	-	-	-	102,994
Supplies	-	-	-	-	-	-	-	3,557
Other services and charges	5,034	-	-	-	-	-	-	122,737
Debt service - principal and interest	9,997	-	-	-	-	-	-	64,944
Capital outlay	-	-	-	-	-	-	719,336	719,336
Utility operating expenses	50,668	-	-	-	-	-	-	203,853
Other disbursements	127	-	-	-	2,769	251	-	116,816
Total disbursements	<u>92,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,769</u>	<u>251</u>	<u>719,336</u>	<u>1,334,237</u>
Excess (deficiency) of receipts over disbursements	<u>15,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(369)</u>	<u>2,183</u>	<u>100</u>	<u>60,120</u>
Cash and investments - Gateway ending	<u>\$ (381)</u>	<u>\$ 400</u>	<u>\$ 7,200</u>	<u>\$ 700</u>	<u>\$ 9,654</u>	<u>\$ 2,183</u>	<u>\$ 100</u>	<u>\$ 362,151</u>

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

	General	Motor Vehicle Highway	Local Road And Street	TF/FVFD Fire Station PF-13-1-1	Law Enforcement Continuing Ed	Riverboat	Rainy Day	Cedit
Cash and investments - beginning	\$ 28,444	\$ 50,478	\$ 19,521	\$ -	\$ 2,904	\$ -	\$ 4,476	\$ 45,067
Receipts:								
Taxes	47,098	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	250	-	-	-
Intergovernmental	23,099	35,297	4,706	-	-	3,157	-	6,959
Charges for services	123	-	-	-	-	-	-	-
Fines and forfeits	150	-	-	-	376	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	4,330	1,341	-	27,000	-	-	-	-
Total receipts	<u>74,800</u>	<u>36,638</u>	<u>4,706</u>	<u>27,000</u>	<u>626</u>	<u>3,157</u>	<u>-</u>	<u>6,959</u>
Disbursements:								
Personal services	40,900	7,938	-	-	-	-	-	-
Supplies	3,745	3,717	-	-	840	-	-	-
Other services and charges	19,933	12,273	1,307	-	-	3,157	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	1,446	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	3,811	608	-	-	-	-	-	-
Total disbursements	<u>69,835</u>	<u>24,536</u>	<u>1,307</u>	<u>-</u>	<u>840</u>	<u>3,157</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>4,965</u>	<u>12,102</u>	<u>3,399</u>	<u>27,000</u>	<u>(214)</u>	<u>-</u>	<u>-</u>	<u>6,959</u>
Cash and investments - ending	<u>\$ 33,409</u>	<u>\$ 62,580</u>	<u>\$ 22,920</u>	<u>\$ 27,000</u>	<u>\$ 2,690</u>	<u>\$ -</u>	<u>\$ 4,476</u>	<u>\$ 52,026</u>

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

	Cum Capital Improvement	Donations	Payroll	Wastewater Operating	WW Bond and Interest	WW Customer Deposits	WW Debt Service Reserve	Wastewater Security Dep 2
Cash and investments - beginning	\$ 17,534	\$ 1,170	\$ 1,622	\$ 127,293	\$ 13,951	\$ 5,881	\$ 16,324	\$ 7,630
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,410	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	219,254	-	-	-	-
Penalties	-	-	-	6,743	-	-	-	-
Other receipts	-	148	146,221	7,833	-	-	52,551	1,800
Total receipts	1,410	148	146,221	233,830	-	-	52,551	1,800
Disbursements:								
Personal services	-	-	154,891	24,141	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	4,313	-	-	-	-
Debt service - principal and interest	-	-	-	15,628	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	138,111	-	-	-	-
Other disbursements	-	-	-	27,663	-	-	26,275	600
Total disbursements	-	-	154,891	209,856	-	-	26,275	600
Excess (deficiency) of receipts over disbursements	1,410	148	(8,670)	23,974	-	-	26,276	1,200
Cash and investments - ending	\$ 18,944	\$ 1,318	\$ (7,048)	\$ 151,267	\$ 13,951	\$ 5,881	\$ 42,600	\$ 8,830

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

	Water Operating	Water Bond And Interest	Water Customer Deposits	Water Debt Services Res	Water Security Deposit 2	Storm Water Operating	Stormwater Grant	Totals
Cash and investments - beginning	\$ (381)	\$ 400	\$ 7,200	\$ 700	\$ 9,654	\$ 2,183	\$ 100	\$ 362,151
Receipts:								
Taxes	-	-	-	-	-	-	-	47,098
Licenses and permits	-	-	-	-	-	-	-	250
Intergovernmental	-	-	-	-	-	-	-	74,628
Charges for services	-	-	-	-	-	-	-	123
Fines and forfeits	-	-	-	-	-	-	-	526
Utility fees	94,234	-	-	-	-	2,748	-	316,236
Penalties	7,082	-	-	-	-	-	-	13,825
Other receipts	1,769	-	-	-	2,200	-	-	245,193
Total receipts	<u>103,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,200</u>	<u>2,748</u>	<u>-</u>	<u>697,879</u>
Disbursements:								
Personal services	28,750	-	-	-	-	-	-	256,620
Supplies	-	-	-	-	-	-	-	8,302
Other services and charges	4,313	-	-	-	-	-	-	45,296
Debt service - principal and interest	12,823	-	-	-	-	-	-	28,451
Capital outlay	-	-	-	-	-	-	-	1,446
Utility operating expenses	36,685	-	-	-	-	-	-	174,796
Other disbursements	8,494	-	-	40	919	-	-	68,410
Total disbursements	<u>91,065</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>919</u>	<u>-</u>	<u>-</u>	<u>583,321</u>
Excess (deficiency) of receipts over disbursements	<u>12,020</u>	<u>-</u>	<u>-</u>	<u>(40)</u>	<u>1,281</u>	<u>2,748</u>	<u>-</u>	<u>114,558</u>
Cash and investments - ending	<u>\$ 11,639</u>	<u>\$ 400</u>	<u>\$ 7,200</u>	<u>\$ 660</u>	<u>\$ 10,935</u>	<u>\$ 4,931</u>	<u>\$ 100</u>	<u>\$ 476,709</u>

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

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Wastewater:			
Revenue bonds	Wastewater 1996 Revenue Bonds	\$ 683,165	\$ 42,642
Water:			
Revenue bonds	Water Utility Construction	228,020	15,756
Totals		<u>\$ 911,185</u>	<u>\$ 58,398</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE TOWN OF FILLMORE, PUTNAM COUNTY, INDIANA

**Report on Compliance for the Major Federal Program**

We have audited the Town of Fillmore's (Town) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the period of January 1, 2013 to December 31, 2014. The Town's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Town's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Town's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the period of January 1, 2013 to December 31, 2014.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-002. Our opinion on the major federal program is not modified with respect to these matters.

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

The Town's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The Town's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

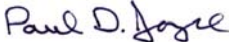
Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified 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 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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2014-002 to be material weaknesses.

The Town's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The Town's response was not subjected to the 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

December 17, 2015

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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TOWN OF FILLMORE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended December 31, 2013 and 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 12-31-13	Total Federal Awards Expended 12-31-14
<u>Department of Housing and Urban Development</u>					
CDBG - State-Administered CDBG Cluster					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii					
Drainage Improvements DR2-09-031	Indiana Office of Community and Rural Affairs	14.228	B*13*DC180001DR2-09-031	\$ 719,336	\$ -
Fillmore Volunteer Fire Station PF-13-101	Indiana Office of Community and Rural Affairs	14.228	B15DC180001PF-13-101	-	27,000
				<u>\$ 719,336</u>	<u>\$ 27,000</u>
Total federal awards expended				<u>\$ 719,336</u>	<u>\$ 27,000</u>

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

TOWN OF FILLMORE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of towns with populations under 5,000 shall be conducted biennially. Such audits shall include both years within the biennial period.

**Note 2. Subrecipients**

Of the federal expenditures presented in the schedule, the Town provided federal awards to subrecipients as follows for the years ended December 31, 2013 and 2014:

Program Title	Federal CFDA Number	2013	2014
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	\$ -	\$ 27,000

TOWN OF FILLMORE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported

Type of auditor's report issued on compliance for major program:	Unmodified
--	------------

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes
--	-----

Identification of Major Program:

\_\_\_\_\_ Name of Federal Program or Cluster \_\_\_\_\_  
CDBG - State-Administered CDBG Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	no
--	----

**Section II - Financial Statement Findings**

**FINDING 2014-001 - FINANCIAL REPORTING**

We noted several deficiencies in the internal control system of the Town related to financial transactions and reporting.

1. Lack of Segregation of Duties: The Town has not separated incompatible activities related to all areas of the financial statement. One person is responsible for all financial reporting activity. There was a lack of appropriate management oversight to reduce the risk of material misstatement to an acceptable level. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.

TOWN OF FILLMORE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2. **Monitoring of Controls:** An evaluation of the Town's system of internal control has not been conducted. The failure to monitor the internal control system places the Town at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls will prevent, or detect and correct, material misstatements in a timely manner. Additionally, the Town has no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting require the Town to monitor and assess the quality of the system of internal control.

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

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

***Section III - Federal Award Findings and Questioned Costs***

***FINDING 2014-002 - ALLOWABLE COSTS***

Federal Agency: Department of Housing and Urban Development

Federal Program: Community Development Block Grants/State's Program and  
Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Number and Year (or Other Identifying Number): B\*13\*DC180001DR2-09-031,  
B15DC180001PF-13-101

Pass-Through Entity: Indiana Office of Community and Rural Affairs

Management of the Town has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and Allowable Costs compliance requirements.

The failure to establish an effective internal control system places the Town at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

After the funds for the program are received electronically into the grant bank account, the Clerk-Treasurer records the receipt in the ledger and then arranges for the reimbursement to be disbursed to the appropriate vendors. One reimbursement receipt and the corresponding payment to the vendor were not properly recorded in the ledger. In addition, the Clerk-Treasurer is solely responsible for reconciling the grant bank account to the ledger. There is no control to ensure that the amounts posted to the records or the reconciliations are accurate.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties.

TOWN OF FILLMORE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

24 CFR 85.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards: . . .

(2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. . . . "

The failure to establish internal controls enabled noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the Town.

We recommended that the Town's management establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above. We also recommended that the Town's management comply with the Allowable Costs compliance requirements.

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AUDITEE PREPARED DOCUMENT

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

Town of Fillmore

CORRECTIVE ACTION PLAN

**FINDING 2014-001**

Contact Person Responsible for Corrective Action: Thomas Gilson  
Contact Phone Number: 765-246-6711

Description of Corrective Action Plan: The Town of Fillmore is aware of the potential risk associated with limited staff and has determined at this time that it is not economically feasible to hire additional staff in order to have account functions performed by different employees. The Town of Fillmore has replaced the Clerk-Treasurer with an individual willing to work with and give the Board access to the Town records. The Board will request that this individual provide them with monthly financial reports and monthly bank reconciliation information.

Anticipated Completion Date: New Clerk hired October 1, 2015

**FINDING 2014-002**

Contact Person Responsible for Corrective Action: Thomas Gilson  
Contact Phone Number: 765-246-6711

Description of Corrective Action Plan: The Town of Fillmore attempted to assist the Clerk-Treasurer by hiring a consultant to assist her in correctly posting all receipts and disbursements. During the process one receipt and the corresponding disbursement was not posted to the grant fund. An adjustment was made to the total receipts and disbursements reported on the financial statement so that all receipts and disbursements of the grant fund were properly reported. When receiving federal grants in the future the Clerk-Treasurer will monitor the postings to the ledger to ensure that all reimbursements are recorded.

Anticipated Completion Date: Corrected on the financial statement for 2014.

  
\_\_\_\_\_  
(Signature)

*Clerk-Treasurer Coun. Pres*  
\_\_\_\_\_  
(Title)

*12/17/15*  
\_\_\_\_\_  
(Date)

#### 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/>.