

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

TOWN OF FAIRMOUNT  
GRANT COUNTY, INDIANA

January 1, 2015 to December 31, 2015



**FILED**  
01/20/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jo Ann Treon	01-01-12 to 12-31-19
President of the Town Council	Melba M. Root	01-01-15 to 12-31-16



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF FAIRMOUNT, GRANT COUNTY, INDIANA

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

We have audited the accompanying financial statement of the Town of Fairmount (Town), which comprises the financial position and results of operations for the year ended December 31, 2015, 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 (Indiana Code 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 year ended December 31, 2015.

***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 year ended December 31, 2015, 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, 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 November 30, 2016, 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

November 30, 2016



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 FAIRMOUNT, GRANT 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 Fairmount (Town), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated November 30, 2016, 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.

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. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001 and 2015-002 that we consider to be material weaknesses.

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)

**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. 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 2015-001.

**Town of Fairmount'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

November 30, 2016

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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.

TOWN OF FAIRMOUNT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
General	\$ 434,367	\$ 768,603	\$ 730,721	\$ 472,249
Motor Vehicle Highway	161,365	221,546	192,944	189,967
Local Road and Street	55,137	26,320	23,588	57,869
Sidewalk Community	-	14,320	13,070	1,250
Law Enforcement Continuing Education	6,211	2,050	3,482	4,779
Riverboat	57,336	17,499	-	74,835
Rainy Day	241,784	80,000	41,676	280,108
Levy Excess	-	229	-	229
Park Nonreverting	23,376	5,125	5,465	23,036
Cumulative Fire Equipment	38,232	17,189	4,000	51,421
Cumulative Capital Improvement	109,910	7,481	30,000	87,391
CEDIT	61,871	61,752	33,097	90,526
General Obligation Bond	-	310,000	104,991	205,009
Playacres Tree Foundation	1,450	731	-	2,181
Special Police Equipment	200	176	376	-
Park Special Needs Area	7,291	12	680	6,623
Special Donations and Grants	-	52	-	52
Operation Pullover	-	2,175	2,175	-
Park	104,015	130,086	93,910	140,191
Payroll	-	781,723	781,723	-
Trash	28,671	148,608	155,161	22,118
Wastewater Utility-Construction	7,050	4,131,946	4,138,853	143
Wastewater Utility-Bond and Interest	16,733	158,666	14,669	160,730
Wastewater Utility-Reserve	3,253	21,142	-	24,395
Wastewater Utility-Operating	53,396	585,575	547,492	91,479
Wastewater Utility-Depreciation/Improvement	157,282	51,158	66,972	141,468
Wastewater Utility-Sewage Planning	252,349	12,596	79,171	185,774
Water Utility-Improvement	-	132,468	50,000	82,468
Water Utility-Operating	82,405	498,957	504,587	76,775
Water Utility-Bond and Interest	103,066	8,613	111,679	-
Water Utility-Depreciation/Improvement	110,368	42,454	72,207	80,615
Water Utility-Customer Deposit	49,353	5,000	4,445	49,908
Water Utility-Debt Reserve	100,968	-	100,968	-
Water Utility-Cash Change	250	-	-	250
Totals	<u>\$ 2,267,689</u>	<u>\$ 8,244,252</u>	<u>\$ 7,908,102</u>	<u>\$ 2,603,839</u>

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

TOWN OF FAIRMOUNT  
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, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

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

*Licenses and permits.* Amounts received from businesses, occupations, or 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 the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF FAIRMOUNT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*Penalties.* Amounts received from late payment fees.

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

*E. Disbursements*

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

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

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

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

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

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

TOWN OF FAIRMOUNT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

**F. Interfund Transfers**

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

TOWN OF FAIRMOUNT  
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, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

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

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

**Note 6. Pension Plan**

*Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

TOWN OF FAIRMOUNT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

**Note 7. Subsequent Events**

On November 4, 2014, the Town was awarded a loan in the amount of \$5,265,000 and a grant in the amount of \$1,583,000 from the United States Department of Agriculture Rural Utilities Service for the construction of a new wastewater plant. Construction of the plant runs through 2016.

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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 Town's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the 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 FAIRMOUNT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015

	General	Motor Vehicle Highway	Local Road and Street	Sidewalk Community	Law Enforcement Continuing Education	Riverboat	Rainy Day
Cash and investments - beginning	\$ 434,367	\$ 161,365	\$ 55,137	\$ -	\$ 6,211	\$ 57,336	\$ 241,784
Receipts:							
Taxes	485,734	93,655	-	-	-	-	-
Licenses and permits	29,307	-	-	-	2,050	-	-
Intergovernmental receipts	237,677	117,411	26,320	-	-	17,499	-
Charges for services	4,160	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	11,725	10,480	-	14,320	-	-	80,000
Total receipts	<u>768,603</u>	<u>221,546</u>	<u>26,320</u>	<u>14,320</u>	<u>2,050</u>	<u>17,499</u>	<u>80,000</u>
Disbursements:							
Personal services	493,529	127,871	-	-	-	-	-
Supplies	27,295	-	-	-	-	-	-
Other services and charges	123,825	38,908	16,821	13,070	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	3,292	13,509	-	-	-	-	41,676
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	82,780	12,656	6,767	-	3,482	-	-
Total disbursements	<u>730,721</u>	<u>192,944</u>	<u>23,588</u>	<u>13,070</u>	<u>3,482</u>	<u>-</u>	<u>41,676</u>
Excess (deficiency) of receipts over disbursements	<u>37,882</u>	<u>28,602</u>	<u>2,732</u>	<u>1,250</u>	<u>(1,432)</u>	<u>17,499</u>	<u>38,324</u>
Cash and investments - ending	<u>\$ 472,249</u>	<u>\$ 189,967</u>	<u>\$ 57,869</u>	<u>\$ 1,250</u>	<u>\$ 4,779</u>	<u>\$ 74,835</u>	<u>\$ 280,108</u>

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

	Levy Excess	Park Nonreverting	Cumulative Fire Equipment	Cumulative Capital Improvement	CEDIT	General Obligation Bond	Playacres Tree Foundation
Cash and investments - beginning	\$ -	\$ 23,376	\$ 38,232	\$ 109,910	\$ 61,871	\$ -	\$ 1,450
Receipts:							
Taxes	-	-	15,450	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	1,739	7,420	40,239	-	-
Charges for services	-	-	-	-	21,513	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	229	5,125	-	61	-	310,000	731
Total receipts	229	5,125	17,189	7,481	61,752	310,000	731
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	4,000	30,000	29,097	27,352	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	5,465	-	-	-	77,639	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	4,000	-	-
Total disbursements	-	5,465	4,000	30,000	33,097	104,991	-
Excess (deficiency) of receipts over disbursements	229	(340)	13,189	(22,519)	28,655	205,009	731
Cash and investments - ending	\$ 229	\$ 23,036	\$ 51,421	\$ 87,391	\$ 90,526	\$ 205,009	\$ 2,181

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

	Special Police Equipment	Park Special Needs Area	Special Donations and Grants	Operation Pullover	Park	Payroll	Trash
Cash and investments - beginning	\$ 200	\$ 7,291	\$ -	\$ -	\$ 104,015	\$ -	\$ 28,671
Receipts:							
Taxes	-	-	-	-	102,839	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	11,577	-	-
Charges for services	-	-	-	2,175	5,210	-	148,608
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	176	12	52	-	10,460	781,723	-
Total receipts	<u>176</u>	<u>12</u>	<u>52</u>	<u>2,175</u>	<u>130,086</u>	<u>781,723</u>	<u>148,608</u>
Disbursements:							
Personal services	-	-	-	2,175	42,754	-	8,672
Supplies	-	-	-	-	8,320	-	9,893
Other services and charges	-	-	-	-	31,812	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	376	680	-	-	5,004	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	6,020	781,723	136,596
Total disbursements	<u>376</u>	<u>680</u>	<u>-</u>	<u>2,175</u>	<u>93,910</u>	<u>781,723</u>	<u>155,161</u>
Excess (deficiency) of receipts over disbursements	<u>(200)</u>	<u>(668)</u>	<u>52</u>	<u>-</u>	<u>36,176</u>	<u>-</u>	<u>(6,553)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 6,623</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 140,191</u>	<u>\$ -</u>	<u>\$ 22,118</u>

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

	Wastewater Utility- Construction	Wastewater Utility-Bond and Interest	Wastewater Utility- Reserve	Wastewater Utility- Operating	Wastewater Utility- Depreciation/ Improvement	Wastewater Utility- Sewage Planning	Water Utility- Improvement
Cash and investments - beginning	\$ 7,050	\$ 16,733	\$ 3,253	\$ 53,396	\$ 157,282	\$ 252,349	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	568,522	-	-	-
Penalties	-	-	-	14,064	-	-	-
Other receipts	4,131,946	158,666	21,142	2,989	51,158	12,596	132,468
Total receipts	<u>4,131,946</u>	<u>158,666</u>	<u>21,142</u>	<u>585,575</u>	<u>51,158</u>	<u>12,596</u>	<u>132,468</u>
Disbursements:							
Personal services	-	-	-	142,492	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	13,136	-	-	-
Debt service - principal and interest	-	14,669	-	-	-	-	-
Capital outlay	3,837,778	-	-	6,775	63,569	79,171	50,000
Utility operating expenses	300,514	-	-	126,089	-	-	-
Other disbursements	561	-	-	259,000	3,403	-	-
Total disbursements	<u>4,138,853</u>	<u>14,669</u>	<u>-</u>	<u>547,492</u>	<u>66,972</u>	<u>79,171</u>	<u>50,000</u>
Excess (deficiency) of receipts over disbursements	<u>(6,907)</u>	<u>143,997</u>	<u>21,142</u>	<u>38,083</u>	<u>(15,814)</u>	<u>(66,575)</u>	<u>82,468</u>
Cash and investments - ending	<u>\$ 143</u>	<u>\$ 160,730</u>	<u>\$ 24,395</u>	<u>\$ 91,479</u>	<u>\$ 141,468</u>	<u>\$ 185,774</u>	<u>\$ 82,468</u>

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

	Water Utility- Operating	Water Utility-Bond and Interest	Water Utility- Depreciation/ Improvement	Water Utility- Customer Deposit	Water Utility- Debt Reserve	Water Utility-Cash Change	Totals
Cash and investments - beginning	\$ 82,405	\$ 103,066	\$ 110,368	\$ 49,353	\$ 100,968	\$ 250	\$ 2,267,689
Receipts:							
Taxes	-	-	-	-	-	-	697,678
Licenses and permits	-	-	-	-	-	-	31,357
Intergovernmental receipts	-	-	-	-	-	-	459,882
Charges for services	-	-	-	-	-	-	181,666
Utility fees	461,263	-	-	-	-	-	1,029,785
Penalties	7,053	-	-	-	-	-	21,117
Other receipts	30,641	8,613	42,454	5,000	-	-	5,822,767
Total receipts	498,957	8,613	42,454	5,000	-	-	8,244,252
Disbursements:							
Personal services	138,291	-	-	-	-	-	955,784
Supplies	-	-	-	-	-	-	45,508
Other services and charges	9,542	-	-	-	-	-	337,563
Debt service - principal and interest	-	89,235	-	-	100,968	-	204,872
Capital outlay	-	-	72,207	-	-	-	4,257,141
Utility operating expenses	189,198	-	-	-	-	-	615,801
Other disbursements	167,556	22,444	-	4,445	-	-	1,491,433
Total disbursements	504,587	111,679	72,207	4,445	100,968	-	7,908,102
Excess (deficiency) of receipts over disbursements	(5,630)	(103,066)	(29,753)	555	(100,968)	-	336,150
Cash and investments - ending	\$ 76,775	\$ -	\$ 80,615	\$ 49,908	\$ -	\$ 250	\$ 2,603,839

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Trash	\$ -	\$ 8,230
Wastewater	-	49,352
Water	-	<u>22,964</u>
Totals	<u>\$ -</u>	<u>\$ 80,546</u>

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

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	Police Car	\$ 18,575	\$ 4,880
Notes and loans payable	Total Patcher	28,523	13,533
Revenue bonds	Street Paving	<u>310,000</u>	<u>54,834</u>
Total governmental activities		<u>357,098</u>	<u>73,247</u>
Wastewater:			
Revenue bonds	Wastewater Construction	<u>4,911,946</u>	<u>177,317</u>
Totals		<u>\$ 5,269,044</u>	<u>\$ 250,564</u>

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 FAIRMOUNT, GRANT COUNTY, INDIANA

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

We have audited the Town of Fairmount's (Town) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2015. 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 Federal statutes, regulations, and the terms and conditions of its Federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 year ended December 31, 2015.

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


**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 the Uniform Guidance, 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.

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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

November 30, 2016

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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.

TOWN OF FAIRMOUNT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2015

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
<u>Department of Agriculture</u>				
Water and Waste Program Cluster				
Water and Waste Disposal Systems for Rural Communities	Direct Grant	10.760		<u>\$ 4,131,385</u>
Total - Water and Waste Program Cluster				<u>4,131,385</u>
Total - Department of Agriculture				<u>4,131,385</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205	A249-14-320805	<u>21,512</u>
Total - Highway Planning and Construction Cluster				<u>21,512</u>
Highway Safety Cluster				
State and Community Highway Safety	Grant County	20.600	FY 15	<u>2,175</u>
Total - Highway Safety Cluster				<u>2,175</u>
Total - Department of Transportation				<u>23,687</u>
Total				<u>\$ 4,155,072</u>

TOWN OF FAIRMOUNT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. *Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the Town under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the SEFA presents only a select portion of the operations of the Town, it is not intended to and does not present the financial position of the Town.

**Note 2. *Summary of Significant Accounting Policies***

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The Town has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

TOWN OF FAIRMOUNT  
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 programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Water and Waste Program Cluster	Unmodified
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000	
Auditee qualified as low-risk auditee?	no

**Section II - Financial Statement Findings**

**FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Condition*

The Town did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

During the audit of the SEFA, there were the following errors:

1. Water and Waste Disposal Systems For Rural Communities expenditures were understated by \$4,131,385.
2. Highway Planning and Construction expenditures were overstated by \$443.
3. State and Community Highway Safety expenditures were understated by \$2,175.

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

Audit adjustments were proposed, accepted by the Town, and made to the SEFA.

*Criteria*

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)

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with section 200.510 financial statements. . . ."

2 CFR 200.510(b) states:

*"Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

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

- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

*Cause*

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

*Effect*

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition*.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

**FINDING 2015-002 - FINANCIAL TRANSACTIONS AND REPORTING**

*Condition*

There were the following deficiencies in the internal control system of the Town related to financial transactions and reporting. The following deficiencies constituted material weaknesses.

1. Lack of Segregation of Duties: The Town had not separated incompatible activities related to receipts, disbursements, payroll, cash and investment balances, and financial close and reporting.
2. Preparing Financial Statements: The Town had not identified risks to the preparation of a reliable financial statement and, as a result, had failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement. The Town's financial statement (Gateway Report) was not being reviewed by another person.
3. Monitoring of Controls: Town had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting required the Town to monitor and assess the quality of the system of internal control.

*Criteria*

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.

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

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)

*Cause*

Management of the Town had not established a proper system of internal control.

*Effect*

The failure to establish controls could have enabled misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the Town at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, misstatements in a timely manner.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

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

No matters are reportable.

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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 FAIRMOUNT

214 WEST WASHINGTON STREET  
FAIRMOUNT, INDIANA 46928

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2014-001 & 2014-002**

Fiscal year in which the finding initially occurred: 2014  
Contact Person Responsible for Corrective Action:  
Contact Phone Number:

Jo Ann Treon  
765-948-4632

Status of Audit Finding:

This grant has not been closed. However, all future reports will be reviewed by myself and the Water Clerk.



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(Signature)

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Clerk-Treasurer

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11/30/2016



VISIT FAIRMOUNT DURING MUSEUM DAYS - LAST WEEKEND IN SEPTEMBER  
(JAMES DEAN'S HOMETOWN)

# TOWN OF FAIRMOUNT

214 WEST WASHINGTON STREET  
FAIRMOUNT, INDIANA 46928

## CORRECTIVE ACTION PLAN

### **FINDING 2015-001**

Contact Person Responsible for Corrective Action: Jo Ann Treon  
Contact Phone Number: 765-948-4632

**Views of Responsible Official: We agree with the finding.**

### **Description of Corrective Action Plan:**

After the Clerk-Treasurer enters the Schedule of Expenditures of Federal Awards (SEFA) into Gateway, it will be printed off. The Deputy Clerk-Treasurer will review the document to determine that all information entered is correct. The Deputy Clerk-Treasurer will sign the printed document and then the SEFA will be submitted. The signed document will be retained in the Grant File.

**Anticipated Completion Date: Immediately**



Jo Ann Treon

Clerk-Treasurer

11/30/2016



VISIT FAIRMOUNT DURING MUSEUM DAYS - LAST WEEKEND IN SEPTEMBER  
(JAMES DEAN'S HOMETOWN)

# TOWN OF FAIRMOUNT

214 WEST WASHINGTON STREET  
FAIRMOUNT, INDIANA 46928

## CORRECTIVE ACTION PLAN

### **FINDING 2015-002**

Contact Person Responsible for Corrective Action: Jo Ann Treon  
Contact Phone Number: 765-948-4632

**Views of Responsible Official: We agree with the finding.**

### **Description of Corrective Action Plan:**

Due to the fact the Town of Fairmount has a small staff in the Clerk-Treasurer's office and the Utility Office, it is impractical to segregate the duties in an ideal manner.

With the addition of a Deputy Clerk-Treasurer to the staff later in the year, both parties will review and sign off on monthly transaction registers.

**Anticipated Completion Date: Immediately**



Jo Ann Treon

Clerk-Treasurer

11/30/2016



VISIT FAIRMOUNT DURING MUSEUM DAYS - LAST WEEKEND IN SEPTEMBER  
(JAMES DEAN'S HOMETOWN)

#### 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/>.