

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF GREENFIELD
HANCOCK COUNTY, INDIANA

January 1, 2015 to December 31, 2015



FILED
05/19/2017

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
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 <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	10-11
Notes to Financial Statement	12-18
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-33
Schedule of Payables and Receivables	34
Schedule of Leases and Debt	35
Schedule of Capital Assets.....	36
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance	38-39
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	42
Notes to Schedule of Expenditures of Federal Awards	43
Schedule of Findings and Questioned Costs	44-47
Auditee-Prepared Document:	
Corrective Action Plan	50-51
Other Reports.....	52

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Larry J. Breese Lori Elmore	01-01-12 to 12-31-15 01-01-16 to 12-31-19
Mayor	Charles R. Fewell	12-30-13 to 12-31-19
President of the Board of Public Works and Safety	Charles R. Fewell	01-01-15 to 12-31-19
President Pro Tempore of the Common Council	Kerry T. Grass Gary A. McDaniel	01-01-15 to 12-31-15 01-01-16 to 12-31-17
Superintendent of Utilities	Michael Fruth	01-01-15 to 12-31-17
Superintendent of Water Utility	(Vacant) Charles Gill	01-01-15 to 02-01-15 02-02-15 to 12-31-17
Superintendent of Wastewater Utility	David Scheiter	01-01-15 to 12-31-17
Superintendent of Electric Utility	Nelson Castrodale	01-01-15 to 12-31-17
Superintendent of Storm Water Utility	Daniel Miller	01-01-15 to 12-31-17
Utility Office Manager	Judy Smoll Jane Webb	01-01-15 to 05-22-15 05-23-15 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF GREENFIELD, HANCOCK COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Greenfield (City), 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 from 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 City'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 City'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 to the financial statement, the City 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 City 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 City 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 City'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 (CFR) 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 City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial 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 February 27, 2017, on our consideration of the City'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 City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

February 27, 2017



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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 CITY OF GREENFIELD, HANCOCK 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 City of Greenfield (City), 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 February 27, 2017, wherein we noted the City 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 City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 City'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

City of Greenfield's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City'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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

February 27, 2017

(This page intentionally left blank.)

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

CITY OF GREENFIELD
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 Fund	\$ 110,267	\$ 7,772,905	\$ 7,154,532	\$ 728,640
MVH Street	765,082	1,218,252	1,352,423	630,911
Local Road & Street	264,730	212,788	428,528	48,990
Parking Meter	17,912	1,020	-	18,932
Park Nonreverting	66,450	178,521	179,147	65,824
Animal Control Enrichm	104,309	31,337	42,610	93,036
Operation Pullover	-	7,798	7,798	-
Police Continuing Ed	118,728	43,385	75,050	87,063
Park & Recreation	27,022	773,791	758,771	42,042
Rainy Day	1,466,581	75,000	-	1,541,581
CEDIT	295,011	499,742	153,000	641,753
Fire Territory	66,693	4,417,075	4,410,645	73,123
C.C.I.	114,809	51,747	-	166,556
Police Vehicle Fund	36,808	-	-	36,808
Plaza Banner	741	1,160	-	1,901
TIF	4,864,281	2,177,000	2,985,372	4,055,909
Fire Equipment	303,371	388,681	422,318	269,734
Park Impact Fees	242,919	64,872	59,104	248,687
Information Tech	47,395	504,289	444,222	107,462
Police Pension	171,029	255,911	272,912	154,028
Fire Pension	85,188	110,640	88,551	107,277
Riverboat Revenue	796,445	122,044	150,000	768,489
LOIT	(17,629)	1,044,533	601,486	425,418
Sewage Utility Const In Prog Potts Ditch	6,993,370	-	5,453,459	1,539,911
Fire FEMA Grant/AMB COTS	1,800	-	1,800	-
Drug Awareness D.A.R.E.	351	500	-	851
Police Stop Grant	2,743	-	-	2,743
Franklin Street Project	-	166,880	143,206	23,674
Joint Tactical Team	2,500	19,500	2,753	19,247
Fire Territory Grant	-	751,582	751,582	-
DUI Task Force	-	4,083	4,083	-
PACE Nonreverting Law Enf	56,961	41,895	44,494	54,362
Task Force - FEMA	660	-	-	660
Fire Dept Non Reverting	-	1,700	-	1,700
Park Bond	64,257	145,965	132,840	77,382
Police Donations	5,848	300	217	5,931
Park Donation Fund	87,666	89,243	42,435	134,474
Fire Donation	19,165	4,682	9,998	13,849
Shop With A Cop	8,204	14,652	13,981	8,875
HCVF - Donation	720	-	-	720
Cemetery Endowment	85,145	84	2,058	83,171
Police Pension W/H	-	106,536	106,536	-
Fire Pension W/H	-	126,558	126,558	-
Publ Empl Retirement Fund	-	163,256	163,256	-
Payroll Net	-	7,093,107	7,093,107	-
Payroll Federal W/H	-	1,209,503	1,209,503	-
Payroll FICA W/H	-	988,774	988,774	-
Payroll Medicare W/H	-	287,075	287,075	-
State Tax W/H	-	335,981	335,981	-
County Tax Withholding	-	160,913	160,913	-
Employee Medical Ins	138,203	397,018	106,880	428,341

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

CITY OF GREENFIELD
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Employee Dental Ins	9,975	119,187	119,051	10,111
Employee Vision Plan	2,243	26,278	26,221	2,300
Boston Mutual Life	-	18,507	18,507	-
Grange Life Ins	-	16,391	16,391	-
AFLAC	-	4,030	4,030	-
Pretax AFLAC	-	15,365	15,365	-
AUL 457 Plan	-	129,503	129,503	-
AUL Loan Repayment	-	39,729	39,729	-
Employee Child Support	-	101,689	101,689	-
HSA Employee Contribution	-	206,952	206,952	-
United Way Contribution	-	6,804	6,804	-
Fire Vol Union 4747	-	20,023	20,023	-
American Fidelity Pre Tax	-	25,480	25,480	-
American Fidelity Post Tax	-	60,798	60,798	-
AFLAC Group	-	9,150	9,150	-
Legalshield	-	796	796	-
Garnish 30C010411Dr00831	-	150	150	-
Garnish - 30C011403Cc0372	-	1,484	1,484	-
Garnish - 30D021408Sc666	-	2,833	2,833	-
Garnish - 30C011302Cc412	-	286	286	-
Garnish - 30D021401Sc0037	-	1,812	1,812	-
Garnish - 30D021401Sc0034	-	1,087	1,087	-
Garnish - 30D021401Sc0038	-	1,812	1,812	-
Garnish - 30C011304Cc783	-	911	911	-
Garnish - 30D021403Sc0158	-	5,161	5,161	-
Garnish - 30D011207Cc01385	-	3,926	3,926	-
Tax Levy Dowden	-	1,010	1,010	-
Garnish USA Funds	-	1,511	1,511	-
Garnish - 30D021408Sc737	-	174	174	-
Light Operating	7,611,531	33,767,523	33,388,277	7,990,777
Light Meter Deposit	212,139	105,600	93,340	224,399
Light Depreciation	731,541	360,000	247,141	844,400
Light Cash Reserve	803,357	533,324	-	1,336,681
Light Availability	73,711	44,200	-	117,911
Storm Water	843,151	898,397	608,389	1,133,159
WWTPC Operating	1,420,125	4,396,980	4,023,665	1,793,440
WWTPC Depreciation	941,805	500,000	338,455	1,103,350
WWTPC Sinking Bond & Int	335,854	1,375,000	896,581	814,273
WWTPC Availability	63,664	20,831	52,970	31,525
WWTPC Connection	989,368	92,572	22,574	1,059,366
WWTPC Debt Service Reserve	823,817	-	-	823,817
Water Operating	2,638,527	2,994,465	3,066,422	2,566,570
Water Meter Deposit	49,372	20,200	18,320	51,252
Water Depreciation	672,743	100,000	190,179	582,564
Water Bond Sinking	148,258	860,000	507,111	501,147
Water Availability	202,675	17,977	-	220,652
Water Debt Reserve	888,250	-	888,250	-
Utility Billing	557,351	888,799	1,247,371	198,779
Totals	<u>\$ 37,435,192</u>	<u>\$ 79,860,985</u>	<u>\$ 83,179,649</u>	<u>\$ 34,116,528</u>

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

CITY OF GREENFIELD
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor 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 City.

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 City.

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

CITY OF GREENFIELD
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 are 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.

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

Utility fees. Amounts received from charges for current services.

Other receipts. Amounts received from various sources, 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 City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF GREENFIELD
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by 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.

CITY OF GREENFIELD
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 City to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the City 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 Plans

A. 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 City 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

CITY OF GREENFIELD
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.

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

On Behalf Payments

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

CITY OF GREENFIELD
NOTES TO FINANCIAL STATEMENT
(Continued)

D. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

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

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

Funding Policy

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS.

Note 7. Subsequent Events

2016

On May 31, 2016, the City received from the State of Indiana a LOIT Special Distribution in the amount of \$2,303,725. As of December 31, 2016, \$497,876 was spent on two resurfacing projects and ADA ramps on Park Avenue. The remaining \$1,805,849 has been designated for current and future street repaving projects, local match for the Community Crossings INDOT Grant, making several sidewalks ADA compliant, a new traffic light at the intersection of New Road and Barrett Lane, and the Franklin Street North Project.

On May 24, 2016, the City awarded the Chandler's Addition Improvement Project Alternate #1 in the amount of \$884,549.

On October 25, 2016, the City awarded the Fire Station #22 Renovation/Addition Project in the amount of \$2,783,000.

On November 17, 2016, the City issued General Obligation Fire Bonds of 2016 in the amount of \$3,300,000. The proceeds will be used to refurbish Fire Station 22.

CITY OF GREENFIELD
NOTES TO FINANCIAL STATEMENT
(Continued)

2017

On January 3, 2017, the City received a Community Crossings INDOT Matching Grant in the amount of \$982,912 which will be used for three Street Resurfacing Projects known as Street Resurfacing Project 2016A, Street Resurfacing Project 2016B, and Street Resurfacing Project 2016C.

On January 6, 2017, the City was awarded a Main Street Revitalization Program grant in the amount of \$500,000 which will be used to provide façade refurbishments to the downtown area.

On January 24, 2017, the City awarded the Generator Replacement Project in the amount of \$897,593.

OTHER INFORMATION - UNAUDITED

The City'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 City'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 City. It is presented as intended by the City.

CITY OF GREENFIELD
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	General Fund	MVH Street	Local Road & Street	Parking Meter	Park Nonreverting	Animal Control Enrichm	Operation Pullover	Police Continuing Ed
Cash and investments - beginning	\$ 110,267	\$ 765,082	\$ 264,730	\$ 17,912	\$ 66,450	\$ 104,309	\$ -	\$ 118,728
Receipts:								
Taxes	4,526,193	456,179	-	-	-	-	-	-
Licenses and permits	68,791	6,500	-	-	-	-	-	19,016
Intergovernmental receipts	2,551,627	754,228	212,788	-	-	-	7,798	-
Charges for services	436,188	-	-	1,020	178,521	-	-	9,995
Fines and forfeits	-	-	-	-	-	-	-	10,637
Utility fees	-	-	-	-	-	-	-	-
Other receipts	190,106	1,345	-	-	-	31,337	-	3,737
Total receipts	<u>7,772,905</u>	<u>1,218,252</u>	<u>212,788</u>	<u>1,020</u>	<u>178,521</u>	<u>31,337</u>	<u>7,798</u>	<u>43,385</u>
Disbursements:								
Personal services	5,769,154	591,557	-	-	126,711	-	7,798	-
Supplies	238,587	166,164	-	-	51,257	-	-	-
Other services and charges	939,817	113,922	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	96,584	476,085	428,528	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	110,390	4,695	-	-	1,179	42,610	-	75,050
Total disbursements	<u>7,154,532</u>	<u>1,352,423</u>	<u>428,528</u>	<u>-</u>	<u>179,147</u>	<u>42,610</u>	<u>7,798</u>	<u>75,050</u>
Excess (deficiency) of receipts over disbursements	<u>618,373</u>	<u>(134,171)</u>	<u>(215,740)</u>	<u>1,020</u>	<u>(626)</u>	<u>(11,273)</u>	<u>-</u>	<u>(31,665)</u>
Cash and investments - ending	<u>\$ 728,640</u>	<u>\$ 630,911</u>	<u>\$ 48,990</u>	<u>\$ 18,932</u>	<u>\$ 65,824</u>	<u>\$ 93,036</u>	<u>\$ -</u>	<u>\$ 87,063</u>

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

	Park & Recreation	Rainy Day	CEDIT	Fire Territory	C.C.I.	Police Vehicle Fund	Plaza Banner	TIF
Cash and investments - beginning	\$ 27,022	\$ 1,466,581	\$ 295,011	\$ 66,693	\$ 114,809	\$ 36,808	\$ 741	\$ 4,864,281
Receipts:								
Taxes	495,957	-	-	2,492,381	-	-	-	2,169,004
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	45,662	-	499,742	1,111,049	51,747	-	-	-
Charges for services	80,364	-	-	799,734	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	151,808	75,000	-	13,911	-	-	1,160	7,996
Total receipts	773,791	75,000	499,742	4,417,075	51,747	-	1,160	2,177,000
Disbursements:								
Personal services	465,610	-	-	3,852,496	-	-	-	-
Supplies	61,691	-	-	125,624	-	-	-	-
Other services and charges	140,137	-	-	346,071	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	82,665	-	-	26,911	-	-	-	1,974,170
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	8,668	-	153,000	59,543	-	-	-	1,011,202
Total disbursements	758,771	-	153,000	4,410,645	-	-	-	2,985,372
Excess (deficiency) of receipts over disbursements	15,020	75,000	346,742	6,430	51,747	-	1,160	(808,372)
Cash and investments - ending	\$ 42,042	\$ 1,541,581	\$ 641,753	\$ 73,123	\$ 166,556	\$ 36,808	\$ 1,901	\$ 4,055,909

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

	Fire Equipment	Park Impact Fees	Information Tech	Police Pension	Fire Pension	Riverboat Revenue	LOIT
Cash and investments - beginning	\$ 303,371	\$ 242,919	\$ 47,395	\$ 171,029	\$ 85,188	\$ 796,445	\$ (17,629)
Receipts:							
Taxes	283,759	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	25,144	-	-	-	-	122,044	1,044,533
Charges for services	-	64,628	275,305	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	79,778	244	228,984	255,911	110,640	-	-
Total receipts	<u>388,681</u>	<u>64,872</u>	<u>504,289</u>	<u>255,911</u>	<u>110,640</u>	<u>122,044</u>	<u>1,044,533</u>
Disbursements:							
Personal services	-	-	255,701	271,912	86,551	-	-
Supplies	-	-	890	-	-	-	-
Other services and charges	-	-	11,485	1,000	2,000	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	347,318	-	163,690	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	75,000	59,104	12,456	-	-	150,000	601,486
Total disbursements	<u>422,318</u>	<u>59,104</u>	<u>444,222</u>	<u>272,912</u>	<u>88,551</u>	<u>150,000</u>	<u>601,486</u>
Excess (deficiency) of receipts over disbursements	<u>(33,637)</u>	<u>5,768</u>	<u>60,067</u>	<u>(17,001)</u>	<u>22,089</u>	<u>(27,956)</u>	<u>443,047</u>
Cash and investments - ending	<u>\$ 269,734</u>	<u>\$ 248,687</u>	<u>\$ 107,462</u>	<u>\$ 154,028</u>	<u>\$ 107,277</u>	<u>\$ 768,489</u>	<u>\$ 425,418</u>

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

	Sewage Utility Const In Prog Potts Ditch	Fire FEMA Grant/AMB COTS	Drug Awareness D.A.R.E.	Police Stop Grant	Franklin Street Project	Joint Tactical Team	Fire Territory Grant
Cash and investments - beginning	\$ 6,993,370	\$ 1,800	\$ 351	\$ 2,743	\$ -	\$ 2,500	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	136,905	-	751,582
Charges for services	-	-	-	-	-	19,500	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	500	-	29,975	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>166,880</u>	<u>19,500</u>	<u>751,582</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	143,206	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	5,453,459	1,800	-	-	-	2,753	751,582
Total disbursements	<u>5,453,459</u>	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>143,206</u>	<u>2,753</u>	<u>751,582</u>
Excess (deficiency) of receipts over disbursements	<u>(5,453,459)</u>	<u>(1,800)</u>	<u>500</u>	<u>-</u>	<u>23,674</u>	<u>16,747</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,539,911</u>	<u>\$ -</u>	<u>\$ 851</u>	<u>\$ 2,743</u>	<u>\$ 23,674</u>	<u>\$ 19,247</u>	<u>\$ -</u>

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

	DUI Task Force	PACE Nonreverting Law Enf	Task Force - FEMA	Fire Dept Non Reverting	Park Bond	Police Donations	Park Donation Fund
Cash and investments - beginning	\$ -	\$ 56,961	\$ 660	\$ -	\$ 64,257	\$ 5,848	\$ 87,666
Receipts:							
Taxes	-	-	-	-	134,308	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	11,657	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4,083	41,895	-	1,700	-	300	89,243
Total receipts	4,083	41,895	-	1,700	145,965	300	89,243
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	132,840	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	4,083	44,494	-	-	-	217	42,435
Total disbursements	4,083	44,494	-	-	132,840	217	42,435
Excess (deficiency) of receipts over disbursements	-	(2,599)	-	1,700	13,125	83	46,808
Cash and investments - ending	\$ -	\$ 54,362	\$ 660	\$ 1,700	\$ 77,382	\$ 5,931	\$ 134,474

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

	Fire Donation	Shop With A Cop	HCVP - Donation	Cemetery Endowment	Police Pension W/H	Fire Pension W/H	Publ Empl Retirement Fund
Cash and investments - beginning	\$ 19,165	\$ 8,204	\$ 720	\$ 85,145	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4,682	14,652	-	84	106,536	126,558	163,256
Total receipts	<u>4,682</u>	<u>14,652</u>	<u>-</u>	<u>84</u>	<u>106,536</u>	<u>126,558</u>	<u>163,256</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	9,998	13,981	-	2,058	106,536	126,558	163,256
Total disbursements	<u>9,998</u>	<u>13,981</u>	<u>-</u>	<u>2,058</u>	<u>106,536</u>	<u>126,558</u>	<u>163,256</u>
Excess (deficiency) of receipts over disbursements	<u>(5,316)</u>	<u>671</u>	<u>-</u>	<u>(1,974)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 13,849</u>	<u>\$ 8,875</u>	<u>\$ 720</u>	<u>\$ 83,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Payroll Net	Payroll Federal W/H	Payroll FICA W/H	Payroll Medicare W/H	State Tax W/H	County Tax Withholding	Employee Medical Ins
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,203
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>7,093,107</u>	<u>1,209,503</u>	<u>988,774</u>	<u>287,075</u>	<u>335,981</u>	<u>160,913</u>	<u>397,018</u>
Total receipts	<u>7,093,107</u>	<u>1,209,503</u>	<u>988,774</u>	<u>287,075</u>	<u>335,981</u>	<u>160,913</u>	<u>397,018</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>7,093,107</u>	<u>1,209,503</u>	<u>988,774</u>	<u>287,075</u>	<u>335,981</u>	<u>160,913</u>	<u>106,880</u>
Total disbursements	<u>7,093,107</u>	<u>1,209,503</u>	<u>988,774</u>	<u>287,075</u>	<u>335,981</u>	<u>160,913</u>	<u>106,880</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	<u>290,138</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 428,341</u>

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

	Employee Dental Ins	Employee Vision Plan	Boston Mutual Life	Grange Life Ins	AFLAC	Pretax AFLAC	AUL 457 Plan
Cash and investments - beginning	\$ 9,975	\$ 2,243	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	119,187	26,278	18,507	16,391	4,030	15,365	129,503
Total receipts	119,187	26,278	18,507	16,391	4,030	15,365	129,503
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	119,051	26,221	18,507	16,391	4,030	15,365	129,503
Total disbursements	119,051	26,221	18,507	16,391	4,030	15,365	129,503
Excess (deficiency) of receipts over disbursements	136	57	-	-	-	-	-
Cash and investments - ending	\$ 10,111	\$ 2,300	\$ -	\$ -	\$ -	\$ -	\$ -

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

	AUL Loan Repayment	Employee Child Support	HSA Employee Contribution	United Way Contribution	Fire Vol Union 4747	American Fidelity Pre Tax	American Fidelity Post Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	39,729	101,689	206,952	6,804	20,023	25,480	60,798
Total receipts	<u>39,729</u>	<u>101,689</u>	<u>206,952</u>	<u>6,804</u>	<u>20,023</u>	<u>25,480</u>	<u>60,798</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	39,729	101,689	206,952	6,804	20,023	25,480	60,798
Total disbursements	<u>39,729</u>	<u>101,689</u>	<u>206,952</u>	<u>6,804</u>	<u>20,023</u>	<u>25,480</u>	<u>60,798</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	AFLAC Group	Legalshield	Garnish 30C010411Dr00831	Garnish - 30C011403Cc0372	Garnish - 30D021408Sc666	Garnish - 30C011302Cc412	Garnish - 30D021401Sc0037
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	9,150	796	150	1,484	2,833	286	1,812
Total receipts	9,150	796	150	1,484	2,833	286	1,812
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	9,150	796	150	1,484	2,833	286	1,812
Total disbursements	9,150	796	150	1,484	2,833	286	1,812
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Garnish - 30D021401Sc0034	Garnish - 30D021401Sc0038	Garnish - 30C011304Cc783	Garnish - 30D021403Sc0158	Garnish - 30D011207Cc01385	Tax Levy Dowden	Garnish USA Funds
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,087	1,812	911	5,161	3,926	1,010	1,511
Total receipts	<u>1,087</u>	<u>1,812</u>	<u>911</u>	<u>5,161</u>	<u>3,926</u>	<u>1,010</u>	<u>1,511</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,087	1,812	911	5,161	3,926	1,010	1,511
Total disbursements	<u>1,087</u>	<u>1,812</u>	<u>911</u>	<u>5,161</u>	<u>3,926</u>	<u>1,010</u>	<u>1,511</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Garnish - 30D021408Sc737	Light Operating	Light Meter Deposit	Light Depreciation	Light Cash Reserve	Light Availability	Storm Water
Cash and investments - beginning	\$ -	\$ 7,611,531	\$ 212,139	\$ 731,541	\$ 803,357	\$ 73,711	\$ 843,151
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	33,576,992	-	-	-	-	893,492
Other receipts	174	190,531	105,600	360,000	533,324	44,200	4,905
Total receipts	174	33,767,523	105,600	360,000	533,324	44,200	898,397
Disbursements:							
Personal services	-	-	-	-	-	-	93,310
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	1,202,029	-	-	-	-	414,310
Utility operating expenses	-	31,390,442	93,340	-	-	-	100,769
Other disbursements	174	795,806	-	247,141	-	-	-
Total disbursements	174	33,388,277	93,340	247,141	-	-	608,389
Excess (deficiency) of receipts over disbursements	-	379,246	12,260	112,859	533,324	44,200	290,008
Cash and investments - ending	\$ -	\$ 7,990,777	\$ 224,399	\$ 844,400	\$ 1,336,681	\$ 117,911	\$ 1,133,159

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

	WWTPC Operating	WWTPC Depreciation	WWTPC Sinking Bond & Int	WWTPC Availability	WWTPC Connection	WWTPC Debt Service Reserve	Water Operating
Cash and investments - beginning	\$ 1,420,125	\$ 941,805	\$ 335,854	\$ 63,664	\$ 989,368	\$ 823,817	\$ 2,638,527
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	4,355,772	-	-	-	92,572	-	2,933,312
Other receipts	41,208	500,000	1,375,000	20,831	-	-	61,153
Total receipts	<u>4,396,980</u>	<u>500,000</u>	<u>1,375,000</u>	<u>20,831</u>	<u>92,572</u>	<u>-</u>	<u>2,994,465</u>
Disbursements:							
Personal services	828,939	-	-	-	-	-	775,902
Supplies	-	-	-	-	-	-	-
Other services and charges	95,744	-	-	-	-	-	95,379
Debt service - principal and interest	-	-	378,906	-	-	-	-
Capital outlay	44,330	-	-	-	-	-	82,373
Utility operating expenses	1,365,383	-	750	-	-	-	1,270,972
Other disbursements	1,689,269	338,455	516,925	52,970	22,574	-	841,796
Total disbursements	<u>4,023,665</u>	<u>338,455</u>	<u>896,581</u>	<u>52,970</u>	<u>22,574</u>	<u>-</u>	<u>3,066,422</u>
Excess (deficiency) of receipts over disbursements	<u>373,315</u>	<u>161,545</u>	<u>478,419</u>	<u>(32,139)</u>	<u>69,998</u>	<u>-</u>	<u>(71,957)</u>
Cash and investments - ending	<u>\$ 1,793,440</u>	<u>\$ 1,103,350</u>	<u>\$ 814,273</u>	<u>\$ 31,525</u>	<u>\$ 1,059,366</u>	<u>\$ 823,817</u>	<u>\$ 2,566,570</u>

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

	Water Meter Deposit	Water Depreciation	Water Bond Sinking	Water Availability	Water Debt Reserve	Utility Billing	Totals
Cash and investments - beginning	\$ 49,372	\$ 672,743	\$ 148,258	\$ 202,675	\$ 888,250	\$ 557,351	\$ 37,435,192
Receipts:							
Taxes	-	-	-	-	-	-	10,557,781
Licenses and permits	-	-	-	-	-	-	94,307
Intergovernmental receipts	-	-	-	-	-	-	7,326,506
Charges for services	-	-	-	-	-	-	1,865,255
Fines and forfeits	-	-	-	-	-	-	10,637
Utility fees	-	-	-	-	-	-	41,852,140
Other receipts	20,200	100,000	860,000	17,977	-	888,799	18,154,359
Total receipts	20,200	100,000	860,000	17,977	-	888,799	79,860,985
Disbursements:							
Personal services	-	-	-	-	-	689,899	13,815,540
Supplies	-	-	-	-	-	68,998	713,211
Other services and charges	-	-	-	-	-	2,017	1,747,572
Debt service - principal and interest	-	-	462,091	-	-	-	973,837
Capital outlay	-	-	-	-	-	4,354	5,486,553
Utility operating expenses	-	-	-	-	-	-	34,221,656
Other disbursements	18,320	190,179	45,020	-	888,250	482,103	26,221,280
Total disbursements	18,320	190,179	507,111	-	888,250	1,247,371	83,179,649
Excess (deficiency) of receipts over disbursements	1,880	(90,179)	352,889	17,977	(888,250)	(358,572)	(3,318,664)
Cash and investments - ending	\$ 51,252	\$ 582,564	\$ 501,147	\$ 220,652	\$ -	\$ 198,779	\$ 34,116,528

CITY OF GREENFIELD
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Electric	\$ 180,683	\$ 2,510,315
Storm Water	473	62,767
Wastewater	160,211	366,091
Water	62,233	250,528
Governmental activities	<u>3,231,323</u>	<u>286,949</u>
Totals	<u>\$ 3,634,923</u>	<u>\$ 3,476,650</u>

CITY OF GREENFIELD
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Park District Bonds 2011	\$ 65,000	\$ 66,593
Wastewater:			
Revenue bonds	Sewage Works Revenue Bond 2014	10,735,000	362,306
Notes and loans payable	Loan from Electric Utility to pay off 2003 Sewer Bond	1,359,553	533,325
Total Wastewater		<u>12,094,553</u>	<u>895,631</u>
Water:			
Revenue bonds	Waterworks Ref Rev Bond of 2015 Series A	2,957,000	520,293
Revenue bonds	Waterworks Ref Rev Bond of 2015 Series B	2,993,000	459,920
Total Water		<u>5,950,000</u>	<u>980,213</u>
Totals		<u>\$ 18,109,553</u>	<u>\$ 1,942,437</u>

CITY OF GREENFIELD
SCHEDULE OF CAPITAL ASSETS
December 31, 2015

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

	Ending Balance
Governmental activities:	
Land	\$ 5,598,339
Infrastructure	33,096,226
Buildings	6,460,106
Improvements other than buildings	203,022
Machinery, equipment, and vehicles	9,775,086
Total governmental activities	55,132,779
Electric:	
Land	197,605
Buildings	1,860,059
Improvements other than buildings	17,201,764
Machinery, equipment, and vehicles	8,379,454
Total Electric	27,638,882
Storm Water:	
Land	64,109
Buildings	1,717
Improvements other than buildings	9,555,643
Machinery, equipment, and vehicles	193,242
Books and other	8,436
Total Storm Water	9,823,147
Wastewater:	
Land	521,085
Infrastructure	8,565,171
Buildings	3,766,896
Machinery, equipment, and vehicles	29,176,313
Books and other	171,626
Total Wastewater	42,201,091
Water:	
Land	307,106
Infrastructure	239,621
Buildings	2,011,393
Improvements other than buildings	9,483,148
Machinery, equipment, and vehicles	27,346,540
Books and other	155,148
Total Water	39,542,956
Total capital assets	\$ 174,338,855

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 CITY OF GREENFIELD, HANCOCK COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of Greenfield's (City) 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 City'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 City'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 City'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 City's compliance.

Opinion on the Major Federal Program

In our opinion, the City 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 City 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 City'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 City'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

February 27, 2017

(This page intentionally left blank.)

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 City. The schedule and notes are presented as intended by the City.

CITY OF GREENFIELD
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	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Equitable Sharing Program Pace Nonreverting Law Enforcement	Direct Grant	16.922	D3-15-9771	\$ -	\$ 39,736
Total - Department of Justice				-	39,736
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Franklin Street Project	Indiana Department of Transportation	20.205	DES#0500914	-	136,905
Total - Highway Planning and Construction Cluster				-	136,905
Highway Safety Cluster State and Community Highway Safety Operation Pullover	Indiana Criminal Justice Institute	20.600	OP-10-02-01-05	-	7,798
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI Task Force	Indiana Criminal Justice Institute	20.601	#032NHT164HE2015	-	4,083
Total - Highway Safety Cluster				-	11,881
Total - Department of Transportation				-	285,691
<u>Department of Homeland Security</u>					
Assistance to Firefighters Grant Fire Territory Grant	Direct Grant	97.044	EMW-2014-FR-00146	-	751,582
Total - Department of Homeland Security				-	751,582
Total federal awards expended				\$ -	\$ 940,104

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

CITY OF GREENFIELD
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 City 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* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

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 the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF GREENFIELD
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?	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 Program and type of auditor's report issued on compliance:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
97.044	Assistance to Firefighters Grant	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 - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The City 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). One person was solely responsible for preparing and submitting the SEFA without an oversight, review, or approval process to ensure its accuracy. During the audit of the SEFA, there were the following material errors:

Highway Planning and Construction and Equitable Sharing Program grant expenditures were omitted.

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

CITY OF GREENFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

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 § 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.

CITY OF GREENFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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.
- (6) Include notes that describe that 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 - INTERNAL CONTROLS OVER CASH BALANCES

Condition

An effective internal control system was not in place at the City over cash balances. The City relied on one employee to reconcile the bank accounts with accounting records. There was no evidence of an oversight, review, or approval process to ensure that the bank accounts were reconciled accurately and timely.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

CITY OF GREENFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

Management of the City had not established a proper system of internal control over cash balances.

Effect

The failure to establish internal controls could have enabled material noncompliance to go undetected.

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.

(This page intentionally left blank.)

AUDITEE-PREPARED DOCUMENT

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



Lori Elmore - Clerk-Treasurer
City of Greenfield
10 South State Street,
Greenfield, Indiana 46140-2364
(317) 477-4310

CORRECTIVE ACTION PLAN

FINDING 2015-001 –Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Lori Elmore – Clerk-Treasurer
Contact Phone Number: 317-477-4310

Views of Responsible Official: The two grants were not listed on our AFR as they should have been.

Description of Corrective Action Plan: I will add these two adjustments to our 2015 AFR after they are unlocked. We will keep better records going forward on which grants are federally funded and should be included on our AFR each year.

Anticipated Completion Date: March 10th, 2017

Lori Elmore
Clerk –Treasurer
City of Greenfield



Lori Elmore - Clerk-Treasurer
City of Greenfield
10 South State Street,
Greenfield, Indiana 46140-2364
(317) 477-4310

CORRECTIVE ACTION PLAN

FINDING 2015-002 Internal Controls over Cash Balances

Contact Person Responsible for Corrective Action:
Contact Phone Number:

Lori Elmore – Clerk-Treasurer
317-477-4310

Views of Responsible Official: To the best of my knowledge, I believe the former Clerk-Treasurer reviewed the monthly cash reconciliations even though he did not sign off on each document as we do now.

Description of Corrective Action Plan: We have implemented an internal control measure where the Chief Deputy prepares the monthly cash reconciliations for each bank account and signs and dates. I then review those same reports and also sign and date them as a second set of eyes reviewing the records.

Anticipated Completion Date: This plan has been in effect since October 2016.

A handwritten signature in black ink that reads "Lori Elmore".

Lori Elmore
Clerk –Treasurer
City of Greenfield

OTHER REPORTS

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