

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF SEYMOUR  
JACKSON COUNTY, INDIANA

January 1, 2015 to December 31, 2015



**FILED**  
07/12/2017



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 .....	10-12
Notes to Financial Statement .....	13-19
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	22-47
Schedule of Payables and Receivables .....	48
Schedule of Leases and Debt .....	49
Schedule of Capital Assets.....	50
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance .....	52-53
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	56
Notes to Schedule of Expenditures of Federal Awards .....	57
Schedule of Findings and Questioned Costs .....	58-61
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	64
Corrective Action Plan .....	65-66
Other Reports.....	67

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Fred D. Lewis	01-01-12 to 12-31-19
Mayor	Craig Luedeman	01-01-12 to 12-31-19
President of the Board of Public Works and Safety	Craig Luedeman	01-01-15 to 12-31-17
President Pro Tempore of the Common Council	James W. Rebber	01-01-15 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](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF SEYMOUR, JACKSON COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the City of Seymour (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 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 May 3, 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

May 3, 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](http://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 SEYMOUR, JACKSON 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 Seymour (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 May 3, 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 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.

**City of Seymour'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

May 3, 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 SEYMOUR  
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
GARNISHMENT 1	\$ -	\$ 6,446	\$ 6,446	\$ -
GENERAL FUND	701,797	17,485,140	17,024,251	1,162,686
MVH	126,070	1,032,647	917,301	241,416
LOCAL ROAD AND STREET	181,744	86,419	100,000	168,163
THOROUGHFARE	598	-	-	598
PARK & REC. ACTIVITY N.R.	53,861	60,061	53,520	60,402
ECONOMIC DEVELOPMENT	15,404	-	-	15,404
LANDFILL COST NON-REVERT.	265,876	269,751	182,517	353,110
LAW ENFORCEMENT TRAINING	5,635	27,507	10,238	22,904
PARK & RECREATION FUND	22,326	1,320,990	1,274,220	69,096
RAINY DAY FUND	6,190	-	-	6,190
FIRE DEPT-HAZARDOUS WASTE	17,973	-	127	17,846
POLICE SEIZURE FUND	20,018	20,061	9,627	30,452
CERTIFIED TECHNOLOGY PARK 2012	-	1,237,816	1,099,798	138,018
CUMULATIVE CAPITAL DEV.	191,048	388,176	435,389	143,835
RDC BOND & INTEREST 2011	526	525,690	525,690	526
CUMULATIVE FIRE EQUIPMENT	186,531	20,258	3,936	202,853
SIDEWALK FUND	-	28,538	17,436	11,102
EDIT TAX FUND	10,183	747,840	758,002	21
CUMULATIVE CAPITAL IMPR.	31,784	43,963	52,149	23,598
TIF BURKART DR./1-65 ALLO	241,823	1,674,733	948,692	967,864
POLICE PENSION	305,948	443,954	548,387	201,515
FIRE PENSION	389,505	506,384	575,518	320,371
ELECTRICAL LICENSING	12,733	3,805	4,083	12,455
POLICE DEPT. PETTY CASH	150	-	-	150
DEPT. OF PUBLIC WORKS PETTY CASH	100	-	-	100
RDC DEBT RESERVE 2011	165,782	167	-	165,949
BONDS & INT. 2005 & 2010	476,812	1,142,291	1,142,983	476,120
RECYCLING FUND	9,426	1,274	10,700	-
POLICE DEPT CONCESSION FUND	196	1,791	1,438	549
FIRE DEPT. EDUCATIONAL N.R	28,348	6,218	6,299	28,267
2013 GENERAL OBLIGATION BOND PROJECT	1,081,524	2,522	1,084,046	-
CITY HALL CONCESSION FUND	623	-	22	601
DEPT.OF PUBLIC WORKS FACILITY CONCESSION	14,101	557	2,990	11,668
TRAILS DEVELOPMENT FUND	-	1,835	385	1,450
SKATE PARK FUND	29,927	230	28,177	1,980
GRANT HOLDING FUND	364,269	881,602	1,297,476	(51,605)
REGION XI	38,758	7,014	3,385	42,387
SEYMOUR COMMUNITY CENTER	31,439	8,800	8,589	31,650
PARK & REC. LEAGUE N.R.	76,271	87,848	99,253	64,866
PARK & REC. PETTY CASH	500	-	-	500
PARK & RECREATION ONLINE	50	11,823	11,755	118
POLICE ALCOHOL & DRUG	3,232	-	-	3,232
D.A.R.E. POLICE FUND	564	8,792	8,649	707
Jackson County Co-op Credit Union	-	12,250	12,250	-
AFA Life Insurance	-	3,929	4,166	(237)
AFA Long Term Disability	-	5,483	6,139	(656)
AFA Accident/cancer	-	1,737	2,061	(324)
US BANK	-	2,262	2,262	-
PAYROLL-FEDERAL W/H	(134)	1,033,924	1,033,862	(72)
PAYROLL-FICA	-	235,273	235,271	2
PAYROLL-MEDICARE	-	117,445	117,436	9

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

CITY OF SEYMOUR  
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
PAYROLL-STATE W/H	21,415	299,579	299,551	21,443
PAYROLL-COUNTY W/H	20,912	124,854	124,780	20,986
PAYROLL-PERF	(129)	11,096	11,096	(129)
Stockyards Bank & Trust	-	18,622	18,622	-
VSP VISION INSURANCE	(8,685)	25,717	28,069	(11,037)
PAYROLL-INDIANA POLICE	359	129,412	124,044	5,727
GARNISHMENT 2	-	6,160	6,160	-
IRWIN UNION BANK SAVINGS	-	100	100	-
PAYROLL-IND.FIRE PENSION	(235)	132,097	132,238	(376)
CHASE BANK	-	38,059	38,059	-
WOODFOREST NATIONAL BANK	-	39,199	39,199	-
GARNISHMENT 3	-	1,966	1,966	-
GARNISHMENT 4	-	2,860	2,860	-
GARNISHMENT 5	-	4,992	4,992	-
GARNISHMENT 6	-	7,778	7,748	30
Business & Industrial Federal Credit Union	-	25,003	25,003	-
GARNISHMENTS	161	-	-	161
PAYROLL-FILING FEES	-	702	702	-
PAYROLL-UNITED FUND	-	4,951	4,951	-
PAYROLL-CHRISTMAS CLUB	-	97,027	97,027	-
SCOTT COUNTY TAX	305	1,781	1,684	402
SIHO	7,045	651,928	644,156	14,817
PAYROLL-SAVINGS PLAN	-	128,352	128,352	-
PAYROLL-POLICE DUES	-	8,394	8,394	-
PAYROLL-FIRE DUES	-	9,330	9,330	-
PAYROLL-NATIONWIDE RET SO	-	40,705	40,735	(30)
PAYROLL-FRANKLIN LIFE	67	2,380	1,604	843
PAYROLL-AFLAC	(7)	4,180	4,170	3
JENNINGS COUNTY TAX	327	4,358	4,286	399
CITY SHARE FICA	-	290,448	288,510	1,938
CITY SH MEDICARE	-	62,270	64,208	(1,938)
CITY SHARE PERF	3,487	1,378,995	1,384,446	(1,964)
CITY SHARE UNEMPLOYMENT	-	29,862	29,862	-
NET PAYROLL	(8,313)	1,596,964	1,598,445	(9,794)
WASHINGTON COUNTY TAX	120	1,414	1,394	140
Purdue Employees Federal Credit Union	-	34,713	34,713	-
GARNISHMENT 7	-	4,096	4,096	-
GARNISHMENT 8	-	960	1,200	(240)
GARNISHMENT 9	-	2,600	2,600	-
JACKSON COUNTY BANK	163	1,587,654	1,587,654	163
NATIONAL CITY BANK	-	499,402	499,402	-
IBT/Old National Bank	-	405,559	405,559	-
CENTRA CREDIT UNION	-	991,803	991,803	-
IRWIN UNION BANK	-	332,792	332,792	-
PNC Bank/Florida	-	3,805	3,805	-
WELLS FARGO BANK	-	12,727	12,727	-
GARNISHMENT 10	-	2,340	2,340	-
Rivervalley Financial Bank	-	34,168	34,168	-
Reimb. charges incurred by employee	-	10	10	-
GARNISHMENT 11	-	140	140	-
OLD NATIONAL BANK	-	16,205	16,205	-
GARNISHMENT 12	-	8,016	8,016	-

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

CITY OF SEYMOUR  
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
GARNISHMENT 13	-	63,369	71,337	(7,968)
GARNISHMENT 14	-	9,387	9,387	-
AMSOUTH BANK OF FLORIDA D	-	16,827	16,827	-
GARNISHMENT 15	-	364	364	-
PEOPLES BANK	-	351,747	351,747	-
Ameritas Life Ins Corp. (DENTAL)	(19,400)	1,185	-	(18,215)
DIRECT DEPOSIT-ELI LILLY	-	36,869	36,869	-
NATIONAL CITY BANK/SOUTHE	-	65,575	65,575	-
BANK OF AMERICA	-	25,895	25,895	-
DD/Bancorp/PayPal	-	425	425	-
DD CENTRA CREDIT SAVINGS	-	4,295	4,295	-
GARNISHMENT 18	-	8,424	8,478	(54)
MARION COUNTY TAX	302	903	902	303
REIMBURSE OVERPAYMENTS	-	160	-	160
AUL LOAN PAYBACK	-	13,511	13,511	-
GARNISHMENT 19	-	8,875	8,875	-
BARTHOLOMEW COUNTY TAX	287	1,187	1,173	301
GARNISHMENT 20	-	6,500	6,500	-
DD STATE BANK OF MEDORA	-	73,874	73,874	-
BLOOMFIELD STATE BANK	-	16,192	16,192	-
Indiana Members Credit Union/Bar-Cons Credit union	-	15,372	15,372	-
AUL DEFERRED COMP	-	127,799	127,799	-
AFLAC LIFE INSURANCE	-	1,322	1,388	(66)
Brown County Tax	86	913	911	88
AFLAC/CAIC	(620)	16,747	15,500	627
Main Source Bank	-	329,712	329,712	-
Jefferson County Tax	12	119	120	11
H&R Block Bank/Emerald Card	-	2,127	2,127	-
GARNISHMENT 22	-	3,280	3,280	-
MetLife Dental	(7,845)	52,117	45,194	(922)
GARNISHMENT 24	-	946	946	-
Hancock County Tax	10	-	10	-
I U CREDIT UNION	-	7,750	7,750	-
Bank of America	-	13,528	13,528	-
USAA BANK	-	5,467	5,467	-
GARNISHMENT 25	-	533	533	-
GARNISHMENT 26	-	302	302	-
SUPPORTING HEROS INC	-	3,510	3,510	-
GARNISHMENT 27	-	8,996	8,996	-
Morgan County Tax	-	157	157	-
SRFFWW CONSTRUCTION	-	509,184	509,184	-
SMSU OPERATING	3,676,749	11,524,818	11,638,825	3,562,742
SMSU ON-LINE PAYMENTS	47,241	571,122	566,149	52,214
SMSU IMPROVEMENT	70,651	-	-	70,651
SRF BOND & INTEREST	182,357	325,348	313,313	194,392
SMSU PETTY CASH	150	-	-	150
2013 REFUNDING BOND (SRF)	21,009	1,567,388	1,567,336	21,061
2015 SEWAGE WORKS CONSTRUCTION ACCT.	-	12,156,738	292,292	11,864,446
2015 BOND & INTEREST	-	365,076	365,076	-
SRF DEBT RESERVE	1,486,185	938,359	-	2,424,544
S.M.S.U. -STORMWATER UTILITY	217,710	1,143,863	1,044,999	316,574
Totals	<u>\$ 10,821,387</u>	<u>\$ 69,021,928</u>	<u>\$ 56,372,896</u>	<u>\$ 23,470,419</u>

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

CITY OF SEYMOUR  
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 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.

CITY OF SEYMOUR  
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 SEYMOUR  
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 by an outside financial contractor (Contractor) and approved at the local level. The Contractor 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 SEYMOUR  
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 SEYMOUR  
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 SEYMOUR  
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. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. Cash deficits consisted of payroll withholding funds which have not been reconciled as of December 31, 2015, to determine the cause of the negative fund balances. Other cash deficits were the result of funds being set up for reimbursable grants. The reimbursement for expenditures made by the City were not received by December 31, 2015.

**Note 8. Subsequent Events**

The City amended their lease with Seymour Facilities Building Corporation, for the Police Station on August 10, 2016.

The City entered into a Lease-Purchase agreement with Crossroads Bank for the purchase of a 2016 Pierce Pumper Fire Truck. The semiannual lease payments begin on July 1, 2016, and continue through January 1, 2023, for a total amount of \$484,952.86.

The City issued General Obligation Bonds, Series 2016 A & B for \$1,995,000 and \$1,000,000, respectively, for the purpose of financing the costs of various capital improvement items and equipment. The semiannual debt service requirements begin January 15, 2017, and continue through January 15, 2022.

CITY OF SEYMOUR  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Other Postemployment Benefits**

The City provides to eligible police and fire retirees and their spouses health insurance benefits. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

(This page intentionally left blank.)

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

	GARNISHMENT 1	GENERAL FUND	MVH	LOCAL ROAD AND STREET	THOROUGHFARE	PARK & REC. ACTIVITY N.R.
Cash and investments - beginning	\$ -	\$ 701,797	\$ 126,070	\$ 181,744	\$ 598	\$ 53,861
Receipts:						
Taxes	-	6,190,438	380,188	-	-	-
Licenses and permits	-	157,263	-	-	-	-
Intergovernmental receipts	-	5,144,200	646,617	86,419	-	-
Charges for services	-	53,839	-	-	-	15,161
Fines and forfeits	-	6,715	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	6,446	5,932,685	5,842	-	-	44,900
Total receipts	<u>6,446</u>	<u>17,485,140</u>	<u>1,032,647</u>	<u>86,419</u>	<u>-</u>	<u>60,061</u>
Disbursements:						
Personal services	-	9,398,997	691,656	-	-	-
Supplies	-	290,629	137,023	-	-	-
Other services and charges	-	1,931,246	12,874	100,000	-	1,418
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	184,614	7,582	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	6,446	5,218,765	68,166	-	-	52,102
Total disbursements	<u>6,446</u>	<u>17,024,251</u>	<u>917,301</u>	<u>100,000</u>	<u>-</u>	<u>53,520</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>460,889</u>	<u>115,346</u>	<u>(13,581)</u>	<u>-</u>	<u>6,541</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,162,686</u>	<u>\$ 241,416</u>	<u>\$ 168,163</u>	<u>\$ 598</u>	<u>\$ 60,402</u>

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

	ECONOMIC DEVELOPMENT	LANDFILL COST NON-REVERT.	LAW ENFORCEMENT TRAINING	PARK & RECREATION FUND	RAINY DAY FUND	FIRE DEPT-HAZARDOUS WASTE
Cash and investments - beginning	\$ 15,404	\$ 265,876	\$ 5,635	\$ 22,326	\$ 6,190	\$ 17,973
Receipts:						
Taxes	-	-	-	776,925	-	-
Licenses and permits	-	-	10,430	-	-	-
Intergovernmental receipts	-	-	-	57,878	-	-
Charges for services	-	268,906	7,086	69,750	-	-
Fines and forfeits	-	-	1,525	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	845	8,466	416,437	-	-
Total receipts	-	269,751	27,507	1,320,990	-	-
Disbursements:						
Personal services	-	-	-	550,670	-	-
Supplies	-	-	-	99,469	-	127
Other services and charges	-	-	-	105,939	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	2,185	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	182,517	10,238	515,957	-	-
Total disbursements	-	182,517	10,238	1,274,220	-	127
Excess (deficiency) of receipts over disbursements	-	87,234	17,269	46,770	-	(127)
Cash and investments - ending	\$ 15,404	\$ 353,110	\$ 22,904	\$ 69,096	\$ 6,190	\$ 17,846

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

	POLICE SEIZURE FUND	CERTIFIED TECHNOLOGY PARK 2012	CUMULATIVE CAPITAL DEV.	RDC BOND & INTEREST 2011	CUMULATIVE FIRE EQUIPMENT	SIDEWALK FUND
Cash and investments - beginning	\$ 20,018	\$ -	\$ 191,048	\$ 526	\$ 186,531	\$ -
Receipts:						
Taxes	-	-	361,278	-	18,860	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	26,898	-	1,398	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	2,850	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	17,211	1,237,816	-	525,690	-	28,538
Total receipts	<u>20,061</u>	<u>1,237,816</u>	<u>388,176</u>	<u>525,690</u>	<u>20,258</u>	<u>28,538</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	65,255	-	3,936	17,436
Other services and charges	-	-	346,121	-	-	-
Debt service - principal and interest	-	-	-	525,590	-	-
Capital outlay	-	1,099,798	24,013	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	9,627	-	-	100	-	-
Total disbursements	<u>9,627</u>	<u>1,099,798</u>	<u>435,389</u>	<u>525,690</u>	<u>3,936</u>	<u>17,436</u>
Excess (deficiency) of receipts over disbursements	<u>10,434</u>	<u>138,018</u>	<u>(47,213)</u>	<u>-</u>	<u>16,322</u>	<u>11,102</u>
Cash and investments - ending	<u>\$ 30,452</u>	<u>\$ 138,018</u>	<u>\$ 143,835</u>	<u>\$ 526</u>	<u>\$ 202,853</u>	<u>\$ 11,102</u>

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

	EDIT TAX FUND	CUMULATIVE CAPITAL IMPR.	TIF BURKART DR./1-65 ALLO	POLICE PENSION	FIRE PENSION	ELECTRICAL LICENSING
Cash and investments - beginning	\$ 10,183	\$ 31,784	\$ 241,823	\$ 305,948	\$ 389,505	\$ 12,733
Receipts:						
Taxes	-	-	1,674,733	-	-	-
Licenses and permits	-	-	-	-	-	3,805
Intergovernmental receipts	747,840	43,963	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	443,954	506,384	-
Total receipts	<u>747,840</u>	<u>43,963</u>	<u>1,674,733</u>	<u>443,954</u>	<u>506,384</u>	<u>3,805</u>
Disbursements:						
Personal services	-	-	-	548,260	575,418	-
Supplies	-	-	-	-	-	-
Other services and charges	758,002	52,149	-	127	100	-
Debt service - principal and interest	-	-	66,000	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	882,692	-	-	4,083
Total disbursements	<u>758,002</u>	<u>52,149</u>	<u>948,692</u>	<u>548,387</u>	<u>575,518</u>	<u>4,083</u>
Excess (deficiency) of receipts over disbursements	<u>(10,162)</u>	<u>(8,186)</u>	<u>726,041</u>	<u>(104,433)</u>	<u>(69,134)</u>	<u>(278)</u>
Cash and investments - ending	<u>\$ 21</u>	<u>\$ 23,598</u>	<u>\$ 967,864</u>	<u>\$ 201,515</u>	<u>\$ 320,371</u>	<u>\$ 12,455</u>

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

	POLICE DEPT. PETTY CASH	DEPT. OF PUBLIC WORKS PETTY CASH	RDC DEBT RESERVE 2011	BONDS & INT. 2005 & 2010	RECYCLING FUND	POLICE DEPT CONCESSION FUND
Cash and investments - beginning	\$ 150	\$ 100	\$ 165,782	\$ 476,812	\$ 9,426	\$ 196
Receipts:						
Taxes	-	-	-	1,073,873	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	67,902	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	167	516	1,274	1,791
Total receipts	-	-	167	1,142,291	1,274	1,791
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	10,700	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	1,141,884	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	1,099	-	1,438
Total disbursements	-	-	-	1,142,983	10,700	1,438
Excess (deficiency) of receipts over disbursements	-	-	167	(692)	(9,426)	353
Cash and investments - ending	\$ 150	\$ 100	\$ 165,949	\$ 476,120	\$ -	\$ 549

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

	FIRE DEPT. EDUCATIONAL N.R	2013 GENERAL OBLIGATION BOND PROJECT	CITY HALL CONCESSION FUND	DEPT. OF PUBLIC WORKS FACILITY CONCESSION	TRAILS DEVELOPMENT FUND	SKATE PARK FUND
Cash and investments - beginning	\$ 28,348	\$ 1,081,524	\$ 623	\$ 14,101	\$ -	\$ 29,927
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	6,218	2,522	-	557	1,835	230
Total receipts	<u>6,218</u>	<u>2,522</u>	<u>-</u>	<u>557</u>	<u>1,835</u>	<u>230</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	22	-	-	-
Other services and charges	-	-	-	-	-	28,177
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	1,084,046	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	6,299	-	-	2,990	385	-
Total disbursements	<u>6,299</u>	<u>1,084,046</u>	<u>22</u>	<u>2,990</u>	<u>385</u>	<u>28,177</u>
Excess (deficiency) of receipts over disbursements	<u>(81)</u>	<u>(1,081,524)</u>	<u>(22)</u>	<u>(2,433)</u>	<u>1,450</u>	<u>(27,947)</u>
Cash and investments - ending	<u>\$ 28,267</u>	<u>\$ -</u>	<u>\$ 601</u>	<u>\$ 11,668</u>	<u>\$ 1,450</u>	<u>\$ 1,980</u>

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

	GRANT HOLDING FUND	REGION XI	SEYMOUR COMMUNITY CENTER	PARK & REC. LEAGUE N.R.	PARK & REC. PETTY CASH	PARK & RECREATION ONLINE
Cash and investments - beginning	\$ 364,269	\$ 38,758	\$ 31,439	\$ 76,271	\$ 500	\$ 50
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	873,859	-	-	-	-	-
Charges for services	-	-	8,300	84,196	-	11,823
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	7,743	7,014	500	3,652	-	-
Total receipts	<u>881,602</u>	<u>7,014</u>	<u>8,800</u>	<u>87,848</u>	<u>-</u>	<u>11,823</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	1,702	-	-
Other services and charges	-	-	-	590	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	876	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,297,476	2,509	8,589	96,961	-	11,755
Total disbursements	<u>1,297,476</u>	<u>3,385</u>	<u>8,589</u>	<u>99,253</u>	<u>-</u>	<u>11,755</u>
Excess (deficiency) of receipts over disbursements	<u>(415,874)</u>	<u>3,629</u>	<u>211</u>	<u>(11,405)</u>	<u>-</u>	<u>68</u>
Cash and investments - ending	<u>\$ (51,605)</u>	<u>\$ 42,387</u>	<u>\$ 31,650</u>	<u>\$ 64,866</u>	<u>\$ 500</u>	<u>\$ 118</u>

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

	POLICE ALCOHOL & DRUG	D.A.R.E. POLICE FUND	Jackson County Co-op Credit Union	AFA Life Insurance	AFA Long Term Disability	AFA Accident/cancer
Cash and investments - beginning	\$ 3,232	\$ 564	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	8,792	12,250	3,929	5,483	1,737
Total receipts	-	8,792	12,250	3,929	5,483	1,737
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	8,649	12,250	4,166	6,139	2,061
Total disbursements	-	8,649	12,250	4,166	6,139	2,061
Excess (deficiency) of receipts over disbursements	-	143	-	(237)	(656)	(324)
Cash and investments - ending	\$ 3,232	\$ 707	\$ -	\$ (237)	\$ (656)	\$ (324)

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

	US BANK	PAYROLL-FEDERAL W/H	PAYROLL-FICA	PAYROLL-MEDICARE	PAYROLL-STATE W/H	PAYROLL-COUNTY W/H
Cash and investments - beginning	\$ -	\$ (134)	\$ -	\$ -	\$ 21,415	\$ 20,912
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,262	1,033,924	235,273	117,445	299,579	124,854
Total receipts	<u>2,262</u>	<u>1,033,924</u>	<u>235,273</u>	<u>117,445</u>	<u>299,579</u>	<u>124,854</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,262	1,033,862	235,271	117,436	299,551	124,780
Total disbursements	<u>2,262</u>	<u>1,033,862</u>	<u>235,271</u>	<u>117,436</u>	<u>299,551</u>	<u>124,780</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>62</u>	<u>2</u>	<u>9</u>	<u>28</u>	<u>74</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (72)</u>	<u>\$ 2</u>	<u>\$ 9</u>	<u>\$ 21,443</u>	<u>\$ 20,986</u>

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

	PAYROLL-PERF	Stockyards Bank & Trust	VSP VISION INSURANCE	PAYROLL-INDIANA POLICE	GARNISHMENT 2	IRWIN UNION BANK SAVINGS
Cash and investments - beginning	\$ (129)	\$ -	\$ (8,685)	\$ 359	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	11,096	18,622	25,717	129,412	6,160	100
Total receipts	<u>11,096</u>	<u>18,622</u>	<u>25,717</u>	<u>129,412</u>	<u>6,160</u>	<u>100</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	11,096	18,622	28,069	124,044	6,160	100
Total disbursements	<u>11,096</u>	<u>18,622</u>	<u>28,069</u>	<u>124,044</u>	<u>6,160</u>	<u>100</u>
Excess (deficiency) of receipts over disbursements	-	-	(2,352)	5,368	-	-
Cash and investments - ending	<u>\$ (129)</u>	<u>\$ -</u>	<u>\$ (11,037)</u>	<u>\$ 5,727</u>	<u>\$ -</u>	<u>\$ -</u>

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

	PAYROLL-IND.FIRE PENSION	CHASE BANK	WOODFOREST NATIONAL BANK	GARNISHMENT 3	GARNISHMENT 4	GARNISHMENT 5
Cash and investments - beginning	\$ (235)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	132,097	38,059	39,199	1,966	2,860	4,992
Total receipts	<u>132,097</u>	<u>38,059</u>	<u>39,199</u>	<u>1,966</u>	<u>2,860</u>	<u>4,992</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	132,238	38,059	39,199	1,966	2,860	4,992
Total disbursements	<u>132,238</u>	<u>38,059</u>	<u>39,199</u>	<u>1,966</u>	<u>2,860</u>	<u>4,992</u>
Excess (deficiency) of receipts over disbursements	(141)	-	-	-	-	-
Cash and investments - ending	\$ <u>(376)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

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

	GARNISHMENT 6	Business & Industrial Federal Credit Union	GARNISHMENTS	PAYROLL-FILING FEES	PAYROLL-UNITED FUND	PAYROLL-CHRISTMAS CLUB
Cash and investments - beginning	\$ -	\$ -	\$ 161	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	7,778	25,003	-	702	4,951	97,027
Total receipts	7,778	25,003	-	702	4,951	97,027
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	7,748	25,003	-	702	4,951	97,027
Total disbursements	7,748	25,003	-	702	4,951	97,027
Excess (deficiency) of receipts over disbursements	30	-	-	-	-	-
Cash and investments - ending	\$ 30	\$ -	\$ 161	\$ -	\$ -	\$ -

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

	SCOTT COUNTY TAX	SIHO	PAYROLL-SAVINGS PLAN	PAYROLL-POLICE DUES	PAYROLL-FIRE DUES	PAYROLL-NATIONWIDE RET SO
Cash and investments - beginning	\$ 305	\$ 7,045	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,781	651,928	128,352	8,394	9,330	40,705
Total receipts	<u>1,781</u>	<u>651,928</u>	<u>128,352</u>	<u>8,394</u>	<u>9,330</u>	<u>40,705</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,684	644,156	128,352	8,394	9,330	40,735
Total disbursements	<u>1,684</u>	<u>644,156</u>	<u>128,352</u>	<u>8,394</u>	<u>9,330</u>	<u>40,735</u>
Excess (deficiency) of receipts over disbursements	<u>97</u>	<u>7,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30)</u>
Cash and investments - ending	<u>\$ 402</u>	<u>\$ 14,817</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30)</u>

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

	PAYROLL-FRANKLIN LIFE	PAYROLL-AFLAC	JENNINGS COUNTY TAX	CITY SHARE FICA	CITY SH MEDICARE	CITY SHARE PERF
Cash and investments - beginning	\$ 67	\$ (7)	\$ 327	\$ -	\$ -	\$ 3,487
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,380	4,180	4,358	290,448	62,270	1,378,995
Total receipts	<u>2,380</u>	<u>4,180</u>	<u>4,358</u>	<u>290,448</u>	<u>62,270</u>	<u>1,378,995</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,604	4,170	4,286	288,510	64,208	1,384,446
Total disbursements	<u>1,604</u>	<u>4,170</u>	<u>4,286</u>	<u>288,510</u>	<u>64,208</u>	<u>1,384,446</u>
Excess (deficiency) of receipts over disbursements	<u>776</u>	<u>10</u>	<u>72</u>	<u>1,938</u>	<u>(1,938)</u>	<u>(5,451)</u>
Cash and investments - ending	<u>\$ 843</u>	<u>\$ 3</u>	<u>\$ 399</u>	<u>\$ 1,938</u>	<u>\$ (1,938)</u>	<u>\$ (1,964)</u>

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

	CITY SHARE UNEMPLOYMENT	NET PAYROLL	WASHINGTON COUNTY TAX	Purdue Employees Federal Credit Union	GARNISHMENT 7	GARNISHMENT 8
Cash and investments - beginning	\$ -	\$ (8,313)	\$ 120	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	29,862	1,596,964	1,414	34,713	4,096	960
Total receipts	<u>29,862</u>	<u>1,596,964</u>	<u>1,414</u>	<u>34,713</u>	<u>4,096</u>	<u>960</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	29,862	1,598,445	1,394	34,713	4,096	1,200
Total disbursements	<u>29,862</u>	<u>1,598,445</u>	<u>1,394</u>	<u>34,713</u>	<u>4,096</u>	<u>1,200</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(1,481)</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>(240)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (9,794)</u>	<u>\$ 140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (240)</u>

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

	GARNISHMENT 9	JACKSON COUNTY BANK	NATIONAL CITY BANK	IBT/Old National Bank	CENTRA CREDIT UNION	IRWIN UNION BANK
Cash and investments - beginning	\$ -	\$ 163	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,600	1,587,654	499,402	405,559	991,803	332,792
Total receipts	<u>2,600</u>	<u>1,587,654</u>	<u>499,402</u>	<u>405,559</u>	<u>991,803</u>	<u>332,792</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,600	1,587,654	499,402	405,559	991,803	332,792
Total disbursements	<u>2,600</u>	<u>1,587,654</u>	<u>499,402</u>	<u>405,559</u>	<u>991,803</u>	<u>332,792</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	PNC Bank/Florida	WELLS FARGO BANK	GARNISHMENT 10	Rivervalley Financial Bank	Reimb. charges incurred by employee	GARNISHMENT 11
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,805	12,727	2,340	34,168	10	140
Total receipts	<u>3,805</u>	<u>12,727</u>	<u>2,340</u>	<u>34,168</u>	<u>10</u>	<u>140</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,805	12,727	2,340	34,168	10	140
Total disbursements	<u>3,805</u>	<u>12,727</u>	<u>2,340</u>	<u>34,168</u>	<u>10</u>	<u>140</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	OLD NATIONAL BANK	GARNISHMENT 12	GARNISHMENT 13	GARNISHMENT 14	AMSOUTH BANK OF FLORIDA D	GARNISHMENT 15
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	16,205	8,016	63,369	9,387	16,827	364
Total receipts	<u>16,205</u>	<u>8,016</u>	<u>63,369</u>	<u>9,387</u>	<u>16,827</u>	<u>364</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	16,205	8,016	71,337	9,387	16,827	364
Total disbursements	<u>16,205</u>	<u>8,016</u>	<u>71,337</u>	<u>9,387</u>	<u>16,827</u>	<u>364</u>
Excess (deficiency) of receipts over disbursements	-	-	(7,968)	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,968)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	PEOPLES BANK	Ameritas Life Ins Corp. (DENTAL)	DIRECT DEPOSIT-ELI LILLY	NATIONAL CITY BANK/SOUTHE	BANK OF AMERICA	DD/Bancorp/PayPal
Cash and investments - beginning	\$ -	\$ (19,400)	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	351,747	1,185	36,869	65,575	25,895	425
Total receipts	<u>351,747</u>	<u>1,185</u>	<u>36,869</u>	<u>65,575</u>	<u>25,895</u>	<u>425</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	351,747	-	36,869	65,575	25,895	425
Total disbursements	<u>351,747</u>	<u>-</u>	<u>36,869</u>	<u>65,575</u>	<u>25,895</u>	<u>425</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,185</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (18,215)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	DD CENTRA CREDIT SAVINGS	GARNISHMENT 18	MARION COUNTY TAX	REIMBURSE OVERPAYMENTS	AUL LOAN PAYBACK	GARNISHMENT 19
Cash and investments - beginning	\$ -	\$ -	\$ 302	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	4,295	8,424	903	160	13,511	8,875
Total receipts	<u>4,295</u>	<u>8,424</u>	<u>903</u>	<u>160</u>	<u>13,511</u>	<u>8,875</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	4,295	8,478	902	-	13,511	8,875
Total disbursements	<u>4,295</u>	<u>8,478</u>	<u>902</u>	<u>-</u>	<u>13,511</u>	<u>8,875</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(54)</u>	<u>1</u>	<u>160</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (54)</u>	<u>\$ 303</u>	<u>\$ 160</u>	<u>\$ -</u>	<u>\$ -</u>

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

	BARTHOLOMEW COUNTY TAX	GARNISHMENT 20	DD STATE BANK OF MEDORA	BLOOMFIELD STATE BANK	Indiana Members Credit Union/Bar-Cons Credit union	AUL DEFERRED COMP
Cash and investments - beginning	\$ 287	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,187	6,500	73,874	16,192	15,372	127,799
Total receipts	1,187	6,500	73,874	16,192	15,372	127,799
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,173	6,500	73,874	16,192	15,372	127,799
Total disbursements	1,173	6,500	73,874	16,192	15,372	127,799
Excess (deficiency) of receipts over disbursements	14	-	-	-	-	-
Cash and investments - ending	\$ 301	\$ -	\$ -	\$ -	\$ -	\$ -

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

	AFLAC LIFE INSURANCE	Brown County Tax	AFLAC/CAIC	Main Source Bank	Jefferson County Tax	H&R Block Bank/Emerald Card
Cash and investments - beginning	\$ -	\$ 86	\$ (620)	\$ -	\$ 12	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,322	913	16,747	329,712	119	2,127
Total receipts	<u>1,322</u>	<u>913</u>	<u>16,747</u>	<u>329,712</u>	<u>119</u>	<u>2,127</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,388	911	15,500	329,712	120	2,127
Total disbursements	<u>1,388</u>	<u>911</u>	<u>15,500</u>	<u>329,712</u>	<u>120</u>	<u>2,127</u>
Excess (deficiency) of receipts over disbursements	<u>(66)</u>	<u>2</u>	<u>1,247</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
Cash and investments - ending	<u>\$ (66)</u>	<u>\$ 88</u>	<u>\$ 627</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ -</u>

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

	GARNISHMENT 22	MetLife Dental	GARNISHMENT 24	Hancock County Tax	I U CREDIT UNION	Bank of America
Cash and investments - beginning	\$ -	\$ (7,845)	\$ -	\$ 10	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,280	52,117	946	-	7,750	13,528
Total receipts	<u>3,280</u>	<u>52,117</u>	<u>946</u>	<u>-</u>	<u>7,750</u>	<u>13,528</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,280	45,194	946	10	7,750	13,528
Total disbursements	<u>3,280</u>	<u>45,194</u>	<u>946</u>	<u>10</u>	<u>7,750</u>	<u>13,528</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>6,923</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (922)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	USAA BANK	GARNISHMENT 25	GARNISHMENT 26	SUPPORTING HEROS INC	GARNISHMENT 27	Morgan County Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	5,467	533	302	3,510	8,996	157
Total receipts	<u>5,467</u>	<u>533</u>	<u>302</u>	<u>3,510</u>	<u>8,996</u>	<u>157</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	5,467	533	302	3,510	8,996	157
Total disbursements	<u>5,467</u>	<u>533</u>	<u>302</u>	<u>3,510</u>	<u>8,996</u>	<u>157</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	SRFFWW CONSTRUCTION	SMSU OPERATING	SMSU ON-LINE PAYMENTS	SMSU IMPROVEMENT	SRF BOND & INTEREST	SMSU PETTY CASH
Cash and investments - beginning	\$ -	\$ 3,676,749	\$ 47,241	\$ 70,651	\$ 182,357	\$ 150
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	7,103,933	-	-	-	-
Other receipts	509,184	4,420,885	571,122	-	325,348	-
Total receipts	<u>509,184</u>	<u>11,524,818</u>	<u>571,122</u>	<u>-</u>	<u>325,348</u>	<u>-</u>
Disbursements:						
Personal services	-	788,848	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	398,952	-	-	-	-
Debt service - principal and interest	-	1,898,157	-	-	313,313	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	1,973,284	-	-	-	-
Other disbursements	509,184	6,579,584	566,149	-	-	-
Total disbursements	<u>509,184</u>	<u>11,638,825</u>	<u>566,149</u>	<u>-</u>	<u>313,313</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(114,007)</u>	<u>4,973</u>	<u>-</u>	<u>12,035</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,562,742</u>	<u>\$ 52,214</u>	<u>\$ 70,651</u>	<u>\$ 194,392</u>	<u>\$ 150</u>

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

	2013 REFUNDING BOND (SRF)	2015 SEWAGE WORKS CONSTRUCTION ACCT.	2015 BOND & INTEREST	SRF DEBT RESERVE	S.M.S.U. -STORMWATER UTILITY	Totals
Cash and investments - beginning	\$ 21,009	\$ -	\$ -	\$ 1,486,185	\$ 217,710	\$ 10,821,387
Receipts:						
Taxes	-	-	-	-	-	10,476,295
Licenses and permits	-	-	-	-	-	171,498
Intergovernmental receipts	-	-	-	-	-	7,696,974
Charges for services	-	-	-	-	-	519,061
Fines and forfeits	-	-	-	-	-	11,090
Utility fees	-	-	-	-	1,143,863	8,247,796
Other receipts	1,567,388	12,156,738	365,076	938,359	-	41,899,214
Total receipts	<u>1,567,388</u>	<u>12,156,738</u>	<u>365,076</u>	<u>938,359</u>	<u>1,143,863</u>	<u>69,021,928</u>
Disbursements:						
Personal services	-	-	-	-	177,515	12,731,364
Supplies	-	-	-	-	-	626,299
Other services and charges	-	-	-	-	24,926	3,760,621
Debt service - principal and interest	1,567,311	-	365,076	-	-	5,877,331
Capital outlay	-	145,884	-	-	-	2,548,998
Utility operating expenses	-	146,393	-	-	427,594	2,547,271
Other disbursements	25	15	-	-	414,964	28,281,012
Total disbursements	<u>1,567,336</u>	<u>292,292</u>	<u>365,076</u>	<u>-</u>	<u>1,044,999</u>	<u>56,372,896</u>
Excess (deficiency) of receipts over disbursements	<u>52</u>	<u>11,864,446</u>	<u>-</u>	<u>938,359</u>	<u>98,864</u>	<u>12,649,032</u>
Cash and investments - ending	<u>\$ 21,061</u>	<u>\$ 11,864,446</u>	<u>\$ -</u>	<u>\$ 2,424,544</u>	<u>\$ 316,574</u>	<u>\$ 23,470,419</u>

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 290,484	\$ -
Seymour Municipal Sewage Utility	229,626	658,345
Totals	\$ 520,110	\$ 658,345

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Seymour Redevelopment Authority	Public Works Facility	\$ 332,000	06/14/2012	01/15/2032
Seymour Community Development Corporation	Learning Center Economic Development Revenue Bonds of 2013	133,000	06/15/2014	12/15/2028
Seymour Facilities Building Corporation	Police Station	<u>433,935</u>	01/15/2006	07/15/2021
Total of annual lease payments		<u>\$ 898,935</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	General Obligation Refunding Bonds of 2010	\$ 1,210,000	\$ 200,050
General obligation bonds	General Obligation Bonds of 2013	1,030,000	517,883
Revenue bonds	Economic Development Bonds of 2013	3,000,000	-
Revenue bonds	TIF Bonds 2011	<u>885,000</u>	<u>189,570</u>
Total governmental activities		<u>6,125,000</u>	<u>907,503</u>
Seymour Municipal Sewage Utility:			
Revenue bonds	SRF Loan 2011	9,355,000	325,179
Revenue bonds	Sewage Works Revenue Bonds 2015	13,490,000	410,471
Revenue bonds	SRF Loan 2013	<u>8,799,000</u>	<u>1,567,008</u>
Total Smsu		<u>31,644,000</u>	<u>2,302,658</u>
Totals		<u>\$ 37,769,000</u>	<u>\$ 3,210,161</u>

CITY OF SEYMOUR  
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	\$ 632,950
Infrastructure	396,760
Buildings	6,052,653
Improvements other than buildings	2,324,604
Machinery, equipment, and vehicles	8,516,213
Total governmental activities	17,923,180
Seymour Municipal Sewage Utility:	
Land	112,575
Infrastructure	5,800,608
Buildings	29,219,719
Improvements other than buildings	54,374
Machinery, equipment, and vehicles	3,500,272
Total Seymour Municipal Sewage Utility	38,687,548
Total capital assets	\$ 56,610,728

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 SEYMOUR, JACKSON COUNTY, INDIANA

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

We have audited the City of Seymour'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 a 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 a 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

May 3, 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 SEYMOUR  
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 Housing and Urban Development</u>				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Homeowner Repair	Indiana Housing and Community Development Authority	14.228	HD012-006	\$ 143,940
Total - Department of Housing and Urban Development				<u>143,940</u>
<u>Department of Justice</u>				
Equitable Sharing Program Police Forfeiture	Direct Grant	16.922	2014	<u>684</u>
Total - Department of Justice				<u>684</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction 2nd Street Rehab Phase #2 2nd Street Rehab Phase #1 Gateway Project Trailhead Project	Indiana Department of Transportation	20.205	DES#1383442 DES#1005165 DES#1173309 DES#1297585	86,283 318,625 23,325 <u>28,056</u>
Total - Highway Planning and Construction				<u>456,289</u>
Total - Highway Planning and Construction Cluster				<u>456,289</u>
Formula Grant for Rural Areas Transit Grant	Indiana Department of Transportation	20.509	18032170	<u>109,448</u>
ARRA-Formula Grant for Rural Areas Transit Bus Grant	Indiana Department of Transportation	20.509	14ARRA17C	<u>186,760</u>
Highway Safety Cluster State and Community Highway Safety Operation Pullover	Indiana Criminal Justice Institute	20.600	OP18x9204020	<u>5,648</u>
Occupant Protection Incentive Grants Operation Pullover	Indiana Criminal Justice Institute	20.602	OP18x9204020	<u>1,119</u>
Total - Highway Safety Cluster				<u>6,767</u>
Total - Department of Transportation				<u>759,264</u>
<u>Department of Homeland Security</u>				
Assistance to Firefighters Grant Fire Dept.Turn out Gear	Direct Grant	97.044	EMW-2012-FO-02762	<u>211</u>
Total - Department of Homeland Security				<u>211</u>
Total federal awards expended				<u>\$ 904,099</u>

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

CITY OF SEYMOUR  
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 SEYMOUR  
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 deficiency identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major program:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding 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 for it:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Highway Planning and Construction 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**

This is a repeat finding from the immediate prior year. The prior year finding number was 2014-001.

*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).

The City prepared and submitted the SEFA without effective controls to ensure its accuracy before submission. There were the following errors:

1. The federal expenditures for five programs were incorrectly reported resulting in the SEFA being overstated by \$12,535.

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

2. Seven grants contained the wrong program name, two grants were excluded, and one grant listed an incorrect CFDA number.
3. Four grants listed the wrong pass-through entity identifying number.
4. Five grants were incorrectly listed as pass-through to subrecipients.
5. Seven grants did not correctly identify the pass-through entity.

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

*Criteria*

The 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 section 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 section 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 section 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 award years, the auditee may list the amount of Federal awards expended for each 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 a 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.

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

- (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 section 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 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 section 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 operates effectively, material misstatements of the SEFA could remain 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 FINANCIAL TRANSACTIONS AND REPORTING***

*Condition*

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

**Lack of Segregation of Duties:** The City has not separated incompatible activities related to payroll disbursements. One employee in the Clerk-Treasurer's office is responsible for entering employees' hours worked; recording leave time earned and used; calculating the employees' wages, issuing checks and or making direct deposit payments for wages, tax payments, and payroll deductions; printing reports of payroll disbursements for review and approval; preparing 941 reports, retirement reports, and W-2's. The activities related to payroll were not reviewed or verified by someone other than the employee performing the activities. Control activities should be in place to reduce the risks of errors in financial reporting.

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

*Criteria*

The 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. . . ."

*Cause*

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

*Effect*

The failure to establish controls could have enabled material misstatements or irregularities to remain 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 DOCUMENTS

The subsequent documents were provided by management of the City. The documents are presented as intended by the City.



# City of Seymour

City Hall 301-309 N. Chestnut Street • Seymour, Indiana 47274  
Phone: (812) 522-4020 • Fax: (812) 523-6687

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2014-001  
Fiscal year 2014  
Pass-Through Entity  
Contact Person Responsible for Corrective action Fred D Lewis  
Contact Phone Number (812) 523-5881

### Status of Audit Finding

As the state is just now auditing two years, we are now as of this audit, implementing a new internal control program for grants. All department heads have been given internal control documents to fill out for each grant. They are to keep a copy and also supply a copy, again for each grant, to the Clerk-Treasurer's office for their records and proper documentation. This control document was created by our outside grant administrator.

A handwritten signature in cursive script, appearing to read "Fred D Lewis", is written over a horizontal line.

Clerk-Treasurer

April 5, 2017



# City of Seymour

City Hall 301-309 N. Chestnut Street • Seymour, Indiana 47274  
Phone: (812) 522-4020 • Fax: (812) 523-6687

## CORRECTIVE ACTION PLAN

Finding 2015-001

Contact person for corrective action: Fred Lewis, Clerk-Treasurer  
Contact Phone Number (812) 523-5881

Views of Responsible Official : Prior to this audit we had a lack of internal controls concerning grants. All grants were handled directly by the department head applying and receiving grants for their department. The Clerk-Treasurer's office was not given full documentation to keep on file at all times.

Description of Corrective Action Plan: As of this audit, and this date, we are implementing a new internal control grant document for use by all departments when applying and obtaining grants. They are to fill out the document, keep a copy for their office, and submit a copy to the Clerk-Treasurer's office for better and more complete documentation of grants received.

Anticipated Completion Date: The new documents were handed out in late March 2017 to the departments. The use of these is from then on.

A handwritten signature in cursive script, appearing to read "Fred Lewis", is written over a horizontal line.

Clerk-Treasurer

April 5, 2017



# City of Seymour

City Hall 301-309 N. Chestnut Street • Seymour, Indiana 47274  
Phone: (812) 522-4020 • Fax: (812) 523-6687

## CORRECTIVE ACTION PLAN

Finding 2015-002

Fred D Lewis, Clerk-Treasurer  
(812) 523-5881

### Views of Responsible Official

I concur with the audit findings

### Description of Corrective Action Plan

I, as clerk-Treasurer, will compare the information entered for payroll with the payroll sheets submitted by the various departments prior to actually printing the payroll checks. Other various payroll documents are presented to me prior to actual deposits being made. Our software does the actual computations of tax withholdings.

### Anticipated Completion Date

We began the new procedure with the payroll for April 15, 2017 for all city departments.

*Fred D Lewis*

*Fred D Lewis*

*4/15/17*

#### 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/>.