

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF INDIAN VILLAGE

ST. JOSEPH COUNTY, INDIANA

January 1, 2013 to December 31, 2016



FILED
05/09/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Suzette Jozwiak	01-01-12 to 12-31-19
President of the Town Council	Geraldine Oppenheim	01-01-13 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF INDIAN VILLAGE, ST. JOSEPH COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Indian Village (Town), for the period of January 1, 2013 to December 31, 2016. The Town's management is responsible for the fair presentation of these financial statements in accordance with the prescribed basis of accounting described in Note 1. Our responsibility is to express an opinion on the financial statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the financial statements are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the financial statements. The nature, timing, and extent of the procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.


As discussed in Note 1 to the financial statements, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter described in the preceding paragraph, the financial statements for the period of January 1, 2013 to December 31, 2016, referred to above, do not present, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town.

INDEPENDENT ACCOUNTANT'S REPORT
(Continued)

In our opinion, the financial statements for the period of January 1, 2013 to December 31, 2016, referred to above, present the financial position and results of operations of the Town based on the prescribed basis of accounting described in Note 1 to the financial statements, in all material respects.

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


Paul D. Joyce, CPA
State Examiner

February 12, 2018

FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

TOWN OF INDIAN VILLAGE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended December 31, 2013 and 2014

Fund	Cash and Investments			Cash and Investments			Cash and Investments		
	01-01-13	Receipts	Disbursements	12-31-13	Receipts	Disbursements	12-31-14		
General Fund	\$ 56,740	\$ 23,249	\$ 14,933	\$ 65,056	\$ 21,864	\$ 43,524	\$ 43,396		
Mvh Fund	14,952	8,742	5,432	18,262	8,089	17,605	8,746		
Lrsa	25,391	1,848	3,258	23,981	1,942	3,691	22,232		
Rainy Day Fund	2,090	-	-	2,090	-	-	2,090		
Major Moves	9,226	-	-	9,226	-	9,226	-		
Ccif	8,059	187	-	8,246	352	-	8,598		
Cedit	4,590	1,057	-	5,647	1,132	-	6,779		
LOIT	33	22	-	55	18	-	73		
Totals	<u>\$ 121,081</u>	<u>\$ 35,105</u>	<u>\$ 23,623</u>	<u>\$ 132,563</u>	<u>\$ 33,397</u>	<u>\$ 74,046</u>	<u>\$ 91,914</u>		

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

TOWN OF INDIAN VILLAGE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended December 31, 2015 and 2016

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15	Receipts	Disbursements	Cash and Investments 12-31-16
General Fund	\$ 43,396	\$ 25,970	\$ 15,692	\$ 53,674	\$ 22,060	\$ 19,888	\$ 55,846
Mvh Fund	8,746	9,165	5,375	12,536	8,790	8,800	12,526
Lrsa	22,232	1,804	4,225	19,811	1,857	3,433	18,235
Rainy Day Fund	2,090	-	-	2,090	751	-	2,841
Ccif	8,598	334	-	8,932	339	-	9,271
Cedit	6,779	1,256	-	8,035	1,299	-	9,334
LOIT	73	24	-	97	25	-	122
Totals	<u>\$ 91,914</u>	<u>\$ 38,553</u>	<u>\$ 25,292</u>	<u>\$ 105,175</u>	<u>\$ 35,121</u>	<u>\$ 32,121</u>	<u>\$ 108,175</u>

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

TOWN OF INDIAN VILLAGE
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: highways and streets, public improvements, planning and zoning, and general administrative services.

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

TOWN OF INDIAN VILLAGE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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 statements. 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.

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

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. Fund Accounting

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

TOWN OF INDIAN VILLAGE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

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

OTHER INFORMATION - UNEXAMINED

The Town's Annual Financial Reports information can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

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

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

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

	General Fund	Mvh Fund	Lrsa	Rainy Day Fund	Major Moves	Ccif	Cedit	LOIT	Totals
Cash and investments - beginning	\$ 56,740	\$ 14,952	\$ 25,391	\$ 2,090	\$ 9,226	\$ 8,059	\$ 4,590	\$ 33	\$ 121,081
Receipts:									
Taxes	-	320	-	-	-	-	-	22	342
Licenses and permits	1,080	-	-	-	-	-	-	-	1,080
Intergovernmental receipts	2,032	8,422	1,848	-	-	187	1,057	-	13,546
Charges for services	18,758	-	-	-	-	-	-	-	18,758
Other receipts	1,379	-	-	-	-	-	-	-	1,379
Total receipts	<u>23,249</u>	<u>8,742</u>	<u>1,848</u>	<u>-</u>	<u>-</u>	<u>187</u>	<u>1,057</u>	<u>22</u>	<u>35,105</u>
Disbursements:									
Personal services	9,537	-	-	-	-	-	-	-	9,537
Supplies	227	-	-	-	-	-	-	-	227
Other services and charges	822	4,432	3,258	-	-	-	-	-	8,512
Capital outlay	-	1,000	-	-	-	-	-	-	1,000
Other disbursements	4,347	-	-	-	-	-	-	-	4,347
Total disbursements	<u>14,933</u>	<u>5,432</u>	<u>3,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,623</u>
Excess (deficiency) of receipts over disbursements	<u>8,316</u>	<u>3,310</u>	<u>(1,410)</u>	<u>-</u>	<u>-</u>	<u>187</u>	<u>1,057</u>	<u>22</u>	<u>11,482</u>
Cash and investments - ending	<u>\$ 65,056</u>	<u>\$ 18,262</u>	<u>\$ 23,981</u>	<u>\$ 2,090</u>	<u>\$ 9,226</u>	<u>\$ 8,246</u>	<u>\$ 5,647</u>	<u>\$ 55</u>	<u>\$ 132,563</u>

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

	General Fund	Mvh Fund	Lrsa	Rainy Day Fund	Major Moves	Ccif	Cedit	LOIT	Totals
Cash and investments - beginning	\$ 65,056	\$ 18,262	\$ 23,981	\$ 2,090	\$ 9,226	\$ 8,246	\$ 5,647	\$ 55	\$ 132,563
Receipts:									
Taxes	357	-	-	-	-	-	-	18	375
Licenses and permits	811	-	-	-	-	-	-	-	811
Intergovernmental receipts	2,657	8,089	1,942	-	-	352	1,132	-	14,172
Charges for services	17,958	-	-	-	-	-	-	-	17,958
Other receipts	81	-	-	-	-	-	-	-	81
Total receipts	<u>21,864</u>	<u>8,089</u>	<u>1,942</u>	<u>-</u>	<u>-</u>	<u>352</u>	<u>1,132</u>	<u>18</u>	<u>33,397</u>
Disbursements:									
Personal services	12,037	-	-	-	-	-	-	-	12,037
Supplies	65	-	-	-	-	-	-	-	65
Other services and charges	1,494	7,605	3,691	-	-	-	-	-	12,790
Capital outlay	26,227	10,000	-	-	9,226	-	-	-	45,453
Other disbursements	3,701	-	-	-	-	-	-	-	3,701
Total disbursements	<u>43,524</u>	<u>17,605</u>	<u>3,691</u>	<u>-</u>	<u>9,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,046</u>
Excess (deficiency) of receipts over disbursements	<u>(21,660)</u>	<u>(9,516)</u>	<u>(1,749)</u>	<u>-</u>	<u>(9,226)</u>	<u>352</u>	<u>1,132</u>	<u>18</u>	<u>(40,649)</u>
Cash and investments - ending	<u>\$ 43,396</u>	<u>\$ 8,746</u>	<u>\$ 22,232</u>	<u>\$ 2,090</u>	<u>\$ -</u>	<u>\$ 8,598</u>	<u>\$ 6,779</u>	<u>\$ 73</u>	<u>\$ 91,914</u>

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

	General Fund	Mvh Fund	Lrsa	Rainy Day Fund	Ccif	Cedit	LOIT	Totals
Cash and investments - beginning	\$ 43,396	\$ 8,746	\$ 22,232	\$ 2,090	\$ 8,598	\$ 6,779	\$ 73	\$ 91,914
Receipts:								
Taxes	458	-	-	-	-	-	-	458
Licenses and permits	916	-	-	-	-	-	-	916
Intergovernmental receipts	2,508	9,165	1,804	-	334	1,256	24	15,091
Charges for services	18,024	-	-	-	-	-	-	18,024
Other receipts	4,064	-	-	-	-	-	-	4,064
Total receipts	<u>25,970</u>	<u>9,165</u>	<u>1,804</u>	<u>-</u>	<u>334</u>	<u>1,256</u>	<u>24</u>	<u>38,553</u>
Disbursements:								
Personal services	12,038	-	-	-	-	-	-	12,038
Supplies	49	-	-	-	-	-	-	49
Other services and charges	386	5,375	4,225	-	-	-	-	9,986
Other disbursements	3,219	-	-	-	-	-	-	3,219
Total disbursements	<u>15,692</u>	<u>5,375</u>	<u>4,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,292</u>
Excess (deficiency) of receipts over disbursements	<u>10,278</u>	<u>3,790</u>	<u>(2,421)</u>	<u>-</u>	<u>334</u>	<u>1,256</u>	<u>24</u>	<u>13,261</u>
Cash and investments - ending	<u>\$ 53,674</u>	<u>\$ 12,536</u>	<u>\$ 19,811</u>	<u>\$ 2,090</u>	<u>\$ 8,932</u>	<u>\$ 8,035</u>	<u>\$ 97</u>	<u>\$ 105,175</u>

TOWN OF INDIAN VILLAGE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	General Fund	Mvh Fund	Lrsa	Rainy Day Fund	Ccif	Cedit	LOIT	Totals
Cash and investments - beginning	\$ 53,674	\$ 12,536	\$ 19,811	\$ 2,090	\$ 8,932	\$ 8,035	\$ 97	\$ 105,175
Receipts:								
Taxes	396	-	-	-	-	-	-	396
Licenses and permits	799	-	-	-	-	-	-	799
Intergovernmental receipts	2,420	8,790	1,857	751	339	1,299	25	15,481
Charges for services	18,384	-	-	-	-	-	-	18,384
Other receipts	61	-	-	-	-	-	-	61
Total receipts	<u>22,060</u>	<u>8,790</u>	<u>1,857</u>	<u>751</u>	<u>339</u>	<u>1,299</u>	<u>25</u>	<u>35,121</u>
Disbursements:								
Personal services	19,554	-	-	-	-	-	-	19,554
Other services and charges	334	8,800	3,433	-	-	-	-	12,567
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>19,888</u>	<u>8,800</u>	<u>3,433</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,121</u>
Excess (deficiency) of receipts over disbursements	<u>2,172</u>	<u>(10)</u>	<u>(1,576)</u>	<u>751</u>	<u>339</u>	<u>1,299</u>	<u>25</u>	<u>3,000</u>
Cash and investments - ending	<u>\$ 55,846</u>	<u>\$ 12,526</u>	<u>\$ 18,235</u>	<u>\$ 2,841</u>	<u>\$ 9,271</u>	<u>\$ 9,334</u>	<u>\$ 122</u>	<u>\$ 108,175</u>

OTHER REPORTS

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