

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

FINANCIAL STATEMENT AUDIT REPORT

OF

TOWN OF PAOLI

ORANGE COUNTY, INDIANA

January 1, 2015 to December 31, 2015



FILED
05/31/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Amy J. Morris	01-01-12 to 12-31-19
President of the Town Council	Michael A. Harkness	01-01-15 to 12-31-15
	William E. Chastain	01-01-16 to 12-31-16
	Carolyn N. Clements	01-01-17 to 12-31-17
	Michael A. Harkness	01-01-18 to 12-31-18



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF PAOLI, ORANGE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Town of Paoli (Town), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Town's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the year ended December 31, 2015.


Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the year ended December 31, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the Town's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, 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.


Paul D. Joyce, CPA
State Examiner

May 10, 2018

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

TOWN OF PAOLI
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
CORPORATION	\$ 170,362	\$ 734,129	\$ 738,543	\$ 165,948
MVH	38,413	157,586	97,016	98,983
LOCAL ROAD AND STREET	1,463	13,040	12,000	2,503
AIRPORT OPERATING	15,570	72,325	56,735	31,160
PARKING METERS	15	-	-	15
PARK SOFTBALL	9,219	1,600	432	10,387
UNSAFE PREMISES	-	64,521	3,036	61,485
VEHICLE UNLOCK	99	990	69	1,020
ABANDONED VEHICLE	913	21,097	19,526	2,484
COMMUNITY OUTREACH	1,214	2,641	1,210	2,645
LOCAL LAW ENFORCEMENT CONTINUING EDUCATION	1,315	3,396	1,422	3,289
RIVERBOAT CASINO FUND	380,634	859,835	699,306	541,163
PARK OPERATING	12,761	95,541	93,932	14,370
RAINY DAY	10,006	-	3,500	6,506
EDIT	153,046	95,991	47,976	201,061
EXCESS LEVY	1,400	-	-	1,400
GAS REVOLVING - AIRPORT	20,446	30,665	25,111	26,000
CUMULATIVE CAPITAL IMPROVEMENT	3,950	9,236	-	13,186
CUMULATIVE CAPITAL DEVELOPMENT	255,333	46,297	112,283	189,347
INDUSTRIAL DEVELOPMENT	110,917	223,528	64,521	269,924
POLICE CAR LOAN	61	-	61	-
T.I.F.	38,861	21,212	1,000	59,073
AIRPORT TIMBER SALE/CONSTRUCTION	7,902	8,734	-	16,636
PAOLI CEMETERY	41,963	-	-	41,963
MISCELLANEOUS GRANTS	13,256	24,901	12,272	25,885
PARK DEBT SERVICE RESERVE	535,000	343,500	357,000	521,500
GOLF CART/UTV VEHICLES	285	465	-	750
PROHIBITED VEHICLE VIOLATION	15	-	-	15
TRAFFIC ENFORCEMENT VIOLATION	253	100	-	353
FIREWORKS DONATIONS	792	10,047	10,069	770
SIDEWALK FUND	5,853	-	-	5,853
DEMO/CLEARANCE PROJECT	-	102,837	102,837	-
INDOT RW PURCHASE	-	56,355	-	56,355
PAYROLL NET SALARIES	-	512,478	512,478	-
PAYROLL 941 FEDERAL/FICA MEDICARE	-	176,636	176,636	-
PAYROLL - STATE/COUNTY WITHHOLDINGS	-	31,870	31,870	-
PAYROLL - PERF	-	95,299	95,299	-
PAYROLL - AFA	-	11,483	11,290	193
PAYROLL - AFLAC	-	1,705	1,601	104
PAYROLL - COLONIAL INSURANCE	-	119	119	-
PAYROLL - LIBERTY NATIONAL	-	2,042	2,042	-
PAYROLL - OC GARNISHMENT	-	2,318	2,318	-
PAYROLL - IN GARNISHMENT	-	1,586	1,586	-
PAYROLL - KY GARNISHMENT	-	3,166	3,166	-
PAYROLL - 457 RETIREMENT PLAN	-	3,726	3,726	-
PAYROLL - TOWN REIMBURSEMENTS	-	1,649	1,649	-
PAYROLL - BANK INTEREST	-	11	-	11
PAYROLL - SITEX	-	269	257	12
AIRPORT RUNWAY GRANT	(5,727)	262,978	258,478	(1,227)
AIRPORT RENTAL DEPOSIT	489	2,164	1,781	872
AWARENESS DAY - AIRPORT	1,389	1,807	3,196	-
PARK CONCESSIONS	38,823	40,124	32,969	45,978
PARK EVENTS	11,922	18,335	14,887	15,370
PAYROLL	1,610	844,208	844,368	1,450
UTILITY	-	6,939,499	6,939,499	-
ELECTRIC OPERATING	1,123,797	4,860,513	4,917,927	1,066,383
ELECTRIC METER DEPOSIT	119,014	22,075	18,166	122,923
ELECTRIC DEPRECIATION	245,943	774	-	246,717
ELECTRIC LIGHT CASH RESERVE	65,313	-	-	65,313
ELECTRIC-IMPA ENERGY EFFICIENCY	5,737	2,947	-	8,684
ELECTRIC CASH CHANGE	500	-	-	500
SEWER OPERATING	247,459	1,283,125	1,102,305	428,279
SEWER DEBT SERVICE RESERVE	154,366	-	-	154,366
SEWER BOND AND INTEREST	14,038	164,595	164,595	14,038
SEWER BOND AND INTEREST - BNY	8,142	34,440	34,430	8,152
SEWER DEBT SERVICE RESERVE - BNY	32,725	2,932	-	35,657
WATER OPERATING	242,823	1,200,493	1,191,394	251,922
WATER METER DEPOSIT	36,062	6,525	5,185	37,402
WATER BOND AND INTEREST	107,918	4,402,704	4,389,977	120,645
WATER DEBT SERVICE RESERVE	259,663	-	27,013	232,650
WATER TANK FUND	16,640	-	-	16,640
Totals	\$ 4,559,963	\$ 23,935,164	\$ 23,250,064	\$ 5,245,063

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

TOWN OF PAOLI
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

Licenses and permits. Amounts received from businesses, occupations, or 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.

TOWN OF PAOLI
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.

Penalties. Amounts received from late payment fees.

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

E. Disbursements

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

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

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

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

TOWN OF PAOLI
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon

TOWN OF PAOLI
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

Note 5. Risk Management

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

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

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

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

TOWN OF PAOLI
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains a fund with a deficit in cash. This is a result of the fund being set up for reimbursable grants. The reimbursements for expenditures made by the Town were not received by December 31, 2015.

Note 8. Holding Corporation

The Town has entered into a capital lease with the Paoli Building Corp (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related-party of the Town. Lease payments during the year 2015 totaled \$357,000.

Note 9. Subsequent Events

On September 9, 2016, the Aviation Board was awarded federal grant 3-18-0064-013-2016 for \$1,677,960. The grant was to extend the runway.

On September 15, 2017, the Aviation Board was awarded federal grant 3-18-0064-014-2017 for \$1,480,463. The grant was to extend the runway.

Note 10. Combined Funds

Payroll funds are reported individually in the current financial statement, but were combined into one fund in the prior financial statement. The Payroll fund was separated into individual funds on July 1, 2015.

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OTHER INFORMATION - UNAUDITED

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

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

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

	CORPORATION	MVH	LOCAL ROAD AND STREET	AIRPORT OPERATING	PARKING METERS	PARK SOFTBALL
Cash and investments - beginning	\$ 170,362	\$ 38,413	\$ 1,463	\$ 15,570	\$ 15	\$ 9,219
Receipts:						
Taxes	341,545	24,530	-	47,181	-	-
Licenses and permits	3,079	-	-	-	-	-
Intergovernmental receipts	353,460	131,693	13,040	5,401	-	-
Charges for services	2,808	1,194	-	19,569	-	1,600
Fines and forfeits	1,130	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	32,107	169	-	174	-	-
Total receipts	734,129	157,586	13,040	72,325	-	1,600
Disbursements:						
Personal services	494,225	39,678	-	34,398	-	-
Supplies	23,027	34,554	12,000	4,542	-	-
Other services and charges	207,527	7,282	-	17,645	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	13,764	15,502	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	150	-	432
Total disbursements	738,543	97,016	12,000	56,735	-	432
Excess (deficiency) of receipts over disbursements	(4,414)	60,570	1,040	15,590	-	1,168
Cash and investments - ending	\$ 165,948	\$ 98,983	\$ 2,503	\$ 31,160	\$ 15	\$ 10,387

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

	UNSAFE PREMISES	VEHICLE UNLOCK	ABANDONED VEHICLE	COMMUNITY OUTREACH	LOCAL LAW ENFORCEMENT CONTINUING EDUCATION	RIVERBOAT CASINO FUND
Cash and investments - beginning	\$ -	\$ 99	\$ 913	\$ 1,214	\$ 1,315	\$ 380,634
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	1,845	-
Intergovernmental receipts	-	-	-	-	-	859,835
Charges for services	-	990	21,097	-	468	-
Fines and forfeits	-	-	-	-	605	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	64,521	-	-	2,641	478	-
Total receipts	64,521	990	21,097	2,641	3,396	859,835
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	3,036	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	69	19,526	1,210	1,422	699,306
Total disbursements	3,036	69	19,526	1,210	1,422	699,306
Excess (deficiency) of receipts over disbursements	61,485	921	1,571	1,431	1,974	160,529
Cash and investments - ending	\$ 61,485	\$ 1,020	\$ 2,484	\$ 2,645	\$ 3,289	\$ 541,163

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

	PARK OPERATING	RAINY DAY	EDIT	EXCESS LEVY	GAS REVOLVING - AIRPORT	CUMULATIVE CAPITAL IMPROVEMENT
Cash and investments - beginning	\$ 12,761	\$ 10,006	\$ 153,046	\$ 1,400	\$ 20,446	\$ 3,950
Receipts:						
Taxes	49,155	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	45,627	-	95,991	-	-	9,236
Charges for services	625	-	-	-	30,665	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	134	-	-	-	-	-
Total receipts	95,541	-	95,991	-	30,665	9,236
Disbursements:						
Personal services	70,632	-	-	-	-	-
Supplies	701	-	-	-	-	-
Other services and charges	22,599	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	3,500	47,976	-	25,111	-
Total disbursements	93,932	3,500	47,976	-	25,111	-
Excess (deficiency) of receipts over disbursements	1,609	(3,500)	48,015	-	5,554	9,236
Cash and investments - ending	\$ 14,370	\$ 6,506	\$ 201,061	\$ 1,400	\$ 26,000	\$ 13,186

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

	CUMULATIVE CAPITAL DEVELOPMENT	INDUSTRIAL DEVELOPMENT	POLICE CAR LOAN	T.I.F.	AIRPORT TIMBER SALE /CONSTRUCTION	PAOLI CEMETERY
Cash and investments - beginning	\$ 255,333	\$ 110,917	\$ 61	\$ 38,861	\$ 7,902	\$ 41,963
Receipts:						
Taxes	41,542	-	-	21,212	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	4,755	-	-	-	-	-
Charges for services	-	-	-	-	8,734	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	223,528	-	-	-	-
Total receipts	46,297	223,528	-	21,212	8,734	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	112,283	-	61	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	64,521	-	1,000	-	-
Total disbursements	112,283	64,521	61	1,000	-	-
Excess (deficiency) of receipts over disbursements	(65,986)	159,007	(61)	20,212	8,734	-
Cash and investments - ending	\$ 189,347	\$ 269,924	\$ -	\$ 59,073	\$ 16,636	\$ 41,963

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

	MISCELLANEOUS GRANTS	PARK DEBT SERVICE RESERVE	GOLF CART/UTV VEHICLES	PROHIBITED VEHICLE VIOLATION	TRAFFIC ENFORCEMENT VIOLATION	FIREWORKS DONATIONS
Cash and investments - beginning	\$ 13,256	\$ 535,000	\$ 285	\$ 15	\$ 253	\$ 792
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	465	-	100	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	24,901	343,500	-	-	-	10,047
Total receipts	24,901	343,500	465	-	100	10,047
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	357,000	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	12,272	-	-	-	-	10,069
Total disbursements	12,272	357,000	-	-	-	10,069
Excess (deficiency) of receipts over disbursements	12,629	(13,500)	465	-	100	(22)
Cash and investments - ending	\$ 25,885	\$ 521,500	\$ 750	\$ 15	\$ 353	\$ 770

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

	SIDEWALK FUND	DEMO/CLEARANCE PROJECT	INDOT RW PURCHASE	PAYROLL NET SALARIES	PAYROLL 941 FEDERAL FICA/MEDICARE	PAYROLL STATE/COUNTY - WITHHOLDINGS
Cash and investments - beginning	\$ 5,853	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	102,837	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	56,355	512,478	176,636	31,870
Total receipts	-	102,837	56,355	512,478	176,636	31,870
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	102,837	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	512,478	176,636	31,870
Total disbursements	-	102,837	-	512,478	176,636	31,870
Excess (deficiency) of receipts over disbursements	-	-	56,355	-	-	-
Cash and investments - ending	\$ 5,853	\$ -	\$ 56,355	\$ -	\$ -	\$ -

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

	PAYROLL - PERF	PAYROLL - AFA	PAYROLL - AFLAC	PAYROLL - COLONIAL INSURANCE	PAYROLL - LIBERTY NATIONAL	PAYROLL - OC GARNISHMENT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	95,299	11,483	1,705	119	2,042	2,318
Total receipts	95,299	11,483	1,705	119	2,042	2,318
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	95,299	11,290	1,601	119	2,042	2,318
Total disbursements	95,299	11,290	1,601	119	2,042	2,318
Excess (deficiency) of receipts over disbursements	-	193	104	-	-	-
Cash and investments - ending	\$ -	\$ 193	\$ 104	\$ -	\$ -	\$ -

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

	PAYROLL - IN GARNISHMENT	PAYROLL - KY GARNISHMENT	PAYROLL - 457 RETIRMENT PLAN	PAYROLL - TOWN REIMBURSEMENTS	PAYROLL - BANK INTEREST	PAYROLL - SITEX
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1,586	3,166	3,726	1,649	11	269
Total receipts	1,586	3,166	3,726	1,649	11	269
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,586	3,166	3,726	1,649	-	257
Total disbursements	1,586	3,166	3,726	1,649	-	257
Excess (deficiency) of receipts over disbursements	-	-	-	-	11	12
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 11	\$ 12

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

	AIRPORT RUNWAY GRANT	AIRPORT RENTAL DEPOSIT	AWARENESS DAY - AIRPORT	PARK CONCESSIONS	PARK EVENTS	PAYROLL
Cash and investments - beginning	\$ (5,727)	\$ 489	\$ 1,389	\$ 38,823	\$ 11,922	\$ 1,610
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	262,978	-	-	-	-	-
Charges for services	-	2,164	-	40,124	18,335	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	1,807	-	-	844,208
Total receipts	262,978	2,164	1,807	40,124	18,335	844,208
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	258,478	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	1,781	3,196	32,969	14,887	844,368
Total disbursements	258,478	1,781	3,196	32,969	14,887	844,368
Excess (deficiency) of receipts over disbursements	4,500	383	(1,389)	7,155	3,448	(160)
Cash and investments - ending	\$ (1,227)	\$ 872	\$ -	\$ 45,978	\$ 15,370	\$ 1,450

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

	UTILITY	ELECTRIC OPERATING	ELECTRIC METER DEPOSIT	ELECTRIC DEPRECIATION	ELECTRIC LIGHT CASH RESERVE	ELECTRIC-IMPA ENERGY EFFICIENCY
Cash and investments - beginning	\$ -	\$ 1,123,797	\$ 119,014	\$ 245,943	\$ 65,313	\$ 5,737
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	4,496,534	-	-	-	-
Penalties	-	326	-	-	-	-
Other receipts	6,939,499	363,653	22,075	774	-	2,947
Total receipts	6,939,499	4,860,513	22,075	774	-	2,947
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	21,125	-	-	-	-
Utility operating expenses	-	4,625,865	18,166	-	-	-
Other disbursements	6,939,499	270,937	-	-	-	-
Total disbursements	6,939,499	4,917,927	18,166	-	-	-
Excess (deficiency) of receipts over disbursements	-	(57,414)	3,909	774	-	2,947
Cash and investments - ending	\$ -	\$ 1,066,383	\$ 122,923	\$ 246,717	\$ 65,313	\$ 8,684

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

	ELECTRIC CASH CHANGE	SEWER OPERATING	SEWER DEBT SERVICE RESERVE	SEWER BOND AND INTEREST	SEWER BOND AND INTEREST BNY	SEWER DEBT SERVICE RESERVE BNY
Cash and investments - beginning	\$ 500	\$ 247,459	\$ 154,366	\$ 14,038	\$ 8,142	\$ 32,725
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	1,274,072	-	-	-	-
Penalties	-	401	-	-	-	-
Other receipts	-	8,652	-	164,595	34,440	2,932
Total receipts	-	1,283,125	-	164,595	34,440	2,932
Disbursements:						
Personal services	-	381,133	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	29,461	-	-	-	-
Debt service - principal and interest	-	33,878	-	164,595	34,430	-
Capital outlay	-	35,954	-	-	-	-
Utility operating expenses	-	418,802	-	-	-	-
Other disbursements	-	203,077	-	-	-	-
Total disbursements	-	1,102,305	-	164,595	34,430	-
Excess (deficiency) of receipts over disbursements	-	180,820	-	-	10	2,932
Cash and investments - ending	\$ 500	\$ 428,279	\$ 154,366	\$ 14,038	\$ 8,152	\$ 35,657

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

	WATER OPERATING	WATER METER DEPOSIT	WATER BOND AND INTEREST	WATER DEBT SERVICE RESERVE	WATER TANK FUND	Totals
Cash and investments - beginning	\$ 242,823	\$ 36,062	\$ 107,918	\$ 259,663	\$ 16,640	\$ 4,559,963
Receipts:						
Taxes	-	-	-	-	-	525,165
Licenses and permits	-	-	-	-	-	4,924
Intergovernmental receipts	-	-	-	-	-	1,884,853
Charges for services	-	-	-	-	-	148,938
Fines and forfeits	-	-	-	-	-	1,735
Utility fees	1,193,666	-	-	-	-	6,964,272
Penalties	325	-	-	-	-	1,052
Other receipts	6,502	6,525	4,402,704	-	-	14,404,225
Total receipts	1,200,493	6,525	4,402,704	-	-	23,935,164
Disbursements:						
Personal services	199,958	-	-	-	-	1,220,024
Supplies	-	-	-	-	-	74,824
Other services and charges	27,729	-	-	-	-	312,243
Debt service - principal and interest	-	-	4,302,945	-	-	4,892,848
Capital outlay	28,235	-	-	-	-	591,275
Utility operating expenses	699,609	5,185	-	-	-	5,767,627
Other disbursements	235,863	-	87,032	27,013	-	10,391,223
Total disbursements	1,191,394	5,185	4,389,977	27,013	-	23,250,064
Excess (deficiency) of receipts over disbursements	9,099	1,340	12,727	(27,013)	-	685,100
Cash and investments - ending	\$ 251,922	\$ 37,402	\$ 120,645	\$ 232,650	\$ 16,640	\$ 5,245,063

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 119,038	\$ 117,450
Electric	269,739	315,081
Wastewater	19,877	95,242
Water	<u>17,286</u>	<u>98,531</u>
Totals	<u>\$ 425,940</u>	<u>\$ 626,304</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Paoli Building Corp	Park Construction	\$ 332,000	10/1/2006	1/15/2032
Total of annual lease payments		<u>\$ 332,000</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities: Notes and loans payable	Police Vehicles	\$ 59,291	\$ 30,730
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds	888,000	165,080
Revenue bonds	Sewage Works State Revolving Loan	407,000	33,849
Notes and loans payable	Trash Truck Loan	<u>96,877</u>	<u>33,878</u>
Total Wastewater		<u>1,391,877</u>	<u>232,807</u>
Water:			
Revenue bonds	Waterworks Revenue Bond	<u>4,155,000</u>	<u>232,000</u>
Totals		<u>\$ 5,606,168</u>	<u>\$ 495,537</u>

TOWN OF PAOLI
 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,245,602
Infrastructure	1,945,757
Buildings	2,880,383
Improvements other than buildings	2,575,982
Machinery, equipment, and vehicles	1,676,934
Construction in progress	<u>530,972</u>
Total governmental activities	<u>10,855,630</u>
Electric:	
Land	296,797
Infrastructure	10,463,424
Buildings	543,856
Improvements other than buildings	942,262
Machinery, equipment, and vehicles	<u>690,103</u>
Total Electric	<u>12,936,442</u>
Wastewater:	
Infrastructure	11,909,849
Buildings	436,123
Improvements other than buildings	8,586,179
Machinery, equipment, and vehicles	<u>785,052</u>
Total Wastewater	<u>21,717,203</u>
Water:	
Land	28,800
Infrastructure	22,821,281
Buildings	441,001
Improvements other than buildings	1,220,948
Machinery, equipment, and vehicles	467,022
Construction in progress	<u>12,040</u>
Total Water	<u>24,991,092</u>
Total capital assets	<u>\$ 70,500,367</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/>.