

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF VINCENNES  
KNOX COUNTY, INDIANA

January 1, 2016 to December 31, 2016



**FILED**  
06/29/2018



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sharon K. Meek	01-01-16 to 12-31-19
Mayor	Joe Yochum	01-01-16 to 12-31-19
President of the Board of Public Works and Safety	Joe Yochum	01-01-16 to 12-31-19
President Pro Tempore of the Common Council	Shirley Rose Scott Brown	01-01-16 to 12-31-16 01-01-17 to 12-31-18
Vincennes Water General Manager	L. Kirk Bouchie	01-01-16 to 12-31-18



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF VINCENNES, KNOX COUNTY, INDIANA

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

We have audited the accompanying financial statement of the City of Vincennes (City), which comprises the financial position and results of operations for the year ended December 31, 2016, 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 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, 2016.

***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, 2016, 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 June 14, 2018, 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 solely 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 effectiveness of the City's 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

June 14, 2018



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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 VINCENNES, KNOX 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 Vincennes (City), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement, and have issued our report thereon dated June 14, 2018, 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 2016-001 and 2016-002, 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**

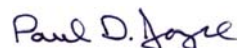
As part of obtaining reasonable assurance about whether the City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 2016-001.

**City of Vincennes' 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

June 14, 2018

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## 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 VINCENNES  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2016

Fund	Cash and Investments		Cash and Investments	
	01-01-16	Receipts	Disbursements	12-31-16
PAY-VSP-VISION	\$ -	\$ 10,921	\$ 10,775	\$ 146
AMERICAN FIDELITY-FLEX	-	32,970	30,084	2,886
GENERAL FUND	934,487	6,500,550	6,487,561	947,476
MOTOR VEHICLE HIGHWAY	744,871	643,018	677,470	710,419
LOCAL ROAD & STREET	6,622	106,707	50,186	63,143
PARK NONREVERTING	6,755	56,075	60,372	2,458
PET SMART GRANT	-	70,000	2,352	67,648
PARK/POOL PROPERTY TAXES	63,888	210,982	269,000	5,870
UNSAFE BUILDING NONREVERT	(1,768)	47,139	1,413	43,958
PARK & RECREATION	51,254	283,383	332,666	1,971
INSUFFICIENT FUNDS RETURNED ITEM FEES	-	25	-	25
FIRE HAZMAT REIMBURSEMENT	11,329	-	-	11,329
RAINY DAY	2,920,724	631,207	375,000	3,176,931
CO ECON DEV INCOME TAX (CEDIT)	1,122,394	1,326,352	2,063,013	385,733
LEVY EXCESS FUND	19,772	-	19,772	-
FIRE DEPARTMENT	32,176	2,277,616	2,277,992	31,800
CUM CAP IMP - CIG TAX	325,716	46,955	181,000	191,671
CUM CAP DEVELOPMENT	378,196	145,308	125,000	398,504
PARK/POOL BOND	(51,069)	262,051	210,982	-
TIF	449,354	2,834,682	2,066,820	1,217,216
FIRE DEBT	118,671	151,466	220,823	49,314
POLICE PENSION	1,068	266,535	232,485	35,118
FIRE PENSION	138,341	607,205	576,812	168,734
WEED ORD 13-94	75,046	16,618	30,156	61,508
RIVERBOAT	443,181	218,269	189,719	471,731
LOIT SPECIAL DISTRIBUTION	-	768,622	425,150	343,472
CHICAGO PARK IDNR	718	-	-	718
NEIGHBORHOOD FACILITIES	11,414	-	-	11,414
RENTAL HOUSING	14,917	34,865	39,373	10,409
DONATION MAYOR CASH FUND	5,279	1,350	3,467	3,162
FIRE NR DONATIONS	50,387	25,950	14,366	61,971
CITY COUNCIL DONATION	1,447	-	-	1,447
RR RELOCATION GRANT	186,217	-	-	186,217
RESTRICTED PARK DONATIONS	8,709	43,236	18,678	33,267
DONATIONS TREE BOARD CASH	1,631	-	192	1,439
PROMOTION OF CITY DONATIO	1,464	30	-	1,494
PET PORT DONATIONS	9,410	46,263	17,108	38,565
SOLID WASTE GRANT RECYCLE	18,347	-	-	18,347
REVOLVING LOAN	278,519	2,107	-	280,626
LOCAL LAW ENF CONT ED	9,750	20,388	17,148	12,990
INTEREST REVOLVING LOAN	182,318	844	-	183,162
RIVERWALK	-	5,000	4,389	611
RIVERFRONT PAVILION FUND	7,345	2,850	1,150	9,045
POLICE DEPT DONATION FUND	21,549	56,992	16,651	61,890
POLICE DEPT DRUG INVESTIG	2,762	-	-	2,762
POLICE ALARM SYSTEM	2,412	425	-	2,837
YOUTH EXP SUMMER (YES)	5,188	-	4,642	546
DARE	2,607	4,597	5,961	1,243
POLICE BREATH TEST INSTR	861	-	-	861
NON-REVERTING POLICE DEPT	316	-	-	316
FED FORFEITURE & SEIZURE	37,783	5,988	25,837	17,934
K-9 DONATIONS	8,621	5,630	3,773	10,478
ARSON INVESTIGATIONS	1,500	-	-	1,500
HERITAGE TRAIL GRANT	23,248	64,578	-	87,826
CAPITAL IMPROVEMENT BOND	1,542	-	-	1,542
DEBT SER REDEV BOND-TIF	288,494	-	288,494	-
LEVEE FUND	5,013	-	-	5,013
DOWNTOWN REVITALIZATION PLAN/GRANT	-	49,348	27,625	21,723
COMMUNITY CROSSINGS GRANT	-	1,600,300	-	1,600,300
GEN OBLIGATION BONDS SERIES A 1.6M (POLICE/STREE	-	1,586,117	48,842	1,537,275
GEN OBLIGATION BONDS SERIES B \$995000 (FIRE)	-	985,050	34,325	950,725
CAP FUND LAWN EQMT PARK	2,183	-	-	2,183
URBAN ENTERPRISE ZONE	(1,253)	1,253	-	-
HOUSING REHAB GRANT/SIDC-2/14	631	-	-	631
LEVEE DRAINAGE GRT/ SIDC 6/14	-	594,797	589,079	5,718
BLIGHT ELIMINATION PROGRAM-GRANT-2015	64,000	63,900	108,068	19,832
SEWAG WKS BAN\$1M 8.30.13	141,909	309,096	451,005	-
RECYCLE FUND	385,627	311,734	267,131	430,230
CASH CHANGE FOR DEPTS	400	-	-	400
CEMETERY-CHARLES FREE ESTATE	38,456	-	494	37,962
WILLIAM H VOLLMER TRUST	3,405	-	-	3,405

CITY OF VINCENNES  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2016

Fund	Cash and	Receipts	Disbursements	Cash and
	Investments			Investments
	01-01-16			12-31-16
CEMETERY DONATIONS	183	-	-	183
MEMORIAL PARK EARNINGS	147,240	227	19,763	127,704
MAUSOLEUM.	98,122	17,735	953	114,904
MAUSOLEUM EARNINGS	263,287	4,165	6,718	260,734
PERP CARE FOR J CANNON	41,934	-	370	41,564
CEM PERP CARE	540,000	-	-	540,000
TRUST FOR GEO MISCHLER	136	-	-	136
JOSEPH SUTHERLAND ESTATE	6,945	-	84	6,861
CEMETERY RD REPAIR & IMP	99,746	7,400	1,550	105,596
CEM PERP SAVINGS	54,985	43,024	-	98,009
MAUSOLEUM P/C SAVINGS	4,317	958	-	5,275
PAY-NET SALARIES	-	4,340,776	4,340,785	(9)
PAY-FEDERAL WITHHOLDING	-	646,131	646,136	(5)
PAY-FICA	-	225,873	225,869	4
PAY-MEDICARE	-	133,664	133,660	4
PAY-STATE WITHHOLDING	-	192,605	192,603	2
PAY-COUNTY WITHHOLDING	-	60,668	60,667	1
PAY-PERF WITHHOLDING	-	64,581	64,399	182
PAY-POLICE PENSION W/H	-	40,247	40,435	(188)
HARTBELL LLC	-	1,339	1,339	-
PAY-FIRE PENSION W/H	-	42,867	42,867	-
PAY- PIONEER CREDIT RECOVERY INC.	-	1,816	1,816	-
PAY-IN FIREFIGHTERS PAC	-	456	456	-
PAY-UNION DUES	-	10,000	9,175	825
457/RETIREMENT	-	65,374	65,374	-
PAY-FIREMENS INSURANCE	685	3,213	3,898	-
PAY-UNITED FUND	-	2,738	2,738	-
PAY-WASHINGTON NATIONAL	-	1,571	1,571	-
PAY-DENTAL HEALTH	-	41,809	41,654	155
PAY-RELIASTAR	-	1,439	1,319	120
PAY-YMCA	-	3,632	3,632	-
PAY-AFLAC	-	7,338	7,338	-
PAY- AMER UNITED LIFE INS	-	2,153	2,153	-
PAY- DONALD L DECKER K MO	-	18,600	18,600	-
PAY-PRE-PAID LEGAL SVC	-	550	550	-
PAY-BOSTON MUTUAL LIFE	-	4,898	4,898	-
PAY-FIRE PAC	-	354	354	-
PAY-WESTERN SOUTHERN	-	14,743	14,723	20
PAY-CINCINNATI LIFE INS	-	4,601	4,601	-
PAY-PENSION UNION DUES	-	1,071	1,071	-
PAY-CHILD SUPPORT	-	38,290	38,290	-
PAY-KNOX CO SUP CRT II	-	3,900	3,900	-
PAY-HEALTH INSURANCE	-	170,422	170,429	(7)
AMERICAN FIDELITY	-	43,800	38,370	5,430
PAY-ANNUAL SUPPORT FEE	-	55	55	-
GARNISHMENT-TS	-	132	132	-
GARNISHMENT-K&J	-	650	650	-
POLICE STATION RESTORATION GRANT	-	52,800	-	52,800
2014 INDOT GRADE CROSSING FUND	-	9,174	-	9,174
2013 STATE DISASTER RELIEF FUND PUBLIC ASSISTANCE	-	31,495	30,421	1,074
SEWAGE UTILITY OPERATING	23,998	3,251,024	3,226,644	48,378
SEWAGE UTL IMPROVEMENT	-	786,162	402,283	383,879
SEWAGE WORKS GROSS REVENU	-	5,633,616	5,633,616	-
SEWER 2015 BONDS	1	2,023,161	1,037,549	985,613
2016 CONSTRUCTION ACCOUNT	-	5,221,484	1,522,700	3,698,784
2016 DEBT RESERVE ACCOUNT	-	528,132	-	528,132
2016 CONSTRUCTION BOND FUND	-	6,682,439	1,474,943	5,207,496
WATER UTILITY OPERATING	34,746	2,957,614	2,862,434	129,926
WATER UTL METER DEPOSIT	201,467	56,822	42,640	215,649
WATER UTL IMPROVEMENT	19	623,071	114,288	508,802
WATER DEBT SVC RESERVE	307,816	139	-	307,955
2016 CONSTRUCTION BOND DEBT RESERVE FUND	-	440,024	-	440,024
WATER 2003 SRF LOANS PAY	26,801	438,398	403,275	61,924
WATER GROSS REVENUE	1,734	9,810,772	9,793,846	18,660
STORMWATER IMP FUND	34,607	692,321	626,951	99,977
Totals	\$ 11,504,903	\$ 68,841,857	\$ 52,291,936	\$ 28,054,824

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

CITY OF VINCENNES  
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, storm water, trash, 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.

*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

CITY OF VINCENNES  
NOTES TO FINANCIAL STATEMENT  
(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.

*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.

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

CITY OF VINCENNES  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

**F. Interfund Transfers**

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

CITY OF VINCENNES  
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 VINCENNES  
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 VINCENNES  
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. Holding Corporation**

The City has entered into a capital lease with the City of Vincennes Park and Recreation Building Corporation (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 City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2016 totaled \$269,000.

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#### OTHER INFORMATION - UNAUDITED

The City'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 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 VINCENNES  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2016

	<u>PAY-VSP-VISION</u>	<u>AMERICAN FIDELITY-FLEX</u>	<u>GENERAL FUND</u>	<u>MOTOR VEHICLE HIGHWAY</u>	<u>LOCAL ROAD &amp; STREET</u>	<u>PARK NONREVERTING</u>
Cash and investments - beginning	\$ -	\$ -	\$ 934,487	\$ 744,871	\$ 6,622	\$ 6,755
Receipts:						
Taxes	-	-	3,573,357	-	-	-
Licenses and permits	-	-	68,836	-	-	-
Intergovernmental receipts	-	-	2,034,687	639,567	69,889	-
Charges for services	-	-	259,297	2,016	-	56,075
Fines and forfeits	-	-	3,539	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	10,921	32,970	560,834	1,435	36,818	-
Total receipts	<u>10,921</u>	<u>32,970</u>	<u>6,500,550</u>	<u>643,018</u>	<u>106,707</u>	<u>56,075</u>
Disbursements:						
Personal services	-	-	4,788,564	501,806	-	28,364
Supplies	-	-	99,207	105,705	-	50
Other services and charges	-	-	1,407,433	69,959	50,186	31,958
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	155,530	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	10,775	30,084	36,827	-	-	-
Total disbursements	<u>10,775</u>	<u>30,084</u>	<u>6,487,561</u>	<u>677,470</u>	<u>50,186</u>	<u>60,372</u>
Excess (deficiency) of receipts over disbursements	<u>146</u>	<u>2,886</u>	<u>12,989</u>	<u>(34,452)</u>	<u>56,521</u>	<u>(4,297)</u>
Cash and investments - ending	<u>\$ 146</u>	<u>\$ 2,886</u>	<u>\$ 947,476</u>	<u>\$ 710,419</u>	<u>\$ 63,143</u>	<u>\$ 2,458</u>

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

	PET SMART GRANT	PARK/POOL PROPERTY TAXES	UNSAFE BUILDING NONREVERT	PARK & RECREATION	INSUFFICIENT FUNDS RETURNED ITEM FEES	FIRE HAZMAT REIMBURSEMENT
Cash and investments - beginning	\$ -	\$ 63,888	\$ (1,768)	\$ 51,254	\$ -	\$ 11,329
Receipts:						
Taxes	-	-	-	179,337	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	22,672	-	-
Charges for services	-	210,982	-	79,637	-	-
Fines and forfeits	-	-	-	-	25	-
Utility fees	-	-	-	-	-	-
Other receipts	70,000	-	47,139	1,737	-	-
Total receipts	70,000	210,982	47,139	283,383	25	-
Disbursements:						
Personal services	1,911	-	-	210,404	-	-
Supplies	-	-	-	1,345	-	-
Other services and charges	-	-	1,413	120,917	-	-
Debt service - principal and interest	-	269,000	-	-	-	-
Capital outlay	441	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,352	269,000	1,413	332,666	-	-
Excess (deficiency) of receipts over disbursements	67,648	(58,018)	45,726	(49,283)	25	-
Cash and investments - ending	\$ 67,648	\$ 5,870	\$ 43,958	\$ 1,971	\$ 25	\$ 11,329

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

	RAINY DAY	CO ECON DEV INCOME TAX (CREDIT)	LEVY EXCESS FUND	FIRE DEPARTMENT	CUM CAP IMP - CIG TAX	CUM CAP DEVELOPMENT	PARK/POOL BOND
Cash and investments - beginning	\$ 2,920,724	\$ 1,122,394	\$ 19,772	\$ 32,176	\$ 325,716	\$ 378,196	\$ (51,069)
Receipts:							
Taxes	-	-	-	1,676,905	-	129,008	243,336
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	256,207	1,246,998	-	240,263	46,955	16,300	16,683
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	375,000	79,354	-	360,448	-	-	2,032
Total receipts	631,207	1,326,352	-	2,277,616	46,955	145,308	262,051
Disbursements:							
Personal services	-	112,739	-	2,099,648	-	-	-
Supplies	-	702,800	-	22,343	-	-	-
Other services and charges	-	92,664	-	143,007	-	-	210,982
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	12,994	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	375,000	1,154,810	19,772	-	181,000	125,000	-
Total disbursements	375,000	2,063,013	19,772	2,277,992	181,000	125,000	210,982
Excess (deficiency) of receipts over disbursements	256,207	(736,661)	(19,772)	(376)	(134,045)	20,308	51,069
Cash and investments - ending	\$ 3,176,931	\$ 385,733	\$ -	\$ 31,800	\$ 191,671	\$ 398,504	\$ -

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

	TIF	FIRE DEBT	POLICE PENSION	FIRE PENSION	WEED ORD 13-94	RIVERBOAT	LOIT SPECIAL DISTRIBUTION
Cash and investments - beginning	\$ 449,354	\$ 118,671	\$ 1,068	\$ 138,341	\$ 75,046	\$ 443,181	\$ -
Receipts:							
Taxes	1,487,238	138,967	22,490	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	12,499	2,851	-	-	218,269	768,622
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	16,618	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,347,444	-	241,194	607,205	-	-	-
Total receipts	2,834,682	151,466	266,535	607,205	16,618	218,269	768,622
Disbursements:							
Personal services	-	-	226,507	575,366	-	-	-
Supplies	-	-	-	143	-	-	-
Other services and charges	-	-	5,978	1,303	-	-	425,150
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	2,066,820	220,823	-	-	30,156	189,719	-
Total disbursements	2,066,820	220,823	232,485	576,812	30,156	189,719	425,150
Excess (deficiency) of receipts over disbursements	767,862	(69,357)	34,050	30,393	(13,538)	28,550	343,472
Cash and investments - ending	\$ 1,217,216	\$ 49,314	\$ 35,118	\$ 168,734	\$ 61,508	\$ 471,731	\$ 343,472

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

	CHICAGO PARK IDNR	NEIGHBORHOOD FACILITIES	RENTAL HOUSING	DONATION MAYOR CASH FUND	FIRE NR DONATIONS	CITY COUNCIL DONATION
Cash and investments - beginning	\$ 718	\$ 11,414	\$ 14,917	\$ 5,279	\$ 50,387	\$ 1,447
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	27,280	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	7,585	1,350	25,950	-
Total receipts	-	-	34,865	1,350	25,950	-
Disbursements:						
Personal services	-	-	26,939	-	-	-
Supplies	-	-	3,401	-	-	-
Other services and charges	-	-	9,033	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	3,467	14,366	-
Total disbursements	-	-	39,373	3,467	14,366	-
Excess (deficiency) of receipts over disbursements	-	-	(4,508)	(2,117)	11,584	-
Cash and investments - ending	\$ 718	\$ 11,414	\$ 10,409	\$ 3,162	\$ 61,971	\$ 1,447

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

	RR RELOCATION GRANT	RESTRICTED PARK DONATIONS	DONATIONS TREE BOARD CASH	PROMOTION OF CITY DONATIO	PET PORT DONATIONS	SOLID WASTE GRANT RECYCLE	REVOLVING LOAN
Cash and investments - beginning	\$ 186,217	\$ 8,709	\$ 1,631	\$ 1,464	\$ 9,410	\$ 18,347	\$ 278,519
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	35,390	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	7,846	-	30	46,263	-	2,107
Total receipts	-	43,236	-	30	46,263	-	2,107
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	14,626	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	4,052	192	-	17,108	-	-
Total disbursements	-	18,678	192	-	17,108	-	-
Excess (deficiency) of receipts over disbursements	-	24,558	(192)	30	29,155	-	2,107
Cash and investments - ending	\$ 186,217	\$ 33,267	\$ 1,439	\$ 1,494	\$ 38,565	\$ 18,347	\$ 280,626

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

	LOCAL LAW ENF CONT ED	INTEREST REVOLVING LOAN	RIVERWALK	RIVERFRONT PAVILION FUND	POLICE DEPT DONATION FUND	POLICE DEPT DRUG INVESTIG	POLICE ALARM SYSTEM
Cash and investments - beginning	\$ 9,750	\$ 182,318	\$ -	\$ 7,345	\$ 21,549	\$ 2,762	\$ 2,412
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	10,570	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	2,850	-	-	425
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	9,818	844	5,000	-	56,992	-	-
Total receipts	20,388	844	5,000	2,850	56,992	-	425
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	4,389	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	17,148	-	-	1,150	16,651	-	-
Total disbursements	17,148	-	4,389	1,150	16,651	-	-
Excess (deficiency) of receipts over disbursements	3,240	844	611	1,700	40,341	-	425
Cash and investments - ending	\$ 12,990	\$ 183,162	\$ 611	\$ 9,045	\$ 61,890	\$ 2,762	\$ 2,837

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

	YOUTH EXP SUMMER (YES)	DARE	POLICE BREATH TEST INSTR	NON-REVERTING POLICE DEPT	FED FORFEITURE & SEIZURE	K-9 DONATIONS
Cash and investments - beginning	\$ 5,188	\$ 2,607	\$ 861	\$ 316	\$ 37,783	\$ 8,621
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	5,988	-
Utility fees	-	-	-	-	-	-
Other receipts	-	4,597	-	-	-	5,630
Total receipts	-	4,597	-	-	5,988	5,630
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	4,642	5,961	-	-	25,837	3,773
Total disbursements	4,642	5,961	-	-	25,837	3,773
Excess (deficiency) of receipts over disbursements	(4,642)	(1,364)	-	-	(19,849)	1,857
Cash and investments - ending	\$ 546	\$ 1,243	\$ 861	\$ 316	\$ 17,934	\$ 10,478

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

	ARSON INVESTIGATIONS	HERITAGE TRAIL GRANT	CAPITAL IMPROVEMENT BOND	DEBT SER REDEV BOND-TIF	LEVEE FUND	DOWNTOWN REVITALIZATION PLAN/GRANT
Cash and investments - beginning	\$ 1,500	\$ 23,248	\$ 1,542	\$ 288,494	\$ 5,013	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	64,578	-	-	-	-
Charges for services	-	-	-	-	-	45,848
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	3,500
Total receipts	-	64,578	-	-	-	49,348
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	288,494	-	-
Capital outlay	-	-	-	-	-	27,625
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	288,494	-	27,625
Excess (deficiency) of receipts over disbursements	-	64,578	-	(288,494)	-	21,723
Cash and investments - ending	\$ 1,500	\$ 87,826	\$ 1,542	\$ -	\$ 5,013	\$ 21,723

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

	COMMUNITY CROSSINGS GRANT	GEN OBLIGATION BONDS SERIES A 1.6M (POLICE/STREE	GEN OBLIGATION BONDS SERIES B \$995000 (FIRE)	CAP FUND LAWN EQMT PARK	URBAN ENTERPRISE ZONE	HOUSING REHAB GRANT/SIDC-2/14
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 2,183	\$ (1,253)	\$ 631
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	1,600,300	1,586,117	985,050	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	1,253	-
Total receipts	1,600,300	1,586,117	985,050	-	1,253	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	48,842	34,325	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	48,842	34,325	-	-	-
Excess (deficiency) of receipts over disbursements	1,600,300	1,537,275	950,725	-	1,253	-
Cash and investments - ending	\$ 1,600,300	\$ 1,537,275	\$ 950,725	\$ 2,183	\$ -	\$ 631

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

	LEVEE DRAINAGE GRT/ SIDC 6/14	BLIGHT ELIMINATION PROGRAM-GRANT-2015	SEWAG WKS BAN\$1M 8.30.13	RECYCLE FUND	CASH CHANGE FOR DEPTS	CEMETERY-CHARLES FREE ESTATE
Cash and investments - beginning	\$ -	\$ 64,000	\$ 141,909	\$ 385,627	\$ 400	\$ 38,456
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	594,797	63,900	-	-	-	-
Charges for services	-	-	-	295,514	-	-
Fines and forfeits	-	-	-	16,220	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	309,096	-	-	-
Total receipts	594,797	63,900	309,096	311,734	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	370	-	-	-	-
Other services and charges	-	3,810	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	451,005	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	589,079	103,888	-	267,131	-	494
Total disbursements	589,079	108,068	451,005	267,131	-	494
Excess (deficiency) of receipts over disbursements	5,718	(44,168)	(141,909)	44,603	-	(494)
Cash and investments - ending	\$ 5,718	\$ 19,832	\$ -	\$ 430,230	\$ 400	\$ 37,962

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

	WILLIAM H VOLLMER TRUST	CEMETERY DONATIONS	MEMORIAL PARK EARNINGS	MAUSOLEUM.	MAUSOLEUM EARNINGS	PERP CARE FOR J CANNON	CEM PERP CARE
Cash and investments - beginning	\$ 3,405	\$ 183	\$ 147,240	\$ 98,122	\$ 263,287	\$ 41,934	\$ 540,000
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	17,735	4,165	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	227	-	-	-	-
Total receipts	-	-	227	17,735	4,165	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	19,763	953	6,718	370	-
Total disbursements	-	-	19,763	953	6,718	370	-
Excess (deficiency) of receipts over disbursements	-	-	(19,536)	16,782	(2,553)	(370)	-
Cash and investments - ending	\$ 3,405	\$ 183	\$ 127,704	\$ 114,904	\$ 260,734	\$ 41,564	\$ 540,000

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

	TRUST FOR GEO MISCHLER	JOSEPH SUTHERLAND ESTATE	CEMETERY RD REPAIR & IMP	CEM PERP SAVINGS	MAUSOLEUM P/C SAVINGS	PAY-NET SALARIES	PAY-FEDERAL WITHHOLDING
Cash and investments - beginning	\$ 136	\$ 6,945	\$ 99,746	\$ 54,985	\$ 4,317	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	7,400	43,024	958	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	4,340,776	646,131
Total receipts	-	-	7,400	43,024	958	4,340,776	646,131
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	84	1,550	-	-	4,340,785	646,136
Total disbursements	-	84	1,550	-	-	4,340,785	646,136
Excess (deficiency) of receipts over disbursements	-	(84)	5,850	43,024	958	(9)	(5)
Cash and investments - ending	\$ 136	\$ 6,861	\$ 105,596	\$ 98,009	\$ 5,275	\$ (9)	\$ (5)

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

	PAY-FICA	PAY-MEDICARE	PAY-STATE WITHHOLDING	PAY-COUNTY WITHHOLDING	PAY-PERF WITHHOLDING	PAY-POLICE PENSION W/H
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	225,873	133,664	192,605	60,668	64,581	40,247
Total receipts	225,873	133,664	192,605	60,668	64,581	40,247
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	225,869	133,660	192,603	60,667	64,399	40,435
Total disbursements	225,869	133,660	192,603	60,667	64,399	40,435
Excess (deficiency) of receipts over disbursements	4	4	2	1	182	(188)
Cash and investments - ending	\$ 4	\$ 4	\$ 2	\$ 1	\$ 182	\$ (188)

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

	HARTBELL LLC	PAY-FIRE PENSION W/H	PAY- PIONEER CREDIT RECOVERY INC.	PAY-IN FIREFIGHTERS PAC	PAY-UNION DUES	457/RETIREMENT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,339	42,867	1,816	456	10,000	65,374
Total receipts	1,339	42,867	1,816	456	10,000	65,374
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,339	42,867	1,816	456	9,175	65,374
Total disbursements	1,339	42,867	1,816	456	9,175	65,374
Excess (deficiency) of receipts over disbursements	-	-	-	-	825	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 825	\$ -

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

	PAY-FIREMENS INSURANCE	PAY-UNITED FUND	PAY-WASHINGTON NATIONAL	PAY-DENTAL HEALTH	PAY-RELIASTAR	PAY-YMCA
Cash and investments - beginning	\$ 685	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,213	2,738	1,571	41,809	1,439	3,632
Total receipts	3,213	2,738	1,571	41,809	1,439	3,632
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,898	2,738	1,571	41,654	1,319	3,632
Total disbursements	3,898	2,738	1,571	41,654	1,319	3,632
Excess (deficiency) of receipts over disbursements	(685)	-	-	155	120	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 155	\$ 120	\$ -

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

	PAY-AFLAC	PAY-AMER UNITED LIFE INS	PAY-DONALD L DECKER K MO	PAY-PRE-PAID LEGAL SVC	PAY-BOSTON MUTUAL LIFE	PAY-FIRE PAC	PAY-WESTERN SOUTHERN
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	7,338	2,153	18,600	550	4,898	354	14,743
Total receipts	7,338	2,153	18,600	550	4,898	354	14,743
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	7,338	2,153	18,600	550	4,898	354	14,723
Total disbursements	7,338	2,153	18,600	550	4,898	354	14,723
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	20
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20

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

	PAY-CINCINNATI LIFE INS	PAY-PENSION UNION DUES	PAY-CHILD SUPPORT	PAY-KNOX CO SUP CRT II	PAY-HEALTH INSURANCE	AMERICAN FIDELITY
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	4,601	1,071	38,290	3,900	170,422	43,800
Total receipts	<u>4,601</u>	<u>1,071</u>	<u>38,290</u>	<u>3,900</u>	<u>170,422</u>	<u>43,800</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	4,601	1,071	38,290	3,900	170,429	38,370
Total disbursements	<u>4,601</u>	<u>1,071</u>	<u>38,290</u>	<u>3,900</u>	<u>170,429</u>	<u>38,370</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	(7)	5,430
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ 5,430</u>

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

	PAY-ANNUAL SUPPORT FEE	GARNISHMENT-TS	GARNISHMENT-K&J	POLICE STATION RESTORATION GRANT	2014 INDOT GRADE CROSSING FUND
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	52,800	9,174
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	55	132	650	-	-
Total receipts	55	132	650	52,800	9,174
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	55	132	650	-	-
Total disbursements	55	132	650	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	52,800	9,174
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 52,800	\$ 9,174

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

	2013 STATE DISASTER RELIEF FUND PUBLIC ASSISTANCE	SEWAGE UTILITY OPERATING	SEWAGE UTL IMPROVEMENT	SEWAGE WORKS GROSS REVENUE	SEWER 2015 BONDS	2016 CONSTRUCTION ACCOUNT
Cash and investments - beginning	\$ -	\$ 23,998	\$ -	\$ -	\$ 1	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	31,495	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	3,217,176	-	5,633,616	2,023,161	5,221,484
Other receipts	-	33,848	786,162	-	-	-
Total receipts	31,495	3,251,024	786,162	5,633,616	2,023,161	5,221,484
Disbursements:						
Personal services	-	570,048	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	30,421	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	1,037,549	-
Capital outlay	-	-	-	-	-	1,522,700
Utility operating expenses	-	7,969	-	-	-	-
Other disbursements	-	2,648,627	402,283	5,633,616	-	-
Total disbursements	30,421	3,226,644	402,283	5,633,616	1,037,549	1,522,700
Excess (deficiency) of receipts over disbursements	1,074	24,380	383,879	-	985,612	3,698,784
Cash and investments - ending	\$ 1,074	\$ 48,378	\$ 383,879	\$ -	\$ 985,613	\$ 3,698,784

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

	2016 DEBT RESERVE ACCOUNT	2016 CONSTRUCTION BOND FUND	WATER UTILITY OPERATING	WATER UTL METER DEPOSIT	WATER UTL IMPROVEMENT	WATER DEBT SVC RESERVE
Cash and investments - beginning	\$ -	\$ -	\$ 34,746	\$ 201,467	\$ 19	\$ 307,816
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	528,132	6,682,439	2,949,245	56,299	622,915	-
Other receipts	-	-	8,369	523	156	139
Total receipts	528,132	6,682,439	2,957,614	56,822	623,071	139
Disbursements:						
Personal services	-	-	790,866	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	1,474,943	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	2,071,568	42,640	114,288	-
Total disbursements	-	1,474,943	2,862,434	42,640	114,288	-
Excess (deficiency) of receipts over disbursements	528,132	5,207,496	95,180	14,182	508,783	139
Cash and investments - ending	\$ 528,132	\$ 5,207,496	\$ 129,926	\$ 215,649	\$ 508,802	\$ 307,955

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

	2016 CONSTRUCTION BOND DEBT RESERVE FUND	WATER 2003 SRF LOANS PAY	WATER GROSS REVENUE	STORMWATER IMP FUND	Totals
Cash and investments - beginning	\$ -	\$ 26,801	\$ 1,734	\$ 34,607	\$ 11,504,903
Receipts:					
Taxes	-	-	-	-	7,450,638
Licenses and permits	-	-	-	-	79,406
Intergovernmental receipts	-	-	-	-	6,409,206
Charges for services	-	-	-	-	5,260,063
Fines and forfeits	-	-	-	-	42,390
Utility fees	440,024	438,335	9,810,689	692,321	38,315,836
Other receipts	-	63	83	-	11,284,318
Total receipts	440,024	438,398	9,810,772	692,321	68,841,857
Disbursements:					
Personal services	-	-	-	-	9,933,162
Supplies	-	-	-	-	1,033,157
Other services and charges	-	-	-	-	2,608,603
Debt service - principal and interest	-	-	-	-	1,595,043
Capital outlay	-	-	-	-	3,645,238
Utility operating expenses	-	-	-	-	7,969
Other disbursements	-	403,275	9,793,846	626,951	33,468,764
Total disbursements	-	403,275	9,793,846	626,951	52,291,936
Excess (deficiency) of receipts over disbursements	440,024	35,123	16,926	65,370	16,549,921
Cash and investments - ending	\$ 440,024	\$ 61,924	\$ 18,660	\$ 99,977	\$ 28,054,824

CITY OF VINCENNES  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2016

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ -	\$ 556,001
Water	-	306,365
Storm Water	-	34,665
Totals	\$ -	\$ 897,031

CITY OF VINCENNES  
SCHEDULE OF LEASES AND DEBT  
December 31, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Caterpillar Financial Services Corp	2014 Caterpillar Wheel Loader	\$ -	6/26/2014	6/26/2019
Adams-Meyer Inc.	2 New Holland tractors	13,496	9/4/2016	9/4/2020
Edgar County Bank	2014 Case 580SN 4X4 Backhoe	11,088	8/1/2014	8/1/2019
City of Vincennes Park and Recreation Building Corporation	New Pool	271,000	12/31/2014	12/31/2032
Total governmental activities		<u>295,584</u>		
Total of annual lease payments		<u>\$ 295,584</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Fire Trucks Loan	GOB 2011	\$ 110,000	\$ 111,100
General obligation bonds	Vincennes General Obligation Bonds Series A	2016	1,600,000	388,967
General obligation bonds	Vincennes General Obligation Bonds Series B	2016	995,000	210,290
Total governmental activities			<u>2,705,000</u>	<u>710,357</u>
Wastewater:				
Revenue bonds	Refunding Revenue Bonds of 2015	(Paid off 2002 SRF)	12,715,000	1,963,060
Revenue bonds	Vincennes Municipal Sewage Works Revenue Bonds	2016	5,275,000	106,379
Total Wastewater			<u>17,990,000</u>	<u>2,069,439</u>
Water:				
Revenue bonds	Vincennes Municipal Water Revenue Bonds	2016	6,715,000	433,050
Revenue bonds	2003 SRF Bonds		1,909,391	307,759
Total Water			<u>8,624,391</u>	<u>740,809</u>
Totals			<u>\$ 29,319,391</u>	<u>\$ 3,520,605</u>

CITY OF VINCENNES  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2016

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	\$ 578,671
Infrastructure	85,250,000
Buildings	10,551,049
Improvements other than buildings	10,280
Machinery, equipment, and vehicles	<u>4,334,426</u>
Total governmental activities	<u>100,724,426</u>
Wastewater:	
Land	170,785
Infrastructure	14,649,668
Buildings	21,732,039
Improvements other than buildings	6,372,154
Machinery, equipment, and vehicles	7,854,834
Construction in progress	567,715
Books and other	<u>395,829</u>
Total Wastewater	<u>51,743,024</u>
Water:	
Land	259,093
Infrastructure	18,701,563
Buildings	6,634,712
Machinery, equipment, and vehicles	<u>2,649,427</u>
Total Water	<u>28,244,795</u>
Storm Water:	
Infrastructure	<u>5,077,684</u>
Total capital assets	<u>\$ 185,789,929</u>

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE CITY OF VINCENNES, KNOX COUNTY, INDIANA

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

We have audited the City of Vincennes' (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, 2016. 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, 2016.

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

June 14, 2018

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the City. The schedule and notes are presented as intended by the City.

CITY OF VINCENNES  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2016

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	Passed Through to Subrecipient	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 Levee Drainage SIDC Downtown Revitalization Grant	Indiana Office of Community and Rural Affairs	14.228	B14DC180001 DR1B-09-027 PL-10-023	\$ - -	\$ 587,604 40,000
Total - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				-	627,604
Total - Department of Housing and Urban Development				-	627,604
<u>Department of Justice</u>					
Joint Law Enforcement Operations (JLEO) FED DRUG HOLT 101345	DIRECT GRANT	16.111	GL-INS-0195	-	18,056
Bulletproof Vest Partnership Program Police Body Armor	DIRECT GRANT	16.607		-	4,608
Equitable Sharing Program Fed Forfeitur2570001	DIRECT GRANT	16.922	IN-04202000	-	5,988
Total - Department of Justice				-	28,652
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Heritage Trail/Riverwalk 2nd & Niblack	Indiana Department of Transportation	20.205	DES 0300045 DES 1297754	- -	53,216 78,816
Total - Highway Planning and Construction				-	132,032
Total - Highway Planning and Construction Cluster				-	132,032
Total - Department of Transportation				-	132,032
Total federal awards expended				\$ -	\$ 788,288

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

CITY OF VINCENNES  
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, 2016. 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 VINCENNES  
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 the major program:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Program and type of auditor's report issued on compliance for it:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
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**Section II - Financial Statement Findings**

**FINDING 2016-001**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness, Other Matters

*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).

*Context*

The SEFA contained the following errors: federal expenditures were understated by \$57,924, program titles were incorrect for two programs, and two direct grants were incorrectly reported as pass-through grants.

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

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

*Criteria*

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

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

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

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

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

2 CFR 200.510(b) states:

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

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.

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

- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

*Cause*

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

*Effect*

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

*Recommendation*

We recommended that the City's management establish controls to prevent, or detect and correct, errors on the SEFA.

*Views of Responsible Officials*

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

**FINDING 2016-002**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition*

There were deficiencies in the internal control system of the City related to financial transactions and reporting. The City had not separated incompatible activities related to cash and investments.

Internal controls over bank reconcilements were not in place during the audit period. There was no documented review and approval of monthly bank reconcilements.

*Context*

The lack of adequate internal controls was a systemic issue, which occurred throughout the audit period.

*Criteria*

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

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

"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 misstatements or irregularities to remain undetected.

*Recommendation*

We recommended that the City establish a system of internal controls related to financial transactions and reporting related to cash and investments.

*Views of Responsible Officials*

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

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

No matters are reportable.

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AUDITEE-PREPARED DOCUMENT

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



**VINCENNES CITY**  
**CLERK-TREASURER**  
 203 Vigo Street  
 Vincennes, IN 47591

**Sharon K. Meek**  
*Clerk-Treasurer*  
 812-882-6426 office  
 812-886-3406 fax  
 smeek@vincennes.org

**CORRECTIVE ACTION PLAN**

***FINDING 2016-001***

Contact Person Responsible for Corrective Action: Sharon K. Meek  
 Contact Phone Number: 812-882-6426

Views of Responsible Official:

We concur with the finding

Description of Corrective Action Plan:

We will review all the grants with the department heads to ensure the titles are stated correctly. From this day forward the department head must present all grant paperwork to the office, unlike what was happening before I took office on January 01, 2016. Reports will be given at the end of each month to the department heads for their review so that any needed corrections can be made. We also have composed a spreadsheet to help track the Grant activities. We will be attaching the payment request with the receipt of the money and a copy of the corresponding check together for the grant file.

Anticipated Completion Date:

Effective immediately

***FINDING 2016-002***

Views of Responsible Official:

We concur with the finding

Description of Corrective Action Plan:

We failed to have the person who looked over the final bank reconciliation sign off that she had done so, in the future the reviewer will sign all the bank reconciliation reports and a signature will be on all other reports that had been reviewed by other staff members instead of just reviewing them.

Anticipated Completion Date:

Effective immediately

*Sharon K. Meek*  
 \_\_\_\_\_  
 (Signature)

*Clerk Treasurer*  
 \_\_\_\_\_  
 (Title)

*6-14-2018*  
 \_\_\_\_\_  
 (Date)

#### 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/>.