

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TOWN OF SCHERERVILLE
LAKE COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
06/18/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janice Malinowski	01-01-18 to 12-31-19
President of the Town Council	Robert Guetzloff Tom Schmitt	01-01-18 to 12-31-18 01-01-19 to 12-31-19
Town Manager	Robert Volkmann	01-01-18 to 12-31-19
Town Judge	Kenneth Anderson	01-01-18 to 12-31-19



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF SCHERERVILLE, LAKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Town of Schererville (Town), which comprises the financial position and results of operations for the year ended December 31, 2018, 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 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, 2018.

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, 2018, 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 Town'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 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 9, 2019, on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

May 9, 2019



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AN EQUAL OPPORTUNITY EMPLOYER

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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 TOWN OF SCHERERVILLE, LAKE 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 Town of Schererville (Town), which comprises the financial position and results of operations for the year ended December 31, 2018, and the related notes to the financial statement, and have issued our report thereon dated May 9, 2019, wherein we noted the Town 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 Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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 Town'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

May 9, 2019

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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 SCHERERVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments			Cash and Investments 12-31-18
	01-01-18	Receipts	Disbursements	
General	\$ 1,131,513	\$ 11,806,882	\$ 11,457,988	\$ 1,480,407
Motor Vehicle Highway	752,195	1,736,000	1,733,769	754,426
Local Road And Street	319,401	810,307	317,497	812,211
Law Enforcement Continuing Ed	57,679	45,990	56,740	46,929
Parks And Recreation	46,209	1,019,164	1,045,752	19,621
Cumulative Capl Imprv Cigarette Tax	135,164	69,588	104,248	100,504
Cumulative Capital Development	1,438,908	987,184	650,752	1,775,340
CEDIT N/R	788,198	798,794	516,441	1,070,551
Plum Creek EDA	249,036	166,743	-	415,779
Public Safety Loit N/R	383,489	679,988	697,031	366,446
Town Promotion Fund N/R	2,494	234,975	156,513	80,956
TOS Perry Ferrini Dog Park N/R Fee	24,767	10,120	4,371	30,516
Shops on Main TIF District	573,515	839,399	-	1,412,914
INPRS	477	1,755,392	1,755,392	477
L.E. Serv. Chg & Release Fee N/R Fund	57,845	13,970	3,305	68,510
Shops on Main DSR	1,616,211	20,843	15,409	1,621,645
Briar Ridge Culvert Repair N/R Fund	4,243	24	4,267	-
COMMUNITY EVENTS N/R	45,227	-	8,753	36,474
2016 G.O. BOND PROJECT FUND	188,393	-	1,150	187,243
LOIT - Y2016 Special Distribution	46,181	-	46,181	-
POLICE PENSION - REIMBURSEMENT (1925)	-	3,525	3,525	-
2016 TAXABLE G.O. BOND	32,569	328,284	304,008	56,845
COMMUNITY CROSSINGS- GRANT MONEY- STREET REPAIR	193,741	655,125	801,561	47,305
PARK DIST. BONDS 2018 PROJECT FUND	-	4,995,000	-	4,995,000
AUL	-	79,036	79,036	-
GARNISH 0675	-	200	200	-
GARNISH 1251	-	800	800	-
GARNISH 1865	-	9,297	9,297	-
Lake County Gaming Tax	376,046	236,053	219,444	392,655
Pennsy/Greenwy Bike Trail	97,327	21,068	14,971	103,424
Farmers' Market N/R Fund	151	-	-	151
Kennedy Tif Dist. Debt Serv.	13,359,742	7,625,211	6,508,534	14,476,419
Schererville Newspaper Fund	1,020	-	-	1,020
Donation Fund	127,380	7,380	33,526	101,234
U.S. Postage Stamp Fund	484	2,926	3,138	272
Deposits N/R Escrow Fund	2,736	23,260	22,392	3,604
Clerk's Perpetuation Fund	39,816	11,032	1,696	49,152
Spec Deferral Prog. Fund	151,434	102,364	131,083	122,715
Adult Probation Serv. Fund	19,636	32,326	34,847	17,115
Public Defender Fund	3,278	2,830	-	6,108
Cable Tv	411,094	662,659	348,214	725,539
Stormwater Permit Fee N/R	261,369	33,978	13,427	281,920
Ambulance Service	556,293	1,080,736	1,137,873	499,156
Spec. Amb. Equip. N/R	4,169	70	-	4,239
Fire Equip Fund	1,980	5,150	-	7,130
Emt Fund	2,741	100	-	2,841
Police Equipment Fund	30,602	37,810	59,295	9,117
Asset Forfeiture- Federal	72,466	18,909	47,238	44,137
Asset Seizure	368	-	-	368
Asset Forfeiture- State	2,030	1	-	2,031
Police Training Fund	4,719	3,075	-	7,794
Park Impact Fee Fund	10,719	476,355	277,539	209,535
Park Non-Reverting Fund	42,326	210,868	204,750	48,444

TOWN OF SCHERERVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
Park Dist Bonds Of 2004	14,006	92	5,171	8,927
Drainage Fund	8,673	45,193	18,716	35,150
Police Grants Fund	10,628	1,555	1,780	10,403
Schererville Safe Kids Chapter	1,721	-	-	1,721
Video Fund	43,969	3,125	-	47,094
Impact Fees Fund	21,789	-	-	21,789
Solid Waste Management	1,494,235	1,890,883	1,734,082	1,651,036
Improvement Inspection Fee N/R	134,560	52,905	5,315	182,150
Subdv. Revenue Prof. Fee N/R	219,758	137,309	124,572	232,495
Park Grant Fund N/R	12,661	-	50	12,611
Scherer. 2010 Park Bond	135,715	974,526	1,053,749	56,492
Park Dist Bond Debt Serv	67,866	183,455	183,315	68,006
G.O. Bond/Bridge Debt Serv	2,180	-	-	2,180
Redev District Bond Debt Serv	682	-	-	682
Building Corporation Lease	467,286	988,535	986,714	469,107
Park Dist. Bond 2010 Debt Service	73,756	161,416	235,172	-
Employee Benefit Fund	157,001	4,449,964	4,441,758	165,207
Health Claims Account	3,914	3,446,877	3,446,306	4,485
Police Pension #2	31,666	176,764	179,237	29,193
Payroll	2	8,703,429	8,703,425	6
Payroll Withholding- Federal	1,347	1,098,792	1,098,792	1,347
Payroll Withholding- State	4	331,773	331,773	4
Payroll Withholding- Insurance	-	283,725	283,725	-
Payroll Withholdings- Union Dues	-	7,014	7,014	-
Payroll Withholding- Uniforms	1,290	718	-	2,008
Payroll Withholding- Fica/Medicare	-	1,024,659	1,024,659	-
Payroll Withholding- C.U.#2- Employee	-	1,300	1,300	-
Payroll Withholding- Garnishee	-	61,977	61,977	-
Payroll Withholding- Deferred Sav	1	77,994	77,995	-
Payroll Withholding- Cagit	1	146,669	146,670	-
Payroll Withholding- Aflac	4,989	68,723	68,590	5,122
Schererville Town Court	249,700	933,906	885,226	298,380
Sew. Wks. Rev. Bonds- Series 2016	4,553,973	13,876	4,070,820	497,029
SEW. WKS. REV. BONDS B&I SERIES. 2016	310,729	527,313	517,063	320,979
Wastewater O&M	611,888	3,862,994	3,858,467	616,415
Wastewater Bond & Interest	291,931	456,415	448,644	299,702
Wastewater Deposits	4,400	-	1,300	3,100
Wastewater Improvement	1,706,129	1,145,590	1,093,877	1,757,842
SRF Debt Service Reserve #2	1,072,379	115,251	-	1,187,630
SRF B&I	313,789	481,187	474,022	320,954
Wastewater Revenue	-	5,186,248	5,186,248	-
Water Works O&M	904,439	6,142,219	6,138,818	907,840
Water Bond & Interest	258,624	30	260,200	(1,546)
Water Meter Deposit	152,932	100	125,600	27,432
Water Improvement	2,946,125	1,497,846	908,647	3,535,324
Water Debt Service Reserve	270,400	-	5,200	265,200
Water Revenue	-	6,750,729	6,750,729	-
Totals	<u>\$ 40,224,519</u>	<u>\$ 89,093,867</u>	<u>\$ 83,778,671</u>	<u>\$ 45,539,715</u>

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

TOWN OF SCHERERVILLE
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, storm water, trash, 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 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.

TOWN OF SCHERERVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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

Utility fees. Amounts received from charges for current services.

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

E. Disbursements

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

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

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

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

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

TOWN OF SCHERERVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

The 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 the preceding year's lien date (March 1 in a year ending before January 1, 2018 and January 1 in a year beginning after December 31, 2017) 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.

TOWN OF SCHERERVILLE
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 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 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 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.

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

TOWN OF SCHERERVILLE
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. 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 Town are established by the Board of Trustees of INPRS.

TOWN OF SCHERERVILLE
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Note 7. Cash Balance Deficit

The financial statement contained one fund with a deficit in cash. This is a result of a 2018 posting error of \$1,546 that resulted in a cash deficit in Fund 602, Water Bond & Interest. Therefore, in January 2019, a payment of \$1,544 was made from Fund 611, Water Revenue, to Fund 602, Water Bond & Interest, to bring Fund 602, Water Bond & Interest, cash balance to zero.

Note 8. Restatement

For the year ended December 31, 2018, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the Town. The following schedule presents a summary of restated beginning balances:

Fund	Balances as of December 31, 2017	Prior Period Adjustment	Balances as of January 1, 2018
Schererville Town Court	\$ 186,189	\$ 63,511	\$ 249,700

Note 9. Holding Corporation

The Town has entered into a capital lease with the Schererville 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 Town. The lessor has been determined to be a related-party of the Town. Lease payments during the year 2018 totaled \$970,000.

Note 10. Subsequent Events

Southcom PSAP – (Public Safety Answering Point)

Year 2019 was the first year an actual budget was set for Southcom PSAP. A separate entity composed of the Town of Cedar Lake (Cedar Lake) and the Town of Schererville (Schererville). This entity is separate from the Lake County E911 System.

Budget expenditures were set up based on prior years from September 2015 through December 31, 2018 (based on historical costs incurred). Year 2018 receipts are composed of prior year's cost Schererville incurred and Cedar Lake has not been required to start reimbursing Schererville until January 2019. Cedar Lake is on a three-year pay back program to Schererville. Payments are made monthly from Cedar Lake to Schererville, and receipted into the General Fund.

Cedar Lake is paying Schererville 30 percent per month of costs for year 2019. Schererville is responsible for 70 percent of the costs. These percentages were arrived at based on population. At the beginning of the subsequent year, 2020, a true-up calculation will be presented to Cedar Lake, and they will either owe to Schererville additional costs or Schererville will owe them a payment due to over payment from them.

TOWN OF SCHERERVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

Through the approval of the Department of Local Government (DLGF), Southcom PSAP is now the 8th department of the General Fund (101-009).

2019 Help Lease

Schererville for Year 2019 has incurred a HELP Lease (Hoosier Equipment Lease Program) with the Indiana Bond Bank. The awarded bank is US Bank, and this will be for the purchase of vehicles and equipment. This is going to be an open line of credit until all items are purchased this year at a cost of \$1,500,000. This lease closed on March 28, 2019.

Lease payments will start on January 15, 2020, and end on January 15, 2023. This lease has a 2.89 percent interest rate. Payments will be paid from the Cumulative Capital Development fund semiannually.

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 SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Parks And Recreation	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ 1,131,513	\$ 752,195	\$ 319,401	\$ 57,679	\$ 46,209	\$ 135,164	\$ 1,438,908
Receipts:							
Taxes	7,249,730	338,280	-	-	658,672	-	876,537
Licenses and permits	834,753	-	-	11,285	-	-	-
Intergovernmental receipts	705,653	1,385,829	510,307	-	41,564	68,359	55,537
Charges for services	180,402	4,010	-	29,136	63,165	-	-
Fines and forfeits	121,263	-	-	4,804	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,715,081	7,881	300,000	765	255,763	1,229	55,110
Total receipts	11,806,882	1,736,000	810,307	45,990	1,019,164	69,588	987,184
Disbursements:							
Personal services	6,675,679	722,435	-	56,729	508,571	40,286	-
Supplies	294,717	179,957	24,895	-	43,628	1,907	3,380
Other services and charges	848,163	299,614	43,026	11	103,778	47,088	215,583
Debt service - principal and interest	2,427	-	-	-	-	-	266,688
Capital outlay	11,877	359,553	249,576	-	1,101	6,467	165,101
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	3,625,125	172,210	-	-	388,674	8,500	-
Total disbursements	11,457,988	1,733,769	317,497	56,740	1,045,752	104,248	650,752
Excess (deficiency) of receipts over disbursements	348,894	2,231	492,810	(10,750)	(26,588)	(34,660)	336,432
Cash and investments - ending	\$ 1,480,407	\$ 754,426	\$ 812,211	\$ 46,929	\$ 19,621	\$ 100,504	\$ 1,775,340

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	CEDIT N/R	Plum Creek EDA	Public Safety Loit N/R	Town Promotion Fund N/R	TOS Perry Ferrini Dog Park N/R Fee	Shops on Main TIF District	INPRS
Cash and investments - beginning	\$ 788,198	\$ 249,036	\$ 383,489	\$ 2,494	\$ 24,767	\$ 573,515	\$ 477
Receipts:							
Taxes	720,304	166,743	-	-	-	839,399	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	658,659	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	78,490	-	21,329	234,975	10,120	-	1,755,392
Total receipts	798,794	166,743	679,988	234,975	10,120	839,399	1,755,392
Disbursements:							
Personal services	-	-	13,501	8,445	-	-	-
Supplies	6,115	-	4,682	3,383	9	-	-
Other services and charges	279,095	-	251,771	58,381	4,362	-	-
Debt service - principal and interest	-	-	56,283	-	-	-	-
Capital outlay	231,231	-	82,431	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	288,363	86,304	-	-	1,755,392
Total disbursements	516,441	-	697,031	156,513	4,371	-	1,755,392
Excess (deficiency) of receipts over disbursements	282,353	166,743	(17,043)	78,462	5,749	839,399	-
Cash and investments - ending	\$ 1,070,551	\$ 415,779	\$ 366,446	\$ 80,956	\$ 30,516	\$ 1,412,914	\$ 477

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	L.E. Serv. Chg & Release Fee N/R Fund	Shops on Main DSR	Briar Ridge Culvert Repair N/R Fund	COMMUNITY EVENTS N/R	2016 G.O. BOND PROJECT FUND	LOIT - Y2016 Special Distribution
Cash and investments - beginning	\$ 57,845	\$ 1,616,211	\$ 4,243	\$ 45,227	\$ 188,393	\$ 46,181
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	13,970	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	20,843	24	-	-	-
Total receipts	13,970	20,843	24	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	4,267	-	-	-
Other services and charges	3,305	-	-	8,753	1,150	46,181
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	15,409	-	-	-	-
Total disbursements	3,305	15,409	4,267	8,753	1,150	46,181
Excess (deficiency) of receipts over disbursements	10,665	5,434	(4,243)	(8,753)	(1,150)	(46,181)
Cash and investments - ending	\$ 68,510	\$ 1,621,645	\$ -	\$ 36,474	\$ 187,243	\$ -

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	POLICE PENSION - REIMBURSEMENT (1925)	2016 TAXABLE G.O. BOND	COMMUNITY CROSSINGS- GRANT MONEY- STREET REPAIR	PARK DIST. BONDS 2018 PROJECT FUND	AUL	GARNISH 0675
Cash and investments - beginning	\$ -	\$ 32,569	\$ 193,741	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	233,619	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	14,802	655,000	-	-	-
Charges for services	-	-	125	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	3,525	79,863	-	4,995,000	79,036	200
Total receipts	3,525	328,284	655,125	4,995,000	79,036	200
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	129,910	-	-	-
Debt service - principal and interest	-	224,145	-	-	-	-
Capital outlay	-	-	526,460	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,525	79,863	145,191	-	79,036	200
Total disbursements	3,525	304,008	801,561	-	79,036	200
Excess (deficiency) of receipts over disbursements	-	24,276	(146,436)	4,995,000	-	-
Cash and investments - ending	\$ -	\$ 56,845	\$ 47,305	\$ 4,995,000	\$ -	\$ -

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	GARNISH 1251	GARNISH 1865	Lake County Gaming Tax	Pennsy/Greenwy Bike Trail	Farmers' Market N/R Fund	Kennedy Tif Dist. Debt Serv.
Cash and investments - beginning	\$ -	\$ -	\$ 376,046	\$ 97,327	\$ 151	\$ 13,359,742
Receipts:						
Taxes	-	-	-	-	-	4,036,280
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	231,195	-	-	1,348,005
Charges for services	-	-	-	21,000	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	800	9,297	4,858	68	-	2,240,926
Total receipts	800	9,297	236,053	21,068	-	7,625,211
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	219,444	14,971	-	114,027
Debt service - principal and interest	-	-	-	-	-	2,133,412
Capital outlay	-	-	-	-	-	2,044,658
Utility operating expenses	-	-	-	-	-	-
Other disbursements	800	9,297	-	-	-	2,216,437
Total disbursements	800	9,297	219,444	14,971	-	6,508,534
Excess (deficiency) of receipts over disbursements	-	-	16,609	6,097	-	1,116,677
Cash and investments - ending	\$ -	\$ -	\$ 392,655	\$ 103,424	\$ 151	\$ 14,476,419

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Schererville Newspaper Fund	Donation Fund	U.S. Postage Stamp Fund	Deposits N/R Escrow Fund	Clerk's Perpetuation Fund	Spec Deferral Prog. Fund	Adult Probation Serv. Fund
Cash and investments - beginning	\$ 1,020	\$ 127,380	\$ 484	\$ 2,736	\$ 39,816	\$ 151,434	\$ 19,636
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	200	-	-	-
Fines and forfeits	-	-	-	-	11,032	102,364	32,326
Utility fees	-	-	-	-	-	-	-
Other receipts	-	7,380	2,926	23,060	-	-	-
Total receipts	-	7,380	2,926	23,260	11,032	102,364	32,326
Disbursements:							
Personal services	-	-	-	-	-	109,585	29,973
Supplies	-	-	-	-	-	4,029	4,874
Other services and charges	-	-	3,138	-	-	469	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,696	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	33,526	-	22,392	-	17,000	-
Total disbursements	-	33,526	3,138	22,392	1,696	131,083	34,847
Excess (deficiency) of receipts over disbursements	-	(26,146)	(212)	868	9,336	(28,719)	(2,521)
Cash and investments - ending	\$ 1,020	\$ 101,234	\$ 272	\$ 3,604	\$ 49,152	\$ 122,715	\$ 17,115

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Public Defender Fund	Cable Tv	Stormwater Permit Fee N/R	Ambulance Service	Spec. Amb. Equip. N/R	Fire Equip Fund	Emt Fund
Cash and investments - beginning	\$ 3,278	\$ 411,094	\$ 261,369	\$ 556,293	\$ 4,169	\$ 1,980	\$ 2,741
Receipts:							
Taxes	-	4,725	-	265,391	-	-	-
Licenses and permits	-	507,934	33,978	-	-	-	-
Intergovernmental receipts	-	-	-	16,815	-	-	-
Charges for services	-	-	-	729,300	-	-	100
Fines and forfeits	2,830	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	150,000	-	69,230	70	5,150	-
Total receipts	2,830	662,659	33,978	1,080,736	70	5,150	100
Disbursements:							
Personal services	-	-	-	867,529	-	-	-
Supplies	-	-	-	63,602	-	-	-
Other services and charges	-	90,417	167	79,943	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	10,000	13,260	5,924	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	247,797	-	120,875	-	-	-
Total disbursements	-	348,214	13,427	1,137,873	-	-	-
Excess (deficiency) of receipts over disbursements	2,830	314,445	20,551	(57,137)	70	5,150	100
Cash and investments - ending	\$ 6,108	\$ 725,539	\$ 281,920	\$ 499,156	\$ 4,239	\$ 7,130	\$ 2,841

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Police Equipment Fund	Asset Forfeiture- Federal	Asset Seizure	Asset Forfeiture- State	Police Training Fund	Park Impact Fee Fund	Park Non-Reverting Fund
Cash and investments - beginning	\$ 30,602	\$ 72,466	\$ 368	\$ 2,030	\$ 4,719	\$ 10,719	\$ 42,326
Receipts:							
Taxes	-	-	-	-	-	-	2,566
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	388,969	-
Charges for services	-	-	-	-	-	-	191,167
Fines and forfeits	-	-	-	-	3,075	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	37,810	18,909	-	1	-	87,386	17,135
Total receipts	37,810	18,909	-	1	3,075	476,355	210,868
Disbursements:							
Personal services	39,796	-	-	-	-	-	67,099
Supplies	-	-	-	-	-	-	38,831
Other services and charges	-	-	-	-	-	73,402	93,452
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	19,499	-	-	-	-	204,137	17
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	47,238	-	-	-	-	5,351
Total disbursements	59,295	47,238	-	-	-	277,539	204,750
Excess (deficiency) of receipts over disbursements	(21,485)	(28,329)	-	1	3,075	198,816	6,118
Cash and investments - ending	\$ 9,117	\$ 44,137	\$ 368	\$ 2,031	\$ 7,794	\$ 209,535	\$ 48,444

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Park Dist Bonds Of 2004	Drainage Fund	Police Grants Fund	Schererville Safe Kids Chapter	Video Fund	Impact Fees Fund	Solid Waste Management
Cash and investments - beginning	\$ 14,006	\$ 8,673	\$ 10,628	\$ 1,721	\$ 43,969	\$ 21,789	\$ 1,494,235
Receipts:							
Taxes	-	41,117	-	-	-	-	170,718
Licenses and permits	-	-	-	-	3,125	-	-
Intergovernmental receipts	-	2,605	-	-	-	-	-
Charges for services	-	-	-	-	-	-	1,710,595
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	92	1,471	1,555	-	-	-	9,570
Total receipts	92	45,193	1,555	-	3,125	-	1,890,883
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	1,567	-	-	-	-	-	52,968
Other services and charges	3,604	18,716	-	-	-	-	1,665,228
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,500
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	1,780	-	-	-	14,386
Total disbursements	5,171	18,716	1,780	-	-	-	1,734,082
Excess (deficiency) of receipts over disbursements	(5,079)	26,477	(225)	-	3,125	-	156,801
Cash and investments - ending	\$ 8,927	\$ 35,150	\$ 10,403	\$ 1,721	\$ 47,094	\$ 21,789	\$ 1,651,036

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Improvement Inspection Fee N/R	Subdv. Revenue Prof. Fee N/R	Park Grant Fund N/R	Scherer. 2010 Park Bond	Park Dist Bond Debt Serv	G.O. Bond/Bridge Debt Serv	Redev District Bond Debt Serv
Cash and investments - beginning	\$ 134,560	\$ 219,758	\$ 12,661	\$ 135,715	\$ 67,866	\$ 2,180	\$ 682
Receipts:							
Taxes	-	-	-	-	128,957	-	-
Licenses and permits	-	28,551	-	-	-	-	-
Intergovernmental receipts	-	-	-	973,818	8,171	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	52,905	108,758	-	708	46,327	-	-
Total receipts	52,905	137,309	-	974,526	183,455	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	5,315	124,572	50	1,051,854	-	-	-
Debt service - principal and interest	-	-	-	-	136,588	-	-
Capital outlay	-	-	-	1,895	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	46,727	-	-
Total disbursements	5,315	124,572	50	1,053,749	183,315	-	-
Excess (deficiency) of receipts over disbursements	47,590	12,737	(50)	(79,223)	140	-	-
Cash and investments - ending	\$ 182,150	\$ 232,495	\$ 12,611	\$ 56,492	\$ 68,006	\$ 2,180	\$ 682

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Building Corporation Lease	Park Dist. Bond 2010 Debt Service	Employee Benefit Fund	Health Claims Account	Police Pension #2	Payroll	Payroll Withholding- Federal
Cash and investments - beginning	\$ 467,286	\$ 73,756	\$ 157,001	\$ 3,914	\$ 31,666	\$ 2	\$ 1,347
Receipts:							
Taxes	913,916	74,758	-	-	893	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	57,905	4,737	-	-	123,566	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	16,714	81,921	4,449,964	3,446,877	52,305	8,703,429	1,098,792
Total receipts	988,535	161,416	4,449,964	3,446,877	176,764	8,703,429	1,098,792
Disbursements:							
Personal services	-	-	-	-	133,379	-	-
Supplies	-	-	-	-	8	-	-
Other services and charges	-	-	-	-	850	-	-
Debt service - principal and interest	970,000	155,678	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	16,714	79,494	4,441,758	3,446,306	45,000	8,703,425	1,098,792
Total disbursements	986,714	235,172	4,441,758	3,446,306	179,237	8,703,425	1,098,792
Excess (deficiency) of receipts over disbursements	1,821	(73,756)	8,206	571	(2,473)	4	-
Cash and investments - ending	\$ 469,107	\$ -	\$ 165,207	\$ 4,485	\$ 29,193	\$ 6	\$ 1,347

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Payroll Withholding- State	Payroll Withholding- Insurance	Payroll Withholdings- Union Dues	Payroll Withholding- Uniforms	Payroll Withholding- Fica/Medicare	Payroll Withholding- C.U.#2- Employee
Cash and investments - beginning	\$ 4	\$ -	\$ -	\$ 1,290	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	331,773	283,725	7,014	718	1,024,659	1,300
Total receipts	331,773	283,725	7,014	718	1,024,659	1,300
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	331,773	283,725	7,014	-	1,024,659	1,300
Total disbursements	331,773	283,725	7,014	-	1,024,659	1,300
Excess (deficiency) of receipts over disbursements	-	-	-	718	-	-
Cash and investments - ending	\$ 4	\$ -	\$ -	\$ 2,008	\$ -	\$ -

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Payroll Withholding- Garnishee	Payroll Withholding- Deferred Sav	Payroll Withholding- Cagit	Payroll Withholding- Aflac	Schererville Town Court	Sew. Wks. Rev. Bonds- Series 2016	SEW. WKS. REV. BONDS B&I SERIES. 2016
Cash and investments - beginning	\$ -	\$ 1	\$ 1	\$ 4,989	\$ 249,700	\$ 4,553,973	\$ 310,729
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	61,977	77,994	146,669	68,723	933,906	13,876	527,313
Total receipts	61,977	77,994	146,669	68,723	933,906	13,876	527,313
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	517,063
Capital outlay	-	-	-	-	-	3,870,199	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	61,977	77,995	146,670	68,590	885,226	200,621	-
Total disbursements	61,977	77,995	146,670	68,590	885,226	4,070,820	517,063
Excess (deficiency) of receipts over disbursements	-	(1)	(1)	133	48,680	(4,056,944)	10,250
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 5,122	\$ 298,380	\$ 497,029	\$ 320,979

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Wastewater O&M	Wastewater Bond & Interest	Wastewater Deposits	Wastewater Improvement	SRF Debt Service Reserve #2	SRF B&I	Wastewater Revenue
Cash and investments - beginning	\$ 611,888	\$ 291,931	\$ 4,400	\$ 1,706,129	\$ 1,072,379	\$ 313,789	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	2,700	-	166,739	-	-	4,952,688
Other receipts	3,862,994	453,715	-	978,851	115,251	481,187	233,560
Total receipts	3,862,994	456,415	-	1,145,590	115,251	481,187	5,186,248
Disbursements:							
Personal services	1,652,884	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	168,969	-	-	-	-	-	-
Debt service - principal and interest	-	448,194	-	-	-	474,022	631,663
Capital outlay	87,177	-	-	123,563	-	-	-
Utility operating expenses	1,470,885	-	-	-	-	-	-
Other disbursements	478,552	450	1,300	970,314	-	-	4,554,585
Total disbursements	3,858,467	448,644	1,300	1,093,877	-	474,022	5,186,248
Excess (deficiency) of receipts over disbursements	4,527	7,771	(1,300)	51,713	115,251	7,165	-
Cash and investments - ending	\$ 616,415	\$ 299,702	\$ 3,100	\$ 1,757,842	\$ 1,187,630	\$ 320,954	\$ -

TOWN OF SCHERERVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Water Works O&M	Water Bond & Interest	Water Meter Deposit	Water Improvement	Water Debt Service Reserve	Water Revenue	Totals
Cash and investments - beginning	\$ 904,439	\$ 258,624	\$ 152,932	\$ 2,946,125	\$ 270,400	\$ -	\$ 40,224,519
Receipts:							
Taxes	-	-	-	-	-	-	16,722,605
Licenses and permits	-	-	-	-	-	-	1,419,626
Intergovernmental receipts	-	-	-	-	-	-	7,251,496
Charges for services	-	-	-	-	-	-	2,929,200
Fines and forfeits	-	-	-	-	-	-	291,664
Utility fees	-	-	-	-	-	6,693,844	11,815,971
Other receipts	6,142,219	30	100	1,497,846	-	56,885	48,663,305
Total receipts	6,142,219	30	100	1,497,846	-	6,750,729	89,093,867
Disbursements:							
Personal services	1,206,582	-	-	-	-	-	12,132,473
Supplies	-	-	-	-	-	-	732,819
Other services and charges	78,049	-	-	-	-	-	6,146,808
Debt service - principal and interest	-	260,200	-	-	5,200	-	6,281,563
Capital outlay	4,142	-	-	104,510	-	-	8,125,974
Utility operating expenses	4,036,119	-	-	-	-	-	5,507,004
Other disbursements	813,926	-	125,600	804,137	-	6,750,729	44,852,030
Total disbursements	6,138,818	260,200	125,600	908,647	5,200	6,750,729	83,778,671
Excess (deficiency) of receipts over disbursements	3,401	(260,170)	(125,500)	589,199	(5,200)	-	5,315,196
Cash and investments - ending	\$ 907,840	\$ (1,546)	\$ 27,432	\$ 3,535,324	\$ 265,200	\$ -	\$ 45,539,715

TOWN OF SCHERERVILLE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2018

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 68,591	\$ 71,117
Water	305,828	75,199
Governmental activities	1,060,500	38,253
Totals	\$ 1,434,919	\$ 184,569

TOWN OF SCHERERVILLE
SCHEDULE OF LEASES AND DEBT
December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Schererville Building Corporation	Building Corporation Lease	\$ 971,000	08/01/2011	02/01/2022
Flex Financial	2018 Stryker/Cots	58,419	06/09/2018	07/09/2022
Motorola Solutions Inc.	2017 Motorola System-PSAP Southcom	56,283	08/01/2017	08/01/2024
PNC Equipment Finance	HELP LEASE 2016A	154,401	02/02/2017	08/02/2020
PNC Equipment Finance	HELP Lease 2016B	126,149	08/05/2017	02/05/2021
Total of annual lease payments		<u>\$ 1,366,252</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Kennedy Ave TIF/Redevelopment District 2014	\$ 3,330,000	\$ 519,927
General obligation bonds	Park District Bond of 2004	1,010,000	137,888
General obligation bonds	Park District Bond of 2018	4,995,000	399,890
General obligation bonds	Taxable General Obligation Bond Series 2016	1,690,000	226,265
Revenue bonds	Economic Development Revenue Bonds Series 2013A	13,855,000	1,597,188
Total governmental activities		<u>24,880,000</u>	<u>2,881,158</u>
Wastewater:			
Revenue bonds	Sewage Works Revenue Bond Series 2016	7,175,000	523,588
Revenue bonds	Sewage Works Revenue Bonds Series 2010	4,465,000	449,494
Revenue bonds	SRF Wastewater Scenario E	4,215,000	472,026
Total Wastewater		<u>15,855,000</u>	<u>1,445,108</u>
Water:			
Revenue bonds	Waterworks District Refunding Bonds Series 2010	260,000	265,200
Totals		<u>\$ 40,995,000</u>	<u>\$ 4,591,466</u>

TOWN OF SCHERERVILLE
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2018

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

	Ending Balance
Governmental activities:	
Land	\$ 5,403,619
Infrastructure	68,117,820
Buildings	12,333,533
Improvements other than buildings	17,576,016
Machinery, equipment, and vehicles	15,533,088
Construction in progress	<u>9,030,702</u>
Total governmental activities	<u>127,994,778</u>
Wastewater:	
Land	96,398
Infrastructure	35,651,610
Buildings	7,437,744
Improvements other than buildings	6,748,680
Machinery, equipment, and vehicles	4,028,624
Construction in progress	<u>24,350,044</u>
Total Wastewater	<u>78,313,100</u>
Water:	
Land	272,887
Infrastructure	5,976,136
Buildings	3,793,058
Improvements other than buildings	5,999,451
Machinery, equipment, and vehicles	1,089,053
Construction in progress	<u>20,589,435</u>
Total Water	<u>37,720,020</u>
Total capital assets	<u>\$ 244,027,898</u>

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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 TOWN OF SCHERERVILLE, LAKE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the Town of Schererville's (Town) 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, 2018. The Town'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 Town'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 Town'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 Town's compliance.

Opinion on the Major Federal Program

In our opinion, the Town 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, 2018.

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 Town 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 Town'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 Town'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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001, that we consider to be a material weakness.

The Town's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The Town's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

May 9, 2019

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

TOWN OF SCHERERVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2018

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 the Interior</u>					
Outdoor Recreation Acquisition, Development and Planning Teibel Preserve	Indiana Department of Natural Resources	15.916	E10-5-1800586	\$ -	\$ 388,969
Total - Outdoor Recreation Acquisition, Development and Planning				-	388,969
Total - Department of the Interior				-	388,969
<u>Department of Justice</u>					
Bulletproof Vest Partnership Program Bulletproof Vest Grant	Direct Grant	16.607	BUBX17088857	-	1,055
Equitable Sharing Program Asset Forfeiture-Federal	Direct Grant	16.922	FY 2018	-	47,238
Total - Department of Justice				-	48,293
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Pennsy Greenway Bike/Pedestrian Oak St Extension Sign Modernization	Indiana Department of Transportation	20.205	A249-17-L170043 A249-11-320334 A249-16-L160020	- - -	1,429,658 1,443 40,601
Total - Highway Planning and Construction Cluster				-	1,471,702
Total - Department of Transportation				-	1,471,702
Total federal awards expended				\$ -	\$ 1,908,964

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

TOWN OF SCHERERVILLE
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 Town under programs of the federal government for the year ended December 31, 2018. 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 Town, it is not intended to and does not present the financial position of the Town.

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 Town has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

TOWN OF SCHERERVILLE
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 weakness identified?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major program:	
Material weakness identified?	yes
Significant deficiency identified?	none reported
Any audit finding disclosed that is required to be reported in accordance with section 2 CFR 200.516(a)?	yes

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

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

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

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

No matters are reportable.

Section III - Federal Award Finding and Questioned Cost

FINDING 2018-001

Subject: Highway Planning and Construction Cluster - Matching, Period of Performance
 Federal Agency: Department of Transportation
 Federal Program: Highway Planning and Construction
 CFDA Number: 20.205
 Federal Award Numbers and Years (or Other Identifying Numbers): A249-17-L170043, A249-11-320334, A249-16-L160020
 Pass-Through Entity: Indiana Department of Transportation
 Compliance Requirements: Matching, Level of Effort, Earmarking; Period of Performance
 Audit Finding: Material Weakness

TOWN OF SCHERERVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

An effective internal control system was not in place at the Town in order to ensure compliance with the requirements related to the grant agreement and the compliance requirements listed above.

Matching

The Town did not have controls in place to ensure that the correct federal match percentage was contained on the Local Public Agency (LPA) Voucher. A proper system of oversight, review, or approval was not established.

Period of Performance

The Town did not have controls in place to ensure that funds were not obligated or spent prior to or after the grant period. A proper system of oversight, review, or approval was not established.

Context

The lack of controls was a systemic issue throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States Anor the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

The Town's management had not developed or implemented a system of internal controls to ensure compliance with the grant agreement and the compliance requirements listed above.

Effect

The failure to establish an effective internal control system placed the Town at risk of noncompliance with the grant agreement and the compliance requirements listed above. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

TOWN OF SCHERERVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the Town's management establish controls to ensure compliance with the grant agreement and the compliance requirements listed above.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENT

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



Phone: (219) 322-2211
Fax: (219) 865-5572

10 E. Joliet St. • Schererville, IN 46375
Janice M. Malinowski, Clerk-Treasurer

CORRECTIVE ACTION PLAN

FINDING 2018-001

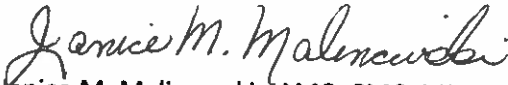
Janice M. Malinowski,
Clerk-Treasurer
Town of Schererville
Phone Number: 219-322-2211, Ext. 1318

We concur with the finding regarding Highway Planning and Construction Cluster – Matching, Period of Performance.

Description of Correction Action Plan:

1. Establish and maintain effective internal controls over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.
2. Outline of Internal Controls is as follows:
 - Management Objectives
 - Five Components of Internal Control and Control Points
 - Environment
 - Risk Assessment
 - Control Activities
 - Information and Communications
 - Monitoring Activities
3. Establish Grant Tracking Form
 - Grant Period – beginning to ending
 - Grant Reimbursements
 - Grant Disbursements
 - Project Close Date
 - Clerk-Treasurer Sign Off
 - Date

Anticipated Completion Date: June 30, 2019


Janice M. Malinowski, IAMC, CMC, MMC, CMO
Clerk-Treasurer/Schererville
May 8, 2019

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/>.