

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TOWN OF REMINGTON
JASPER COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
06/26/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Terri Budde	07-15-16 to 12-31-19
President of the Town Council	Susan Flickner	01-01-18 to 12-31-19
Town Manager	Jonathan Cripe	01-01-18 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF REMINGTON, JASPER COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Town of Remington (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 13, 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 13, 2019



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 REMINGTON, JASPER 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 Remington (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 13, 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.

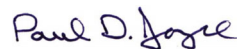
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

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 13, 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 REMINGTON
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
GENERAL FUND	\$ 175,844	\$ 479,776	\$ 490,262	\$ 165,358
MVH	55,521	67,322	46,971	75,872
LRS	17,702	11,470	3,811	25,361
REDEVELOPMENT DISTRICT CAPITAL	4,511	-	-	4,511
PARK GRANT FUND	2,582	15,774	9,546	8,810
PARK - DONATION	38,011	462	-	38,473
JASPER FOUNDATION	56,823	-	55,000	1,823
TRASH	14,795	71,139	68,333	17,601
LECE	1,272	125	990	407
RIVERBOAT	19,101	7,020	8,175	17,946
PARK - OPERATING	53,096	113,156	96,755	69,497
RAINY DAY	6,707	52,744	-	59,451
LOIT SPECIAL DISTRIBUTION (SEA 67)	131,262	-	-	131,262
LEVY EXCESS FUND	20	-	-	20
CUM CAP DEVELOPMENT	25,095	13,442	16,460	22,077
PUBLIC SAFETY	43,482	51,185	54,339	40,328
CUM CAP IMPR	21,488	2,770	11,955	12,303
CEMETERY DONATION	-	11,575	6,296	5,279
CEDIT	123,461	50,800	53,920	120,341
TIF	1,322,873	856,235	1,409,735	769,373
CEMETERY	18,730	16,240	13,796	21,174
LOCAL ROAD & BRIDGE MATCHING GRANT FUND	37,594	112,778	150,245	127
ARMORY CLEARING	-	6,111	6,111	-
TIF INVESTMENT	-	201,850	-	201,850
PAYROLL FUND	11,777	609,728	611,396	10,109
Sewage Operating	6,668	738,040	705,706	39,002
Sewage Depreciation	18,958	12,321	-	31,279
Sewage B & I	261,021	281,799	277,099	265,721
Sewage Reserve	283,617	-	-	283,617
Sewage Lateral	49,564	2,766	-	52,330
Water Operating	185,413	795,003	715,950	264,466
Water Meter Deposit	30,224	4,014	2,400	31,838
Water B & I	-	96,270	96,270	-
Water Depreciation	69,497	8,725	-	78,222
Water Construction	110,821	-	-	110,821
SRFDW Remington Construction Redemption	3	-	3	-
SRFDW Remington Water Reserve	200,254	49,581	-	249,835
SRFDW Remington B & I	272,870	243,280	285,609	230,541
SRFDW Remington15	-	680,757	680,757	-
Totals	<u>\$ 3,670,657</u>	<u>\$ 5,664,258</u>	<u>\$ 5,877,890</u>	<u>\$ 3,457,025</u>

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

TOWN OF REMINGTON
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

TOWN OF REMINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

TOWN OF REMINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

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 December 31 of the year preceding the budget year or January 15 of the budget year if the Town is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. 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 REMINGTON
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 Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and give the Town authority to contribute to the plan.

My Choice: Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2) which governs most requirements of the system and give the Town authority to contribute to the plan.

New employees hired have a one-time election to join either the Public Employees' Hybrid Plan (PERF Hybrid) or the My Choice: Retirement Savings Plan for Public Employees (My Choice), which is a multiple-employer defined contribution plan. PERF Hybrid consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

TOWN OF REMINGTON
NOTES TO FINANCIAL STATEMENT
(Continued)

Financial Report

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. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

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OTHER INFORMATION - UNAUDITED

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

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

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

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

	GENERAL FUND	MVH	LRS	REDEVELOPMENT DISTRICT CAPITAL	PARK GRANT FUND
Cash and investments - beginning	\$ 175,844	\$ 55,521	\$ 17,702	\$ 4,511	\$ 2,582
Receipts:					
Taxes	423,903	11,208	-	-	-
Licenses and permits	4,169	-	-	-	-
Intergovernmental receipts	23,459	56,069	11,470	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	28,245	45	-	-	15,774
Total receipts	<u>479,776</u>	<u>67,322</u>	<u>11,470</u>	<u>-</u>	<u>15,774</u>
Disbursements:					
Personal services	207,652	11,715	-	-	-
Supplies	16,759	7,788	-	-	370
Other services and charges	255,517	7,432	-	-	9,176
Debt service - principal and interest	-	-	-	-	-
Capital outlay	10,334	20,036	3,811	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>490,262</u>	<u>46,971</u>	<u>3,811</u>	<u>-</u>	<u>9,546</u>
Excess (deficiency) of receipts over disbursements	<u>(10,486)</u>	<u>20,351</u>	<u>7,659</u>	<u>-</u>	<u>6,228</u>
Cash and investments - ending	<u>\$ 165,358</u>	<u>\$ 75,872</u>	<u>\$ 25,361</u>	<u>\$ 4,511</u>	<u>\$ 8,810</u>

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

	PARK - DONATION	JASPER FOUNDATION	TRASH	LECE	RIVERBOAT
Cash and investments - beginning	\$ 38,011	\$ 56,823	\$ 14,795	\$ 1,272	\$ 19,101
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	125	-
Intergovernmental receipts	-	-	-	-	7,020
Charges for services	-	-	69,452	-	-
Fines and forfeits	-	-	1,687	-	-
Utility fees	-	-	-	-	-
Other receipts	462	-	-	-	-
Total receipts	<u>462</u>	<u>-</u>	<u>71,139</u>	<u>125</u>	<u>7,020</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	990	-
Other services and charges	-	-	68,333	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	55,000	-	-	8,175
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>-</u>	<u>55,000</u>	<u>68,333</u>	<u>990</u>	<u>8,175</u>
Excess (deficiency) of receipts over disbursements	<u>462</u>	<u>(55,000)</u>	<u>2,806</u>	<u>(865)</u>	<u>(1,155)</u>
Cash and investments - ending	<u>\$ 38,473</u>	<u>\$ 1,823</u>	<u>\$ 17,601</u>	<u>\$ 407</u>	<u>\$ 17,946</u>

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

	PARK - OPERATING	RAINY DAY	LOIT SPECIAL DISTRIBUTION (SEA 67)	LEVY EXCESS FUND	CUM CAP DEVELOPMENT
Cash and investments - beginning	\$ 53,096	\$ 6,707	\$ 131,262	\$ 20	\$ 25,095
Receipts:					
Taxes	102,419	-	-	-	12,638
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	6,802	-	-	-	804
Charges for services	1,900	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	2,035	52,744	-	-	-
Total receipts	<u>113,156</u>	<u>52,744</u>	<u>-</u>	<u>-</u>	<u>13,442</u>
Disbursements:					
Personal services	67,159	-	-	-	-
Supplies	13,444	-	-	-	-
Other services and charges	14,717	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	1,435	-	-	-	16,460
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>96,755</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,460</u>
Excess (deficiency) of receipts over disbursements	<u>16,401</u>	<u>52,744</u>	<u>-</u>	<u>-</u>	<u>(3,018)</u>
Cash and investments - ending	<u>\$ 69,497</u>	<u>\$ 59,451</u>	<u>\$ 131,262</u>	<u>\$ 20</u>	<u>\$ 22,077</u>

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

	PUBLIC SAFETY	CUM CAP IMPR	CEMETERY DONATION	CEDIT	TIF
Cash and investments - beginning	\$ 43,482	\$ 21,488	\$ -	\$ 123,461	\$ 1,322,873
Receipts:					
Taxes	-	-	-	50,800	656,225
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	51,185	2,770	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	11,575	-	200,010
Total receipts	51,185	2,770	11,575	50,800	856,235
Disbursements:					
Personal services	22,026	-	-	-	-
Supplies	6,532	500	-	-	-
Other services and charges	18,103	-	-	15,000	374,965
Debt service - principal and interest	-	-	-	-	240,958
Capital outlay	7,678	11,455	-	38,920	793,812
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	6,296	-	-
Total disbursements	54,339	11,955	6,296	53,920	1,409,735
Excess (deficiency) of receipts over disbursements	(3,154)	(9,185)	5,279	(3,120)	(553,500)
Cash and investments - ending	\$ 40,328	\$ 12,303	\$ 5,279	\$ 120,341	\$ 769,373

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

	CEMETERY	LOCAL ROAD & BRIDGE MATCHING GRANT FUND	ARMORY CLEARING	TIF INVESTMENT	PAYROLL FUND
Cash and investments - beginning	\$ 18,730	\$ 37,594	\$ -	\$ -	\$ 11,777
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	112,778	-	-	-
Charges for services	16,240	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	6,111	201,850	609,728
Total receipts	<u>16,240</u>	<u>112,778</u>	<u>6,111</u>	<u>201,850</u>	<u>609,728</u>
Disbursements:					
Personal services	400	-	-	-	611,396
Supplies	170	-	-	-	-
Other services and charges	13,226	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	150,245	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	6,111	-	-
Total disbursements	<u>13,796</u>	<u>150,245</u>	<u>6,111</u>	<u>-</u>	<u>611,396</u>
Excess (deficiency) of receipts over disbursements	<u>2,444</u>	<u>(37,467)</u>	<u>-</u>	<u>201,850</u>	<u>(1,668)</u>
Cash and investments - ending	<u>\$ 21,174</u>	<u>\$ 127</u>	<u>\$ -</u>	<u>\$ 201,850</u>	<u>\$ 10,109</u>

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

	Sewage Operating	Sewage Depreciation	Sewage B & I	Sewage Reserve	Sewage Lateral
Cash and investments - beginning	\$ 6,668	\$ 18,958	\$ 261,021	\$ 283,617	\$ 49,564
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	738,040	12,321	281,799	-	2,766
Total receipts	<u>738,040</u>	<u>12,321</u>	<u>281,799</u>	<u>-</u>	<u>2,766</u>
Disbursements:					
Personal services	122,165	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	17,653	-	-	-	-
Debt service - principal and interest	-	-	277,099	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	237,390	-	-	-	-
Other disbursements	328,498	-	-	-	-
Total disbursements	<u>705,706</u>	<u>-</u>	<u>277,099</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>32,334</u>	<u>12,321</u>	<u>4,700</u>	<u>-</u>	<u>2,766</u>
Cash and investments - ending	<u>\$ 39,002</u>	<u>\$ 31,279</u>	<u>\$ 265,721</u>	<u>\$ 283,617</u>	<u>\$ 52,330</u>

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

	Water Operating	Water Meter Deposit	Water B & I	Water Depreciation	Water Construction
Cash and investments - beginning	\$ 185,413	\$ 30,224	\$ -	\$ 69,497	\$ 110,821
Receipts:					
Taxes	24,349	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	762,699	-	-	-	-
Other receipts	7,955	4,014	96,270	8,725	-
Total receipts	<u>795,003</u>	<u>4,014</u>	<u>96,270</u>	<u>8,725</u>	<u>-</u>
Disbursements:					
Personal services	124,043	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	12,675	-	-	-	-
Debt service - principal and interest	-	-	96,270	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	163,086	-	-	-	-
Other disbursements	416,146	2,400	-	-	-
Total disbursements	<u>715,950</u>	<u>2,400</u>	<u>96,270</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>79,053</u>	<u>1,614</u>	<u>-</u>	<u>8,725</u>	<u>-</u>
Cash and investments - ending	<u>\$ 264,466</u>	<u>\$ 31,838</u>	<u>\$ -</u>	<u>\$ 78,222</u>	<u>\$ 110,821</u>

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

	SRFDW Remington Construction Redemption	SRFDW Remington Water Reserve	SRFDW Remington B & I	SRFDW Remington15	Totals
Cash and investments - beginning	\$ 3	\$ 200,254	\$ 272,870	\$ -	\$ 3,670,657
Receipts:					
Taxes	-	-	-	-	1,281,542
Licenses and permits	-	-	-	-	4,294
Intergovernmental receipts	-	-	-	-	272,357
Charges for services	-	-	-	-	87,592
Fines and forfeits	-	-	-	-	1,687
Utility fees	-	-	-	-	762,699
Other receipts	-	49,581	243,280	680,757	3,254,087
Total receipts	-	49,581	243,280	680,757	5,664,258
Disbursements:					
Personal services	-	-	-	-	1,166,556
Supplies	-	-	-	-	46,553
Other services and charges	-	-	-	-	806,797
Debt service - principal and interest	-	-	-	-	614,327
Capital outlay	-	-	-	-	1,117,361
Utility operating expenses	-	-	-	-	400,476
Other disbursements	3	-	285,609	680,757	1,725,820
Total disbursements	3	-	285,609	680,757	5,877,890
Excess (deficiency) of receipts over disbursements	(3)	49,581	(42,329)	-	(213,632)
Cash and investments - ending	\$ -	\$ 249,835	\$ 230,541	\$ -	\$ 3,457,025

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 6,509	\$ 9,274
Water	5,155	9,603
Governmental activities	6,408	-
Totals	\$ 18,072	\$ 18,877

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Community State Bank	Purchase of aerial fire truck	<u>\$ 33,935</u>	08/01/2014	02/01/2024
Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year	
Governmental activities: Revenue bonds	Tif Revenue Bonds- -Water/Sewer Line Extensions & New Water Tower	<u>\$ 1,535,000</u>	<u>\$ 248,610</u>	
Wastewater: Revenue bonds	Sewage Works Bond Series 2003	<u>792,000</u>	<u>277,342</u>	
Water: Revenue bonds	Water Revenue Bond Series 2015 (SRF)	4,946,000	240,210	
Revenue bonds	Water Revenue Bond Series 2007	<u>225,000</u>	<u>99,315</u>	
Total Water		<u>5,171,000</u>	<u>339,525</u>	
Totals		<u>\$ 7,498,000</u>	<u>\$ 865,477</u>	

TOWN OF REMINGTON
 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 136,747
Buildings	1,307,017
Improvements other than buildings	1,977,440
Machinery, equipment, and vehicles	<u>1,126,662</u>
Total governmental activities	<u>4,547,866</u>
Wastewater:	
Land	148,282
Buildings	540,000
Improvements other than buildings	3,728,556
Machinery, equipment, and vehicles	<u>175,597</u>
Total Wastewater	<u>4,592,435</u>
Water:	
Land	62,764
Buildings	3,628,676
Improvements other than buildings	3,126,385
Machinery, equipment, and vehicles	<u>271,574</u>
Total Water	<u>7,089,399</u>
Total capital assets	<u>\$ 16,229,700</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 TOWN OF REMINGTON, JASPER COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the Town of Remington'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)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001. Our opinion on the major federal program is not modified with respect to these matters.

The Town's response to the noncompliance 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.

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, which 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.

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

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
Paul D. Joyce, CPA
State Examiner

May 13, 2019

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 REMINGTON
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>Environmental Protection Agency</u>					
Drinking Water State Revolving Fund Cluster Capitalization Grants for Drinking Water State Revolving Funds Remington Indiana Municipal Water Utility	Indiana Finance Authority	66.468	DW14133701	\$ -	\$ 680,757
Total - Drinking Water State Revolving Fund Cluster				-	680,757
Total - Environmental Protection Agency				-	680,757
<u>Department of Agriculture</u>					
Cooperative Forestry Assistance DNR Tree Grant	Indiana Department of Natural Resources	10.664	300FR100CUF2016	-	5,000
Total - Department of Agriculture				-	5,000
<u>Department of the Interior</u>					
Outdoor Recreation Acquisition, Development and Planning Remington Community Park Improvements	Indiana Department of Natural Resources	15.916	18-00603	-	200,000
Total - Department of the Interior				-	200,000
Total federal awards expended				\$ -	\$ 885,757

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

TOWN OF REMINGTON
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 REMINGTON
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 are 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>
Drinking Water State Revolving Fund Cluster	Unmodified
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000	
Auditee qualified as low-risk auditee?	no

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

FINDING 2018-001

Subject: Drinking Water State Revolving Fund Cluster - Reporting
 Federal Agency: Environmental Protection Agency
 Federal Program: Capitalization Grants for Drinking Water State Revolving Funds
 CFDA Number: 66.468
 Federal Award Number and Year (or Other Identifying Number): DW14133701
 Pass-Through Entity: Indiana Finance Authority
 Compliance Requirement: Reporting
 Audit Findings: Material Weakness, Other Matters

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

Condition

The Town had not established an effective internal control system related to the grant agreement and the Reporting compliance requirement. There was no process to ensure that the required reports were prepared and submitted.

The MBE/WBE Utilization Report (Form 5700-52A), due annually, was not filed for the 2018 reporting period. The Town relied on an engineering firm's Project Manager to perform all of the activities related to the reporting requirements. The Town was unaware that the MBE/WBE Utilization report was due annually even if there were no changes or new procurements to report for that year.

Context

The lack of controls and noncompliance were systemic issues, which occurred 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 or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

40 CFR 33.502 states in part: "MBE and WBE participation must be reported by all recipients, including those recipients exempted under §33.411 from the requirement to apply the fair share objectives, on EPA Form 5700– 52A. . . ."

Cause

The Town had not developed a system of internal controls that would have ensured compliance with the grant agreement and the reporting requirements.

Effect

The failure to establish an effective internal control system enabled noncompliance to remain undetected. Noncompliance with the grant agreement and the Reporting compliance requirement could have resulted in the loss of federal funds to the Town.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the Town's management establish a system of internal controls to ensure compliance and comply with the grant agreement and the Reporting compliance requirement.

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

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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

TOWN OF REMINGTON

24 S. Indiana Street
P.O. Box 70
Remington, Indiana 47977
PHONE: (219) 261-2523
FAX: (219) 261-2824

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-001

Fiscal year in which the finding initially occurred: 2017
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: N/A
Contact Person Responsible for Corrective Action: Terri Budde, Clerk Treasurer
Contact Phone Number: 219-208-3025

Status of Audit Finding:

The Corrective Action Plan was submitted September 5, 2018 by the Clerk-Treasurer detailing the steps needed to correct the Prior Audit Finding. The steps/procedures to correct the Prior Audit Finding were enacted September 2018. The Town of Remington's Internal Control Policy and Procedures were modified October 1, 2018 at the regular Town Council meeting when approved by the Remington Town Council.

Terri Budde
(Signature)

Clerk - Treasurer
(Title)

4-8-2019
(Date)

TOWN OF REMINGTON

24 S. Indiana Street

P.O. Box 70

Remington, Indiana 47977

PHONE: (219) 261-2523

FAX: (219) 261-2824

CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Terri Budde, Clerk-Treasurer

Contact Phone Number: (219) 208-3025

Views of Responsible Official:

Town of Remington and the Clerk-Treasurer concur with the finding.

Description of Corrective Action Plan:

The Town of Remington's Internal Control Procedures will be amended to establish compliance and comply with grant agreements and reporting compliance requirements associated with federal grants.

The SRF water grant was closed in 2018. Non-compliance with reporting in the future related to this grant will not be an issue.

Anticipated Completion Date: August 30, 2019

Terri Budde
(Signature)

Clerk-Treas.
(Title)

5-13-2019
(Date)

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/>.