

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF HUNTINGBURG
DUBOIS COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
07/18/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Thomas A. Dippel	01-01-16 to 12-31-19
Mayor	Dennis W. Spinner	01-01-16 to 12-31-19
President of the Board of Public Works	Dennis W. Spinner	01-01-16 to 12-31-19
President of the Common Council	Tim W. Wehr	01-01-18 to 12-31-19
Superintendent of Water Utility	Gary Meyerholtz	01-01-18 to 12-31-19
Superintendent of Wastewater Utility	Mike Kemp	01-01-18 to 12-31-19
Superintendent of Energy Utilities	John Reutepohler	01-01-18 to 12-31-19



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF HUNTINGBURG, DUBOIS COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Huntingburg (City), 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 City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 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 City 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 City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2019, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

June 24, 2019



STATE OF INDIANA
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 CITY OF HUNTINGBURG, DUBOIS COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Huntingburg (City), 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 June 24, 2019, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

June 24, 2019

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

CITY OF HUNTINGBURG
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	
	01-01-18	Receipts	Disbursements	12-31-18
General	\$ 2,030,594	\$ 2,185,756	\$ 2,188,361	\$ 2,027,989
Motor Vehicle Highway	817,721	1,135,288	1,098,034	854,975
Local Road And Street	232,925	78,416	62,031	249,310
Economic Development Operating	7,941	-	-	7,941
Transportation	112,886	219,740	196,173	136,453
Unsafe Building Fund	6,629	-	6,629	-
Riverboat	137,341	35,881	147,000	26,222
Parks And Recreation	553,708	920,986	844,646	630,048
Rainy Day	525,495	-	224,762	300,733
LOIT Special Distribution	55,316	92,386	42,225	105,477
Cumulative Capl Imprv Cigarette Tax	95,981	14,159	64,589	45,551
Cumulative Fire	298,290	25,269	14,881	308,678
Self-Insurance	2,020,717	1,221,471	1,014,555	2,227,633
Police Pension	140,684	63,066	63,310	140,440
Transportation Change	15	-	-	15
Veterans Memorial Fund	3,360	1,675	2,525	2,510
OFS Economic Development Area-TIF	19,990	14,143	84	34,049
Mayor's Roundtable	3,081	-	3,081	-
Overpass (TIF)	-	486,801	486,801	-
Arbor Fund	3,322	995	-	4,317
Other Grants	390,000	64,229	454,229	-
Special Donations	-	2,000	-	2,000
Fire Department Equipment	843	-	-	843
Northwest Projects-TIF	-	1,028,581	1,028,581	-
Redevelop Commission-Construction Series A	52,297	116	-	52,413
Redevelop Commission-Construction Series B	219,600	821	-	220,421
State Grant Local Road and Bridge Matching General	145,260	-	145,260	-
State Grant Local Road and Bridge Matching NW TIF	530,556	-	530,556	-
State Grant Local Road and Bridge Match Ind PKTIF	632,514	-	632,514	-
Park Special Events	-	28,194	-	28,194
OCRA Market Street Park Grant	-	1,611,224	1,611,224	-
Dubois County Council Fund	375,000	125,000	375,000	125,000
Redevelopment TIF Industrial Park Projects	-	1,007,372	1,007,372	-
ARRA Transit Grant	-	45,461	45,461	-
Disc Golf Course Donations	-	19,340	16,730	2,610
Transit Local Match	-	16,947	-	16,947
St Grant - Local Road/Bridge Match Grant 2017	-	247,045	247,045	-
St Grant-Local Road/Bridge Match Grant 2016	-	1,308,330	1,308,330	-
Police Equipment & Supply	-	2,041	-	2,041
Police-Law Enforcement Aid Fund @ Pol Station	-	7,605	2,550	5,055
Police Auxiliary	1,584	-	-	1,584
General Cash Change	850	-	-	850
Revolving Loan	90,709	9,313	-	100,022
League Stadium	35,876	15,168	3,941	47,103
Police Special	32,493	3,167	-	35,660
Golf/Park Project	18,691	5,000	18,691	5,000
IHFA	15,276	-	-	15,276
Redevelopment TIF NW	1,995,722	1,285,486	1,591,749	1,689,459
Redevelopment TIF Ind Park NW	1,613,444	384,856	1,082,777	915,523
Redevelopment TIF Styline East	854,333	103,020	241,944	715,409
Redevelopment TIF 400 W-City	314,801	62,019	37,333	339,487
Redevelopment TIF 400 W-County	102,030	124,677	164,194	62,513
Police Special Equip And Donations	3,978	1,930	390	5,518
Police Special Covert Operations	510	3,095	3,605	-
Police Special Oper Pullover	216	-	-	216
Core Property	23,300	-	23,300	-
Special Events	-	600	400	200
Bond & Interest Fund	1,332	-	-	1,332
Cumulative Sewer	5,207	4,295	4,295	5,207
EDIT Projects	1,977,287	586,748	1,362,305	1,201,730
Maintenance	689	797	-	1,486
Combined Utility	9,139	17,416,988	17,414,632	11,495
Reimbursed Clearing	-	35,042	35,042	-
Consumer Meter Interest	7,649	55,685	61,066	2,268
Combined Utility Cash Change	2,000	-	-	2,000
Payroll	239,456	4,805,428	4,799,988	244,896
Electric Utility-Operating	5,264,864	11,378,468	10,909,885	5,733,447
Electric Utility-Customer Deposit	117,675	36,300	31,825	122,150
Electric Cash Reserve	1,297,503	15,000	225,000	1,087,503
Electric-IMPA	215	-	-	215
Sewer Bond & Interest Fund Cash-ONB	13,636	57,400	57,100	13,936
Wastewater Utility-Operating	563,014	2,065,466	2,046,663	581,817
Wastewater Util-Bond And Interest	60,017	122,280	122,280	60,017
Wastewater Utility-Customer Deposit	56,970	18,150	14,710	60,410
Wastewater Utility-Debt Reserve	442,351	19,497	825	461,023
Wastewater Bond & Interest SRF	152,607	291,741	289,935	154,413
Water Cash Reserve	100,000	50,000	50,000	100,000
Water Utility-Operating	993,584	3,111,405	3,444,936	660,053
Water Utility-Bond And Interest	3,356	553,239	552,763	3,832
Water Utility-Customer Deposit	37,780	11,300	9,160	39,920
Water Utility-Debt Reserve	360,000	-	-	360,000
Water Capital Savings	26,500	-	26,500	-
Gas Utility-Operating	2,082,581	3,711,026	4,084,886	1,708,721
Gas Utility-Customer Deposit	82,040	23,600	17,400	88,240
Gas Cash Reserve	400,000	225,000	225,000	400,000
Totals	\$ 28,813,331	\$ 58,603,524	\$ 62,847,253	\$ 24,569,602

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

CITY OF HUNTINGBURG
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

CITY OF HUNTINGBURG
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).

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

E. Disbursements

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

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

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

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

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

CITY OF HUNTINGBURG
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.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the City 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.

CITY OF HUNTINGBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) 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 gives the City 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 gives the City 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.

CITY OF HUNTINGBURG
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.

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, providing retirement, disability, and survivor benefits.

CITY OF HUNTINGBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS based on actuarial valuation. Employers may pay all or part of the member contribution for the member.

Note 7. Holding Corporation

The City has entered into a capital lease with Huntingburg Redevelopment Authority (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2018 totaled \$86,600.

OTHER INFORMATION - UNAUDITED

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

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

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

CITY OF HUNTINGBURG
 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	Economic Development Operating	Transportation	Unsafe Building Fund	Riverboat
Cash and investments - beginning	\$ 2,030,594	\$ 817,721	\$ 232,925	\$ 7,941	\$ 112,886	\$ 6,629	\$ 137,341
Receipts:							
Taxes	1,156,920	660,541	-	-	135,729	-	-
Licenses and permits	60,858	925	-	-	-	-	-
Intergovernmental receipts	357,928	448,104	78,364	-	74,369	-	35,881
Charges for services	37,475	1,465	-	-	9,642	-	-
Fines and forfeits	4,294	-	-	-	-	-	-
Other receipts	568,281	24,253	52	-	-	-	-
Total receipts	2,185,756	1,135,288	78,416	-	219,740	-	35,881
Disbursements:							
Personal services	1,572,127	608,718	-	-	148,036	-	-
Supplies	122,894	166,068	-	-	16,451	-	-
Other services and charges	355,724	168,929	62,031	-	19,054	6,629	147,000
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	129,998	142,558	-	-	12,632	-	-
Other disbursements	7,618	11,761	-	-	-	-	-
Total disbursements	2,188,361	1,098,034	62,031	-	196,173	6,629	147,000
Excess (deficiency) of receipts over disbursements	(2,605)	37,254	16,385	-	23,567	(6,629)	(111,119)
Cash and investments - ending	\$ 2,027,989	\$ 854,975	\$ 249,310	\$ 7,941	\$ 136,453	\$ -	\$ 26,222

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

	Parks And Recreation	Rainy Day	LOIT Special Distribution	Cumulative Capl Imprv Cigarette Tax	Cumulative Fire	Self-Insurance	Police Pension
Cash and investments - beginning	\$ 553,708	\$ 525,495	\$ 55,316	\$ 95,981	\$ 298,290	\$ 2,020,717	\$ 140,684
Receipts:							
Taxes	707,679	-	-	-	22,110	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	101,110	-	-	14,159	3,159	-	-
Charges for services	109,704	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,493	-	92,386	-	-	1,221,471	63,066
Total receipts	920,986	-	92,386	14,159	25,269	1,221,471	63,066
Disbursements:							
Personal services	450,216	-	-	-	-	-	188
Supplies	124,743	-	-	-	-	-	-
Other services and charges	207,222	224,762	42,225	64,589	14,881	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	62,465	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,014,555	63,122
Total disbursements	844,646	224,762	42,225	64,589	14,881	1,014,555	63,310
Excess (deficiency) of receipts over disbursements	76,340	(224,762)	50,161	(50,430)	10,388	206,916	(244)
Cash and investments - ending	\$ 630,048	\$ 300,733	\$ 105,477	\$ 45,551	\$ 308,678	\$ 2,227,633	\$ 140,440

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

	Transportation Change	Veterans Memorial Fund	OFS Economic Development Area-TIF	Mayor's Roundtable	Overpass (TIF)	Arbor Fund
Cash and investments - beginning	\$ 15	\$ 3,360	\$ 19,990	\$ 3,081	\$ -	\$ 3,322
Receipts:						
Taxes	-	-	13,914	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	1,675	229	-	486,801	995
Total receipts	-	1,675	14,143	-	486,801	995
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	2,525	84	3,081	486,801	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	2,525	84	3,081	486,801	-
Excess (deficiency) of receipts over disbursements	-	(850)	14,059	(3,081)	-	995
Cash and investments - ending	\$ 15	\$ 2,510	\$ 34,049	\$ -	\$ -	\$ 4,317

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

	Other Grants	Special Donations	Fire Department Equipment	Northwest Projects-TIF	Redevelop Commission- Construction Series A
Cash and investments - beginning	\$ 390,000	\$ -	\$ 843	\$ -	\$ 52,297
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	64,229	2,000	-	1,028,581	116
Total receipts	<u>64,229</u>	<u>2,000</u>	<u>-</u>	<u>1,028,581</u>	<u>116</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	69,436	-	-	1,028,581	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	384,793	-	-	-	-
Total disbursements	<u>454,229</u>	<u>-</u>	<u>-</u>	<u>1,028,581</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(390,000)</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>116</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 843</u>	<u>\$ -</u>	<u>\$ 52,413</u>

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

	Redevelop Commission- Construction Series B	State Grant Local Road and Bridge Matching General	State Grant Local Road and Bridge Matching NW TIF	State Grant Local Road and Bridge Match Ind PKTIF
Cash and investments - beginning	\$ 219,600	\$ 145,260	\$ 530,556	\$ 632,514
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other receipts	821	-	-	-
Total receipts	<u>821</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Other disbursements	-	145,260	530,556	632,514
Total disbursements	<u>-</u>	<u>145,260</u>	<u>530,556</u>	<u>632,514</u>
Excess (deficiency) of receipts over disbursements	<u>821</u>	<u>(145,260)</u>	<u>(530,556)</u>	<u>(632,514)</u>
Cash and investments - ending	<u>\$ 220,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Park Special Events	OCRA Market Street Park Grant	Dubois County Council Fund	Redevelopment TIF Industrial Park Projects	ARRA Transit Grant	Disc Golf Course Donations
Cash and investments - beginning	\$ -	\$ -	\$ 375,000	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	1,611,224	-	-	45,461	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	28,194	-	125,000	1,007,372	-	19,340
Total receipts	28,194	1,611,224	125,000	1,007,372	45,461	19,340
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	25,731	-	-	1,007,372	45,461	16,730
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	2,463	1,611,224	375,000	-	-	-
Total disbursements	28,194	1,611,224	375,000	1,007,372	45,461	16,730
Excess (deficiency) of receipts over disbursements	-	-	(250,000)	-	-	2,610
Cash and investments - ending	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ 2,610

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

	Transit Local Match	St Grant - Local Road/Bridge Match Grant 2017	St Grant- Local Road/Bridge Match Grant 2016	Police Equipment & Supply	Police-Law Enforcement Aid Fund @ Pol Station
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	185,284	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	16,947	61,761	1,308,330	2,041	7,605
Total receipts	<u>16,947</u>	<u>247,045</u>	<u>1,308,330</u>	<u>2,041</u>	<u>7,605</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	247,045	1,115,440	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	192,890	-	2,550
Total disbursements	<u>-</u>	<u>247,045</u>	<u>1,308,330</u>	<u>-</u>	<u>2,550</u>
Excess (deficiency) of receipts over disbursements	<u>16,947</u>	<u>-</u>	<u>-</u>	<u>2,041</u>	<u>5,055</u>
Cash and investments - ending	<u>\$ 16,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,041</u>	<u>\$ 5,055</u>

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

	Police Auxiliary	General Cash Change	Revolving Loan	League Stadium	Police Special	Golf/Park Project
Cash and investments - beginning	\$ 1,584	\$ 850	\$ 90,709	\$ 35,876	\$ 32,493	\$ 18,691
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	9,313	15,168	3,167	5,000
Total receipts	-	-	9,313	15,168	3,167	5,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	3,941	-	18,691
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	3,941	-	18,691
Excess (deficiency) of receipts over disbursements	-	-	9,313	11,227	3,167	(13,691)
Cash and investments - ending	\$ 1,584	\$ 850	\$ 100,022	\$ 47,103	\$ 35,660	\$ 5,000

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

	IHFA	Redevelopment TIF NW	Redevelopment TIF Ind Park NW	Redevelopment TIF Styline East	Redevelopment TIF 400 W-City
Cash and investments - beginning	\$ 15,276	\$ 1,995,722	\$ 1,613,444	\$ 854,333	\$ 314,801
Receipts:					
Taxes	-	624,078	324,076	95,686	59,256
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	542,813	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	118,595	60,780	7,334	2,763
Total receipts	-	1,285,486	384,856	103,020	62,019
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	241,944	132
Debt service - principal and interest	-	73,344	73,344	-	37,201
Capital outlay	-	-	-	-	-
Other disbursements	-	1,518,405	1,009,433	-	-
Total disbursements	-	1,591,749	1,082,777	241,944	37,333
Excess (deficiency) of receipts over disbursements	-	(306,263)	(697,921)	(138,924)	24,686
Cash and investments - ending	\$ 15,276	\$ 1,689,459	\$ 915,523	\$ 715,409	\$ 339,487

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

	Redevelopment TIF 400 W-County	Police Special Equip And Donations	Police Special Covert Operations	Police Special Oper Pullover	Core Property	Special Events
Cash and investments - beginning	\$ 102,030	\$ 3,978	\$ 510	\$ 216	\$ 23,300	\$ -
Receipts:						
Taxes	124,481	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	196	1,930	3,095	-	-	600
Total receipts	124,677	1,930	3,095	-	-	600
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	40	-	-	23,300	400
Debt service - principal and interest	164,194	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	350	3,605	-	-	-
Total disbursements	164,194	390	3,605	-	23,300	400
Excess (deficiency) of receipts over disbursements	(39,517)	1,540	(510)	-	(23,300)	200
Cash and investments - ending	\$ 62,513	\$ 5,518	\$ -	\$ 216	\$ -	\$ 200

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

	Bond & Interest Fund	Cumulative Sewer	EDIT Projects	Maintenance	Combined Utility	Reimbursed Clearing
Cash and investments - beginning	\$ 1,332	\$ 5,207	\$ 1,977,287	\$ 689	\$ 9,139	\$ -
Receipts:						
Taxes	-	-	586,738	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	797	1,348	35,042
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	4,295	10	-	17,415,640	-
Total receipts	-	4,295	586,748	797	17,416,988	35,042
Disbursements:						
Personal services	-	-	85,427	-	-	-
Supplies	-	4,295	-	-	-	-
Other services and charges	-	-	126,042	-	-	35,042
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	1,150,836	-	17,414,632	-
Total disbursements	-	4,295	1,362,305	-	17,414,632	35,042
Excess (deficiency) of receipts over disbursements	-	-	(775,557)	797	2,356	-
Cash and investments - ending	\$ 1,332	\$ 5,207	\$ 1,201,730	\$ 1,486	\$ 11,495	\$ -

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

	Consumer Meter Interest	Combined Utility Cash Change	Payroll	Electric Utility-Operating	Electric Utility-Customer Deposit	Electric Cash Reserve
Cash and investments - beginning	\$ 7,649	\$ 2,000	\$ 239,456	\$ 5,264,864	\$ 117,675	\$ 1,297,503
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	55,685	-	4,805,428	11,378,468	36,300	15,000
Total receipts	55,685	-	4,805,428	11,378,468	36,300	15,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	82	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	61,066	-	4,799,906	10,909,885	31,825	225,000
Total disbursements	61,066	-	4,799,988	10,909,885	31,825	225,000
Excess (deficiency) of receipts over disbursements	(5,381)	-	5,440	468,583	4,475	(210,000)
Cash and investments - ending	\$ 2,268	\$ 2,000	\$ 244,896	\$ 5,733,447	\$ 122,150	\$ 1,087,503

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

	Electric-IMPA	Sewer Bond & Interest Fund Cash-ONB	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Customer Deposit	Wastewater Utility-Debt Reserve
Cash and investments - beginning	\$ 215	\$ 13,636	\$ 563,014	\$ 60,017	\$ 56,970	\$ 442,351
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	57,400	2,065,466	122,280	18,150	19,497
Total receipts	-	57,400	2,065,466	122,280	18,150	19,497
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	57,100	2,046,663	122,280	14,710	825
Total disbursements	-	57,100	2,046,663	122,280	14,710	825
Excess (deficiency) of receipts over disbursements	-	300	18,803	-	3,440	18,672
Cash and investments - ending	\$ 215	\$ 13,936	\$ 581,817	\$ 60,017	\$ 60,410	\$ 461,023

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

	Wastewater Bond & Interest SRF	Water Cash Reserve	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Customer Deposit	Water Utility-Debt Reserve
Cash and investments - beginning	\$ 152,607	\$ 100,000	\$ 993,584	\$ 3,356	\$ 37,780	\$ 360,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	291,741	50,000	3,111,405	553,239	11,300	-
Total receipts	291,741	50,000	3,111,405	553,239	11,300	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	289,935	50,000	3,444,936	552,763	9,160	-
Total disbursements	289,935	50,000	3,444,936	552,763	9,160	-
Excess (deficiency) of receipts over disbursements	1,806	-	(333,531)	476	2,140	-
Cash and investments - ending	\$ 154,413	\$ 100,000	\$ 660,053	\$ 3,832	\$ 39,920	\$ 360,000

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

	Water Capital Savings	Gas Utility-Operating	Gas Utility-Customer Deposit	Gas Cash Reserve	Totals
Cash and investments - beginning	\$ 26,500	\$ 2,082,581	\$ 82,040	\$ 400,000	\$ 28,813,331
Receipts:					
Taxes	-	-	-	-	4,511,208
Licenses and permits	-	-	-	-	61,783
Intergovernmental receipts	-	-	-	-	3,497,856
Charges for services	-	-	-	-	195,473
Fines and forfeits	-	-	-	-	4,294
Other receipts	-	3,711,026	23,600	225,000	50,332,910
Total receipts	-	3,711,026	23,600	225,000	58,603,524
Disbursements:					
Personal services	-	-	-	-	2,864,712
Supplies	-	-	-	-	434,451
Other services and charges	-	-	-	-	5,810,947
Debt service - principal and interest	-	-	-	-	348,083
Capital outlay	-	-	-	-	347,653
Other disbursements	26,500	4,084,886	17,400	225,000	53,041,407
Total disbursements	26,500	4,084,886	17,400	225,000	62,847,253
Excess (deficiency) of receipts over disbursements	(26,500)	(373,860)	6,200	-	(4,243,729)
Cash and investments - ending	\$ -	\$ 1,708,721	\$ 88,240	\$ 400,000	\$ 24,569,602

CITY OF HUNTINGBURG
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Electric	\$ 1,264,853	\$ 1,362,140
Wastewater	209,707	49,119
Water	197,981	40,682
Gas	608,058	188,357
Governmental activities	<u>3,178,139</u>	<u>35,824</u>
Totals	<u>\$ 5,458,738</u>	<u>\$ 1,676,122</u>

CITY OF HUNTINGBURG
SCHEDULE OF LEASES AND DEBT
December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
CrossRoads Bank	Street Sweeper	\$ 39,476	7/12/2017	6/1/2022
Huntingburg Redevelopment Authority	Huntingburg Redevelopment Authority - Economic Development Lease Rental Bonds of 2015	<u>172,000</u>	1/15/2016	1/15/2040
Total governmental activities		<u>211,476</u>		
Wastewater:				
Wells Fargo Bank	Trimble GEO 7X handheld unit	<u>3,865</u>	11/13/2017	11/13/2019
Water:				
Wells Fargo Bank	Trimble GEO 7X handheld unit	<u>3,607</u>	12/13/2017	12/13/2019
Total of annual lease payments		<u>\$ 218,948</u>		

Type	Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Series A - TIF Projects	\$ 730,000	\$ 50,800
Revenue bonds	Series B - TIF Projects	2,495,000	197,550
Revenue bonds	Huntingburg Economic Development -Series A NW TIF Farbest 400W	3,224,000	164,175
Revenue bonds	Huntingburg Economic Development -Series B OFS TIF Farbest 400 W	<u>177,000</u>	-
Total governmental activities		<u>6,626,000</u>	<u>412,525</u>
Wastewater:			
Revenue bonds	Sewer Works Revenue Bond of 2016-ONB	1,325,000	56,500
Revenue bonds	Sewage Works Revenue Bonds of 2010	785,000	73,134
Revenue bonds	Sewage Works Project SRF 2000	610,000	215,690
Revenue bonds	Sewage Works Refunding Revenue Bonds of 2015	1,300,000	125,060
Notes and loans payable	Sewer Force Main project Electric Loan	<u>1,182,997</u>	<u>26,755</u>
Total Wastewater		<u>5,202,997</u>	<u>497,139</u>
Water:			
Revenue bonds	Waterworks Refunding Revenue Bonds of 2014	<u>1,600,000</u>	<u>552,943</u>
Totals		<u>\$ 13,428,997</u>	<u>\$ 1,462,607</u>

CITY OF HUNTINGBURG
 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	\$ 282,596
Buildings	5,173,570
Improvements other than buildings	15,252,350
Machinery, equipment, and vehicles	<u>3,907,979</u>
Total governmental activities	<u>24,616,495</u>
Electric:	
Land	201,260
Buildings	584,489
Improvements other than buildings	7,483,498
Machinery, equipment, and vehicles	<u>2,107,585</u>
Total Electric	<u>10,376,832</u>
Wastewater:	
Land	239,249
Buildings	1,433,835
Improvements other than buildings	18,898,929
Machinery, equipment, and vehicles	<u>1,842,683</u>
Total Wastewater	<u>22,414,696</u>
Water:	
Land	97,299
Buildings	5,561,313
Improvements other than buildings	8,692,825
Machinery, equipment, and vehicles	<u>2,189,384</u>
Total Water	<u>16,540,821</u>
Gas:	
Land	26,362
Buildings	391,550
Improvements other than buildings	3,332,364
Machinery, equipment, and vehicles	<u>778,693</u>
Total Gas	<u>4,528,969</u>
Total capital assets	<u>\$ 78,477,813</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 CITY OF HUNTINGBURG, DUBOIS COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of Huntingburg's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2018. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 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 City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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


Paul D. Joyce, CPA
State Examiner

June 24, 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 City. The schedule and notes are presented as intended by the City.

CITY OF HUNTINGBURG
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 Housing and Urban Development</u>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Market Street Park	Indiana Office of Community and Rural Affairs	14.228	EDS#A192-17-ST-13-103	\$ -	\$ 1,611,224
Total - Department of Housing and Urban Development				-	1,611,224
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Railroad Overpass Sign Replacement	Indiana Department of Transportation	20.205	EDS#A249-13-320724 EDS#A249-14-320867	- -	378,854 16,870
Total - Highway Planning and Construction Cluster				-	395,724
Federal Transit Cluster Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs Huntingburg Transportation Department Capital-Bus	Indiana Department of Transportation	20.526	EDS#A249-18-G170074	-	42,658
Total - Federal Transit Cluster				-	42,658
Highway Safety Cluster National Priority Safety Programs Huntingburg Police Department -Summer impaired Driving Enforcement Program	Indiana Criminal Justice Institute	20.616	EDS D3-18-12379	-	6,314
Total - Highway Safety Cluster				-	6,314
Formula Grants for Rural Areas and Tribal Transit Program Huntingburg Transportation Department Capital-Surveillance Equipment Huntingburg Transportation Department Operatio Assistance Huntingburg Transportation Department Operatio Assistance	Indiana Department of Transportaion	20.509	EDS#A249-18-G170044 EDS#A249-18-G170176 EDS#A249-17-G150130	- - -	2,803 53,956 4,443
Total - Formula Grants for Rural Areas				-	61,202
Total - Department of Transportation				-	505,898
Total federal awards expended				\$ -	\$ 2,117,122

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

CITY OF HUNTINGBURG
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 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 City, it is not intended to and does not present the financial position of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF HUNTINGBURG
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?	no
Significant deficiency identified?	none reported
Any audit finding disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

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

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

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

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

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

OTHER REPORTS

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