

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF FRANKFORT

CLINTON COUNTY, INDIANA

January 1, 2017 to December 31, 2018



**FILED**  
09/03/2019



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Judith Sheets	01-01-16 to 12-31-19
Mayor	Chris McBarnes	01-01-16 to 12-31-19
President of the Board of Public Works and Safety	Chris McBarnes	01-01-17 to 12-31-19
President Pro Tempore of the Common Council	James Moyer	01-01-17 to 12-31-19
President of the Utility Service Board	Michael Kelley	01-01-17 to 12-31-19
General Manager of Utilities	Todd Corrie	01-01-17 to 12-31-19
Utility Office Manager	Stacy Uitts	01-01-17 to 12-31-19



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF FRANKFORT, CLINTON COUNTY, INDIANA

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

We have audited the accompanying financial statement of the City of Frankfort (City), which comprises the financial position and results of operations for the period of January 1, 2017 to 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. 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 period of January 1, 2017 to 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 period of January 1, 2017 to December 31, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Other Information*

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

  
Paul D. Joyce, CPA  
State Examiner

July 17, 2019

## 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 FRANKFORT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended December 31, 2017 and 2018

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17	Receipts	Disbursements	Cash and Investments 12-31-18
General	\$ 2,691,228	\$ 10,444,343	\$ 11,022,416	\$ 2,113,155	\$ 11,641,235	\$ 10,556,226	\$ 3,198,164
Motor Vehicle Highway	430,908	1,202,541	1,066,574	566,875	1,064,226	963,934	667,167
Local Road And Street	112,032	77,201	106,043	83,190	98,686	79,678	102,198
Economic Development Operating	666,927	857,358	893,941	630,344	987,474	1,374,590	243,228
Law Enforcement Continuing Ed	12,597	12,526	9,148	15,975	11,902	10,091	17,786
Clerk's Records Perpetuation	2,418	921	-	3,339	1,353	-	4,692
Deferral Program	5,689	1,700	-	7,389	2,210	-	9,599
Unsafe Building	1,211	-	157	1,054	-	-	1,054
Rainy Day	361,041	-	-	361,041	-	-	361,041
Loit Special - Other	560	-	-	560	-	-	560
Hazardous Materials	3,633	-	-	3,633	-	-	3,633
Cumulative Capl Imprv Cigarette Tax	22,124	39,937	41,076	20,985	38,388	59,373	-
Cumulative Capital Development	197,655	239,269	333,574	103,350	208,378	230,284	81,444
Cumulative Fire	69,438	49,423	29,064	89,797	49,050	37,839	101,008
Parks - Office Damage	373	215	-	588	16,288	3,157	13,719
City Court	732	42,418	39,848	3,302	57,038	57,213	3,127
Payroll Clearing	56,465	11,929,510	11,927,478	58,497	12,595,729	12,593,765	60,461
Fire Dept Donations	2,027	21,132	15,823	7,336	15,949	16,705	6,580
Police Donations	24,684	10,081	10,235	24,530	6,194	7,049	23,675
Lagoons	4,940	1,365	2,049	4,256	-	153	4,103
TIF - Phase 1	679,307	1,097,232	1,045,938	730,601	957,722	962,824	725,499
TPA Park Festival	2,974	12,748	11,478	4,244	7,395	6,624	5,015
Clerk -Treasurer - Petty Cash	150	-	-	150	-	27	123
Petting Zoo Shelter	300	-	-	300	-	-	300
Conagra Allocation (TIF) - Property Taxes	-	2,288,173	1,026,650	1,261,523	2,394,679	2,460,362	1,195,840
Police Equip Grant - Other/Misc	868	-	-	868	-	-	868
Local Road and Street - State Distributions	27,911	-	27,911	-	-	-	-
NP Flats Parking Lot Improve Donation	-	-	-	-	10,000	10,000	-
Prairie Creek Parks Donation	-	-	-	-	621,761	174,761	447,000
Street Donations	-	-	-	-	9,710	6,681	3,029
Adaptive Playground Equipment	-	-	-	-	4,600	-	4,600
Humane Society Enforcement	-	-	-	-	238	238	-
Criminal Justice Institute Grant	1,731	24,204	25,799	136	17,012	10,789	6,359
Court Fees	40	2,736	2,776	-	3,943	3,943	-
LIT-Public Safety	166,160	366,333	291,300	241,193	1,099,282	1,102,310	238,165
Municipal Pool Equipment Escrow	2,550	-	-	2,550	-	2,248	302
Vending Machine	158	-	155	3	-	-	3
Grass Lien	7,848	1,940	-	9,788	1,925	-	11,713
Police Forfeiture	463	-	-	463	-	-	463
Tpa Park Festival of Lights	23,458	37,270	38,777	21,951	55,735	50,124	27,562
Trash User Fee	407,517	660,573	632,740	435,350	798,844	833,188	401,006
Police Equipment And Training	6,775	1,733	-	8,508	3,029	-	11,537
Clerk-Treasurer Administrative	1,028	758	458	1,328	1,537	248	2,617
City Eng Equipment And Training	731	1,041	-	1,772	1,470	2,087	1,155
Fire Equipment Grant	53	-	-	53	-	-	53
Special Donations	14,814	23,612	16,862	21,564	-	7,000	14,564
Petting Zoo Donations	2,538	49,367	49,113	2,792	4,251	1,601	5,442
Police Pension #1	253,790	455,754	459,666	249,878	476,800	509,851	216,827

CITY OF FRANKFORT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended December 31, 2017 and 2018

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17	Receipts	Disbursements	Cash and Investments 12-31-18
Fire Pension #1	242,941	785,254	749,237	278,958	772,517	792,149	259,326
Sidewalk Maint/Improvement	156	16,076	16,076	156	5,557	2,347	3,366
Revolving Meter	3,700	98,765	98,465	4,000	16,852	16,852	4,000
Electric Operating Investment	-	21	21	-	-	-	-
Electric Depreciation Investment	-	26	26	-	-	-	-
Electric - Petty Cash	250	-	-	250	-	250	-
Fiber Operating	-	135,619	-	135,619	150,262	154,049	131,832
2018 Electric Construction Bond	-	-	-	-	12,397,734	715,396	11,682,338
2018 Electric Construction Bond Interest	-	-	-	-	703,909	434,581	269,328
Electric Deposit Holding	-	-	-	-	8,744	-	8,744
Electric Utility-Operating	1,101,452	32,452,841	32,038,784	1,515,509	33,693,123	32,557,464	2,651,168
Electric Utility-Deprec/Improve	30,553	68	27,354	3,267	435,609	41,255	397,621
Electric Utility-Customer Deposit	209,164	91,840	77,275	223,729	93,605	102,046	215,288
Electric Utility-Construction	260,930	158,212	165,823	253,319	265,822	132,987	386,154
Storm Water Utility-Operating	725,477	1,030,978	794,925	961,530	802,867	732,304	1,032,093
Sewage Depreciation Investment	205,467	150	-	205,617	165	-	205,782
Wastewater Deposit Holding	-	-	-	-	1,273	-	1,273
Wastewater Utility-Operating	1,433,256	4,706,479	4,121,647	2,018,088	4,783,281	5,104,572	1,696,797
Wastewater Util-Bond And Interest	254	733,424	695,638	38,040	702,383	690,938	49,485
Wastewater Utility-Deprec/Improve	291,397	531	12,260	279,668	531,174	107,833	703,009
Wastewater Utility-Customer Deposit	61,957	19,680	17,570	64,067	17,520	23,670	57,917
Wastewater Utility-Construction	662,370	21,624	311,648	372,346	600,560	313,720	659,186
2010 Sewage Works Bond	419,887	-	419,887	-	-	-	-
Wastewater Utility-Debt Reserve	745,579	850	746,285	144	-	144	-
Water Operating Investment	308,179	247	-	308,426	247	-	308,673
Water Depreciation Investment	102,677	96	-	102,773	82	-	102,855
Water - Petty Cash	100	-	-	100	-	100	-
Water Deposit Holding	-	-	-	-	418	-	418
Water Utility-Operating	712,715	3,554,524	3,371,681	895,558	3,648,994	3,348,728	1,195,824
Water Utility-Bond And Interest	14,227	465,913	465,670	14,470	468,250	471,675	11,045
Water Utility-Depreciation/Improve	1,047,099	1,878	62,640	986,337	31,924	71,596	946,665
Water Utility-Customer Deposit	32,578	11,635	9,455	34,758	9,380	12,445	31,693
Water Utility-Construction	1,006,112	1,524	237,910	769,726	33,262	118,288	684,700
Water Utility-Debt Reserve	85	37	122	-	-	-	-
Waterworks Construction Bonds Proc	89,647	157	-	89,804	10	89,814	-
Billing Office - Petty Cash	50	72	72	50	-	-	50
Utility Auditor - Petty Cash	50	-	-	50	-	50	-
Billing Office - Vault Registers	900	-	-	900	-	-	900
Billing Office Operating	72,336	857,485	836,609	93,212	807,313	857,391	43,134
Utility Auditor Operating	4,786	63,954	51,490	17,250	48,050	51,986	13,314
Utility Service Board	184,241	2,081,507	2,013,276	252,472	2,037,121	2,051,085	238,508
Totals	<u>\$ 16,238,418</u>	<u>\$ 77,244,881</u>	<u>\$ 76,468,895</u>	<u>\$ 17,014,404</u>	<u>\$ 96,332,041</u>	<u>\$ 81,130,678</u>	<u>\$ 32,215,767</u>

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

CITY OF FRANKFORT  
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 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.

CITY OF FRANKFORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

*Utility fees.* Amounts received from charges for current services.

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

**E. Disbursements**

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

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

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

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

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

CITY OF FRANKFORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

**F. Interfund Transfers**

The 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 FRANKFORT  
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 govern most requirements of the system and give 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 govern most requirements of the system and give 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 FRANKFORT  
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. 1937 Firefighters' Pension Plan*

*Plan Description*

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

CITY OF FRANKFORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy*

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

*On Behalf Payments*

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

*D. 1977 Police Officers' and Firefighters' Pension and Disability Fund*

*Plan Description*

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977, providing retirement, disability, and survivor benefits.

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.

*E. Utility Pension Plan*

The City also has a Utility Pension Plan, unique to the City, self-administered by a pension board. Information regarding this plan may be obtained from the City.

**Note 7. Holding Corporation**

The City has entered into a capital lease with Frankfort City Hall Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the years 2017 and 2018 totaled \$310,000 and \$305,500, respectively.

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#### OTHER INFORMATION - UNAUDITED

The City's Annual Financial Reports 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 Reports 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.

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CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	General	Motor Vehicle Highway	Local Road And Street	Economic Development Operating	Law Enforcement Continuing Ed	Clerk's Records Perpetuation	Deferral Program	Unsafe Building	Rainy Day
Cash and investments - beginning	\$ 2,691,228	\$ 430,908	\$ 112,032	\$ 666,927	\$ 12,597	\$ 2,418	\$ 5,689	\$ 1,211	\$ 361,041
Receipts:									
Taxes	8,753,158	386,136	4,992	540,935	-	-	-	-	-
Licenses and permits	87,416	100	-	-	5,130	-	-	-	-
Intergovernmental receipts	544,388	812,237	72,209	-	-	-	-	-	-
Charges for services	217,673	4,068	-	316,423	6,708	921	-	-	-
Fines and forfeits	31,941	-	-	-	688	-	1,700	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	809,767	-	-	-	-	-	-	-	-
Total receipts	10,444,343	1,202,541	77,201	857,358	12,526	921	1,700	-	-
Disbursements:									
Personal services	5,532,713	692,422	-	-	-	-	-	-	-
Supplies	231,260	135,718	40,000	-	6,393	-	-	-	-
Other services and charges	4,991,532	48,442	20,000	151,280	2,755	-	-	157	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	130,413	185,000	-	742,661	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	136,498	4,992	46,043	-	-	-	-	-	-
Total disbursements	11,022,416	1,066,574	106,043	893,941	9,148	-	-	157	-
Excess (deficiency) of receipts over disbursements	(578,073)	135,967	(28,842)	(36,583)	3,378	921	1,700	(157)	-
Cash and investments - ending	\$ 2,113,155	\$ 566,875	\$ 83,190	\$ 630,344	\$ 15,975	\$ 3,339	\$ 7,389	\$ 1,054	\$ 361,041

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Loit Special - Other	Hazardous Materials	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development	Cumulative Fire	Parks - Office Damage	City Court	Payroll Clearing	Fire Dept Donations
Cash and investments - beginning	\$ 560	\$ 3,633	\$ 22,124	\$ 197,655	\$ 69,438	\$ 373	\$ 732	\$ 56,465	\$ 2,027
Receipts:									
Taxes	-	-	-	191,110	45,944	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	39,937	14,471	3,479	-	-	-	-
Charges for services	-	-	-	33,688	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	215	42,418	11,929,510	21,132
Total receipts	-	-	39,937	239,269	49,423	215	42,418	11,929,510	21,132
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	7,445
Other services and charges	-	-	-	-	-	-	-	-	8,378
Debt service - principal and interest	-	-	-	-	29,064	-	-	-	-
Capital outlay	-	-	-	333,574	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	41,076	-	-	-	39,848	11,927,478	-
Total disbursements	-	-	41,076	333,574	29,064	-	39,848	11,927,478	15,823
Excess (deficiency) of receipts over disbursements	-	-	(1,139)	(94,305)	20,359	215	2,570	2,032	5,309
Cash and investments - ending	\$ 560	\$ 3,633	\$ 20,985	\$ 103,350	\$ 89,797	\$ 588	\$ 3,302	\$ 58,497	\$ 7,336

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Police Donations	Lagoons	TIF - Phase 1	TPA Park Festival	Clerk -Treasurer - Petty Cash	Petting Zoo Shelter	Conagra Allocation (TIF) - Property Taxes	Police Equip Grant - Other/Misc	Local Road and Street - State Distributions
Cash and investments - beginning	\$ 24,684	\$ 4,940	\$ 679,307	\$ 2,974	\$ 150	\$ 300	\$ -	\$ 868	\$ 27,911
Receipts:									
Taxes	-	-	1,097,232	-	-	-	2,288,173	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	12,748	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	10,081	1,365	-	-	-	-	-	-	-
Total receipts	10,081	1,365	1,097,232	12,748	-	-	2,288,173	-	-
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	277	-	-	-	-	-	-	-	-
Other services and charges	9,958	2,049	1,045,938	11,478	-	-	1,026,650	-	27,911
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-
Total disbursements	10,235	2,049	1,045,938	11,478	-	-	1,026,650	-	27,911
Excess (deficiency) of receipts over disbursements	(154)	(684)	51,294	1,270	-	-	1,261,523	-	(27,911)
Cash and investments - ending	\$ 24,530	\$ 4,256	\$ 730,601	\$ 4,244	\$ 150	\$ 300	\$ 1,261,523	\$ 868	\$ -

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	NP Flats Parking Lot Improve Donation	Prairie Creek Parks Donation	Street Donations	Adaptive Playground Equipment	Humane Society Enforcement	Criminal Justice Institute Grant	Court Fees	LIT-Public Safety	Municipal Pool Equipment Escrow
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,731	\$ 40	\$ 166,160	\$ 2,550
Receipts:									
Taxes	-	-	-	-	-	11,733	-	366,333	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	12,471	-	-	-
Fines and forfeits	-	-	-	-	-	-	2,736	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	24,204	2,736	366,333	-
Disbursements:									
Personal services	-	-	-	-	-	19,374	-	-	-
Supplies	-	-	-	-	-	-	2,776	-	-
Other services and charges	-	-	-	-	-	-	-	80,000	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	211,300	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	6,425	-	-	-
Total disbursements	-	-	-	-	-	25,799	2,776	291,300	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(1,595)	(40)	75,033	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136	\$ -	\$ 241,193	\$ 2,550

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Vending Machine	Grass Lien	Police Forfeiture	Tpa Park Festival of Lights	Trash User Fee	Police Equipment And Training	Clerk-Treasurer Administrative	City Eng Equipment And Training	Fire Equipment Grant
Cash and investments - beginning	\$ 158	\$ 7,848	\$ 463	\$ 23,458	\$ 407,517	\$ 6,775	\$ 1,028	\$ 731	\$ 53
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	1,940	-	-	660,573	1,260	-	-	-
Fines and forfeits	-	-	-	-	-	473	758	1,041	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	37,270	-	-	-	-	-
Total receipts	-	1,940	-	37,270	660,573	1,733	758	1,041	-
Disbursements:									
Personal services	-	-	-	-	291,460	-	-	-	-
Supplies	155	-	-	-	20,917	-	-	-	-
Other services and charges	-	-	-	38,777	320,352	-	458	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	11	-	-	-	-
Total disbursements	155	-	-	38,777	632,740	-	458	-	-
Excess (deficiency) of receipts over disbursements	(155)	1,940	-	(1,507)	27,833	1,733	300	1,041	-
Cash and investments - ending	\$ 3	\$ 9,788	\$ 463	\$ 21,951	\$ 435,350	\$ 8,508	\$ 1,328	\$ 1,772	\$ 53

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Special Donations	Petting Zoo Donations	Police Pension #1	Fire Pension #1	Sidewalk Maint/Improvement	Revolving Meter	Electric Operating Investment	Electric Depreciation Investment	Electric - Petty Cash
Cash and investments - beginning	\$ 14,814	\$ 2,538	\$ 253,790	\$ 242,941	\$ 156	\$ 3,700	\$ -	\$ -	\$ 250
Receipts:									
Taxes	-	-	5,405	5,405	-	-	-	-	-
Licenses and permits	-	-	-	-	16,076	-	-	-	-
Intergovernmental receipts	-	-	448,365	779,433	-	-	-	-	-
Charges for services	12,612	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	11,000	49,367	1,984	416	-	98,765	21	26	-
Total receipts	23,612	49,367	455,754	785,254	16,076	98,765	21	26	-
Disbursements:									
Personal services	-	-	458,038	747,476	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	16,862	49,113	1,628	1,761	16,076	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	98,465	21	26	-
Total disbursements	16,862	49,113	459,666	749,237	16,076	98,465	21	26	-
Excess (deficiency) of receipts over disbursements	6,750	254	(3,912)	36,017	-	300	-	-	-
Cash and investments - ending	\$ 21,564	\$ 2,792	\$ 249,878	\$ 278,958	\$ 156	\$ 4,000	\$ -	\$ -	\$ 250

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Fiber Operating	2018 Electric Construction Bond	2018 Electric Construction Bond Interest	Electric Deposit Holding	Electric Utility-Operating	Electric Utility-Deprec/Improve	Electric Utility-Customer Deposit	Electric Utility-Construction	Storm Water Utility-Operating
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,101,452	\$ 30,553	\$ 209,164	\$ 260,930	\$ 725,477
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	10,619	-	-	-	31,985,985	-	91,540	-	15,773
Other receipts	125,000	-	-	-	466,856	68	300	158,212	1,015,205
Total receipts	135,619	-	-	-	32,452,841	68	91,840	158,212	1,030,978
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	27,354	-	-	-
Utility operating expenses	-	-	-	-	30,027,509	-	77,275	40,823	263,175
Other disbursements	-	-	-	-	2,011,275	-	-	125,000	531,750
Total disbursements	-	-	-	-	32,038,784	27,354	77,275	165,823	794,925
Excess (deficiency) of receipts over disbursements	135,619	-	-	-	414,057	(27,286)	14,565	(7,611)	236,053
Cash and investments - ending	\$ 135,619	\$ -	\$ -	\$ -	\$ 1,515,509	\$ 3,267	\$ 223,729	\$ 253,319	\$ 961,530

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Sewage Depreciation Investment	Wastewater Deposit Holding	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Deprec/Improve	Wastewater Utility-Customer Deposit	Wastewater Utility-Construction	2010 Sewage Works Bond	Wastewater Utility-Debt Reserve
Cash and investments - beginning	\$ 205,467	\$ -	\$ 1,433,256	\$ 254	\$ 291,397	\$ 61,957	\$ 662,370	\$ 419,887	\$ 745,579
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	3,606,402	-	-	19,485	-	-	-
Other receipts	150	-	1,100,077	733,424	531	195	21,624	-	850
Total receipts	150	-	4,706,479	733,424	531	19,680	21,624	-	850
Disbursements:									
Personal services	-	-	1,640,882	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	695,638	-	-	-	-	-
Capital outlay	-	-	50,389	-	-	-	220,299	-	-
Utility operating expenses	-	-	708,901	-	-	17,570	70,580	419,887	-
Other disbursements	-	-	1,721,475	-	12,260	-	20,769	-	746,285
Total disbursements	-	-	4,121,647	695,638	12,260	17,570	311,648	419,887	746,285
Excess (deficiency) of receipts over disbursements	150	-	584,832	37,786	(11,729)	2,110	(290,024)	(419,887)	(745,435)
Cash and investments - ending	\$ 205,617	\$ -	\$ 2,018,088	\$ 38,040	\$ 279,668	\$ 64,067	\$ 372,346	\$ -	\$ 144

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Water Operating Investment	Water Depreciation Investment	Water - Petty Cash	Water Deposit Holding	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Water Utility-Construction
Cash and investments - beginning	\$ 308,179	\$ 102,677	\$ 100	\$ -	\$ 712,715	\$ 14,227	\$ 1,047,099	\$ 32,578	\$ 1,006,112
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	3,485,305	-	-	11,600	-
Other receipts	247	96	-	-	69,219	465,913	1,878	35	1,524
Total receipts	247	96	-	-	3,554,524	465,913	1,878	11,635	1,524
Disbursements:									
Personal services	-	-	-	-	1,211,795	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	465,670	-	-	-
Capital outlay	-	-	-	-	22,198	-	-	-	-
Utility operating expenses	-	-	-	-	476,446	-	6,787	9,455	237,910
Other disbursements	-	-	-	-	1,661,242	-	55,853	-	-
Total disbursements	-	-	-	-	3,371,681	465,670	62,640	9,455	237,910
Excess (deficiency) of receipts over disbursements	247	96	-	-	182,843	243	(60,762)	2,180	(236,386)
Cash and investments - ending	\$ 308,426	\$ 102,773	\$ 100	\$ -	\$ 895,558	\$ 14,470	\$ 986,337	\$ 34,758	\$ 769,726

CITY OF FRANKFORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Water Utility-Debt Reserve	Waterworks Construction Bonds Proc	Billing Office - Petty Cash	Utility Auditor - Petty Cash	Billing Office - Vault Registers	Billing Office Operating	Utility Auditor Operating	Utility Service Board	Totals
Cash and investments - beginning	\$ 85	\$ 89,647	\$ 50	\$ 50	\$ 900	\$ 72,336	\$ 4,786	\$ 184,241	\$ 16,238,418
Receipts:									
Taxes	-	-	-	-	-	-	-	-	13,696,556
Licenses and permits	-	-	-	-	-	-	-	-	108,722
Intergovernmental receipts	-	-	-	-	-	-	-	-	2,714,519
Charges for services	-	-	-	-	-	-	-	-	1,281,085
Fines and forfeits	-	-	-	-	-	-	-	-	39,337
Utility fees	-	-	-	-	-	-	-	-	39,226,709
Other receipts	37	157	72	-	-	857,485	63,954	2,081,507	20,177,953
Total receipts	37	157	72	-	-	857,485	63,954	2,081,507	77,244,881
Disbursements:									
Personal services	-	-	-	-	-	718,188	38,570	25,188	11,376,106
Supplies	-	-	-	-	-	29,658	1,623	2,620	478,842
Other services and charges	-	-	-	-	-	86,771	11,275	1,983,567	9,953,168
Debt service - principal and interest	-	-	-	-	-	-	-	-	1,190,372
Capital outlay	-	-	-	-	-	-	-	863	1,924,051
Utility operating expenses	122	-	-	-	-	-	-	-	32,356,440
Other disbursements	-	-	72	-	-	1,992	22	1,038	19,189,916
Total disbursements	122	-	72	-	-	836,609	51,490	2,013,276	76,468,895
Excess (deficiency) of receipts over disbursements	(85)	157	-	-	-	20,876	12,464	68,231	775,986
Cash and investments - ending	\$ -	\$ 89,804	\$ 50	\$ 50	\$ 900	\$ 93,212	\$ 17,250	\$ 252,472	\$ 17,014,404

CITY OF FRANKFORT  
 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	Law Enforcement Continuing Ed	Clerk's Records Perpetuation	Deferral Program	Unsafe Building	Rainy Day
Cash and investments - beginning	\$ 2,113,155	\$ 566,875	\$ 83,190	\$ 630,344	\$ 15,975	\$ 3,339	\$ 7,389	\$ 1,054	\$ 361,041
Receipts:									
Taxes	10,016,105	126,811	-	787,330	-	-	-	-	-
Licenses and permits	137,965	-	-	-	4,325	-	-	-	-
Intergovernmental receipts	812,951	930,291	98,686	-	-	-	-	-	-
Charges for services	122,330	4,068	-	-	-	-	-	-	-
Fines and forfeits	9,602	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	542,282	3,056	-	200,144	7,577	1,353	2,210	-	-
Total receipts	11,641,235	1,064,226	98,686	987,474	11,902	1,353	2,210	-	-
Disbursements:									
Personal services	5,585,723	715,290	-	-	-	-	-	-	-
Supplies	310,302	93,063	39,678	-	5,666	-	-	-	-
Other services and charges	4,116,924	45,581	40,000	142,081	3,998	-	-	-	-
Capital outlay	339,966	110,000	-	1,032,509	367	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	203,311	-	-	200,000	60	-	-	-	-
Total disbursements	10,556,226	963,934	79,678	1,374,590	10,091	-	-	-	-
Excess (deficiency) of receipts over disbursements	1,085,009	100,292	19,008	(387,116)	1,811	1,353	2,210	-	-
Cash and investments - ending	\$ 3,198,164	\$ 667,167	\$ 102,198	\$ 243,228	\$ 17,786	\$ 4,692	\$ 9,599	\$ 1,054	\$ 361,041

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

	Loit Special - Other	Hazardous Materials	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development	Cumulative Fire	Parks - Office Damage	City Court	Payroll Clearing	Fire Dept Donations
Cash and investments - beginning	\$ 560	\$ 3,633	\$ 20,985	\$ 103,350	\$ 89,797	\$ 588	\$ 3,302	\$ 58,497	\$ 7,336
Receipts:									
Taxes	-	-	-	201,730	47,452	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	38,388	6,648	1,598	-	-	-	-
Charges for services	-	-	-	-	-	16,288	-	-	1,500
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	57,038	12,595,729	14,449
Total receipts	-	-	38,388	208,378	49,050	16,288	57,038	12,595,729	15,949
Disbursements:									
Personal services	-	-	-	-	-	-	-	12,593,765	-
Supplies	-	-	-	-	-	-	-	-	5,416
Other services and charges	-	-	-	-	-	3,157	-	-	11,289
Capital outlay	-	-	-	230,284	37,839	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	59,373	-	-	-	57,213	-	-
Total disbursements	-	-	59,373	230,284	37,839	3,157	57,213	12,593,765	16,705
Excess (deficiency) of receipts over disbursements	-	-	(20,985)	(21,906)	11,211	13,131	(175)	1,964	(756)
Cash and investments - ending	\$ 560	\$ 3,633	\$ -	\$ 81,444	\$ 101,008	\$ 13,719	\$ 3,127	\$ 60,461	\$ 6,580

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

	Police Donations	Lagoons	TIF - Phase 1	TPA Park Festival	Clerk -Treasurer - Petty Cash	Petting Zoo Shelter	Conagra Allocation (TIF) -	Police Equip Grant -	Local Road and Street -
							Property Taxes	Other/Misc	- State Distributions
Cash and investments - beginning	\$ 24,530	\$ 4,256	\$ 730,601	\$ 4,244	\$ 150	\$ 300	\$ 1,261,523	\$ 868	\$ -
Receipts:									
Taxes	-	-	947,165	-	-	-	2,394,679	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	6,194	-	10,557	7,395	-	-	-	-	-
Total receipts	6,194	-	957,722	7,395	-	-	2,394,679	-	-
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	2,191	-	-	-	-	-	-	-	-
Other services and charges	4,858	153	962,824	6,624	-	-	2,460,362	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	27	-	-	-	-
Total disbursements	7,049	153	962,824	6,624	27	-	2,460,362	-	-
Excess (deficiency) of receipts over disbursements	(855)	(153)	(5,102)	771	(27)	-	(65,683)	-	-
Cash and investments - ending	\$ 23,675	\$ 4,103	\$ 725,499	\$ 5,015	\$ 123	\$ 300	\$ 1,195,840	\$ 868	\$ -

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

	NP Flats Parking Lot Improve Donation	Prairie Creek Parks Donation	Street Donations	Adaptive Playground Equipment	Humane Society Enforcement	Criminal Justice Institute Grant	Court Fees	LIT-Public Safety	Municipal Pool Equipment Escrow
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136	\$ -	\$ 241,193	\$ 2,550
Receipts:									
Taxes	-	-	-	-	-	-	-	918,476	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	238	-	3,943	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	10,000	621,761	9,710	4,600	-	17,012	-	180,806	-
Total receipts	10,000	621,761	9,710	4,600	238	17,012	3,943	1,099,282	-
Disbursements:									
Personal services	-	-	-	-	-	9,216	-	611,791	-
Supplies	-	-	-	-	-	-	3,943	-	-
Other services and charges	-	-	6,681	-	238	-	-	89,167	2,248
Capital outlay	-	-	-	-	-	-	-	401,352	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	10,000	174,761	-	-	-	1,573	-	-	-
Total disbursements	10,000	174,761	6,681	-	238	10,789	3,943	1,102,310	2,248
Excess (deficiency) of receipts over disbursements	-	447,000	3,029	4,600	-	6,223	-	(3,028)	(2,248)
Cash and investments - ending	\$ -	\$ 447,000	\$ 3,029	\$ 4,600	\$ -	\$ 6,359	\$ -	\$ 238,165	\$ 302

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

	Vending Machine	Grass Lien	Police Forfeiture	Tpa Park Festival of Lights	Trash User Fee	Police Equipment And Training	Clerk-Treasurer Administrative	City Eng Equipment And Training	Fire Equipment Grant
Cash and investments - beginning	\$ 3	\$ 9,788	\$ 463	\$ 21,951	\$ 435,350	\$ 8,508	\$ 1,328	\$ 1,772	\$ 53
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	798,844	-	-	-	-
Fines and forfeits	-	-	-	-	-	1,129	1,537	1,470	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	1,925	-	55,735	-	1,900	-	-	-
Total receipts	-	1,925	-	55,735	798,844	3,029	1,537	1,470	-
Disbursements:									
Personal services	-	-	-	-	339,258	-	-	-	-
Supplies	-	-	-	-	30,246	-	-	-	-
Other services and charges	-	-	-	50,124	307,157	-	248	2,087	-
Capital outlay	-	-	-	-	156,188	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	339	-	-	-	-
Total disbursements	-	-	-	50,124	833,188	-	248	2,087	-
Excess (deficiency) of receipts over disbursements	-	1,925	-	5,611	(34,344)	3,029	1,289	(617)	-
Cash and investments - ending	\$ 3	\$ 11,713	\$ 463	\$ 27,562	\$ 401,006	\$ 11,537	\$ 2,617	\$ 1,155	\$ 53

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

	Special Donations	Petting Zoo Donations	Police Pension #1	Fire Pension #1	Sidewalk Maint/Improvement	Revolving Meter	Electric Operating Investment	Electric Depreciation Investment	Electric - Petty Cash
Cash and investments - beginning	\$ 21,564	\$ 2,792	\$ 249,878	\$ 278,958	\$ 156	\$ 4,000	\$ -	\$ -	\$ 250
Receipts:									
Taxes	-	-	475,148	771,907	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	188	188	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	-	4,251	1,464	422	5,557	16,852	-	-	-
Total receipts	-	4,251	476,800	772,517	5,557	16,852	-	-	-
Disbursements:									
Personal services	-	-	506,418	790,568	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	7,000	1,601	3,433	1,581	2,347	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	16,852	-	-	250
Total disbursements	7,000	1,601	509,851	792,149	2,347	16,852	-	-	250
Excess (deficiency) of receipts over disbursements	(7,000)	2,650	(33,051)	(19,632)	3,210	-	-	-	(250)
Cash and investments - ending	\$ 14,564	\$ 5,442	\$ 216,827	\$ 259,326	\$ 3,366	\$ 4,000	\$ -	\$ -	\$ -

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

	Fiber Operating	2018 Electric Construction Bond	2018 Electric Construction Bond Interest	Electric Deposit Holding	Electric Utility-Operating	Electric Utility-Deprec/Improve	Electric Utility-Customer Deposit	Electric Utility-Construction	Storm Water Utility-Operating
Cash and investments - beginning	\$ 135,619	\$ -	\$ -	\$ -	\$ 1,515,509	\$ 3,267	\$ 223,729	\$ 253,319	\$ 961,530
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	150,262	12,397,734	703,909	8,744	33,693,123	435,609	93,605	265,822	802,867
Total receipts	150,262	12,397,734	703,909	8,744	33,693,123	435,609	93,605	265,822	802,867
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Capital outlay	-	70,388	-	-	-	38,205	-	-	-
Utility operating expenses	129,542	316,495	434,581	-	29,616,157	-	102,046	7,987	159,732
Other disbursements	24,507	328,513	-	-	2,941,307	3,050	-	125,000	572,572
Total disbursements	154,049	715,396	434,581	-	32,557,464	41,255	102,046	132,987	732,304
Excess (deficiency) of receipts over disbursements	(3,787)	11,682,338	269,328	8,744	1,135,659	394,354	(8,441)	132,835	70,563
Cash and investments - ending	\$ 131,832	\$ 11,682,338	\$ 269,328	\$ 8,744	\$ 2,651,168	\$ 397,621	\$ 215,288	\$ 386,154	\$ 1,032,093

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

	Sewage Depreciation Investment	Wastewater Deposit Holding	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Deprec/Improve	Wastewater Utility-Customer Deposit	Wastewater Utility-Construction	2010 Sewage Works Bond	Wastewater Utility-Debt Reserve
Cash and investments - beginning	\$ 205,617	\$ -	\$ 2,018,088	\$ 38,040	\$ 279,668	\$ 64,067	\$ 372,346	\$ -	\$ 144
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	4,015,297	-	-	-	-	-	-
Other receipts	165	1,273	767,984	702,383	531,174	17,520	600,560	-	-
Total receipts	165	1,273	4,783,281	702,383	531,174	17,520	600,560	-	-
Disbursements:									
Personal services	-	-	1,638,034	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	311,214	-	-
Utility operating expenses	-	-	867,168	690,938	-	23,670	2,506	-	-
Other disbursements	-	-	2,599,370	-	107,833	-	-	-	144
Total disbursements	-	-	5,104,572	690,938	107,833	23,670	313,720	-	144
Excess (deficiency) of receipts over disbursements	165	1,273	(321,291)	11,445	423,341	(6,150)	286,840	-	(144)
Cash and investments - ending	\$ 205,782	\$ 1,273	\$ 1,696,797	\$ 49,485	\$ 703,009	\$ 57,917	\$ 659,186	\$ -	\$ -

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

	Water Operating Investment	Water Depreciation Investment	Water - Petty Cash	Water Deposit Holding	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Depreciation/Improve	Water Utility-Customer Deposit	Water Utility-Construction
Cash and investments - beginning	\$ 308,426	\$ 102,773	\$ 100	\$ -	\$ 895,558	\$ 14,470	\$ 986,337	\$ 34,758	\$ 769,726
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	9,380	-
Other receipts	247	82	-	418	3,648,994	468,250	31,924	-	33,262
Total receipts	247	82	-	418	3,648,994	468,250	31,924	9,380	33,262
Disbursements:									
Personal services	-	-	-	-	1,233,599	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	118,288
Utility operating expenses	-	-	-	-	411,394	471,675	43,212	12,445	-
Other disbursements	-	-	100	-	1,703,735	-	28,384	-	-
Total disbursements	-	-	100	-	3,348,728	471,675	71,596	12,445	118,288
Excess (deficiency) of receipts over disbursements	247	82	(100)	418	300,266	(3,425)	(39,672)	(3,065)	(85,026)
Cash and investments - ending	\$ 308,673	\$ 102,855	\$ -	\$ 418	\$ 1,195,824	\$ 11,045	\$ 946,665	\$ 31,693	\$ 684,700

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

	Water Utility-Debt Reserve	Waterworks Construction Bonds Proc	Billing Office - Petty Cash	Utility Auditor - Petty Cash	Billing Office - Vault Registers	Billing Office Operating	Utility Auditor Operating	Utility Service Board	Totals
Cash and investments - beginning	\$ -	\$ 89,804	\$ 50	\$ 50	\$ 900	\$ 93,212	\$ 17,250	\$ 252,472	\$ 17,014,404
Receipts:									
Taxes	-	-	-	-	-	-	-	-	16,686,803
Licenses and permits	-	-	-	-	-	-	-	-	142,290
Intergovernmental receipts	-	-	-	-	-	-	-	-	1,888,938
Charges for services	-	-	-	-	-	-	-	-	943,030
Fines and forfeits	-	-	-	-	-	-	-	-	17,919
Utility fees	-	-	-	-	-	-	-	-	4,024,677
Other receipts	-	10	-	-	-	807,313	48,050	2,037,121	72,628,384
Total receipts	-	10	-	-	-	807,313	48,050	2,037,121	96,332,041
Disbursements:									
Personal services	-	-	-	-	-	746,928	51,129	25,695	24,847,414
Supplies	-	-	-	-	-	25,325	145	1,959	517,934
Other services and charges	-	-	-	-	-	85,138	712	2,023,258	10,380,871
Capital outlay	-	-	-	-	-	-	-	-	2,846,600
Utility operating expenses	-	-	-	-	-	-	-	-	33,289,548
Other disbursements	-	89,814	-	50	-	-	-	173	9,248,311
Total disbursements	-	89,814	-	50	-	857,391	51,986	2,051,085	81,130,678
Excess (deficiency) of receipts over disbursements	-	(89,804)	-	(50)	-	(50,078)	(3,936)	(13,964)	15,201,363
Cash and investments - ending	\$ -	\$ -	\$ 50	\$ -	\$ 900	\$ 43,134	\$ 13,314	\$ 238,508	\$ 32,215,767

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Frankfort City Hall Building Corporation	City Hall Lease	\$ 307,500	7/15/2016	1/15/2036
Frankfort Redevelopment Authority 2018 A	Construction of Prairie Creek Park	248,000	6/19/2018	8/1/2028
Frankfort Redevelopment Authority 2018 B	Construction of Prairie Creek Park	-	12/28/2018	2/1/2034
Republic First National Corporation	Fire Truck Lease	<u>109,064</u>	9/1/2013	9/1/2020
Total governmental activities		<u>664,564</u>		
Electric:				
Republic First National Corporation	Freightliner Lease	<u>28,205</u>	6/18/2015	6/10/2025
Wastewater:				
Republic First National Corporation	Backhoe and Equipment Lease	<u>72,587</u>	3/20/2015	3/15/2019
Total of annual lease payments		<u>\$ 765,356</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Taxable Economic Development Revenue Bonds Series 2014 (ConAgra Foods Project)	\$ 21,211,000	\$ 2,591,225
Revenue bonds	Taxable Economic Development Revenue Bonds Series 2014 (Fontana Fasteners Project)	<u>360,000</u>	<u>60,000</u>
Total governmental activities		<u>21,571,000</u>	<u>2,651,225</u>
Electric:			
Revenue bonds	Electric Utility Revenue Bonds of 2018	<u>12,300,000</u>	<u>866,556</u>
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds of 2017 - Sewage Works Improvements	<u>7,120,000</u>	<u>688,414</u>
Water:			
Revenue bonds	Waterworks Refunding Revenue Bonds of 2016 - Waterworks Improvements	<u>4,870,000</u>	<u>480,105</u>
Totals		<u>\$ 45,861,000</u>	<u>\$ 4,686,300</u>

#### 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/>.