

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF RUSHVILLE
RUSH COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
09/06/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Ann Copley	01-01-16 to 12-31-19
Mayor	Michael Pavey	01-01-16 to 12-31-19
President of the Board of Public Works	Michael Pavey	01-01-18 to 12-31-19
President Pro Tempore of the Common Council	Craig Smith	01-01-18 to 12-31-19
Utility Office Manager	Gina Jenkins	01-01-18 to 12-31-19



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF RUSHVILLE, RUSH COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Rushville (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 August 8, 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

August 8, 2019



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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 RUSHVILLE, RUSH 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 Rushville (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 August 8, 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

August 8, 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 RUSHVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
General	\$ 1,118,323	\$ 5,684,523	\$ 5,761,308	\$ 1,041,538
Mvh	186,194	514,988	479,169	222,013
Local Roads & Street	21,888	33,589	34,000	21,477
Park & Rec Nonreverting	20,594	40,947	60,987	554
City Center ADA Grant	-	183,701	183,701	-
Operation Pullover Grant	56	25,004	20,835	4,225
EMS Non Reverting	124,943	249,913	157,098	217,758
Community Crossing Grant	-	2	-	2
Abandon Vehicles	585	-	-	585
Lece	9,484	23,856	24,305	9,035
Unsafe Building	50,913	23,141	44,955	29,099
Rainy Day	55,419	80,312	4,000	131,731
K-9	14,707	331	2,437	12,601
LOIT Special Distribution	169,319	639	128,379	41,579
Tif #1	852,283	491,709	593,913	750,079
Cum Cap Development	31,042	58,538	57,610	31,970
Special Projects	13,405	3,687	13,275	3,817
Cedit	302,581	342,692	300,316	344,957
Cum Cap Improvement	81,573	14,825	80,000	16,398
County EMS NR	-	216,969	232,435	(15,466)
TIF #4	1,858	-	1,000	858
Police Pension	306,618	176,865	167,572	315,911
Fire Pension	258,133	102,601	99,686	261,048
Public Safety	114,046	106,733	104,747	116,032
Child Restraint Grant	340	-	-	340
RFD NR	30,070	19,606	3,138	46,538
DARE NR	492	-	149	343
Asset Forfeiture	599	-	-	599
Debt Service	57,312	94,275	100,019	51,568
Rushville Historic Fund	1,100	425	-	1,525
RBEG Grant	26,317	10,554	-	36,871
Animal Shelter Non-Reverting Fund	85,864	20,061	95,718	10,207
TIF #2	5,467	368	-	5,835
TIF #3	1,245	560	-	1,805
Blight Elimination Program	750	44,417	45,167	-
Rail Crossing Grant	1,963	-	400	1,563
Downtown Enhancement Grant	565	-	-	565
APC/BZA Non-Reverting Fund	-	25	-	25
Rushview Drainage Grant	2	-	-	2
Cherry Street LPA Grant	42,726	176,930	203,425	16,231
Brownfield EPA Grant	-	84,743	84,743	-
HCI Grant	5,209	-	-	5,209
Rushville Arts	5,000	16,283	2,327	18,956
Pilot Non-Reverting	100,044	114	100,000	158
Stellar Contributions	96,853	126,492	75,679	147,666
Evidence Non-Reverting Fund	6,687	29,658	15,192	21,153
City BANS 2017	16	136,769	123,357	13,428
Park District BANS 2017	11	66,340	66,350	1
Redevelopment Commission BANS 2017	16	127,951	127,967	-
911 Non Reverting	-	65,969	27,549	38,420
Rushville Public Bldg Corp Sinking Fund	-	52,889	52,586	303

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

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
Debt Service Reserve Fund CC	-	127,228	-	127,228
2018 Public Bldg Corp Const Fund CC	-	3,009,770	2,982,549	27,221
Homeowner Repair Grant	-	143,820	143,820	-
Stellar Flatrock Run	-	83,857	31,203	52,654
City Center Patronicity	-	124,386	73,555	50,831
Spencer Street Culvert Grant	-	45,013	45,013	-
Stellar Morgan Street	-	111,341	47,729	63,612
Regional Stellar	-	20,003	19,999	4
Mainstreet Streetscape	-	175,943	175,943	-
Quip Grant	-	2,500	250	2,250
Cash Change	75	-	-	75
Donations	41,071	67,098	73,572	34,597
Rcva Shelter Project	2,161	-	-	2,161
Ojp Vest Grant	576	919	-	1,495
Electric Liquidation	751,647	1,306,285	1,571,082	486,850
Community Improvement Redevelopment	22,138	39	-	22,177
21St Century	17,042	53,088	4,323	65,807
Intat Storm Sewer	317	-	-	317
Idfa Ametiech	21,596	-	-	21,596
Brownfield Petro Grant Ss	19,669	-	2,681	16,988
Sanitation Nonreverting	3,663	42,943	44,905	1,701
Booker T Washington Nonreverting	21,801	9,641	18,268	13,174
Forfeiture	13,264	35,136	7,293	41,107
Fiber Optic Fund	60,351	3,012	629	62,734
Criminal Invest Fund Nr	1,885	-	-	1,885
Fire & Police Pension Trust	226,981	285	-	227,266
Payroll	59,310	3,090,880	3,090,436	59,754
Utility Payroll	5,581	469,018	469,787	4,812
Wastewater Utility Cash Drawer	63	-	-	63
Wastewater Utility Petty Cash	625	-	-	625
Debt Service Reserve BNY	484,640	57,966	-	542,606
SRF Sinking Fund BNY	555,042	635,995	610,600	580,437
2016 SRF Bond Cash Account	-	319,742	319,742	-
Bond Cash Account	-	7,745	7,745	-
Wastewater Revenue	305,889	2,120,592	2,129,381	297,100
Wastewater Depreciation	282,018	175,000	18,482	438,536
Wastewater Construction	644	6	-	650
Wastewater Sinking	34,831	52,203	51,764	35,270
Water Line Insurance	692	8,188	8,215	665
Leak Protection	2,661	35,776	35,715	2,722
Transit Operation	42	355,628	354,868	802
Water Operating	201,629	1,233,420	1,282,676	152,373
Water Debt Service Reserve	154,272	-	-	154,272
Water Depreciation	362,426	200,000	84,936	477,490
Water Meter Deposit	181,713	24,255	20,385	185,583
Water Sinking	21,679	228,884	228,173	22,390
Totals	\$ 8,060,606	\$ 23,827,599	\$ 23,631,213	\$ 8,256,992

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

CITY OF RUSHVILLE
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 any non-business 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 RUSHVILLE
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 RUSHVILLE
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 RUSHVILLE
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 RUSHVILLE
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 RUSHVILLE
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.

Note 7. Cash Balance Deficit

The financial statement contained one fund with a deficit in cash. This was the result of the new EMS NR fund of the City. The activity for the fund had just started at the end of 2018 and the EMS had a contract to pay quarterly. By the end of the year, the City had to make a payment, but the EMS had not reached their quarterly payment due date yet, so the fund temporarily had a cash balance deficit.

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Other Postemployment Benefits

The City provides medical insurance benefits to eligible retirees and their spouses. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

Note 9. Subsequent Events

The City issued revenue bonds in the amount of \$2,905,000 on July 22, 2019, to assist the economic development of a production facility, including the construction of any required roadways, utilities, and other connected infrastructure.

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

	General	Mvh	Local Roads & Street	Park & Rec Nonreverting	City Center ADA Grant	Operation Pullover Grant	EMS Non Reverting
Cash and investments - beginning	\$ 1,118,323	\$ 186,194	\$ 21,888	\$ 20,594	\$ -	\$ 56	\$ 124,943
Receipts:							
Taxes	3,862,360	135,099	-	-	-	-	-
Licenses and permits	42,328	300	-	-	-	-	-
Intergovernmental receipts	968,737	371,740	33,542	-	183,701	4,155	-
Charges for services	1,565	2,160	-	38,607	-	-	249,444
Fines and forfeits	6,761	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	802,772	5,689	47	2,340	-	20,849	469
Total receipts	5,684,523	514,988	33,589	40,947	183,701	25,004	249,913
Disbursements:							
Personal services	3,384,054	333,185	-	5,493	-	20,835	9,071
Supplies	273,060	80,867	34,000	31,557	-	-	34,682
Other services and charges	1,309,861	65,117	-	23,937	183,701	-	40,560
Debt service - principal and interest	62,768	-	-	-	-	-	72,785
Capital outlay	45,711	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	685,854	-	-	-	-	-	-
Total disbursements	5,761,308	479,169	34,000	60,987	183,701	20,835	157,098
Excess (deficiency) of receipts over disbursements	(76,785)	35,819	(411)	(20,040)	-	4,169	92,815
Cash and investments - ending	\$ 1,041,538	\$ 222,013	\$ 21,477	\$ 554	\$ -	\$ 4,225	\$ 217,758

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

	Community Crossing Grant	Abandon Vehicles	Lece	Unsafe Building	Rainy Day	K-9	LOIT Special Distribution
Cash and investments - beginning	\$ -	\$ 585	\$ 9,484	\$ 50,913	\$ 55,419	\$ 14,707	\$ 169,319
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	3,445	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	2,556	10,475	-	-	-
Fines and forfeits	-	-	17,840	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2	-	15	12,666	80,312	331	639
Total receipts	2	-	23,856	23,141	80,312	331	639
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	1,892	3,623	4,000	1,682	-
Other services and charges	-	-	22,413	41,332	-	755	128,379
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	24,305	44,955	4,000	2,437	128,379
Excess (deficiency) of receipts over disbursements	2	-	(449)	(21,814)	76,312	(2,106)	(127,740)
Cash and investments - ending	\$ 2	\$ 585	\$ 9,035	\$ 29,099	\$ 131,731	\$ 12,601	\$ 41,579

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

	Tif #1	Cum Cap Development	Special Projects	Cedit	Cum Cap Improvement	County EMS NR	TIF #4
Cash and investments - beginning	\$ 852,283	\$ 31,042	\$ 13,405	\$ 302,581	\$ 81,573	\$ -	\$ 1,858
Receipts:							
Taxes	486,651	52,787	-	335,626	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	5,506	-	-	14,823	-	-
Charges for services	-	-	800	231	-	216,849	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	5,058	245	2,887	6,835	2	120	-
Total receipts	491,709	58,538	3,687	342,692	14,825	216,969	-
Disbursements:							
Personal services	-	-	-	-	-	158,186	-
Supplies	-	5,597	7,025	-	-	56,276	-
Other services and charges	223,404	22,722	6,250	290,200	-	17,973	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	29,291	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	370,509	-	-	10,116	80,000	-	1,000
Total disbursements	593,913	57,610	13,275	300,316	80,000	232,435	1,000
Excess (deficiency) of receipts over disbursements	(102,204)	928	(9,588)	42,376	(65,175)	(15,466)	(1,000)
Cash and investments - ending	\$ 750,079	\$ 31,970	\$ 3,817	\$ 344,957	\$ 16,398	\$ (15,466)	\$ 858

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

	Police Pension	Fire Pension	Public Safety	Child Restraint Grant	RFD NR	DARE NR	Asset Forfeiture
Cash and investments - beginning	\$ 306,618	\$ 258,133	\$ 114,046	\$ 340	\$ 30,070	\$ 492	\$ 599
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	106,446	-	-	-	-
Charges for services	-	-	-	-	19,505	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	176,865	102,601	287	-	101	-	-
Total receipts	176,865	102,601	106,733	-	19,606	-	-
Disbursements:							
Personal services	167,472	99,586	-	-	-	-	-
Supplies	-	-	104,747	-	-	149	-
Other services and charges	100	100	-	-	3,138	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	167,572	99,686	104,747	-	3,138	149	-
Excess (deficiency) of receipts over disbursements	9,293	2,915	1,986	-	16,468	(149)	-
Cash and investments - ending	\$ 315,911	\$ 261,048	\$ 116,032	\$ 340	\$ 46,538	\$ 343	\$ 599

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

	Debt Service	Rushville Historic Fund	RBEG Grant	Animal Shelter Non-Reverting Fund	TIF #2	TIF #3	Blight Elimination Program
Cash and investments - beginning	\$ 57,312	\$ 1,100	\$ 26,317	\$ 85,864	\$ 5,467	\$ 1,245	\$ 750
Receipts:							
Taxes	88,117	-	-	-	368	560	-
Licenses and permits	-	425	-	-	-	-	-
Intergovernmental receipts	6,153	-	-	-	-	-	44,417
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	5	-	10,554	20,061	-	-	-
Total receipts	94,275	425	10,554	20,061	368	560	44,417
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	50	-	-	-
Other services and charges	275	-	-	18,618	-	-	45,167
Debt service - principal and interest	99,744	-	-	-	-	-	-
Capital outlay	-	-	-	77,050	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	100,019	-	-	95,718	-	-	45,167
Excess (deficiency) of receipts over disbursements	(5,744)	425	10,554	(75,657)	368	560	(750)
Cash and investments - ending	\$ 51,568	\$ 1,525	\$ 36,871	\$ 10,207	\$ 5,835	\$ 1,805	\$ -

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

	Rail Crossing Grant	Downtown Enhancement Grant	APC/BZA Non-Reverting Fund	Rushview Drainage Grant	Cherry Street LPA Grant	Brownfield EPA Grant	HCI Grant
Cash and investments - beginning	\$ 1,963	\$ 565	\$ -	\$ 2	\$ 42,726	\$ -	\$ 5,209
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	25	-	-	-	-
Intergovernmental receipts	-	-	-	-	176,892	69,763	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	38	14,980	-
Total receipts	-	-	25	-	176,930	84,743	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	400	-	-	-	203,425	84,743	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	400	-	-	-	203,425	84,743	-
Excess (deficiency) of receipts over disbursements	(400)	-	25	-	(26,495)	-	-
Cash and investments - ending	\$ 1,563	\$ 565	\$ 25	\$ 2	\$ 16,231	\$ -	\$ 5,209

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

	Rushville Arts	Pilot Non-Reverting	Stellar Contributions	Evidence Non-Reverting Fund	City BANS 2017	Park District BANS 2017	Redevelopment Commission BANS 2017
Cash and investments - beginning	\$ 5,000	\$ 100,044	\$ 96,853	\$ 6,687	\$ 16	\$ 11	\$ 16
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	41,210	-	-	-	-
Fines and forfeits	-	-	-	29,609	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	16,283	114	85,282	49	136,769	66,340	127,951
Total receipts	16,283	114	126,492	29,658	136,769	66,340	127,951
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	1,864	-	-	-	-	-	-
Other services and charges	463	100,000	1,011	-	123,357	66,350	127,967
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	74,668	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	15,192	-	-	-
Total disbursements	2,327	100,000	75,679	15,192	123,357	66,350	127,967
Excess (deficiency) of receipts over disbursements	13,956	(99,886)	50,813	14,466	13,412	(10)	(16)
Cash and investments - ending	\$ 18,956	\$ 158	\$ 147,666	\$ 21,153	\$ 13,428	\$ 1	\$ -

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

	911 Non Reverting	Rushville Public Bldg Corp Sinking Fund	Debt Service Reserve Fund CC	2018 Public Bldg Corp Const Fund CC	Homeowner Repair Grant	Stellar Flatrock Run	City Center Patronicity
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	143,820	83,847	58,333
Charges for services	65,868	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	101	52,889	127,228	3,009,770	-	10	66,053
Total receipts	65,969	52,889	127,228	3,009,770	143,820	83,857	124,386
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	27,549	-	-	-	-	-	-
Other services and charges	-	-	-	2,982,549	143,820	-	73,555
Debt service - principal and interest	-	52,586	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	31,203	-
Total disbursements	27,549	52,586	-	2,982,549	143,820	31,203	73,555
Excess (deficiency) of receipts over disbursements	38,420	303	127,228	27,221	-	52,654	50,831
Cash and investments - ending	\$ 38,420	\$ 303	\$ 127,228	\$ 27,221	\$ -	\$ 52,654	\$ 50,831

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

	Spencer Street Culvert Grant	Stellar Morgan Street	Regional Stellar	Mainstreet Streetscape	Quip Grant	Cash Change	Donations
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ 41,071
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	45,000	111,326	20,000	175,943	2,500	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	13	15	3	-	-	-	67,098
Total receipts	45,013	111,341	20,003	175,943	2,500	-	67,098
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	45,013	-	19,999	175,943	250	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	47,729	-	-	-	-	73,572
Total disbursements	45,013	47,729	19,999	175,943	250	-	73,572
Excess (deficiency) of receipts over disbursements	-	63,612	4	-	2,250	-	(6,474)
Cash and investments - ending	\$ -	\$ 63,612	\$ 4	\$ -	\$ 2,250	\$ 75	\$ 34,597

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

	Rcva Shelter Project	Ojp Vest Grant	Electric Liquidation	Community Improvement Redevelopment	21St Century	Intat Storm Sewer	Idfa Ametiech
Cash and investments - beginning	\$ 2,161	\$ 576	\$ 751,647	\$ 22,138	\$ 17,042	\$ 317	\$ 21,596
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	919	-	-	-	-	-
Charges for services	-	-	-	-	3,000	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	1,306,285	39	50,088	-	-
Total receipts	-	919	1,306,285	39	53,088	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	971,082	-	4,115	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	600,000	-	208	-	-
Total disbursements	-	-	1,571,082	-	4,323	-	-
Excess (deficiency) of receipts over disbursements	-	919	(264,797)	39	48,765	-	-
Cash and investments - ending	\$ 2,161	\$ 1,495	\$ 486,850	\$ 22,177	\$ 65,807	\$ 317	\$ 21,596

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

	Brownfield Petro Grant Ss	Sanitation Nonreverting	Booker T Washington Nonreverting	Forfeiture	Fiber Optic Fund	Criminal Invest Fund Nr	Fire & Police Pension Trust
Cash and investments - beginning	\$ 19,669	\$ 3,663	\$ 21,801	\$ 13,264	\$ 60,351	\$ 1,885	\$ 226,981
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	250	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	42,537	9,600	-	3,000	-	-
Fines and forfeits	-	-	-	35,053	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	156	41	83	12	-	285
Total receipts	-	42,943	9,641	35,136	3,012	-	285
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	14,276	2,880	3,648	-	-	-
Other services and charges	2,681	-	14,888	3,645	421	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	30,629	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	500	-	208	-	-
Total disbursements	2,681	44,905	18,268	7,293	629	-	-
Excess (deficiency) of receipts over disbursements	(2,681)	(1,962)	(8,627)	27,843	2,383	-	285
Cash and investments - ending	\$ 16,988	\$ 1,701	\$ 13,174	\$ 41,107	\$ 62,734	\$ 1,885	\$ 227,266

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

	Payroll	Utility Payroll	Wastewater Utility Cash Drawer	Wastewater Utility Petty Cash	Debt Service Reserve BNY	SRF Sinking Fund BNY	2016 SRF Bond Cash Account
Cash and investments - beginning	\$ 59,310	\$ 5,581	\$ 63	\$ 625	\$ 484,640	\$ 555,042	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	3,090,880	469,018	-	-	57,966	635,995	319,742
Total receipts	3,090,880	469,018	-	-	57,966	635,995	319,742
Disbursements:							
Personal services	3,090,436	469,787	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	610,600	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	319,742
Other disbursements	-	-	-	-	-	-	-
Total disbursements	3,090,436	469,787	-	-	-	610,600	319,742
Excess (deficiency) of receipts over disbursements	444	(769)	-	-	57,966	25,395	-
Cash and investments - ending	\$ 59,754	\$ 4,812	\$ 63	\$ 625	\$ 542,606	\$ 580,437	\$ -

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

	Bond Cash Account	Wastewater Revenue	Wastewater Depreciation	Wastewater Construction	Wastewater Sinking	Water Line Insurance	Leak Protection
Cash and investments - beginning	\$ -	\$ 305,889	\$ 282,018	\$ 644	\$ 34,831	\$ 692	\$ 2,661
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	2,118,906	-	-	-	8,188	35,776
Other receipts	7,745	1,686	175,000	6	52,203	-	-
Total receipts	7,745	2,120,592	175,000	6	52,203	8,188	35,776
Disbursements:							
Personal services	-	297,945	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	21,518	-	-	-	8,215	35,715
Debt service - principal and interest	-	-	-	-	51,764	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	7,745	637,413	18,482	-	-	-	-
Other disbursements	-	1,172,505	-	-	-	-	-
Total disbursements	7,745	2,129,381	18,482	-	51,764	8,215	35,715
Excess (deficiency) of receipts over disbursements	-	(8,789)	156,518	6	439	(27)	61
Cash and investments - ending	\$ -	\$ 297,100	\$ 438,536	\$ 650	\$ 35,270	\$ 665	\$ 2,722

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

	Transit Operation	Water Operating	Water Debt Service Reserve	Water Depreciation	Water Meter Deposit	Water Sinking	Totals
Cash and investments - beginning	\$ 42	\$ 201,629	\$ 154,272	\$ 362,426	\$ 181,713	\$ 21,679	\$ 8,060,606
Receipts:							
Taxes	-	-	-	-	-	-	4,961,568
Licenses and permits	-	-	-	-	-	-	46,773
Intergovernmental receipts	-	-	-	-	-	-	2,627,563
Charges for services	-	-	-	-	-	-	707,407
Fines and forfeits	-	-	-	-	-	-	89,263
Utility fees	355,628	1,226,161	-	-	24,255	-	3,768,914
Other receipts	-	7,259	-	200,000	-	228,884	11,626,111
Total receipts	355,628	1,233,420	-	200,000	24,255	228,884	23,827,599
Disbursements:							
Personal services	-	201,436	-	-	-	-	8,237,486
Supplies	-	-	-	-	-	-	689,424
Other services and charges	-	13,630	-	-	-	-	7,668,757
Debt service - principal and interest	-	-	-	-	-	228,173	1,178,420
Capital outlay	-	-	-	-	-	-	257,349
Utility operating expenses	-	449,932	-	84,936	20,385	-	1,538,635
Other disbursements	354,868	617,678	-	-	-	-	4,061,142
Total disbursements	354,868	1,282,676	-	84,936	20,385	228,173	23,631,213
Excess (deficiency) of receipts over disbursements	760	(49,256)	-	115,064	3,870	711	196,386
Cash and investments - ending	\$ 802	\$ 152,373	\$ 154,272	\$ 477,490	\$ 185,583	\$ 22,390	\$ 8,256,992

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Wastewater	\$ 10,642	\$ 210,934
Water	10,095	104,571
Governmental activities	<u>57,727</u>	<u>-</u>
Totals	<u>\$ 78,464</u>	<u>\$ 315,505</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Citizens State BANK	Purchase Police Body Cameras	\$ 22,067	12/8/2018	12/8/2020
Citizens State Bank	Purchase Skid Loader	18,153	8/28/2018	8/28/2019
De Lage Lalnden Public Finance LLC	Purchase 2018 Freightliner Trash Truck	25,702	1/4/2018	1/4/2023
Flex Financial Stryker Sales Corp	Purchase Stryker Cot	6,605	11/27/2018	12/27/2021
Republic First National Corp	Purchase ambulance	<u>30,578</u>	5/1/2019	5/1/2021
Total governmental activities		<u>103,105</u>		
Total of annual lease payments		<u>\$ 103,105</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Purchase Equipment	\$ 235,000	\$ 97,099
General obligation bonds	City Center Construction and Remodel	3,175,000	183,500
Notes and loans payable	Electric Liquidation Loan to NIP	508,647	15,259
Notes and loans payable	City BANS for Stellar Projects	715,000	15,850
Notes and loans payable	Park BANS for Stellar Projects	1,080,000	14,225
Notes and loans payable	Redevelopment Commission BANS for Stellar Projects	<u>1,080,000</u>	<u>11,750</u>
Total governmental activities		<u>6,793,647</u>	<u>337,683</u>
Wastewater:			
Revenue bonds	Repairs & Construction	819,376	51,826
Revenue bonds	Repairs & Construction	4,790,991	353,250
Revenue bonds	Improvements and Additions	<u>4,318,555</u>	<u>273,554</u>
Total Wastewater		<u>9,928,922</u>	<u>678,630</u>
Water:			
Revenue bonds	Construction of Water Tower	90,000	90,000
Revenue bonds	Construction/Annexation	<u>649,856</u>	<u>42,730</u>
Total Water		<u>739,856</u>	<u>132,730</u>
Totals		<u>\$ 17,462,425</u>	<u>\$ 1,149,043</u>

CITY OF RUSHVILLE
 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	\$ 6,720,291
Infrastructure	16,543,616
Buildings	9,051,775
Improvements other than buildings	1,938,570
Machinery, equipment, and vehicles	<u>7,914,294</u>
Total governmental activities	<u>42,168,546</u>
Wastewater:	
Land	173,600
Infrastructure	783,575
Buildings	9,993,378
Improvements other than buildings	3,960,620
Machinery, equipment, and vehicles	717,470
Construction in progress	<u>172,942</u>
Total Wastewater	<u>15,801,585</u>
Water:	
Land	3,805,754
Infrastructure	2,497,446
Buildings	3,809,580
Improvements other than buildings	132,695
Machinery, equipment, and vehicles	666,470
Construction in progress	<u>175,542</u>
Total Water	<u>11,087,487</u>
Total capital assets	<u>\$ 69,057,618</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE CITY OF RUSHVILLE, RUSH COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the City of Rushville's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018. The City's major federal programs are 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 each of the City's major federal programs 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 each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each 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 each of its major federal programs for the year ended December 31, 2018.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each 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

August 8, 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 RUSHVILLE
 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 Homeowner Repair Grant	Indiana Housing and Community Development Authority	14.228	DR2OR-017-002	\$ -	\$ 143,820
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Main Street Stellar Streetscape City Center ADA Grant	Indiana Office of Community and Rural Affairs	14.228	ST-15-100 PF-14-108	-	175,943 183,701
Total - Department of Housing and Urban Development				-	503,464
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Cherry Street LPA Grant Stellar Flatrock Run Trail Stellar Morgan St Corridor	Indiana Department of Transportation	20.205	1600961 1601919 1601921	-	176,892 83,847 111,326
Total - Highway Planning and Construction				-	372,065
Total - Highway Planning and Construction Cluster				-	372,065
Highway Safety Cluster State and Community Highway Safety Operation Pullover	Indiana Criminal Justice Institute	20.600	D3-18-11925	-	16,680
Total - Highway Safety Cluster				-	16,680
Total - Department of Transportation				-	388,745
<u>Environmental Protection Agency</u>					
Brownfield Assessment and Cleanup Cooperative Agreements Brownfield EPA Grant	Direct Grant	66.818	00E01535	-	84,743
Total - Environmental Protection Agency				-	84,743
Total federal awards expended				\$ -	\$ 976,952

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

CITY OF RUSHVILLE
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 RUSHVILLE
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 programs:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
14.228	Highway Planning and Construction Cluster	Unmodified
	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

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/>.