

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

FINANCIAL STATEMENT AUDIT REPORT

OF

TOWN OF ROYAL CENTER

CASS COUNTY, INDIANA

January 1, 2017 to December 31, 2017



FILED
05/21/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sandra S. Minnick Leah Campbell Katie Pearson	01-01-17 to 10-23-18 10-24-18 to 03-31-19 04-01-19 to 12-31-20
President of the Town Council	Marion Campbell Berthold Stover	01-01-17 to 12-31-19 01-01-20 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ROYAL CENTER, CASS COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Town of Royal Center (Town), which comprises the financial position and results of operations for the year ended December 31, 2017, 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 the 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 Town's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the year ended December 31, 2017.


Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the year ended December 31, 2017, 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 Town's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, 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.


Paul D. Joyce, CPA
State Examiner

May 19, 2020

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

TOWN OF ROYAL CENTER
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
General	\$ 229,118	\$ 219,004	\$ 196,798	\$ 251,324
Law Enforcement Continuing Ed	2,840	390	-	3,230
Rainy Day Restricted- Local Road & Streets	2,517	-	2,517	-
Cumulative Capital Development	82,074	5,386	-	87,460
Cumulative Capital Improvement	81,136	2,118	-	83,254
CEDIT Capital Projects	103,297	16,415	44,719	74,993
LOIT Public Safety	64,788	17,586	-	82,374
Local Road & Bridge Matching Grant Fund	-	82,922	82,922	-
Riverboat Fund	59,821	5,101	-	64,922
Rainy Day Fund	46,325	-	-	46,325
Fire Fund	108,190	41,740	44,359	105,571
Local Roads And Streets	2,502	7,192	-	9,694
MVH Fund	73,068	92,752	59,078	106,742
Payroll Fund	15,351	199,880	199,875	15,356
Chets Park Fund	8,002	1,765	-	9,767
Chets Building Fund	18,722	2,353	-	21,075
Wastewater Utility- Debt Reserve	-	70,784	-	70,784
Wastewater Utility- SRF Bond & Interest	-	113,572	70,193	43,379
Wastewater Utility- Construction Fund	-	237,000	237,000	-
Wastewater Utility-Operating	86,814	254,097	229,886	111,025
Water Utility-Operating	145,078	200,529	214,210	131,397
Water Utility-Bond And Interest	-	89,905	89,905	-
Water Utility-Customer Deposit	5,145	835	595	5,385
Water Utility-Construction	57,625	-	-	57,625
Water Utility-Other #1	89,125	-	-	89,125
Totals	<u>\$ 1,281,538</u>	<u>\$ 1,661,326</u>	<u>\$ 1,472,057</u>	<u>\$ 1,470,807</u>

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

TOWN OF ROYAL CENTER
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

TOWN OF ROYAL CENTER
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.

Penalties. Amounts received from late payment fees.

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

E. Disbursements

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

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

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

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

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

TOWN OF ROYAL CENTER
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the Town is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

TOWN OF ROYAL CENTER
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

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

The Public Employees' Hybrid 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.

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

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

TOWN OF ROYAL CENTER
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.

Note 7. Subsequent Events

On October 31, 2018, the Town signed a grant agreement with the United States Department of Agriculture. The grant is for a sum not to exceed \$2,658,000. The proceeds will be used towards the Wastewater Phase II Project, which has an estimated cost of \$4,550,000. The project began in 2018 with an anticipated completion date in 2019.

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OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Law Enforcement Continuing Ed	Rainy Day Restricted- Local Road & Streets	Cumulative Capital Development
Cash and investments - beginning	\$ 229,118	\$ 2,840	\$ 2,517	\$ 82,074
Receipts:				
Taxes	188,613	-	-	4,739
Licenses and permits	-	390	-	-
Intergovernmental receipts	21,280	-	-	647
Charges for services	6,457	-	-	-
Fines and forfeits	1	-	-	-
Utility fees	-	-	-	-
Penalties	-	-	-	-
Other receipts	2,653	-	-	-
Total receipts	<u>219,004</u>	<u>390</u>	<u>-</u>	<u>5,386</u>
Disbursements:				
Personal services	97,846	-	-	-
Supplies	15,790	-	-	-
Other services and charges	79,180	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	3,982	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	-	2,517	-
Total disbursements	<u>196,798</u>	<u>-</u>	<u>2,517</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>22,206</u>	<u>390</u>	<u>(2,517)</u>	<u>5,386</u>
Cash and investments - ending	<u>\$ 251,324</u>	<u>\$ 3,230</u>	<u>\$ -</u>	<u>\$ 87,460</u>

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

	Cumulative Capital Improvement	CEDIT Capital Projects	LOIT Public Safety	Local Road & Bridge Matching Grant Fund
Cash and investments - beginning	\$ 81,136	\$ 103,297	\$ 64,788	\$ -
Receipts:				
Taxes	-	16,406	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	2,094	-	17,586	-
Charges for services	-	-	-	-
Fines and forfeits	24	-	-	-
Utility fees	-	-	-	-
Penalties	-	-	-	-
Other receipts	-	9	-	82,922
Total receipts	<u>2,118</u>	<u>16,415</u>	<u>17,586</u>	<u>82,922</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	44,719	-	82,922
Utility operating expenses	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>-</u>	<u>44,719</u>	<u>-</u>	<u>82,922</u>
Excess (deficiency) of receipts over disbursements	<u>2,118</u>	<u>(28,304)</u>	<u>17,586</u>	<u>-</u>
Cash and investments - ending	<u>\$ 83,254</u>	<u>\$ 74,993</u>	<u>\$ 82,374</u>	<u>\$ -</u>

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

	Riverboat Fund	Rainy Day Fund	Fire Fund	Local Roads And Streets
Cash and investments - beginning	\$ 59,821	\$ 46,325	\$ 108,190	\$ 2,502
Receipts:				
Taxes	-	-	8,763	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	5,101	-	1,196	4,675
Charges for services	-	-	31,500	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Penalties	-	-	-	-
Other receipts	-	-	281	2,517
Total receipts	<u>5,101</u>	<u>-</u>	<u>41,740</u>	<u>7,192</u>
Disbursements:				
Personal services	-	-	18,000	-
Supplies	-	-	18,067	-
Other services and charges	-	-	8,292	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>44,359</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>5,101</u>	<u>-</u>	<u>(2,619)</u>	<u>7,192</u>
Cash and investments - ending	<u>\$ 64,922</u>	<u>\$ 46,325</u>	<u>\$ 105,571</u>	<u>\$ 9,694</u>

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

	MVH Fund	Payroll Fund	Chets Park Fund	Chets Building Fund
Cash and investments - beginning	\$ 73,068	\$ 15,351	\$ 8,002	\$ 18,722
Receipts:				
Taxes	43,846	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	47,898	-	-	-
Charges for services	720	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Penalties	-	-	-	-
Other receipts	288	199,880	1,765	2,353
Total receipts	<u>92,752</u>	<u>199,880</u>	<u>1,765</u>	<u>2,353</u>
Disbursements:				
Personal services	31,147	-	-	-
Supplies	16,444	-	-	-
Other services and charges	11,487	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	199,875	-	-
Total disbursements	<u>59,078</u>	<u>199,875</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>33,674</u>	<u>5</u>	<u>1,765</u>	<u>2,353</u>
Cash and investments - ending	<u>\$ 106,742</u>	<u>\$ 15,356</u>	<u>\$ 9,767</u>	<u>\$ 21,075</u>

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

	Wastewater Utility- Debt Reserve	Wastewater Utility- SRF Bond & Interest	Wastewater Utility- Construction Fund	Wastewater Utility-Operating
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 86,814
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	181,644
Penalties	-	-	-	4,182
Other receipts	70,784	113,572	237,000	68,271
Total receipts	70,784	113,572	237,000	254,097
Disbursements:				
Personal services	-	-	-	34,513
Supplies	-	-	-	-
Other services and charges	-	-	-	11,926
Debt service - principal and interest	-	70,193	-	-
Capital outlay	-	-	-	-
Utility operating expenses	-	-	168,956	102,585
Other disbursements	-	-	68,044	80,862
Total disbursements	-	70,193	237,000	229,886
Excess (deficiency) of receipts over disbursements	70,784	43,379	-	24,211
Cash and investments - ending	\$ 70,784	\$ 43,379	\$ -	\$ 111,025

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

	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility-Customer Deposit
Cash and investments - beginning	\$ 145,078	\$ -	\$ 5,145
Receipts:			
Taxes	-	-	-
Licenses and permits	-	-	-
Intergovernmental receipts	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	-
Utility fees	167,185	-	835
Penalties	3,925	-	-
Other receipts	29,419	89,905	-
Total receipts	<u>200,529</u>	<u>89,905</u>	<u>835</u>
Disbursements:			
Personal services	37,154	-	-
Supplies	-	-	-
Other services and charges	11,777	-	-
Debt service - principal and interest	-	89,905	-
Capital outlay	-	-	-
Utility operating expenses	62,468	-	-
Other disbursements	102,811	-	595
Total disbursements	<u>214,210</u>	<u>89,905</u>	<u>595</u>
Excess (deficiency) of receipts over disbursements	<u>(13,681)</u>	<u>-</u>	<u>240</u>
Cash and investments - ending	<u>\$ 131,397</u>	<u>\$ -</u>	<u>\$ 5,385</u>

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

	Water Utility-Construction	Water Utility-Other #1	Totals
Cash and investments - beginning	\$ 57,625	\$ 89,125	\$ 1,281,538
Receipts:			
Taxes	-	-	262,367
Licenses and permits	-	-	390
Intergovernmental receipts	-	-	100,477
Charges for services	-	-	38,677
Fines and forfeits	-	-	25
Utility fees	-	-	349,664
Penalties	-	-	8,107
Other receipts	-	-	901,619
Total receipts	-	-	1,661,326
Disbursements:			
Personal services	-	-	218,660
Supplies	-	-	50,301
Other services and charges	-	-	122,662
Debt service - principal and interest	-	-	160,098
Capital outlay	-	-	131,623
Utility operating expenses	-	-	334,009
Other disbursements	-	-	454,704
Total disbursements	-	-	1,472,057
Excess (deficiency) of receipts over disbursements	-	-	189,269
Cash and investments - ending	\$ 57,625	\$ 89,125	\$ 1,470,807

TOWN OF ROYAL CENTER
 SCHEDULE OF LEASES AND DEBT
 December 31, 2017

Description of Debt		Ending	Principal and
Type	Purpose	Principal	Interest Due
		Balance	Within One
			Year
Wastewater:			
Revenue bonds	2012 Sewage Bond	\$ 612,000	\$ 67,960
Water:			
Revenue bonds	2002 Water Bond	412,914	5,987
Totals		\$ 1,024,914	\$ 73,947

TOWN OF ROYAL CENTER
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2017

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	\$ 36,000
Buildings	689,000
Improvements other than buildings	5,724
Machinery, equipment, and vehicles	<u>1,224,632</u>
Total governmental activities	<u>1,955,356</u>
Wastewater:	
Land	58,000
Buildings	789,982
Machinery, equipment, and vehicles	<u>1,945,570</u>
Total Wastewater	<u>2,793,552</u>
Water:	
Land	2,000
Buildings	529,333
Machinery, equipment, and vehicles	<u>154,489</u>
Total Water	<u>685,822</u>
Total capital assets	<u>\$ 5,434,730</u>

OTHER REPORTS

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