

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

FINANCIAL STATEMENTS AUDIT REPORT  
OF  
TOWN OF PARAGON  
MORGAN COUNTY, INDIANA  
January 1, 2017 to December 31, 2019



**FILED**  
05/26/2020



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Debbie Ellis Angelia Roberts	01-01-17 to 12-31-18 01-01-19 to 12-31-22
President of the Town Council	James Martin Evelyn Zoller	01-01-17 to 07-31-19 08-01-19 to 12-31-20



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF PARAGON, MORGAN COUNTY, INDIANA

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Town of Paragon (Town), which comprise the financial position and results of operations for the period of January 1, 2017 to December 31, 2019, and the related notes to the financial statements as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements 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 statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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 statements, the Town prepares its financial statements 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 statements 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 statements referred to above do 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 period of January 1, 2017 to December 31, 2019.


***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2017 to December 31, 2019, 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 statements. The Combining Schedules 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 statements. They have not been subjected to the auditing procedures applied by us in the audit of the financial statements and, accordingly, we express no opinion on them.

  
Paul D. Joyce, CPA  
State Examiner

May 20, 2020

FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

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

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17	Receipts	Disbursements	Cash and Investments 12-31-18
General	\$ 45,133	\$ 206,572	\$ 175,471	\$ 76,234	\$ 179,130	\$ 185,671	\$ 69,693
MVH	65,830	42,084	45,066	62,848	47,706	62,914	47,640
LR&S	6,160	8,005	5,780	8,385	10,964	11,289	8,060
Rainy Day	15,947	-	15,947	-	-	-	-
LOIT Special Distribution	13,605	-	13,605	-	-	-	-
CCI	10,795	1,603	10,795	1,603	1,540	-	3,143
EDIT Tax	78,557	54,398	31,026	101,929	30,573	44,409	88,093
Payroll	5,324	157,496	157,410	5,410	161,244	161,133	5,521
LETF	1,519	132	-	1,651	392	-	2,043
Crime-Public Safety	16,714	15,225	4,334	27,605	13,942	34,170	7,377
Storm Water Bond & Interest	18,605	21,000	25,743	13,862	25,200	25,445	13,617
Storm Water	16,295	39,455	40,866	14,884	39,509	38,523	15,870
Sewer Depreciation	53,741	12,000	-	65,741	12,000	-	77,741
Sewer SRF Trustee Sinking & DSR	95,677	50,504	49,400	96,781	51,369	49,590	98,560
Sewer Operating	58,976	197,613	194,436	62,153	200,407	193,503	69,057
Sewer Bond & Interest	11,483	38,527	50,004	6	50,280	50,184	102
Water Utility Construction	16,551	6,000	-	22,551	6,000	19,570	8,981
Water Utility Depreciation	20,753	6,000	17,200	9,553	6,000	-	15,553
Water Operating	32,287	108,793	103,335	37,745	93,929	92,564	39,110
Water Meter Deposit	7,602	4,200	3,800	8,002	3,018	2,900	8,120
Totals	<u>\$ 591,554</u>	<u>\$ 969,607</u>	<u>\$ 944,218</u>	<u>\$ 616,943</u>	<u>\$ 933,203</u>	<u>\$ 971,865</u>	<u>\$ 578,281</u>

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

TOWN OF PARAGON  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2019

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19
General	\$ 69,693	\$ 197,015	\$ 183,756	\$ 82,952
MVH	47,640	22,734	47,311	23,063
LR&S	8,060	11,221	2,381	16,900
MVH RESTRICTED	-	46,554	18,813	27,741
CCI	3,143	1,506	-	4,649
EDIT Tax	88,093	33,881	9,442	112,532
Payroll	5,521	157,503	157,324	5,700
LETF	2,043	200	-	2,243
Crime-Public Safety	7,377	21,361	10,993	17,745
Storm Water Bond & Interest	13,617	25,200	26,148	12,669
Storm Water	15,870	37,656	33,916	19,610
Sewer Depreciation	77,741	12,000	-	89,741
Sewer SRF Trustee Sinking & DSR	98,560	55,556	53,430	100,686
Sewer Operating	69,057	191,567	211,456	49,168
Sewer Bond & Interest	102	51,480	50,352	1,230
Water Utility Construction	8,981	6,000	-	14,981
Water Utility Depreciation	15,553	6,000	-	21,553
Water Operating	39,110	93,315	90,826	41,599
Water Meter Deposit	8,120	1,600	1,900	7,820
Totals	<u>\$ 578,281</u>	<u>\$ 972,349</u>	<u>\$ 898,048</u>	<u>\$ 652,582</u>

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

TOWN OF PARAGON  
NOTES TO FINANCIAL STATEMENTS

**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 statements present the financial information for the Town.

**B. Basis of Accounting**

The financial statements are 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 statements. 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 PARAGON  
NOTES TO FINANCIAL STATEMENTS  
(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.

*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 statements. The aggregate disbursements include the following uses:

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

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

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

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

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

TOWN OF PARAGON  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*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 PARAGON  
NOTES TO FINANCIAL STATEMENTS  
(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 statements. 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 PARAGON  
NOTES TO FINANCIAL STATEMENTS  
(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.

#### OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	MVH	LR&S	Rainy Day	LOIT Special Distribution	CCI	EDIT Tax
Cash and investments - beginning	\$ 45,133	\$ 65,830	\$ 6,160	\$ 15,947	\$ 13,605	\$ 10,795	\$ 78,557
Receipts:							
Taxes	123,268	-	-	-	-	-	29,848
Licenses and permits	171	-	-	-	-	-	-
Intergovernmental receipts	14,945	42,084	8,005	-	-	1,603	-
Charges for services	2,002	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	66,186	-	-	-	-	-	24,550
Total receipts	206,572	42,084	8,005	-	-	1,603	54,398
Disbursements:							
Personal services	126,582	15,364	-	-	-	-	-
Supplies	11,305	-	-	-	-	-	2,745
Other services and charges	37,584	19,702	5,780	-	13,605	-	5,251
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	23,030
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	10,000	-	15,947	-	10,795	-
Total disbursements	175,471	45,066	5,780	15,947	13,605	10,795	31,026
Excess (deficiency) of receipts over disbursements	31,101	(2,982)	2,225	(15,947)	(13,605)	(9,192)	23,372
Cash and investments - ending	\$ 76,234	\$ 62,848	\$ 8,385	\$ -	\$ -	\$ 1,603	\$ 101,929

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

	Payroll	LETF	Crime-Public Safety	Storm Water Bond & Interest	Storm Water	Sewer Depreciation	Sewer SRF Trustee Sinking & DSR
Cash and investments - beginning	\$ 5,324	\$ 1,519	\$ 16,714	\$ 18,605	\$ 16,295	\$ 53,741	\$ 95,677
Receipts:							
Taxes	-	-	15,225	-	-	-	-
Licenses and permits	-	60	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	72	-	-	-	-	-
Utility fees	-	-	-	-	36,430	-	-
Penalties	-	-	-	-	2,990	-	-
Other receipts	157,496	-	-	21,000	35	12,000	50,504
Total receipts	157,496	132	15,225	21,000	39,455	12,000	50,504
Disbursements:							
Personal services	157,410	-	-	-	6,861	-	-
Supplies	-	-	3,061	-	-	-	-
Other services and charges	-	-	1,273	-	35	-	-
Debt service - principal and interest	-	-	-	25,743	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	2,970	-	-
Other disbursements	-	-	-	-	31,000	-	49,400
Total disbursements	157,410	-	4,334	25,743	40,866	-	49,400
Excess (deficiency) of receipts over disbursements	86	132	10,891	(4,743)	(1,411)	12,000	1,104
Cash and investments - ending	\$ 5,410	\$ 1,651	\$ 27,605	\$ 13,862	\$ 14,884	\$ 65,741	\$ 96,781

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

	Sewer Operating	Sewer Bond & Interest	Water Utility Construction	Water Utility Depreciation	Water Operating	Water Meter Deposit	Totals
Cash and investments - beginning	\$ 58,976	\$ 11,483	\$ 16,551	\$ 20,753	\$ 32,287	\$ 7,602	\$ 591,554
Receipts:							
Taxes	-	-	-	-	-	-	168,341
Licenses and permits	-	-	-	-	-	-	231
Intergovernmental receipts	-	-	-	-	-	-	66,637
Charges for services	-	-	-	-	-	-	2,074
Utility fees	191,717	-	-	-	82,384	4,200	314,731
Penalties	5,678	-	-	-	3,229	-	11,897
Other receipts	218	38,527	6,000	6,000	23,180	-	405,696
<b>Total receipts</b>	<b>197,613</b>	<b>38,527</b>	<b>6,000</b>	<b>6,000</b>	<b>108,793</b>	<b>4,200</b>	<b>969,607</b>
Disbursements:							
Personal services	28,103	-	-	-	28,170	-	362,490
Supplies	-	-	-	-	-	-	17,111
Other services and charges	5,630	-	-	-	3,793	-	92,653
Debt service - principal and interest	-	50,004	-	-	-	-	75,747
Capital outlay	3,750	-	-	-	3,750	-	30,530
Utility operating expenses	72,950	-	-	-	22,320	-	98,240
Other disbursements	84,003	-	-	17,200	45,302	3,800	267,447
<b>Total disbursements</b>	<b>194,436</b>	<b>50,004</b>	<b>-</b>	<b>17,200</b>	<b>103,335</b>	<b>3,800</b>	<b>944,218</b>
Excess (deficiency) of receipts over disbursements	3,177	(11,477)	6,000	(11,200)	5,458	400	25,389
Cash and investments - ending	<u>\$ 62,153</u>	<u>\$ 6</u>	<u>\$ 22,551</u>	<u>\$ 9,553</u>	<u>\$ 37,745</u>	<u>\$ 8,002</u>	<u>\$ 616,943</u>

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

	General	MVH	LR&S	Rainy Day	LOIT Special Distribution	CCI	EDIT Tax
Cash and investments - beginning	\$ 76,234	\$ 62,848	\$ 8,385	\$ -	\$ -	\$ 1,603	\$ 101,929
Receipts:							
Taxes	122,211	-	-	-	-	-	30,573
Licenses and permits	60	-	-	-	-	-	-
Intergovernmental receipts	15,130	47,706	10,964	-	-	1,540	-
Charges for services	2,056	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	39,673	-	-	-	-	-	-
Total receipts	<u>179,130</u>	<u>47,706</u>	<u>10,964</u>	<u>-</u>	<u>-</u>	<u>1,540</u>	<u>30,573</u>
Disbursements:							
Personal services	133,323	16,475	-	-	-	-	-
Supplies	13,046	-	-	-	-	-	-
Other services and charges	39,252	46,439	11,289	-	-	-	40,001
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	50	-	-	-	-	-	4,408
Total disbursements	<u>185,671</u>	<u>62,914</u>	<u>11,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,409</u>
Excess (deficiency) of receipts over disbursements	<u>(6,541)</u>	<u>(15,208)</u>	<u>(325)</u>	<u>-</u>	<u>-</u>	<u>1,540</u>	<u>(13,836)</u>
Cash and investments - ending	<u>\$ 69,693</u>	<u>\$ 47,640</u>	<u>\$ 8,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,143</u>	<u>\$ 88,093</u>

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

	Payroll	LETF	Crime-Public Safety	Storm Water Bond & Interest	Storm Water	Sewer Depreciation	Sewer SRF Trustee Sinking & DSR
Cash and investments - beginning	\$ 5,410	\$ 1,651	\$ 27,605	\$ 13,862	\$ 14,884	\$ 65,741	\$ 96,781
Receipts:							
Taxes	-	-	13,942	-	-	-	-
Licenses and permits	-	360	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	32	-	-	-	-	-
Utility fees	-	-	-	-	36,541	-	-
Penalties	-	-	-	-	2,920	-	-
Other receipts	161,244	-	-	25,200	48	12,000	51,369
Total receipts	161,244	392	13,942	25,200	39,509	12,000	51,369
Disbursements:							
Personal services	161,133	-	-	-	8,192	-	-
Supplies	-	-	4,060	-	-	-	-
Other services and charges	-	-	1,243	-	-	-	-
Debt service - principal and interest	-	-	-	25,445	-	-	-
Capital outlay	-	-	28,867	-	-	-	-
Utility operating expenses	-	-	-	-	2,937	-	-
Other disbursements	-	-	-	-	27,394	-	49,590
Total disbursements	161,133	-	34,170	25,445	38,523	-	49,590
Excess (deficiency) of receipts over disbursements	111	392	(20,228)	(245)	986	12,000	1,779
Cash and investments - ending	\$ 5,521	\$ 2,043	\$ 7,377	\$ 13,617	\$ 15,870	\$ 77,741	\$ 98,560

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

	Sewer Operating	Sewer Bond & Interest	Water Utility Construction	Water Utility Depreciation	Water Operating	Water Meter Deposit	Totals
Cash and investments - beginning	\$ 62,153	\$ 6	\$ 22,551	\$ 9,553	\$ 37,745	\$ 8,002	\$ 616,943
Receipts:							
Taxes	-	-	-	-	-	-	166,726
Licenses and permits	-	-	-	-	-	-	420
Intergovernmental receipts	-	-	-	-	-	-	75,340
Charges for services	-	-	-	-	-	-	2,088
Utility fees	194,616	-	-	-	87,490	3,018	321,665
Penalties	4,669	-	-	-	3,702	-	11,291
Other receipts	1,122	50,280	6,000	6,000	2,737	-	355,673
<b>Total receipts</b>	<b>200,407</b>	<b>50,280</b>	<b>6,000</b>	<b>6,000</b>	<b>93,929</b>	<b>3,018</b>	<b>933,203</b>
Disbursements:							
Personal services	27,611	-	-	-	27,678	-	374,412
Supplies	-	-	-	-	-	-	17,106
Other services and charges	22,596	-	-	-	20,819	-	181,639
Debt service - principal and interest	-	50,184	-	-	-	-	75,629
Capital outlay	-	-	-	-	-	-	28,867
Utility operating expenses	58,027	-	-	-	19,130	-	80,094
Other disbursements	85,269	-	19,570	-	24,937	2,900	214,118
<b>Total disbursements</b>	<b>193,503</b>	<b>50,184</b>	<b>19,570</b>	<b>-</b>	<b>92,564</b>	<b>2,900</b>	<b>971,865</b>
Excess (deficiency) of receipts over disbursements	6,904	96	(13,570)	6,000	1,365	118	(38,662)
Cash and investments - ending	\$ 69,057	\$ 102	\$ 8,981	\$ 15,553	\$ 39,110	\$ 8,120	\$ 578,281

TOWN OF PARAGON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2019

	General	MVH	LR&S	MVH RESTRICTED	CCI	EDIT Tax	Payroll
Cash and investments - beginning	\$ 69,693	\$ 47,640	\$ 8,060	\$ -	\$ 3,143	\$ 88,093	\$ 5,521
Receipts:							
Taxes	130,512	-	-	-	-	1,115	-
Licenses and permits	1,169	-	-	-	-	-	-
Intergovernmental receipts	27,162	22,734	11,221	22,734	1,506	-	-
Charges for services	2,790	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	35,382	-	-	23,820	-	32,766	157,503
Total receipts	197,015	22,734	11,221	46,554	1,506	33,881	157,503
Disbursements:							
Personal services	135,099	17,620	-	-	-	-	157,324
Supplies	11,464	-	2,381	-	-	-	-
Other services and charges	37,193	5,871	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	18,813	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	23,820	-	-	-	9,442	-
Total disbursements	183,756	47,311	2,381	18,813	-	9,442	157,324
Excess (deficiency) of receipts over disbursements	13,259	(24,577)	8,840	27,741	1,506	24,439	179
Cash and investments - ending	\$ 82,952	\$ 23,063	\$ 16,900	\$ 27,741	\$ 4,649	\$ 112,532	\$ 5,700

TOWN OF PARAGON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2019

	LETF	Crime-Public Safety	Storm Water Bond & Interest	Storm Water	Sewer Depreciation	Sewer SRF Trustee Sinking & DSR	Sewer Operating
Cash and investments - beginning	\$ 2,043	\$ 7,377	\$ 13,617	\$ 15,870	\$ 77,741	\$ 98,560	\$ 69,057
Receipts:							
Taxes	-	14,724	-	-	-	-	-
Licenses and permits	200	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	12	-	-	-	-	-
Utility fees	-	-	-	35,771	-	-	187,948
Penalties	-	-	-	1,560	-	-	2,331
Other receipts	-	6,625	25,200	325	12,000	55,556	1,288
Total receipts	200	21,361	25,200	37,656	12,000	55,556	191,567
Disbursements:							
Personal services	-	-	-	5,871	-	-	26,203
Supplies	-	9,567	-	-	-	-	-
Other services and charges	-	1,426	-	-	-	-	7,247
Debt service - principal and interest	-	-	26,148	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	1,675	-	-	60,758
Other disbursements	-	-	-	26,370	-	53,430	117,248
Total disbursements	-	10,993	26,148	33,916	-	53,430	211,456
Excess (deficiency) of receipts over disbursements	200	10,368	(948)	3,740	12,000	2,126	(19,889)
Cash and investments - ending	\$ 2,243	\$ 17,745	\$ 12,669	\$ 19,610	\$ 89,741	\$ 100,686	\$ 49,168

TOWN OF PARAGON  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2019

	Sewer Bond & Interest	Water Utility Construction	Water Utility Depreciation	Water Operating	Water Meter Deposit	Totals
Cash and investments - beginning	\$ 102	\$ 8,981	\$ 15,553	\$ 39,110	\$ 8,120	\$ 578,281
Receipts:						
Taxes	-	-	-	-	-	146,351
Licenses and permits	-	-	-	-	-	1,369
Intergovernmental receipts	-	-	-	-	-	85,357
Charges for services	-	-	-	-	-	2,802
Utility fees	-	-	-	88,051	1,600	313,370
Penalties	-	-	-	1,193	-	5,084
Other receipts	51,480	6,000	6,000	4,071	-	418,016
<b>Total receipts</b>	<b>51,480</b>	<b>6,000</b>	<b>6,000</b>	<b>93,315</b>	<b>1,600</b>	<b>972,349</b>
Disbursements:						
Personal services	-	-	-	26,270	-	368,387
Supplies	-	-	-	-	-	23,412
Other services and charges	-	-	-	3,521	-	55,258
Debt service - principal and interest	50,352	-	-	-	-	76,500
Capital outlay	-	-	-	-	-	18,813
Utility operating expenses	-	-	-	15,691	-	78,124
Other disbursements	-	-	-	45,344	1,900	277,554
<b>Total disbursements</b>	<b>50,352</b>	<b>-</b>	<b>-</b>	<b>90,826</b>	<b>1,900</b>	<b>898,048</b>
Excess (deficiency) of receipts over disbursements	1,128	6,000	6,000	2,489	(300)	74,301
Cash and investments - ending	\$ 1,230	\$ 14,981	\$ 21,553	\$ 41,599	\$ 7,820	\$ 652,582

TOWN OF PARAGON  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2019

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Storm Water	\$ -	\$ 155
Wastewater	572	663
Water	<u>286</u>	<u>65</u>
Totals	<u>\$ 858</u>	<u>\$ 883</u>

TOWN OF PARAGON  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2019

Description of Debt		Ending	Principal and
Type	Purpose	Principal	Interest Due
		Balance	Within One
			Year
Storm Water:			
Revenue bonds	USDA 2 - Storm Sewer	\$ 164,500	\$ -
Revenue bonds	USDA1- Storm Sewer	<u>262,500</u>	<u>-</u>
Total Storm Water		<u>427,000</u>	<u>-</u>
Wastewater:			
Revenue bonds	SRF - Sanitary Sewer	<u>357,168</u>	<u>-</u>
Totals		<u>\$ 784,168</u>	<u>\$ -</u>

TOWN OF PARAGON  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2019

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
Storm Water:	
Improvements other than buildings	\$ 1,000,000
Governmental activities:	
Land	41,000
Buildings	92,399
Machinery, equipment, and vehicles	<u>172,608</u>
Total governmental activities	<u>306,007</u>
Water:	
Land	20,000
Buildings	5,729
Improvements other than buildings	171,387
Machinery, equipment, and vehicles	<u>3,742</u>
Total Water	<u>200,858</u>
Wastewater:	
Land	117,569
Buildings	320,464
Improvements other than buildings	1,827,790
Machinery, equipment, and vehicles	<u>448,902</u>
Total Wastewater	<u>2,714,725</u>
Total capital assets	<u>\$ 4,221,590</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/>.