

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

FINANCIAL STATEMENT AUDIT REPORT

OF

TOWN OF PAOLI

ORANGE COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
08/28/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Amy J. Morris	01-01-18 to 12-31-20
President of the Town Council	Michael A. Harkness Steven Hankins Brian Shipman	01-01-18 to 12-31-18 01-01-19 to 12-31-19 01-01-20 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF PAOLI, ORANGE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Town of Paoli (Town), 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 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, 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 Town 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

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 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.


Paul D. Joyce, CPA
State Examiner

July 27, 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 PAOLI
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
CORPORATION	\$ 253,785	\$ 698,033	\$ 746,242	\$ 205,576
MVH	278,607	284,256	233,939	328,924
LOCAL ROAD AND STREET	7,384	23,280	9,774	20,890
AIRPORT OPERATING	69,099	63,623	67,858	64,864
PARKING METERS	15	-	-	15
PARK SOFTBALL	10,387	-	-	10,387
UNSAFE PREMISES	41,881	740	6,885	35,736
VEHICLE UNLOCK	1,751	610	-	2,361
ABANDONED VEHICLE	11,203	17,307	27,949	561
COMMUNITY OUTREACH	762	4,460	2,305	2,917
LOCAL LAW ENFORCEMENT CONTINUING	7,938	2,593	5,937	4,594
RB CASINO FUND	877,982	664,110	632,962	909,130
PARK OPERATING	68,485	191,952	115,731	144,706
RAINY DAY	6,506	-	-	6,506
EDIT	136,545	85,209	41,523	180,231
LIT PUBLIC SAFETY	-	175,650	119,302	56,348
EXCESS LEVY	1,400	-	-	1,400
GAS REVOLVING - AIRPORT	28,178	18,015	19,556	26,637
CUMULATIVE CAPITAL IMPROVEMENT	13,112	8,595	10,240	11,467
CUMULATIVE CAPITAL DEVELOPMENT	201,638	44,882	130,275	116,245
816 W MAIN BUILDING PROJECT	-	14,000	60	13,940
INDUSTRIAL DEVELOPMENT	302,131	14,767	-	316,898
SEWER REHAB PROJECT	-	57,312	57,312	-
COMMUNITY CROSSINGS GRANT PROJECT	-	226,677	226,677	-
T.I.F.	102,402	38,909	70,437	70,874
AIRPORT TIMBER SALE/CONST	16,636	-	-	16,636
PAOLI CEMETERY	42,033	-	-	42,033
PARK DEBT SERVICE RESERVE	521,500	329,000	331,000	519,500
GOLF CART/UTV VEHICLES	1,780	345	-	2,125
PROHIBITED VEHICLE VIOLATIONS	15	-	-	15
TRAFFIC ENFORCEMENT VIOLATIONS	353	-	-	353
RESERVE OFFICER FUND	1,695	-	550	1,145
FIRE DEPT DONATIONS	2,705	4,230	5,187	1,748
PARK DONATIONS	2,626	-	-	2,626
POLICE DEPT DONATIONS	13,407	21,950	32,449	2,908
TOWN DONATIONS	10,358	-	-	10,358
LOIT 2016 SPECIAL DISTRIBUTION	43,180	-	-	43,180
FIREWORKS DONATIONS	-	11,340	10,000	1,340
SIDEWALK FUND	5,853	-	-	5,853
INDOT RW PURCHASE	60,555	-	-	60,555
PAYROLL NET SALARIES	-	1,129,327	1,129,327	-
PAYROLL 941 FED/FICA MED	(8)	381,869	381,861	-

TOWN OF PAOLI
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
PAYROLL - STATE / COUNTY W/H	-	77,038	77,038	-
PAYROLL - PERF	-	211,160	211,160	-
PAYROLL - AFA	442	25,059	25,487	14
PAYROLL - AFLAC	104	226	263	67
PAYROLL - COLONIAL INSURANCE	-	237	237	-
PAYROLL - LIBERTY NATIONAL	216	1,761	1,668	309
PAYROLL - 457 RETIREMENT PLAN	-	11,500	11,500	-
PAYROLL - TOWN REIMBURSEMENTS	-	287	287	-
PAYROLL - BANK INTEREST	62	18	-	80
PAYROLL - SITEX	8	836	836	8
PAYROLL - TRANSFER IN/OUT	-	96	96	-
PAYROLL - LINCOLN INSURANCE	-	3,266	3,245	21
PAYROLL - SIHO ADDITIONAL INSURANCE	-	380	-	380
AIRPORT RUNWAY GRANT	(17,893)	453,282	453,281	(17,892)
AIRPORT RENTAL DEPOSIT	616	2,247	1,701	1,162
AWARENESS DAY - AIRPORT	1,769	2,455	2,744	1,480
PARK CONCESSIONS	47,585	26,796	35,147	39,234
PARK EVENTS	30,417	11,450	16,111	25,756
PAYROLL	1,450	-	-	1,450
UTILITY	-	6,836,525	6,836,285	240
ELECTRIC OPERATING	539,436	4,874,499	4,743,159	670,776
ELECTRIC METER DEPOSIT	127,117	19,896	16,752	130,261
ELECTRIC DEPRECIATION	80,819	926	-	81,745
ELECTRIC LIGHT CASH RESERVE	65,313	-	-	65,313
ELECTRIC-IMPA ENERGY EFFICIENCY	14,602	5	14,607	-
ELECTRIC CASH CHANGE	500	-	-	500
SEWER OPERATING	389,334	1,424,741	1,526,863	287,212
SEWER DEBT SERVICE RESERVE	154,366	-	-	154,366
SEWER BOND AND INTEREST	14,038	166,525	163,987	16,576
SEWER BOND AND INTEREST - BNY	8,328	33,010	32,688	8,650
SEWER DEBT SERVICE RESERVE - BNY	35,956	570	-	36,526
WATER OPERATING	(6,982)	1,357,088	1,338,578	11,528
WATER METER DEPOSIT	38,850	5,481	4,829	39,502
WATER BOND AND INTEREST	120,645	228,000	228,000	120,645
WATER DEBT SERVICE RESERVE	232,650	-	-	232,650
WATER TANK FUND	15,145	-	-	15,145
Totals	\$ 5,038,772	\$ 20,288,401	\$ 20,161,887	\$ 5,165,286

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

TOWN OF PAOLI
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 PAOLI
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 PAOLI
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 PAOLI
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 PAOLI
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. Cash Balance Deficits

The financial statement contains one fund with a deficit in cash. This is the result of the fund being set up as a reimbursable grant and the reimbursement not being received by December 31, 2018.

Note 8. Holding Corporation

The Town has entered into a capital lease with the Paoli Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the Town. The lessor has been determined to be a related-party of the Town. Lease payments during the year 2018 totaled \$331,000.

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

	CORPORATION	MVH	LOCAL ROAD AND STREET	AIRPORT OPERATING	PARKING METERS	PARK SOFTBALL	UNSAFE PREMISES
Cash and investments - beginning	\$ 253,785	\$ 278,607	\$ 7,384	\$ 69,099	\$ 15	\$ 10,387	\$ 41,881
Receipts:							
Taxes	495,770	100,551	-	39,405	-	-	-
Licenses and permits	2,325	-	-	-	-	-	-
Intergovernmental receipts	113,819	182,243	23,280	4,187	-	-	-
Charges for services	1,663	1,432	-	19,850	-	-	-
Fines and forfeits	20,954	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	63,502	30	-	181	-	-	740
Total receipts	698,033	284,256	23,280	63,623	-	-	740
Disbursements:							
Personal services	525,532	-	-	41,054	-	-	-
Supplies	28,460	139,951	9,774	3,809	-	-	-
Other services and charges	178,159	85,116	-	22,995	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	14,091	8,872	-	-	-	-	6,885
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	746,242	233,939	9,774	67,858	-	-	6,885
Excess (deficiency) of receipts over disbursements	(48,209)	50,317	13,506	(4,235)	-	-	(6,145)
Cash and investments - ending	\$ 205,576	\$ 328,924	\$ 20,890	\$ 64,864	\$ 15	\$ 10,387	\$ 35,736

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

	VEHICLE UNLOCK	ABANDONED VEHICLE	COMMUNITY OUTREACH	LOCAL LAW ENFORCEMENT CONTINUING	RB CASINO FUND	PARK OPERATING
Cash and investments - beginning	\$ 1,751	\$ 11,203	\$ 762	\$ 7,938	\$ 877,982	\$ 68,485
Receipts:						
Taxes	-	-	-	-	-	118,409
Licenses and permits	-	-	-	1,480	-	-
Intergovernmental receipts	-	-	-	-	664,110	72,582
Charges for services	610	17,307	-	380	-	413
Fines and forfeits	-	-	-	235	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	4,460	498	-	548
Total receipts	610	17,307	4,460	2,593	664,110	191,952
Disbursements:						
Personal services	-	-	-	-	-	58,753
Supplies	-	-	-	-	-	1,753
Other services and charges	-	-	-	-	-	55,225
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	27,949	2,305	5,937	632,962	-
Total disbursements	-	27,949	2,305	5,937	632,962	115,731
Excess (deficiency) of receipts over disbursements	610	(10,642)	2,155	(3,344)	31,148	76,221
Cash and investments - ending	\$ 2,361	\$ 561	\$ 2,917	\$ 4,594	\$ 909,130	\$ 144,706

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

	RAINY DAY	EDIT	LIT PUBLIC SAFETY	EXCESS LEVY	GAS REVOLVING - AIRPORT	CUMULATIVE CAPITAL IMPROVEMENT
Cash and investments - beginning	\$ 6,506	\$ 136,545	\$ -	\$ 1,400	\$ 28,178	\$ 13,112
Receipts:						
Taxes	-	85,209	175,650	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	8,595
Charges for services	-	-	-	-	18,015	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	85,209	175,650	-	18,015	8,595
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	10,240
Other services and charges	-	-	119,302	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	41,523	-	-	19,556	-
Total disbursements	-	41,523	119,302	-	19,556	10,240
Excess (deficiency) of receipts over disbursements	-	43,686	56,348	-	(1,541)	(1,645)
Cash and investments - ending	\$ 6,506	\$ 180,231	\$ 56,348	\$ 1,400	\$ 26,637	\$ 11,467

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

	CUMULATIVE CAPITAL DEVELOPMENT	816 W MAIN BUILDING PROJECT	INDUSTRIAL DEVELOPMENT	SEWER REHAB PROJECT	COMMUNITY CROSSINGS GRANT PROJECT	T.I.F.
Cash and investments - beginning	\$ 201,638	\$ -	\$ 302,131	\$ -	\$ -	\$ 102,402
Receipts:						
Taxes	40,570	-	-	-	-	38,909
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	4,312	-	-	57,312	226,677	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	14,000	14,767	-	-	-
Total receipts	<u>44,882</u>	<u>14,000</u>	<u>14,767</u>	<u>57,312</u>	<u>226,677</u>	<u>38,909</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	130,275	60	-	57,312	226,677	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	70,437
Total disbursements	<u>130,275</u>	<u>60</u>	<u>-</u>	<u>57,312</u>	<u>226,677</u>	<u>70,437</u>
Excess (deficiency) of receipts over disbursements	<u>(85,393)</u>	<u>13,940</u>	<u>14,767</u>	<u>-</u>	<u>-</u>	<u>(31,528)</u>
Cash and investments - ending	<u>\$ 116,245</u>	<u>\$ 13,940</u>	<u>\$ 316,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,874</u>

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

	AIRPORT TIMBER SALE/CONST	PAOLI CEMETERY	PARK DEBT SERVICE RESERVE	GOLF CART/UTV VEHICLES	PROHIBITED VEHICLE VIOLATIONS	TRAFFIC ENFORCEMENT VIOLATIONS
Cash and investments - beginning	\$ 16,636	\$ 42,033	\$ 521,500	\$ 1,780	\$ 15	\$ 353
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	345	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	329,000	-	-	-
Total receipts	-	-	329,000	345	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	331,000	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	331,000	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	(2,000)	345	-	-
Cash and investments - ending	\$ 16,636	\$ 42,033	\$ 519,500	\$ 2,125	\$ 15	\$ 353

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

	RESERVE OFFICER FUND	FIRE DEPT DONATIONS	PARK DONATIONS	POLICE DEPT DONATIONS	TOWN DONATIONS	LOIT 2016 SPECIAL DISTRIBUTION
Cash and investments - beginning	\$ 1,695	\$ 2,705	\$ 2,626	\$ 13,407	\$ 10,358	\$ 43,180
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	4,230	-	21,950	-	-
Total receipts	-	4,230	-	21,950	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	550	5,187	-	32,449	-	-
Total disbursements	550	5,187	-	32,449	-	-
Excess (deficiency) of receipts over disbursements	(550)	(957)	-	(10,499)	-	-
Cash and investments - ending	\$ 1,145	\$ 1,748	\$ 2,626	\$ 2,908	\$ 10,358	\$ 43,180

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

	FIREWORKS DONATIONS	SIDEWALK FUND	INDOT RW PURCHASE	PAYROLL NET SALARIES	PAYROLL 941 FED/FICA MED	PAYROLL - STATE / COUNTY W/H
Cash and investments - beginning	\$ -	\$ 5,853	\$ 60,555	\$ -	\$ (8)	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	11,340	-	-	1,129,327	381,869	77,038
Total receipts	11,340	-	-	1,129,327	381,869	77,038
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	10,000	-	-	1,129,327	381,861	77,038
Total disbursements	10,000	-	-	1,129,327	381,861	77,038
Excess (deficiency) of receipts over disbursements	1,340	-	-	-	8	-
Cash and investments - ending	\$ 1,340	\$ 5,853	\$ 60,555	\$ -	\$ -	\$ -

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

	PAYROLL - PERF	PAYROLL - AFA	PAYROLL - AFLAC	PAYROLL - COLONIAL INSURANCE	PAYROLL - LIBERTY NATIONAL	PAYROLL - 457 RETIREMENT PLAN
Cash and investments - beginning	\$ -	\$ 442	\$ 104	\$ -	\$ 216	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	211,160	25,059	226	237	1,761	11,500
Total receipts	<u>211,160</u>	<u>25,059</u>	<u>226</u>	<u>237</u>	<u>1,761</u>	<u>11,500</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	211,160	25,487	263	237	1,668	11,500
Total disbursements	<u>211,160</u>	<u>25,487</u>	<u>263</u>	<u>237</u>	<u>1,668</u>	<u>11,500</u>
Excess (deficiency) of receipts over disbursements	-	(428)	(37)	-	93	-
Cash and investments - ending	\$ -	\$ 14	\$ 67	\$ -	\$ 309	\$ -

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

	PAYROLL - TOWN REIMBURSEMENTS	PAYROLL - BANK INTEREST	PAYROLL - SITEX	PAYROLL - TRANSFER IN/OUT	PAYROLL - LINCOLN INSURANCE	PAYROLL - SIHO ADDITIONAL INSURANCE
Cash and investments - beginning	\$ -	\$ 62	\$ 8	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	287	18	836	96	3,266	380
Total receipts	287	18	836	96	3,266	380
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	287	-	836	96	3,245	-
Total disbursements	287	-	836	96	3,245	-
Excess (deficiency) of receipts over disbursements	-	18	-	-	21	380
Cash and investments - ending	\$ -	\$ 80	\$ 8	\$ -	\$ 21	\$ 380

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

	AIRPORT RUNWAY GRANT	AIRPORT RENTAL DEPOSIT	AWARENESS DAY - AIRPORT	PARK CONCESSIONS	PARK EVENTS	PAYROLL
Cash and investments - beginning	\$ (17,893)	\$ 616	\$ 1,769	\$ 47,585	\$ 30,417	\$ 1,450
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	453,282	-	-	-	-	-
Charges for services	-	2,247	-	26,796	11,450	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	2,455	-	-	-
Total receipts	453,282	2,247	2,455	26,796	11,450	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	453,281	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	1,701	2,744	35,147	16,111	-
Total disbursements	453,281	1,701	2,744	35,147	16,111	-
Excess (deficiency) of receipts over disbursements	1	546	(289)	(8,351)	(4,661)	-
Cash and investments - ending	\$ (17,892)	\$ 1,162	\$ 1,480	\$ 39,234	\$ 25,756	\$ 1,450

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

	UTILITY	ELECTRIC OPERATING	ELECTRIC METER DEPOSIT	ELECTRIC DEPRECIATION	ELECTRIC LIGHT CASH RESERVE	ELECTRIC-IMPA ENERGY EFFICIENCY
Cash and investments - beginning	\$ -	\$ 539,436	\$ 127,117	\$ 80,819	\$ 65,313	\$ 14,602
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	4,429,679	-	-	-	-
Penalties	-	245	-	-	-	-
Other receipts	6,836,525	444,575	19,896	926	-	5
Total receipts	6,836,525	4,874,499	19,896	926	-	5
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	7,387	-	-	-	-
Utility operating expenses	-	4,432,506	16,752	-	-	-
Other disbursements	6,836,285	303,266	-	-	-	14,607
Total disbursements	6,836,285	4,743,159	16,752	-	-	14,607
Excess (deficiency) of receipts over disbursements	240	131,340	3,144	926	-	(14,602)
Cash and investments - ending	\$ 240	\$ 670,776	\$ 130,261	\$ 81,745	\$ 65,313	\$ -

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

	ELECTRIC CASH CHANGE	SEWER OPERATING	SEWER DEBT SERVICE RESERVE	SEWER BOND AND INTEREST	SEWER BOND AND INTEREST - BNY	SEWER DEBT SERVICE RESERVE - BNY
Cash and investments - beginning	\$ 500	\$ 389,334	\$ 154,366	\$ 14,038	\$ 8,328	\$ 35,956
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	1,256,950	-	-	-	-
Penalties	-	462	-	-	-	-
Other receipts	-	167,329	-	166,525	33,010	570
Total receipts	-	1,424,741	-	166,525	33,010	570
Disbursements:						
Personal services	-	410,443	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	34,392	-	-	-	-
Debt service - principal and interest	-	33,850	-	163,987	32,688	-
Capital outlay	-	232,162	-	-	-	-
Utility operating expenses	-	615,656	-	-	-	-
Other disbursements	-	200,360	-	-	-	-
Total disbursements	-	1,526,863	-	163,987	32,688	-
Excess (deficiency) of receipts over disbursements	-	(102,122)	-	2,538	322	570
Cash and investments - ending	\$ 500	\$ 287,212	\$ 154,366	\$ 16,576	\$ 8,650	\$ 36,526

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

	WATER OPERATING	WATER METER DEPOSIT	WATER BOND AND INTEREST	WATER DEBT SERVICE RESERVE	WATER TANK FUND	Totals
Cash and investments - beginning	\$ (6,982)	\$ 38,850	\$ 120,645	\$ 232,650	\$ 15,145	\$ 5,038,772
Receipts:						
Taxes	-	-	-	-	-	1,094,473
Licenses and permits	-	-	-	-	-	3,805
Intergovernmental receipts	-	-	-	-	-	1,810,399
Charges for services	-	-	-	-	-	100,508
Fines and forfeits	-	-	-	-	-	21,189
Utility fees	1,178,405	-	-	-	-	6,865,034
Penalties	212	-	-	-	-	919
Other receipts	178,471	5,481	228,000	-	-	10,392,074
Total receipts	1,357,088	5,481	228,000	-	-	20,288,401
Disbursements:						
Personal services	249,995	-	-	-	-	1,285,777
Supplies	-	-	-	-	-	193,987
Other services and charges	21,530	-	-	-	-	516,719
Debt service - principal and interest	-	-	228,000	-	-	789,525
Capital outlay	78,982	-	-	-	-	1,215,984
Utility operating expenses	760,065	4,829	-	-	-	5,829,808
Other disbursements	228,006	-	-	-	-	10,330,087
Total disbursements	1,338,578	4,829	228,000	-	-	20,161,887
Excess (deficiency) of receipts over disbursements	18,510	652	-	-	-	126,514
Cash and investments - ending	\$ 11,528	\$ 39,502	\$ 120,645	\$ 232,650	\$ 15,145	\$ 5,165,286

TOWN OF PAOLI
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2018

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 590,154	\$ 44,814
Electric	487,110	374,282
Wastewater	18,081	111,847
Water	61,561	110,425
Totals	\$ 1,156,906	\$ 641,368

TOWN OF PAOLI
SCHEDULE OF LEASES AND DEBT
December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Paoli Building Corporation	Park Construction	\$ 330,500	10-01-06	01-15-32
Total of annual lease payments		<u>\$ 330,500</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities: Notes and loans payable	Police Vehicles	\$ 32,846	\$ 33,339
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds	470,000	166,450
Revenue bonds	Sewage Works State Revolving Loan	335,000	32,107
Notes and loans payable	2018 Trash Truck Loan	<u>147,000</u>	<u>39,665</u>
Total Wastewater		<u>952,000</u>	<u>238,222</u>
Water:			
Revenue bonds	Waterworks Revenue Bond	<u>3,855,000</u>	<u>226,113</u>
Totals		<u>\$ 4,839,846</u>	<u>\$ 497,674</u>

TOWN OF PAOLI
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	\$ 1,246,773
Infrastructure	1,965,779
Buildings	2,886,083
Improvements other than buildings	2,579,683
Machinery, equipment, and vehicles	2,127,640
Construction in progress	<u>4,846,173</u>
Total governmental activities	<u>15,652,131</u>
Electric:	
Land	307,804
Infrastructure	11,222,360
Buildings	543,856
Improvements other than buildings	942,262
Machinery, equipment, and vehicles	<u>802,703</u>
Total Electric	<u>13,818,985</u>
Wastewater:	
Infrastructure	11,995,432
Buildings	439,219
Improvements other than buildings	8,586,179
Machinery, equipment, and vehicles	746,982
Construction in progress	<u>142,392</u>
Total Wastewater	<u>21,910,204</u>
Water:	
Land	48,336
Infrastructure	23,506,684
Buildings	441,001
Improvements other than buildings	1,220,948
Machinery, equipment, and vehicles	494,510
Construction in progress	<u>12,040</u>
Total Water	<u>25,723,519</u>
Total capital assets	<u>\$ 77,104,839</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/>.