Welcome!

Mission Statement

We are dedicated to providing the citizens of the State of Indiana with complete confidence in the integrity and financial accountability of state and local government.

www.in.gov/sboa
Overview

GAAP Basis of Accounting and Reporting
- Generally Accepted Accounting Principles

Regulatory Basis of Accounting and Reporting
- Prescribed by the State Examiner

GAAP - Indiana Statutory Requirements

IC 5-1-11.5-4 - GAAP Reporting Required
- Population greater than 75,000
- Bond Issuance after June 30, 2020

IC 5-11-1-30 - Request for GAAP Audit
- Council Resolution
- SBOA Approval Process
- Engagementstrategies@sboa.in.gov
Updates to the Regulatory Report Format

➢ Elements of GAAP Reporting
➢ Note Disclosures
➢ Financial Statement

SBOA Website Information

Hot Topics


Local units should review these changes carefully as they will need to ensure they are collecting the information required for the updated AFR submission.

Schedule of Regulatory Changes

www.in.gov/sboa
Schedule of Regulatory Changes

Visit [www.in.gov/sboa](http://www.in.gov/sboa) to view the entire document

Example Regulatory Report

City/Town - Regulatory Report

www.in.gov/sboa

Example Reports

The financial information filed within the AFR is used in the units' financial reports that are audited by the State Board of Accounts. These example reports show the format of what the unit's financial statement will look like with these new changes. Local officials may want to compare these reports to their most recent audit report to obtain a better understanding of the changes.
Financial Statement Presentation

Statement of Receipts, Disbursements, and Cash and Investment Balances
# Financial Statement Presentation

(2018 and Prior)

## Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis

For the Year Ended December 31, 2017

<table>
<thead>
<tr>
<th>Fund</th>
<th>Cash and Investments 01-01-17</th>
<th>Receipts</th>
<th>Disbursements</th>
<th>Cash and Investments 12-31-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$5,104,576</td>
<td>$9,873,481</td>
<td>$9,611,122</td>
<td>$5,916,935</td>
</tr>
<tr>
<td>Motor Vehicle Highway Fund</td>
<td>2,532,541</td>
<td>1,914,389</td>
<td>1,541,218</td>
<td>2,905,712</td>
</tr>
<tr>
<td>Local Road And Street</td>
<td>38,188</td>
<td>309,697</td>
<td>246,966</td>
<td>101,789</td>
</tr>
<tr>
<td>Park Nonreverting Operating</td>
<td>518,553</td>
<td>440,449</td>
<td>605,640</td>
<td>353,162</td>
</tr>
<tr>
<td>Edit Fund</td>
<td>7,372,046</td>
<td>2,525,693</td>
<td>6,681,607</td>
<td>3,038,132</td>
</tr>
</tbody>
</table>

## 2019 Financial Statement Presentation

<table>
<thead>
<tr>
<th>Fund</th>
<th>General</th>
<th>Motor Vehicle Highway</th>
<th>Local Road And Street</th>
<th>Emergency Medical Services/Amulance</th>
<th>Sanitation Revenue</th>
<th>Community Development</th>
<th>Law Enforcement Continuing Ed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments - beginning</td>
<td>$57,267</td>
<td>$75,632</td>
<td>$93,602</td>
<td>$90,196</td>
<td>$25,676</td>
<td>$77,471</td>
<td>$18,162</td>
</tr>
<tr>
<td>Receipts:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>1,576,512</td>
<td>199,959</td>
<td>-</td>
<td>186,548</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>6,265</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>249,708</td>
<td>248,343</td>
<td>31,419</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>55,050</td>
<td>720</td>
<td>-</td>
<td>122,671</td>
<td>268,052</td>
<td>-</td>
<td>1,088</td>
</tr>
<tr>
<td>Fines and forfeits</td>
<td>796</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>992</td>
</tr>
<tr>
<td>Utility fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other receipts</td>
<td>9,143</td>
<td>49,355</td>
<td>961</td>
<td>179</td>
<td>59</td>
<td>550</td>
<td>-</td>
</tr>
<tr>
<td>Total receipts</td>
<td>1,898,904</td>
<td>498,377</td>
<td>32,460</td>
<td>309,429</td>
<td>266,111</td>
<td>550</td>
<td>3,417</td>
</tr>
<tr>
<td>Disbursements:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal services</td>
<td>1,779,488</td>
<td>208,805</td>
<td>-</td>
<td>4,175</td>
<td>18,021</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>75,968</td>
<td>50,020</td>
<td>-</td>
<td>8,896</td>
<td>-</td>
<td>-</td>
<td>5,296</td>
</tr>
<tr>
<td>Other services and charges</td>
<td>463,030</td>
<td>202,710</td>
<td>-</td>
<td>297,110</td>
<td>280,229</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debt service - principal and interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>16,129</td>
<td>32,171</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>94,565</td>
</tr>
<tr>
<td>Utility operating expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other disbursements</td>
<td>36,231</td>
<td>414</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total disbursements</td>
<td>1,869,906</td>
<td>494,120</td>
<td>-</td>
<td>310,182</td>
<td>298,250</td>
<td>94,565</td>
<td>5,296</td>
</tr>
<tr>
<td>Excess (deficiency) of receipts over disbursements</td>
<td>28,978</td>
<td>4,257</td>
<td>32,440</td>
<td>(763)</td>
<td>(32,139)</td>
<td>(94,015)</td>
<td>(1,879)</td>
</tr>
<tr>
<td>Cash and investments - ending</td>
<td>$85,336</td>
<td>$79,889</td>
<td>$126,062</td>
<td>$89,643</td>
<td>(6,465)</td>
<td>(16,544)</td>
<td>$16,263</td>
</tr>
</tbody>
</table>

The notes to the financial statements are an integral part of this statement.
### Statement of Receipts, Disbursements, and Cash and Investment Balances

**2018**
- Shows total receipts, disbursement and ending balance for each fund

**2019**
- Shows detailed, instead of total, receipts and disbursements for each fund and ending balance.

**2020**
- Financial Statement will show fund type classifications.
- Fund types shown will be as follows: General, Special Revenue, Capital Projects, Debt Service, Permanent, Enterprise, and Fiduciary

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#### Financial Statement - Draft Regulatory Format 2020

**TOWN OF EXAMPLE, EXAMPLE COUNTY**

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

For the Year Ended December 31, 2020

| Town of Example
| Statement of Receipts and Disbursements |
| December 31, 2020 |

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>General Fund</th>
<th>Special Revenue Fund</th>
<th>Capital Projects Fund</th>
<th>Debt Service Fund</th>
<th>Enterprise Fund</th>
<th>Fiduciary Fund</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments - beginning</td>
<td>$ 57,257</td>
<td>$ 1,209,029</td>
<td>$ 1,031,317</td>
<td>$ 6,594,453</td>
<td>$ 1,474,687</td>
<td>$ 213,064</td>
<td>$ 10,580,777</td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>1,575,612</td>
<td>711,768</td>
<td>336,496</td>
<td>-</td>
<td>167,949</td>
<td>2,794,715</td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>6,285</td>
<td>6,420</td>
<td>9,651</td>
<td>-</td>
<td>-</td>
<td>18,656</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>249,798</td>
<td>454,924</td>
<td>22,399</td>
<td>-</td>
<td>-</td>
<td>727,031</td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>55,809</td>
<td>671,260</td>
<td>32,485</td>
<td>-</td>
<td>-</td>
<td>761,305</td>
<td></td>
</tr>
<tr>
<td>Fines and forfeits</td>
<td>706</td>
<td>992</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,698</td>
<td></td>
</tr>
<tr>
<td>Utility fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other receipts</td>
<td>9,143</td>
<td>126,894</td>
<td>8,219</td>
<td>4,614,205</td>
<td>225,377</td>
<td>599,740</td>
<td>5,585,578</td>
</tr>
<tr>
<td>Total receipts</td>
<td>1,899,004</td>
<td>1,976,238</td>
<td>409,470</td>
<td>4,614,205</td>
<td>2,590,840</td>
<td>767,689</td>
<td>12,164,446</td>
</tr>
<tr>
<td>Disbursements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal services</td>
<td>1,279,468</td>
<td>556,446</td>
<td>-</td>
<td>-</td>
<td>542,921</td>
<td>91,603</td>
<td>2,512,438</td>
</tr>
<tr>
<td>Supplies</td>
<td>75,068</td>
<td>127,703</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>198,771</td>
<td></td>
</tr>
<tr>
<td>Other services and charges</td>
<td>463,030</td>
<td>1,264,744</td>
<td>236,869</td>
<td>-</td>
<td>39,064</td>
<td>34,439</td>
<td>2,958,136</td>
</tr>
<tr>
<td>Debt service - principal and interest</td>
<td>-</td>
<td>-</td>
<td>4,902,756</td>
<td>-</td>
<td>-</td>
<td>4,917,604</td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>16,129</td>
<td>220,274</td>
<td>75,000</td>
<td>-</td>
<td>-</td>
<td>311,403</td>
<td></td>
</tr>
<tr>
<td>Utility, operating expenses</td>
<td>36,231</td>
<td>14,996</td>
<td>-</td>
<td>-</td>
<td>1,142,585</td>
<td>1,142,585</td>
<td></td>
</tr>
<tr>
<td>Other disbursements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total disbursements</td>
<td>1,869,026</td>
<td>2,422,163</td>
<td>311,869</td>
<td>4,902,756</td>
<td>2,449,763</td>
<td>737,114</td>
<td>12,513,591</td>
</tr>
<tr>
<td>Excess (deficiency) of receipts over disbursements</td>
<td>28,978</td>
<td>(266,925)</td>
<td>96,601</td>
<td>(285,551)</td>
<td>51,077</td>
<td>30,675</td>
<td>(349,145)</td>
</tr>
<tr>
<td>Cash and investments - ending</td>
<td>$ 85,335</td>
<td>$ 942,104</td>
<td>$ 1,127,918</td>
<td>$ 6,305,902</td>
<td>$ 1,525,934</td>
<td>$ 244,439</td>
<td>$ 10,231,632</td>
</tr>
</tbody>
</table>

The notes to the financial statements are an integral part of this statement.
Summary of Significant Accounting Policies

- Reporting Entity
- Basis of Accounting
- Cash and Investments
- Receipts
- Disbursements
- Interfund Transfers
- Fund Accounting

- CAPITAL ASSETS to be added in 2019
Summary of Significant Accounting Policies

Reporting Entity

• Applicable Laws
• Form of Government
• Services Provided

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.

Summary of Significant Accounting Policies

Basis of Accounting

• Regulatory Basis

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.
Summary of Significant Accounting Policies

Cash and Investments

- Stated at cost
- Reporting of Sales

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.

Summary of Significant Accounting Policies

Receipts

D. Receipts

Receipts are presented by category as follows:

- Taxes
- Licenses and permits
- Intergovernmental receipts
- Charges for services
- Fines and forfeits
- Utility fees
- Other receipts
Summary of Significant Accounting Policies

E. Disbursements

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

- Personal Services
- Supplies
- Other services and charges
- Debt service - principal and interest
- Capital outlay
- Utility operating expenses
- Other disbursements

Summary of Significant Accounting Policies

Interfund Transfers

- Included in receipts and disbursements
- Used for cash flow purposes as provided by various statutory provisions

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.
Summary of Significant Accounting Policies

Fund Accounting

- Separate funds to account for amounts receipted from and used for specific sources and uses

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.

Summary of Significant Accounting Policies

Capital Assets - 2019 and beyond

- Classes of Assets
- Historical Cost
- Capitalization Policy and Threshold

H. Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements other than buildings, machinery, equipment, vehicles, books, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the capital asset schedule contained in the supplemental information. Items are capitalized when their value exceeds the threshold established by the Town and its estimated useful life is greater than one year.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Donated assets, donated works of art, historical treasures, and similar assets and capital assets received in a service concession arrangement are reported at acquisition value. Renovations to buildings and other improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are considered an operating expense.

The capital asset threshold established by the Town is $5,000.
Summary of Significant Accounting Policies

Current
• Note includes Reporting entity; Basis of Accounting; Cash and investments; Receipts; Disbursements; Interfund transfers; Fund accounting

2019
• No changes to existing policy notes
• Added a section for capitalization threshold to indicate what qualifies as a capital asset

2020
• No changes to accounting policy notes

No AFR Changes

Notes to the Financial Statements
Regulatory Format

Budgets
Property Taxes
Deposits and Investments
Risk Management
# Notes to the Financial Statements

## Budgets

- **Summary of Budgeting Process and Approval Dates**

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### Note X. 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.

---

<table>
<thead>
<tr>
<th>Year</th>
<th>Description of Budget Adoption Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>- No AFR Changes</td>
</tr>
<tr>
<td>2019</td>
<td>- No Changes</td>
</tr>
<tr>
<td>2020</td>
<td>- No Changes</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
Property Taxes

- Description of property tax collections and assessments
- Levy dates
- Due dates

**Note X. 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 lean 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.

Notes to the Financial Statements
Property taxes

- Description of property tax collections and assessments

- **Current**
  - No changes

- **2019**
  - No changes

- **2020**
  - No changes

No AFR Changes
Notes to the Financial Statements
Deposits and Investments

- State statute authorizing deposits
- Allowable investments

Note X. 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.

Deposits and Investments

Current
- Statute authorizing deposits; allowable investments

2019
- No changes

2020
- No changes

No AFR Changes
Notes to the Financial Statements
Risk Management

- Types of risk to which the unit may be exposed
- Methods to mitigate risks

Note X. 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, if established, would be included in the financial statements. Participation in a risk pool is an arrangement by which governments pool risks and funds and share in the cost of losses.

Risk Management

- Types of risk to which the city or town may be exposed; methods to mitigate risk

Current

- No changes

2019

- No changes

2020

- No changes

No AFR Changes
Notes to the Financial Statements
Regulatory Format

Long-term Debt

2018 AFR Unit Questions

AFR Unit Questions

5. Does your unit have any outstanding debt?
Debt can be in the form of bonds, notes, loans, or judgments payable over more than one year. Leases are considered separately (see question 6 below).
2018 AFR Debt Schedule

Governmental Activities

<table>
<thead>
<tr>
<th>Debt Class</th>
<th>Description or Purpose</th>
<th>Ending Principal Balance as of Dec. 31, 2018</th>
<th>Principal and Interest Due in 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Bonds</td>
<td>Econ Redev. Special Revenue Tax Bonds Series 2013A $2,560,000 at Wynne Farms</td>
<td>$2,010,000.00</td>
<td>$187,500.00</td>
</tr>
<tr>
<td>General Obligation Bonds</td>
<td>2015 GO Bond Mixed Use Development</td>
<td>$1,445,000.00</td>
<td>$224,500.00</td>
</tr>
</tbody>
</table>

WATER

<table>
<thead>
<tr>
<th>Debt Class</th>
<th>Description or Purpose</th>
<th>Ending Principal Balance as of Dec. 31, 2018</th>
<th>Principal and Interest Due in 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Bonds</td>
<td>Waterworks Revenue Bonds for $2,000,000 Series 2003</td>
<td>$675,000.00</td>
<td>$145,330.00</td>
</tr>
</tbody>
</table>

Audit Report Schedules
(2018 and years prior)

SCHEDULE OF LEASES AND DEBT
December 31, 2017

<table>
<thead>
<tr>
<th>Type</th>
<th>Description of Debt</th>
<th>Purpose</th>
<th>Ending Principal Balance</th>
<th>Principal and Interest Due Within One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General obligation bonds</td>
<td>2015 GO Bond-Mixed Use Development</td>
<td></td>
<td>$1,820,000</td>
<td>$228,300</td>
</tr>
<tr>
<td>General obligation bonds</td>
<td>2015 GO Bond-WWTP</td>
<td></td>
<td>$2,000,000</td>
<td>$234,900</td>
</tr>
</tbody>
</table>

*Unaudited Supplementary Information
Supplementary Information

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/.

*****

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

Independent Auditor’s Report

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.
2019 Updates - Debt

Financial Statement Note Disclosure

- Changes in long-term debt
  - Beginning and ending balances
  - Activity during the year
  - Payment due in next year

- Debt service requirements to maturity
  - Payments for the next five years
  - Payments in five-year increments until maturity
  - DLGF amortization schedule

2019 Gateway Changes

<table>
<thead>
<tr>
<th>Debt Class</th>
<th>Description or Purpose</th>
<th>Beginning Principal</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Principal Balance as of December 31, 201X</th>
<th>Principal and Interest Due in 201X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2019 Audit Reports

Note X. Long-term Debt

A. Changes in Long-term Debt

Changes in long-term obligations for the year ended December 31, 2019, are as follows:

<table>
<thead>
<tr>
<th>Town (non-Utility)</th>
<th>Beginning Balance 1/1/2019</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance 12/31/19</th>
<th>Due Within One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Bonds</td>
<td>$605,000</td>
<td>$72,756</td>
<td>$92,756</td>
<td>$585,000</td>
<td>$42,526</td>
</tr>
<tr>
<td>Other Bonds</td>
<td>3,573,795</td>
<td>201,621</td>
<td>111,054</td>
<td>3,664,362</td>
<td>30,000</td>
</tr>
<tr>
<td>Water Utility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and Loans Payable</td>
<td>2,812,824</td>
<td>1,500,000</td>
<td>1,673,000</td>
<td>2,639,824</td>
<td>278,718</td>
</tr>
<tr>
<td>Wastewater Utility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Bonds</td>
<td>2,750,000</td>
<td>3,000,000</td>
<td>3,137,000</td>
<td>2,613,000</td>
<td>191,560</td>
</tr>
<tr>
<td>Totals</td>
<td>$9,741,619</td>
<td>$4,774,377</td>
<td>$5,013,810</td>
<td>$9,502,186</td>
<td>$542,804</td>
</tr>
</tbody>
</table>

B. Debt Service Requirements to Maturity

Debt service requirements on long-term debt at December 31, 2019, are as follows:

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Other Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Principal</td>
</tr>
<tr>
<td>Town Debt Service (non-utility)</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>20,000</td>
</tr>
<tr>
<td>2020</td>
<td>30,000</td>
</tr>
<tr>
<td>2021</td>
<td>30,000</td>
</tr>
<tr>
<td>2022</td>
<td>30,000</td>
</tr>
<tr>
<td>2023-2017</td>
<td>150,000</td>
</tr>
<tr>
<td>2028-2032</td>
<td>180,000</td>
</tr>
<tr>
<td>2033-2035</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>565,000</td>
</tr>
</tbody>
</table>
AFR Checklist - Long-Term Debt

- Identify long-term debt by major class
- Identify each major class by activity
- Determine the beginning balance of each debt class by activity
- Determine additions and reductions in long-term debt balances
- Determine the ending balance of each debt class by activity
- Determine the portion of each long-term debt type due within one year
- Complete Debt Management Report information
- Update Debt Management Report as needed

Audit Information - Long-Term Debt

- Bond Ordinances
- Debt Instruments with Amortization Schedules
- Ledger Balances and activity for each Bond Fund
- Bank Reconciliations
- Claims and Supporting Documentation for payments
- Internal Controls Over Financial Transactions and Reporting
Long-term Debt

Current
- Included in Supplementary Information section as the Schedule of Leases and Debt

2019
- Removed from Supplementary Information and presented as a Note Disclosure
- Beginning and Ending Balances; Additions and Reductions during the period
- Schedule of principal and interest payments until maturity

2020
- No Changes

Notes to the Financial Statements
Regulatory Format

Leases
2018 AFR Unit Questions

5. Does your unit have any outstanding debt?
   Debt can be in the form of bonds, notes, loans, or judgments payable over more than one year. Leases are considered separately (see question 6 below).

6. Does your unit have any outstanding leases?
   A contract by which one party conveys land, property, services, etc., to another for a specified time, usually in return for a periodic payment.

2018 AFR Lease Schedule

Leases

<table>
<thead>
<tr>
<th>Delete</th>
<th>Lessor</th>
<th>Description or Purpose</th>
<th>Annual Lease Payment Due in 2019</th>
<th>Lease Beginning Date MM/DD/YYYY</th>
<th>Lease Ending Date MM/DD/YYYY</th>
</tr>
</thead>
<tbody>
<tr>
<td>✗</td>
<td>EDC Lease Rental Roy Ref Bonds of 2016</td>
<td>Northfield Drive - 56th to 267</td>
<td>$784,000.00</td>
<td>08/30/2016</td>
<td>02/01/2029</td>
</tr>
<tr>
<td>✗</td>
<td>EDC Lease Rental Bonds of 2015A</td>
<td>Ronald Reagan</td>
<td>$381,000.00</td>
<td>07/01/2015</td>
<td>08/01/2039</td>
</tr>
<tr>
<td>✗</td>
<td>EDC Lease Rental Bonds of 2015A</td>
<td>$6,770,000</td>
<td>$514,000.00</td>
<td>07/01/2016</td>
<td>01/01/2035</td>
</tr>
</tbody>
</table>
Audit Report Schedules
(2018 and years prior)

*Unaudited Supplementary Information

SCHEDULE OF LEASES AND DEBT
December 31, 2017

<table>
<thead>
<tr>
<th>Lessor</th>
<th>Purpose</th>
<th>Annual Lease Payment</th>
<th>Lease Beginning Date</th>
<th>Lease Ending Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brownsburg Fire Station Building Corp $1 460 000</td>
<td>$ 154,000</td>
<td>7/1/2015</td>
<td>1/1/2025</td>
</tr>
<tr>
<td></td>
<td>First Mortgage Refunding Bond</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brownsburg Municipal Building Corp. 1st Mortgage Refunding Bonds Series 2013</td>
<td>$ 1,181,000</td>
<td>7/15/2013</td>
<td>1/15/2025</td>
</tr>
<tr>
<td></td>
<td>Municipal Complex</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2019 Updates - Leases

Financial Statement Note Disclosure

- General Description of Leasing Arrangements
  - including lease term

- Principal and Interest Requirements to Maturity
  - Debt Management Report Amortization Schedule
### 2019 Audit Reports

The Town has entered into a lease for three police cars. The lease term began on January 15, 2018, and ends on July 15, 2027. The lease is being paid in semi-annual installments as defined in the schedule of rental payments of the lease agreement.

Principal and interest requirements to maturity as of December 31 2019, are as follows:

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$29,976</td>
<td>$2,372</td>
<td>$32,348</td>
</tr>
<tr>
<td>2021</td>
<td>$29,976</td>
<td>$1,746</td>
<td>$31,722</td>
</tr>
<tr>
<td>2022</td>
<td>$29,976</td>
<td>$1,130</td>
<td>$31,106</td>
</tr>
<tr>
<td>2023</td>
<td>$29,976</td>
<td>$490</td>
<td>$30,466</td>
</tr>
<tr>
<td>2024</td>
<td>$29,976</td>
<td>$334</td>
<td>$30,310</td>
</tr>
<tr>
<td>2025-2027</td>
<td>$149,880</td>
<td>$3,065</td>
<td>$152,945</td>
</tr>
</tbody>
</table>

Totals: $299,760 $9,137 $308,897

---

### Checklist - Leases

- General Description of Lease Arrangements
- Name of Lessor
- Lease Beginning Date
- Lease Ending Date
- Annual Lease Payment
- Complete Debt Management Report information
- Update Debt Management Report as needed
# Audit Information - Leases

- Lease Agreements
- Claims and Supporting Documentation for payments
- Internal Controls Over Financial Transactions and Reporting

## Leases

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>Included in Supplementary Information section as the Schedule of Leases and Debt</td>
</tr>
<tr>
<td>2019</td>
<td>Removed from Supplementary Information and presented as a Note Disclosure</td>
</tr>
<tr>
<td></td>
<td>Description of lease and lease term</td>
</tr>
<tr>
<td></td>
<td>Schedule of principal and interest payments until maturity</td>
</tr>
<tr>
<td>2020</td>
<td>No Changes</td>
</tr>
</tbody>
</table>

AFR Changes for 2019
Interfund Activity

A transfer permanently moves money from one fund to another.

An interfund loan is a temporary transfer and must be paid back to the original fund.

- Indiana Code 36-1-8-4
Notes to the Financial Statements
Interfund Transfers 2018

Summary of Significant Accounting Policies

Current Regulatory and Future Regulatory Report Formats

F. Interfund Transfers

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

Interfund Transfers: AFR 2018 and beyond

<table>
<thead>
<tr>
<th>Other Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disbursement Classification</td>
</tr>
<tr>
<td>Payments To or On Behalf of Beneficiaries</td>
</tr>
<tr>
<td>Payment of Taxes and Other Payroll Withholdings</td>
</tr>
<tr>
<td>Distributions to Other Governmental Entities</td>
</tr>
<tr>
<td>Transfer Out - Transferred To Another Fund</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt Classification</td>
</tr>
<tr>
<td>Sale of Investments</td>
</tr>
<tr>
<td>Earnings on Investments and Deposits</td>
</tr>
<tr>
<td>Proceeds from Tax Anticipation Warrants</td>
</tr>
<tr>
<td>Proceeds from Borrowings other than Tax Anticipation Warrants</td>
</tr>
<tr>
<td>Sale of Capital Assets</td>
</tr>
<tr>
<td>Refunds and Reimbursements</td>
</tr>
<tr>
<td>Benefit Plan Contributions</td>
</tr>
<tr>
<td>Donations, Gifts, and Bequests</td>
</tr>
<tr>
<td>Payroll Fund and Clearing Account Receipts</td>
</tr>
<tr>
<td>Transfers In - Transferred from Another Fund</td>
</tr>
</tbody>
</table>
Interfund Transfers: AFR
Added in 2019

<table>
<thead>
<tr>
<th>Transfer From</th>
<th>Transfer To</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund name</td>
<td>Drop down</td>
<td>$</td>
</tr>
<tr>
<td>Fund name</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund name</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund name</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund name</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

Interfund Activity Note - 2019

Note X. Interfund Activity

Interfund transfer activity for the year ended December 31, 2019, is as follows:

<table>
<thead>
<tr>
<th>Transfer From</th>
<th>General</th>
<th>Parks</th>
<th>Water - Operating</th>
<th>Water - Depreciation/Imp.</th>
<th>Watewater - Operating</th>
<th>Storm Water - Operating</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Parks</td>
<td>2,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Water - Operating</td>
<td>300,000</td>
<td>-</td>
<td>-</td>
<td>57,744</td>
<td>-</td>
<td>-</td>
<td>357,744</td>
</tr>
<tr>
<td>Water - Depreciation/Imp.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>65,000</td>
<td>-</td>
<td>-</td>
<td>65,000</td>
</tr>
<tr>
<td>Water - Bond and Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>280,229</td>
<td>280,229</td>
</tr>
<tr>
<td>Wastewater - Operating</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>38,472</td>
<td>-</td>
<td>38,472</td>
</tr>
<tr>
<td>Wastewater - Bond and Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>191,952</td>
<td>-</td>
<td>191,952</td>
</tr>
<tr>
<td>Storm Water - Operating</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Storm Water - Depreciation/Imp.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Total</td>
<td>$302,000</td>
<td>$325,229</td>
<td>$57,744</td>
<td>$295,424</td>
<td>$100,000</td>
<td>$1,080,398</td>
<td>$1,080,398</td>
</tr>
</tbody>
</table>
**Interfund Activity Note - 2019**

- General purpose of interfund transfers.
- Significant non-routine transfers

Transfers are used to (1) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted receipts collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the year ended December 31, 2019, the Town made a one-time transfer of $300,000 from the water operating fund to the general fund to subsidize, in part, the Town's share of the Perry Valley Regional Fire Protection District’s capital program.

**Interfund Activity - 2020**

- Interfund Transfer information will be required as in 2019

- Interfund Loans not repaid by 12/31 will be included on a Schedule
  - an interfund loan is a temporary transfer and must be paid back to the original fund.

- Explanation as to why the amounts were not repaid
**Draft Note - 2020 Interfund Loans**

The composition of due to/from funds as of December 31, 2020, is as follows:

<table>
<thead>
<tr>
<th>Due From</th>
<th>General</th>
<th>Parks</th>
<th>Water - Depreciation/Imp</th>
<th>Stormwater Operating</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>-</td>
<td>$6,000</td>
<td>$2,000</td>
<td>$3,824</td>
<td>$11,824</td>
</tr>
<tr>
<td>Parks</td>
<td>7,181</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,181</td>
</tr>
<tr>
<td>Water Operating</td>
<td>6,145</td>
<td>415</td>
<td>834</td>
<td>-</td>
<td>7,394</td>
</tr>
<tr>
<td>Wastewater Operating</td>
<td>-</td>
<td>3,800</td>
<td>500</td>
<td>-</td>
<td>4,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$13,326</td>
<td>$10,215</td>
<td>$3,334</td>
<td>$3,824</td>
<td>$23,305</td>
</tr>
</tbody>
</table>

**Draft Note - 2020 Interfund Loans**

- Description of Interfund Loans

The balance of $6,145 due from the Water – Depreciation/Imp fund to the general fund resulted from a loan made to establish working capital when the fund was first created; $5,000 of the balance is scheduled to be collected in the subsequent year.

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable disbursements occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.
InterFund Activity

Current
- Description of the general purpose of transfers

2019
- Description of the general purpose of the transfers
- Schedule with the amount transferred from one fund to another fund
- Explanation for any transfers that are significant or that are not considered routine for the activities of the fund

2020
- Same information will be required as in 2019
- Schedule showing transfers that were supposed to be made but were not (one fund owes another fund)
- Explanation as to why the amounts were not repaid

Cash Balance Deficits 2018 and prior

- Name of the funds
- Reason for Deficit

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. As of December 31, 2017, there were payroll withholding fund deficits that were the result of timing of payments of withholding to the payroll agents and insurance vendors. In addition, the LFD Smoke Alarms fund, a donation fund, had a cash deficit due to there being a cash deficit as of December 31, 2016, that carried over.
Deficit Fund Balances
2019 Version

- Title Change for the Note
- Name of the Fund
- Dollar Amount
- Reason for the deficit not included

Note X. Deficit Fund Balances

The following funds have deficit fund balances at December 31, 2019:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sanitation Revenue</td>
<td>$6,463</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>$9,606</td>
</tr>
<tr>
<td>Community Development</td>
<td>$16,544</td>
</tr>
<tr>
<td>Total deficit fund balances</td>
<td>$32,613</td>
</tr>
</tbody>
</table>

Deficit Fund Balances

- Note is called “Cash Balance Deficit” and includes the reason for a deficit balance
- Note will be called “Deficit Fund Balances” and indicate which funds have deficits and the dollar amount at year end; reason for deficit will not be included in the Notes
- No Changes
Notes to the Financial Statements
Regulatory Format

• Significant Contingent Liabilities
• Significant Commitments
• Subsequent Events

Significant Contingent Liabilities

• Description of the contingent liability
• Dollar amount

Note X.  Significant Contingent Liabilities

A jury awarded $50,000 to a former employee of the Town for alleged wrongful termination of employment. The Town has appealed the judgment on the basis of errors in the judge’s instructions to the jury and insufficiency of evidence to support the amount of the jury’s awards.

The final resolution of this matter is not expected to have a material effect on the Town’s financial position.
**Significant Contingent Liabilities**

- **Current**
  - Not formatted as a separate note disclosure

- **2019**
  - Description and dollar amount

- **2020**
  - No changes

**Significant Commitments**

- Description of the Commitment
- Dollar Amount

**Note X. Significant Commitments**

The Town has a contractual obligation to purchase a building during the year ended December 31, 2019, in the amount of $200,000.
Significant Commitments

Current
- Not formatted as a separate note disclosure

2019
- Description and dollar amount

2020
- No changes

Subsequent Events
- Description of the Event
- Dollar Amount

Note X. Subsequent Events
The Town entered into an agreement with a developer on January 15, 2020, to initiate a housing development on property owned by the Town Redevelopment Commission. The housing development is expected to cost $2,500,000.
Subsequent Events

Current
• Description of Event

2019
• Description of Event
• Expected dollar amount the event will cost

2020
• No changes

No AFR Changes

Notes to the Financial Statements
Regulatory Format

Pensions
Other Post Employment Benefits (OPEB)
Pensions

Most information is already submitted in Gateway

Gateway will contain additional drop-down questions to contribute more detail to the note disclosure

AFR - Pensions

Pensions

1. Please indicate if your unit offers any of these pension plans to your Employees. Check all that apply.
   - Public Employees Retirement Fund
   - 1925 Police Pension Fund
   - Teachers Retirement Fund
   - 1937 Firefighter's Pension Fund
   - Police Pension Fund - First Class Cities
   - 1977 Police and Firefighter's Pension Fund

2. Does your unit have any other pension plans where the employer makes contributions to the plan or funds any part of the benefits?
   - Yes  □  No

Add a plan entry in the table below for each additional plan the unit has.

3. When complete, mark the form as completed.
   - This form is complete

Save This Form □  Return To the Main Menu

Year: 2018
AFR - Pensions

Pensions

1. Please indicate if your unit offers any of these pension plans to your Employees. Check all that apply.
   - [ ] Public Employees Retirement Fund
   - [ ] Teachers Retirement Fund
   - [ ] Police Pension Fund - First Class Cities
   - [ ] 1925 Police Pension Fund
   - [ ] 1937 Firefighter's Pension Fund
   - [ ] 1977 Police and Firefighter's Pension Fund

2. Does your unit have any other pension plans where the employer makes contributions to the plan or funds any part of the benefits?
   - [ ] Yes
   - [ ] No

Add a plan entry in the table below for each additional plan the unit has.

<table>
<thead>
<tr>
<th>Plan Name</th>
<th>Edit</th>
<th>Delete</th>
<th>Required Fields Complete</th>
</tr>
</thead>
</table>

This form is not complete

Save This Form  Return To the Main Menu

2019 AFR: Pensions

Type of Pension Plan

Select the benefits provided under this pension plan

Select the Indiana Code that applies to this plan

- Municipal Utility Employees' Pension Fund: IC 8-1.5-3-7
- City Hospitals - Third Class Cities: IC 16-23-1-25(c)
- Housing Authorities: IC 36-7-18-10(d)
- Department of Redevelopment: IC 36-7-14-12.2(17)
- Deferred Compensation: IC 5-10-1.1
2019 AFR: Pensions (continued)

<table>
<thead>
<tr>
<th>Does the plan have any terms related to vesting?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, list the terms that must be met to vest</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Does the plan have any terms related to forfeitures (i.e. benefits payable to a plan member must be forfeited in the event the member is convicted of a crime)?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upload the policy for using the forfeited amounts</td>
<td>Upload file option</td>
<td></td>
</tr>
</tbody>
</table>

Pension Note - 2019 and beyond
Pensions

Current
• Descriptions and Funding Policy
• Instructions on how to obtain plan information

2019
• New requirements refer to plans provided by the city or town, not INPRS
  • Description; Funding policy; Benefits offered; Upload of actuarial valuation; vesting terms, if any

2020
• No Changes

OPEB 2018 and prior
• Type of benefit offered
• The fact that the plan does not pose a liability to the city or town
• Instructions on how to obtain plan information

Note 8. Other Postemployment Benefits
The Town provides to eligible retirees and their spouses the following benefits: the costs of the health insurance benefits are shared between the retiree and the Town. These benefits pose a liability to the Town for this year and in future years. Information regarding the benefits can be obtained by contacting the Town.
OPEB - 2019 and beyond

- Plan description
- Benefits provided
- Actuarial information, if any
- Contributions

Note X. Other Postemployment Benefits

Single-Employer Defined Benefit Plan

Sample Town Retiree Benefits Plan

Plan Description
The Town’s defined benefit OPEB plan, Sample Town Retiree Benefits Plan (STRPB), provides OPEB for all permanent full-time general and public safety employees of the Town. STRBP is a single-employer defined benefit OPEB plan administered by the Sample Town Employees Retirement System (STERS). Chapter 21 of the Sample Town Code grants authority to establish and amend the benefit terms to the STRSB (STERS Board). STRSB issues a publicly available financial report that can be obtained at [Internet address].

Benefits Provided
STRPB provides healthcare and vision benefits for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan.

At December 31, 2017, the following employees were covered by the benefit terms:

<table>
<thead>
<tr>
<th>Inactive employees or beneficiaries currently receiving benefit payments</th>
<th>1,307</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inactive employees entitled to but not yet receiving benefit payments</td>
<td>142</td>
</tr>
<tr>
<td>Active employees</td>
<td>8,350</td>
</tr>
<tr>
<td></td>
<td>9,805</td>
</tr>
</tbody>
</table>

Contributions
Chapter 21 of the Sample Town Code grants the authority to establish and amend the contribution requirements of the City and employees to the STRSB. The Board establishes rates based on an actuarially determined rate. For the year ended December 31, 2017, the City’s average contribution rate was 4.19 percent of covered employee payroll. Employees are not required to contribute to the plan.

2019 AFR: OPEB

[Table and form interface]
### 2019 AFR: OPEB (continued)

#### Plan Administrator
- Company Name
- Street Address
- City
- State
- Zip (e.g. 9999)
- Contact Person
- Phone (e.g. 999-999-9999)
- e-mail (e.g. example@example.com)
- Employer Sponsoring the Plan

#### Current Number of Participants
- Inactive employees or beneficiaries current receiving benefit payments
- Inactive employees entitled to but not yet receiving benefits
- Active employees

#### Actuarial Information
- Has there been an actuarial valuation done for this plan?  
  - Yes
  - No
- When are you planning to have an actuarial valuation done?  
  - Next Year
  - Two Years
  - More Than Two Years
  - Do not intend to have an actuarial valuation done

#### Contribution Rates (as a Percentage of Payroll)
- Employer
- Plan Members
- Annual Covered Payroll
- Cost Method for Funding Purposes

#### Unit Credit
- Projected Unit Credit
- Entry Age Normal (% Salary)
- Entry Age Normal (Level Dollar)
- Aggregate
- Attained Age Normal
- Individual Aggregate
- Frozen Initial Liability
- Individual Level Premium
- Pay as you go
- Other (please specify)
Other Post Employment Benefits

Current
- The type of benefit offered
- The fact that the plan does not pose a liability to the city or town
- Instructions on how to obtain plan information

2019
- Benefits Offered; Contribution rates; Actuarial information, if any
- Instructions on how to obtain plan information

2020
- No Changes

Notes to the Financial Statements
Regulatory Format

Capital Assets
## 2018 Unit Questions

### AFR Unit Questions

7. Do you maintain records listing the types and values of assets owned by the unit? Assets include land, buildings, infrastructure, vehicles, equipment, etc.

## 2018 Gateway Reporting

### Capital Assets

Using your Capital Asset records complete the Schedule of Capital Assets (land, building, equipment, etc) as of the end of the year. If you have infrastructure, but don’t have valuations for it, submit the Annual Report with a temporary value of $0.99 and estimate the value later. See [this page](#) for information on various methodologies for estimating the value of infrastructure. Once you have estimated the value, correct the Annual Report and resubmit.

Make sure to press the ENTER key on the keyboard after entering a number to make sure it is saved!

<table>
<thead>
<tr>
<th>Government or Enterprise</th>
<th>Land</th>
<th>Infrastructure</th>
<th>Building</th>
<th>Improvements Other Than Buildings</th>
<th>Machinery, Equipment, and Vehicles</th>
<th>Construction in Progress</th>
<th>Books and Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$0.00</td>
<td>$208,383.00</td>
<td>$333,251.00</td>
<td>$158,998.00</td>
<td>$227,012.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>WASTEWATER UTILITY (Wastewater Utility)</td>
<td>$8,223.00</td>
<td>$351,065.00</td>
<td>$312,938.00</td>
<td>$512,080.00</td>
<td>$581,027.00</td>
<td>$0.09</td>
<td>$0.00</td>
</tr>
<tr>
<td>WATER UTILITY (Water Utility)</td>
<td>$994.00</td>
<td>$434,725.00</td>
<td>$122,476.00</td>
<td>$9,966.00</td>
<td>$189,264.00</td>
<td>$0.09</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
2018 Regulatory Format
(and years prior)

*Supplementary Information

*Ending Balance Only

*Compliance

2019 Updates - Capital Assets

- Capital Asset Additions and Reductions
- Supplementary Information for 2019
- Financial Statement Note Disclosure 2020
2019 Supplementary Information

Capital Assets
Capital asset activity for the year ended December 31, 2019, was as follows:

<table>
<thead>
<tr>
<th>General Government Assets</th>
<th>Beginning Balance</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jan 1, 20XX</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Government Assets</td>
<td>$27,053,627</td>
<td>$1,257,100</td>
<td>$150,000</td>
<td>$28,360,727</td>
</tr>
</tbody>
</table>

| Water Utility Assets      |                   |           |            |               |
| Land                      |                    |           |            |               |
| Buildings                 |                    |           |            |               |
| Total Water Utility Assets| $4,678,727          |           |            | $4,678,727    |

2019 Gateway Reporting

<table>
<thead>
<tr>
<th>Government or Enterprise</th>
<th>Beginning Balance January 1, 20XX</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government Activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvements other than Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Machinery, Equipment and Vehicles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction in Progress</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books and Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capital Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital Assets - 2020 Updates

- Removed from Supplementary Information section
- Added to Notes to Financial Statements section
- Beginning Balance, Additions, Reductions, Ending Balance by Activity and Class as in 2019
- Accumulated Depreciation for depreciable assets

Capital Asset Note (draft) - 2020

**Note X. Capital Assets**

<table>
<thead>
<tr>
<th>General Government Assets</th>
<th>Beginning Balance 01/01/20</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance 12/31/20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital assets not being depreciated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>1,371,633</td>
<td>500,000</td>
<td>49,682</td>
<td>1,921,951</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>75,000</td>
<td>25,000</td>
<td></td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total capital assets not being depreciated</strong></td>
<td>1,446,633</td>
<td>525,000</td>
<td>49,682</td>
<td>1,921,951</td>
</tr>
<tr>
<td><strong>Capital assets being depreciated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1,591,231</td>
<td>352,789</td>
<td>256,251</td>
<td>1,687,769</td>
</tr>
<tr>
<td>Buildings</td>
<td>25,348,431</td>
<td>3,500,000</td>
<td>1,750,000</td>
<td>27,098,431</td>
</tr>
<tr>
<td>Improvements other than Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Machinery, Equipment and Vehicles</td>
<td>9,476,302</td>
<td>2,000,000</td>
<td>1,260,350</td>
<td>10,215,952</td>
</tr>
<tr>
<td><strong>Total capital assets being depreciated</strong></td>
<td>36,415,964</td>
<td>5,852,789</td>
<td>5,266,601</td>
<td>39,002,152</td>
</tr>
<tr>
<td><strong>Less: Accumulated depreciation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>106,612</td>
<td>23,637</td>
<td>17,169</td>
<td>113,080</td>
</tr>
<tr>
<td>Buildings</td>
<td>1,698,345</td>
<td>234,500</td>
<td>117,250</td>
<td>1,815,595</td>
</tr>
<tr>
<td>Improvements other than Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Machinery, Equipment and Vehicles</td>
<td>424,912</td>
<td>124,000</td>
<td>84,442</td>
<td>484,469</td>
</tr>
<tr>
<td><strong>Total accumulated depreciation</strong></td>
<td>2,439,870</td>
<td>392,137</td>
<td>218,862</td>
<td>2,613,144</td>
</tr>
<tr>
<td><strong>Net capital assets being depreciated</strong></td>
<td>$33,976,094</td>
<td>$5,460,652</td>
<td>$3,047,739</td>
<td>$36,380,008</td>
</tr>
</tbody>
</table>
Capital Assets

Current
- Supplementary Information section - Schedule of Capital Assets
- Ending Balance only

2019
- Supplementary Information section - Schedule of Capital Assets
- Beginning Balance, Additions, Reductions, Ending Balance

2020
- Removed from Supplementary Information section and presented as a note disclosure
- Beginning Balance, Additions, Reductions, Ending Balance
- Accumulated depreciation for depreciable assets

Checklist
- Establish Capitalization Policy
- Maintain Capital Assets Ledger (prescribed form)
- Identify Capital Assets by Activity
- Identify Capital Assets by Major Class
- Confirm Beginning Balance for 2019
- Report Additions to Capital Assets
- Report Reductions in Capital Assets
- Compare Ending Balance to Capital Assets Ledger
- Document Basis for Valuation and Estimated Useful Life
- Establish Internal Controls
2019 Audit Information

- Capitalization Policy
- Capital Assets Ledger
- Supporting Documentation
- Documented Basis for Asset Valuation
- Documented Basis for Estimated Useful Lives
- Internal Controls

SBOA Articles

Bulletin and Uniform Compliance Guidelines
Establishing the Estimated Cost of Capital Assets, June 2018 p. 29
Inventories of Capital Assets, March 2014, p. 3

Accounting and Uniform Compliance Guidelines Manual
Depreciation of Utility Assets, p. 3-55;
Estimated Useful Lives of Capital Assets p. 3-58

SBOA Best practices; www.in.gov/sboa
Notes to the Financial Statements
Regulatory Format

Additional Notes for 2020

Conduit Debt - 2020

• Description of transactions

• Aggregate amount of all conduit debt outstanding
**Short-term Debt - 2020 Draft**

- Beginning and ending balances
- Additions and reductions
- Description of the purpose for which debt was issued

**Note X. Short-Term Debt**

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Beginning Balance 1/1/20</th>
<th>Addition</th>
<th>Reduction</th>
<th>Ending Balance 12/31/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax anticipation warrants</td>
<td>$</td>
<td>$110,000</td>
<td>$(110,000)</td>
<td>$</td>
</tr>
</tbody>
</table>

The Town issues tax anticipation warrants in advance of property tax collections, depositing the proceeds in its general fund. These warrants are necessary because the Town’s payments to the school system and other local agencies are made on January 1 and July 1, whereas tax collections are received shortly before their May 10 and November 10 due dates.

**Tax Abatements - 2020**

- Description of tax abatement agreements
- Dollar amount by which tax revenues were reduced
- Receivable amounts
- Policies pertaining to disclosure of significant tax abatement agreements
Landfill Closure and Post-closure Care - 2020

- Applicable laws and regulations
- Length of time the unit is responsible for closure and post-closure care
- Landfill capacity used to date
- Liability for closure and post-closure care
- Financing of the closure and post-closure care costs

Related Party Transactions - 2020

- Nature of relationship and transaction that occurred
- Dollar amount of any receivables or payables
Joint Ventures - 2020

- Description of joint venture
- Financial interest of unit in the joint venture

Recap
Schedule of Regulatory Changes

Visit www.in.gov/sboa to view the entire document
Updates to the Regulatory Format 2019 and 2020

Through this process it is our goal to work with you as we provide the citizens of Indiana with complete confidence in the integrity and financial accountability of state and local government.

Contact Information

Todd Caldwell
Susan Gordon

cities.towns@sboa.in.gov

317-232-2513