

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

EXAMINATION REPORT
OF
CITY OF JEFFERSONVILLE
CLARK COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED
12/31/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Peggy Wilder	01-01-04 to 12-31-11
Mayor	Robert L. Waiz, Jr. Thomas R. Galligan	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Board of Public Works and Safety	Robert L. Waiz, Jr. Thomas R. Galligan	01-01-04 to 12-31-07 01-01-08 to 12-31-11
President of the Common Council	Keith Fetz Ed Zastawny	01-01-07 to 12-31-07 01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF JEFFERSONVILLE, CLARK COUNTY, INDIANA

We have examined the financial information presented herein of the City of Jeffersonville (City), for the period of January 1, 2007 to December 31, 2007. The City's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the City for the year ended December 31, 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not a required part of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

December 10, 2008

CITY OF JEFFERSONVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2007

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 368,351	\$ 12,637,975	\$ 14,391,019	\$ (1,384,693)
Motor Vehicle Highway	191,509	828,433	952,956	66,986
Local Roads and Streets	169,632	570,440	851,719	(111,647)
Street Department Non-reverting	3,632	-	-	3,632
Park and Recreation	(302,660)	1,064,978	1,228,704	(466,386)
INDOT and Jeff City	4,535	304	4,839	-
Fire Department Non-reverting	1,808	47,971	45,658	4,121
Animal Shelter Spay/ Neuter Program	29,254	62,054	30,892	60,416
Animal Shelter Building and Capital Improvement	181	-	-	181
Mayor's Non-reverting	52	-	-	52
P & R Board Non-reverting Aquatic	108,208	260,910	241,228	127,890
Jeff Riverfront Park Non-reverting	29,689	31,150	16,186	44,653
Park Special Non-reverting	92,545	159,929	207,039	45,435
City Engineer Non-reverting	36,912	5,615	4,407	38,120
Narcotics Surveillance Grant	-	8,406	8,550	(144)
Cops Grant Salaries	598,408	-	-	598,408
Share of Gaming Revenues	517,433	172,538	299,774	390,197
Major Moves	187,726	185,813	161,215	212,324
Building Demolition Non-reverting	39,511	-	380	39,131
Juvenile Justice Grant	-	9,042	9,042	-
Grant - City Court	-	-	3,475	(3,475)
Clerk's Record Perpetuation	489	1,514	1,963	40
Sanitation	140,882	663,729	894,669	(90,058)
Jeff Park and Ride	(30,195)	27,458	35,363	(38,100)
Donations	41,357	66,331	44,454	63,234
Probation User Fee	229,481	165,977	202,635	192,823
Beautification Non-reverting	-	43,716	37,376	6,340
City Court Non-reverting	32,073	81,572	35,990	77,655
Non-reverting Floating Stage	687	-	-	687
Sprint Lease Non-reverting	59,469	17,931	-	77,400
Tax Increment Financing	997,839	216,693	20,000	1,194,532
TIF 63 - Vogt Valve	305,744	175	492,001	(186,082)
TIF 64 - Galvstar	25,939	103	-	26,042
TIF 65 - Gateway	(280,520)	13	-	(280,507)
TIF 66 - Keystone	728	81	58,203	(57,394)
TIF 67 - Bethnova	(35,674)	34	39,404	(75,044)
Department of Law Non-reverting	1,686	310,206	302,226	9,666
TIF 57,61 - ICR Allocation	1,519,961	5,154	102,253	1,422,862
TIF 57,61 - ICR Surplus Allocation	-	-	360,414	(360,414)
TIF 57,61 - ICR Redevelopment Capital	697,776	-	100,000	597,776
TIF 62 - Harbour Falls	1,167,551	6,767	1,319,361	(145,043)
Cumulative Capital Improvement	351,224	96,106	100,000	347,330
Police SWAT Non-reverting	9	4,803	-	4,812
Police Automobile Non-reverting	2,398	45,977	37,580	10,795
Rainy Day	-	3,259,074	109,649	3,149,425
Cumulative Capital Development	(253,210)	110,636	-	(142,574)
Sidewalk Renovation Non-reverting	(5,410)	10,814	12,228	(6,824)
Law Enforcement Continuing Education	10,775	42,368	35,742	17,401
Jeff Building Authority Operating Non-reverting	-	140,000	95,986	44,014
Jeff Building Authority Capital Improvement Reserve	-	70,000	-	70,000
Tree Planting Non-reverting	4,067	-	-	4,067
Economic Development Income Tax	779,016	1,592,051	1,664,539	706,528
CASI	182,654	356,848	339,467	200,035
Redevelopment Grant	24,510	1,259,351	1,208,850	75,011
Redevelopment Revolving Loan	182,768	41,495	36	224,227
Redevelopment Operating	715,487	1,463,734	861,151	1,318,070
Ken Ellis Building	218,107	1,802	219,909	-
City Hall Bond	301,849	384,330	358,600	327,579
City Hall Retainage	-	780,384	780,384	-
Proprietary Funds:				
Non-Reverting Health Insurance	992,163	2,495,015	2,684,383	802,795
Sewage Operating and Maint.	2,120,476	6,038,140	5,206,502	2,952,114
Sewage Works Sinking	983,889	1,751,852	2,842,926	(107,185)
Sewage Construction	96,276	-	96,276	-
Sewage Cumulative Improvement	(68,778)	1,767,116	1,999,980	(301,642)
Sewage Revenue	-	9,008,194	9,008,194	-
Sewage Works Reserve	1,826,279	63,849	-	1,890,128
Sewage Drainage	2,330,924	1,210,948	1,810,873	1,730,999
Sewage Drainage Sinking	19,132	250,122	294,527	(25,273)
Sewer Construction	3,739,462	331,425	412,138	3,658,749
Fiduciary Funds:				
Redevelopment Payroll	-	152,867	152,431	436
Fire Pension	761,928	793,864	1,316,166	239,626
Police Pension	385,290	764,574	781,319	368,545
Court Cost Due County	105,394	15,922	-	121,316
Continuing Education	26,493	2,271	-	28,764
City Court	132,185	596,526	483,259	245,452
Imprest Cash	1,525	-	1,525	-
Totals	\$ 22,918,881	\$ 52,555,470	\$ 55,418,015	\$ 20,056,336

The accompanying notes are an integral part of the financial information.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The City was established under the laws of the State of Indiana. The City provides the following services: public safety, highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, economic development, and urban redevelopment.

Note 2. Fund Accounting

The City uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the City in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% 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 become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes the City to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The City contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and 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:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

B. 1925 Police Officers' Pension Plan

Plan Description

The City contributes to the 1925 Police Officers' Pension Plan, which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL INFORMATION
(Continued)

C. 1937 Firefighters' Pension Plan

Plan Description

The City contributes to the 1937 Firefighters' Pension Plan, which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

D. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The City contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55. The plan also provides for death and disability benefits.

PERF 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:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 7. Subsequent Event

The City passed Ordinance 2008-OR-9 which authorizes the issuance of bond anticipation notes in the amount of \$15,800,000 for improvements, additions, and extensions to its municipal sewage works.

The City entered into an agreement for contract operations with Environmental Management Corporation (EMC) to operate the City's sanitary sewer treatment and collection system facility with subsequent annual amendments to the agreement on or about May 1, 2004. In August 2008, EMC filed a complaint in Superior Court 1 for Clark County against the City for declaratory judgment, breach of contract, and specific performance. The City has filed a counterclaim to the complaint against EMC for breach of contract and constructive fraud.

CITY OF JEFFERSONVILLE
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

December 31, 2007

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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 4,763,839
Infrastructure	26,291,515
Buildings	9,120,557
Improvements other than buildings	6,232,968
Machinery and equipment	6,057,150
Construction in progress	<u>3,938,568</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 56,404,597</u></u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 888,703
Land - Drainage	11,000
Infrastructure	1,089,016
Infrastructure - Drainage	3,405,487
Construction in progress	4,629,051
Construction in progress - Drainage	594,107
Buildings	18,417,707
Improvements other than buildings	26,366,985
Machinery and equipment	1,092,890
Machinery and equipment - Drainage	<u>227,534</u>
 Total Wastewater Utility capital assets	 <u>56,722,480</u>
 Total business-type activities capital assets	 <u><u>\$ 56,722,480</u></u>

CITY OF JEFFERSONVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The City of Jeffersonville has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
2005 Garbage Trucks	\$ 124,090	\$ 52,252
Galvpro - Redevelopment Authority	1,065,000	300,550
Riverside Landing - Redevelopment Authority	2,800,000	399,360
Aquatic Center - Redevelopment Authority	3,610,000	431,089
Sound and Light Equipment - Riverstage	142,739	38,540
Fire Station #2	4,010,000	400,000
Fire Station #4	2,180,000	221,000
City Service Building	<u>4,615,000</u>	<u>457,000</u>
Notes and loans payable:		
Redevelopment Loan - CASI	441,718	46,730
Redevelopment Loan - Koetter	135,080	140,483
Redevelopment Loan - Mullis Project	34,395	93,511
2000 Tax Increment Revenue Loan - Bethnova	74,246	116,029
State Infrastructure Bank Program Loan	2,389,331	-
Bonds payable:		
Revenue bonds:		
2003 Capital Development Tourism Bonds	213,822	42,762
2005 Tax Increment Revenue Bonds - Series A - City Hall	2,615,000	370,070
2005 Tax Increment Revenue Bonds - Series B - Medventure	<u>4,329,983</u>	<u>279,841</u>
Total governmental activities debt	<u><u>\$ 28,780,404</u></u>	<u><u>\$ 3,389,217</u></u>
Business-type Activities:		
Wastewater Utility		
Notes and Loans Payable:		
1999 State Revolving Loan	\$ 2,377,440	\$ 219,869
Revenue bonds:		
1998 Wastewater Improvement Revenue Bonds	4,275,000	491,085
2003 Drainage Improvement Revenue Bonds	2,755,000	247,023
2004 Wastewater Refunding Revenue Bonds	2,085,000	741,300
2005 Sewage Works Revenue Bonds	<u>6,375,000</u>	<u>267,624</u>
Total Wastewater Utility	<u>17,867,440</u>	<u>1,966,901</u>
Total business-type activities debt:	<u><u>\$ 17,867,440</u></u>	<u><u>\$ 1,966,901</u></u>

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS

PERSONAL EXPENSES PAID ON CITY CREDIT CARD (Applies to Clerk-Treasurer)

The City had a dormant payroll account at Fifth Third Bank that had no financial activity processed through the account since March 30, 2004, until the following electronic withdrawals were made from the bank account:

<u>Date</u>	<u>Amount</u>
06-21-06	\$ 227.00
10-19-06	400.00
11-28-06	370.00
03-02-07	634.75
08-02-07	<u>416.00</u>
	<u>\$ 2,047.75</u>

Peggy Wilder, Clerk-Treasurer, stated the above electronic withdrawals were for personal expenses incurred on her personal credit card and the electronic withdrawals were made in error by Fifth Third Bank.

We contacted officials at Fifth Third Bank regarding the credit card account. The information showed the credit card account was established as a business account in the name of the City of Jeffersonville and the City's tax identification number was used to establish the credit card account (See Examination Result and Comment titled "Personal Expenses Charged on Unauthorized Credit Card").

Fifth Third Bank officials stated the five electronic withdrawals were made from the City's bank account because the credit card account had become delinquent and under the terms of the credit card agreement, the bank exercised its right to make the electronic withdrawals for payment on the credit card account.

No documentation was presented for examination showing the City Council authorized electronic withdrawals to be made from the City's bank account.

Indiana Code 5-13-5-5 states in part:

"(a) The fiscal body of any political subdivision may by ordinance or resolution authorize the proper legal officers of the political subdivision to transact the political subdivision's business with a financial institution . . . through the use of electronic funds transfer.

(b) The ordinance or resolution must:

- (1) specify the types of transactions that may be conducted by electronic funds transfer; and
- (2) require the proper officers to maintain adequate documentation of the transactions so that they may be audited as provided by law."

Based on information provided by Fifth Third Bank, the electronic withdrawals from the City bank account were not made in error.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Suzy Bass, Chief Deputy Clerk-Treasurer, stated due to untimely bank reconciliations being performed (See Examination Result and Comment titled "Bank Account Reconciliations"), the above electronic withdrawals totaling \$2,047.75 were not identified until August of 2007. Suzy Bass stated that she brought the electronic withdrawals to the attention of Peggy Wilder, Clerk-Treasurer.

Peggy Wilder, Clerk-Treasurer, refunded \$2,047.75 to the City on December 19, 2007.

PERSONAL EXPENSES CHARGED ON UNAUTHORIZED
CITY CREDIT CARD (Applies to Clerk-Treasurer)

Electronic withdrawals were made from a City bank account to pay on a credit card account (See Examination Result and Comment titled "Personal Expenses Paid on City Credit Card"). We requested Peggy Wilder to present the credit card statements for our examination. The Clerk-Treasurer stated that she would present these statements to us. However, no credit card statements were provided by the Clerk-Treasurer for our examination.

We contacted officials at Fifth Third Bank regarding the credit card account. The information showed the credit card account was established as a business account in the name of the City of Jeffersonville, using the City's tax identification number.

Officials at Fifth Third Bank provided us copies of credit card statements. The following is a summary of the credit card activity from the year 2000 through the year 2008:

<u>Description of Activity</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Purchases	\$ 27,610.93	\$ 9,907.53	\$ 11,432.10	\$ 4,712.11	\$ 1,800.83
Over credit card limit charges	29.00	-	-	105.00	70.00
Finance charges	429.56	1,050.53	228.78	1,079.05	1,082.06
Late payment charges	-	58.00	87.00	175.00	245.00
Total charges	\$ 28,069.49	\$ 11,016.06	\$ 11,747.88	\$ 6,071.16	\$ 3,197.89
<u>Description of Activity</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Totals</u>
Purchases	\$ 1,004.43	\$ -	\$ -	\$ -	\$ 56,467.93
Over credit card limit charges	280.00	315.00	420.00	-	1,219.00
Finance charges	1,915.00	2,313.78	2,443.21	80.86	10,622.83
Late payment charges	385.00	350.00	385.00	57.00	1,742.00
Total charges	\$ 3,584.43	\$ 2,978.78	\$ 3,248.21	\$ 137.86	\$ 70,051.76

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

We reviewed vendor history reports for the years 2003 through 2008. These reports did not show any payments made by the City to Fifth Third Bank for credit card payments. Based on this information, there is no indication that the credit card was used for City business between the years 2003 and 2008.

The City did not have vendor history reports available for the years 2000 through 2002. Without this information, we were unable to determine the amount of purchases related to City business.

No ordinance was presented for examination showing that the City Council authorized the Clerk-Treasurer to obtain the credit card at Fifth Third Bank.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PERSONAL EXPENSES CHARGED ON AUTHORIZED CITY
CREDIT CARD (Applies to Clerk-Treasurer)

The City Council passed Resolution 2004-R-7 on February 2, 2004, authorizing the Clerk-Treasurer to obtain a credit card for travel expenses and for other specific needs of the office of Clerk-Treasurer. The Clerk-Treasurer opened a credit card account through Republic Bank during February of 2004.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

We identified payments being made to Republic Bank for credit card purchases. However, no credit card statements were on file. We requested Peggy Wilder, Clerk-Treasurer, to present the credit card statements from Republic Bank for our examination. The Clerk-Treasurer stated that she would present these statements to us. However, no credit card statements were provided by the Clerk-Treasurer for our examination.

We contacted officials at Republic Bank regarding the credit card account. The information showed that the credit card account was established as a business account in the name of the City of Jeffersonville, using the City's tax identification number.

Officials at Republic Bank provided us with printouts showing charges and payments made on the credit card account. The printouts did not show the source of payments. Using the information provided by Republic Bank and City vendor history reports showing payments to Republic bank, we were able determine the amount of credit card charges that was not paid by the City. The following is our comparison of credit card charges with payments made by the City on the credit card account:

<u>Description of Activity</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Purchases	\$ 13,522.35	\$ 11,950.70	\$ 28,439.37
Finance charges	205.92	588.93	1,023.76
Late charges	<u>40.00</u>	<u>20.00</u>	<u>20.00</u>
Total charges	13,768.27	12,559.63	29,483.13
Payments made by City	<u>(7,787.32)</u>	<u>(12,638.14)</u>	<u>(22,697.97)</u>
Charges not paid by City	<u>\$ 5,980.95</u>	<u>\$ (78.51)</u>	<u>\$ 6,785.16</u>
	<u>2007</u>	<u>2008</u>	<u>Totals</u>
Purchases	\$ 6,551.08	\$ 4,532.01	\$ 64,995.51
Finance charges	1,577.28	115.99	3,511.88
Late charges	<u>60.00</u>	<u>20.00</u>	<u>160.00</u>
Total charges	8,188.36	4,668.00	\$ 68,667.39
Payments made by City	<u>(6,278.08)</u>	<u>(4,261.58)</u>	<u>(53,663.09)</u>
Charges not paid by City	<u>\$ 1,910.28</u>	<u>\$ 406.42</u>	<u>\$ 15,004.30</u>

The payments made by the City on the credit card account were supported with documentation such as invoices and receipts based on the documentation we reviewed. The payments were also subjected to review and approval of the City Council. The "Charges Not Paid by City" represents activity on the credit card that was not subject to review and approval of the City Council.

No invoices, receipts, or other supporting documentation were presented for examination to show the nature or purpose of the "Charges Not Paid by City." Based on Peggy Wilder's, Clerk-Treasurer, statement to us that the credit card account was her personal account, we presume the "Charges Not Paid by City" were personal expenses paid with personal funds.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Assets of the governmental unit may not be used in a manner unrelated to the functions and purposes of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The use of the City credit card for the charging of personal expenses was not authorized by Resolution 2004-R-7.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ADVANCE PAYMENT OF SALARY (Applies to Clerk-Treasurer)

Suzy Bass, Chief Deputy Clerk-Treasurer, stated that Peggy Wilder, Clerk-Treasurer, requested an advance payment on her salary for the payroll ending December 8, 2006. The request was made because Peggy Wilder was going on vacation. The advance payment was in the amount of \$2,687.04.

The advance payment was not repaid as of December 31, 2006, resulting in the Clerk-Treasurer's salary for the year 2006 being overpaid in the amount of \$2,687.04.

Suzy Bass, Chief Deputy Clerk-Treasurer, stated that the overpayment was not discovered until June of the year 2007 because bank reconciliations of the payroll bank accounts had not been performed (See Examination Result and Comment titled "Bank Account Reconciliations"). When the overpayment was discovered, Peggy Wilder, Clerk-Treasurer, was notified and the overpayment was refunded as follows:

<u>Date Paid</u>	<u>Amount</u>
06-25-07	\$ 2,600.00
12-19-07	<u>87.04</u>
Total	<u>\$ 2,687.04</u>

Indiana Code 5-7-3-1(a) states the following:

"Public officers may not draw or receive their salaries in advance."

NO OFFICIAL BOND (Applies to Clerk-Treasurer)

Peggy Wilder, Clerk-Treasurer, was not covered by an official bond or by the City's crime insurance policy as described below:

Peggy Wilder, Clerk-Treasurer, did not obtain an official bond when her term of office began on January 1, 2004.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-4-1-9 states:

"An officer required to give an official bond shall give the bond before the commencement of his term of office. If the officer fails to give the bond before that time, the officer may not take office."

A certificate of insurance provided by the City's insurance company shows that the Clerk-Treasurer was covered under the City's crime insurance policy effective August 6, 2007. Peggy Wilder, Clerk-Treasurer, was not authorized by ordinance (Ordinance 2008-OR-33) of the City Council to be covered by the City's crime insurance policy until July 7, 2008.

Indiana Code 5-4-1-18 states in part:

"(a) Except as provided in subsection (b), the following city, town, county, or township officers and employees shall file an individual surety bond: . . .

(2) . . . clerk-treasurers . . .

(b) he fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a)."

BANK ACCOUNT RECONCILIATIONS (Applies to Clerk-Treasurer)

Depository reconciliations of the City's payroll accounts and Wastewater Utility accounts to the bank account balances were not completed on a monthly basis during the year.

Indiana Code 5-13-6-1(e) states in part:

"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

A similar comment was reported in prior Report B31275.

ANNUAL REPORT (Applies to Clerk-Treasurer)

The annual report for the year ending December 31, 2007, was not completed and published within 60 days after the expiration of the calendar year.

Indiana Code 5-3-1-3(a) states in part:

"Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town . . ."

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

OVERDRAWN FUND BALANCES (Applies to Clerk-Treasurer)

The following funds have overdrawn fund balances as of December 31, 2007, in the amounts shown below:

Fund	Amount
General	\$ 1,384,693
Local Roads and Streets	111,647
Park and Recreation	466,386
Narcotics Surveillance Grant	144
Grant - City Court	3,475
Sanitation	90,058
Jeff Park and Ride	38,100
TIF63-Vogt Valve	186,082
TIF65-Gateway	280,507
TIF66-Keystone	57,394
TIF67-Bethnova	75,044
TIF57,61-ICR Surplus Allocation	360,414
TIF62-Harbour Falls	145,043
Cumulative Capital Development	142,574
Sidewalk Renovation Non-Reverting	6,824
Sewage Works Sinking	107,185
Sewage Cumulative Improvement	301,642
Sewage Drainage Sinking	25,273
 Total	 \$ 3,782,485

When a deficit cash balance occurs, the Clerk-Treasurer is, in effect, borrowing funds from other City Funds without obtaining formal approval from the City Council.

Indiana Code 36-1-8-4 (a) states:

"The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

- (1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.
- (2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.
- (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.
- (4) The amount transferred must be returned to the other fund at the end of the prescribed period.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred."

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in prior Report B31275.

PETTY CASH AND CASH CHANGE FUNDS (Applies to Clerk-Treasurer)

The City has petty cash and cash change funds totaling \$2,956.25. These funds were not recorded on the Clerk-Treasurer's ledger. The recording of petty cash and cash change funds on the financial records of the Clerk-Treasurer is needed to provide an accounting for petty cash and cash change funds.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CREDIT CARD CLAIMS (Applies to Clerk-Treasurer and City Council)

We examined 27 credit card claims totaling \$17,124.71. Adequate supporting documentation was not presented for examination on 12 of the credit card claims and no credit card statements were presented for 15 of the credit card claims. The following is a summary of the missing credit card documentation in dollars by City department for the credit card claims we reviewed:

<u>Department</u>	<u>Total Paid</u>	<u>No Support Documentation</u>	<u>No Credit Card Statement</u>
City Attorney	\$ 888.62	\$ 306.98	\$ 561.35
Clerk-Treasurer	2,533.44	175.50	2,533.44
Police	4,227.94	510.77	711.55
Parks	8,310.05	2,357.66	-
Fire	1,150.56	42.71	1,150.56
City Engineer	14.10	-	-
Totals	\$ 17,124.71	\$ 3,393.62	\$ 4,956.90

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Prior to 2008, resolutions had been passed by the City Council that allowed for credit cards to be obtained by the Council, Mayor, City Attorney, and Clerk-Treasurer. No other resolutions were presented for examination allowing other departments to obtain a credit card.

Ordinance 2008-21 was passed by the City Council in 2008 authorizing City officials to use City credit cards for official government purchases and establishing credit limits. The ordinance lists the departments authorized to have a credit card and the number of credit cards authorized for that department. The department head is the official responsible for the credit card.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

FINANCE CHARGES AND LATE FEES (Applies to Clerk-Treasurer and Various Departments)

The City paid finance charges and late fees totaling \$2,645.44 during the year for delinquent payments made on credit card accounts. The finance charges and late fees were caused by the procedure used by the City to process payment of credit card claims. The Clerk-Treasurer's office did require Department heads to submit credit card statements (See Examination Result and Comment titled "Credit Card Claims"). Payments to credit card companies were based primarily on invoices and receipts that were submitted. If a charge was made on a credit card account and an invoice was not submitted, then the charge would go unpaid and finance charges and late fees would accrue.

The current administration contacted the credit card companies. The City received a credit in the year 2008 on its City Council credit card account in the amount of \$1,695.55 and a refund check on the City Attorney's credit card account in the amount of \$679.21. The remaining \$270.68 paid by the City for finance charges and late fees was not refunded.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

FUND SOURCES AND USES - MAJOR MOVES FUND (Applies City Council and Clerk-Treasurer)

Funds were disbursed from the Major Moves Fund in the amount of \$52,444 for the purchase of two trucks for the Vehicle Maintenance Department and \$18,770 for law enforcement purposes.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 8-14-16-5 regarding the use of the Major Moves Fund states in part:

"Money in the fund may be expended only for the following purposes:

- (1) Construction of highways, roads, and bridges. . . .
- (3) Providing funding for economic development projects . . .
- (4) Matching federal grants for a purpose described in this section.
- (5) Providing funding for interlocal agreements under IC 36-1-7 for a purpose described in this section. . . ."

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONDITION OF RECORDS – WASTEWATER UTILITY

The Utility implemented a new computer system in 2007 that resulted in the following deficiencies:

1. Financial transactions were not recorded in a timely manner to the Utility's general ledger. Financial transactions for October, November, and December of the year 2007 were not recorded. The updating of the general ledger was not completed at the time of our examination.
2. Utility officials did not print out month end reports showing detailed accounts receivable balances owed by individual customers for the months of October, November, and December of the year 2007. Printouts of these records are needed because they cannot be reproduced by the computerized accounting system at a future date.
3. Reconcilements between the detail customer accounts receivable and the general ledger accounts receivable balance were not performed for the months of October, November, and December of the year 2007 due to financial activity not being recorded timely to the general ledger and due to no detailed accounts receivable reports being available.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

INTEREST ON INVESTMENTS (Applies to Department of Redevelopment)

The Department of Redevelopment purchased three certificates of deposits from different funds and, upon the maturity date, allowed each one to rollover into a new certificate of deposit. Interest earned in the amount of \$24,960.34 was not recorded to the financial records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONDITION OF RECORDS – DEPARTMENT OF REDEVELOPMENT

The following deficiencies were noted relating to recordkeeping of the Department of Redevelopment:

1. The Department received \$17,307.95 in interest earnings with no corresponding receipts written. Also, a receipt entry was made to the Department's CASI Fund in the amount of \$188,971 without a corresponding receipt.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

2. Bank reconciliements were not presented for examination for the period of January 1, 2007 to December 31, 2007. We reconstructed a reconciliation of bank balances to record balances of cash at December 31, 2007 that showed unidentified cash necessary to balance in the amount of \$290.

Failure to properly reconcile allows errors to occur and to go undetected for long periods of time which may make errors difficult to find and correct.

Indiana Code 5-13-6-1(e) states in part:

"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

3. The following prescribed forms were not in use as required:
 - a. Ledger of Receipts, Disbursements and Balances (Form 358) was not use for Department's City Hall Fund, City Hall Retainage Fund, and Ken Ellis Center Fund.
 - b. Register of Investments (General Form 350).

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in the prior Report B31275.

CONDITION OF RECORDS – CITY COURT

The following deficiencies relating to recordkeeping were noted during our examination:

1. Record balances were not reconciled to the depository balances for the months of November and December. Further examination determined that the Court included four checks written in January of 2007 as outstanding checks at December 31, 2007. However, these checks were processed by the depository in January of 2007 and should not have been included in subsequent months' reconcilements.

Our examination of the bank reconcilements showed an unidentified cash long of \$809 at December 31, 2007.

Failure to properly reconcile allows errors to occur and to go undetected for long periods of time which may make errors difficult to find and correct.

Indiana Code 5-13-6-1(e) states in part:

"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

2. The following is a description of errors made recording financial transactions to the Cash Book:
 - a. Disbursements were recorded in the Cash Book for the month of December; however, no checks were actually written for these disbursements.
 - b. Disbursements made to the city, county and state were written in the month of November but were recorded to the Cash Book in the month of October.
 - c. The City Court received restitution payments to replenish funds that were stolen from City Court in the year 2005. When these payments were received, the Clerk posted the receipts to the restitution column in the Cash Book, resulting in a duplication of receipts recorded. The Clerk did not make any adjustment to the Cash Book for these receipts to compensate for the duplicate receipt recording.

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

3. The City Court has two employees who collect monies. Each employee has her own deposit book and makes her own deposit. Deposits books for one of the employees were not presented for examination.

Duplicate checks between the dates of January 1, 2007 and August 7, 2007 were not presented for examination.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part:

"Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

A similar comment was reported in prior Report B31275.

SUBSIDIARY TRUST LEDGER (Applies to City Court)

The total trust items in the Subsidiary Trust Ledger exceeded the trust balance in the City Court Cash Book by \$6,955.79.

The total of all unpaid items as shown by the trust fund register must agree to the balance in trust as shown by the court cash book. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 1)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in the prior Report B31275.

OVERPAYMENT OF CASH BOND (Applies to City Court)

In April of 2004, the Clark County Sheriff's office received a cash bond from Gracie Casillas in the amount of \$250. However, the receipt was written for \$2,500 instead of the \$250 actually received. When the bond was transferred to the City Court from the Sheriff's office, a note was attached to the

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

documentation indicating the mistake that had been made on the amount of the receipt. When Gracie Casillas went to City Court to claim the cash bond in November of 2004, the City Court Clerk disbursed from the trust ledger the amount of \$2,500 as stated on the receipt which resulted in an overpayment of \$2,225.

An agreement, dated January 23, 2006, was entered into between the City of Jeffersonville and Gracie Casillas. The agreement requires Gracie Casillas to refund the overpayment to the City Court at the rate of \$50 a month. A review of the case history shows that, as of September 17, 2008, no bi-weekly payments had been received since July 19, 2006. The balance remaining to be collected as of September 17, 2008, is \$1,885.

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in prior Report B31275.

RESTITUTION ORDER (Applies to City Court)

During a prior examination we reported that receipts from October 5, 2005 to October 11, 2005, totaling \$7,324 were not deposited. The former City Court Clerk, Christy Herchenrader, admitted to diverting the deposit for personal use. On July 13, 2007, the Clark County Superior Court 3 ordered Christy Herchenrader to pay restitution in the amount of \$7,324. As of December 31, 2007, the City has received payments in the amount of \$250 leaving a balance due of \$7,074.

OUTSTANDING CHECKS (Applies to Department of Redevelopment and City Court)

The Department of Redevelopment and the City Court have outstanding checks in the amount of \$387.00 and \$550.91, respectively, which are over two years old.

Indiana Code 5-11-10.5-2 states in part:

"All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

Indiana Code 5-11-10.5-3 states in part:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board of finance of the political subdivision or the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

CITY OF JEFFERSONVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

CITY OF JEFFERSONVILLE
EXIT CONFERENCE

The contents of this report were discussed on December 10, 2008, with Thomas R. Galligan, Mayor. The official concurred with our findings.

The contents of this report were discussed on December 10, 2008, with Peggy Wilder, Clerk-Treasurer; and Suzy Bass, Chief Deputy Clerk-Treasurer.