

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

ANNUAL FINANCIAL REPORT

2008

CITY OF VINCENNES

KNOX COUNTY, INDIANA



FILED
09/01/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	3-4
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	5-6
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis	7
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	8
Proprietary Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Funds.....	9
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds	10
Notes to Financial Statements	11-23
Required Supplementary Information:	
Schedules of Funding Progress	24
Schedule of Contributions from the Employer and Other Contributing Entities	25
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	26-34
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Pension Trust Funds	35
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Private-Purpose Trust Funds	36
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds.....	37
Schedule of Capital Assets.....	38
Schedule of Long-Term Debt	39
Other Report	40
Audit Results and Comments:	
Missing Recycling Funds.....	41
Overpayment of Firefighter Salary.....	41-42
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	44-45
Schedule of Expenditures of Federal Awards	46
Note to Schedule of Expenditures of Federal Awards.....	47
Schedule of Findings and Questioned Costs	48
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	49
Exit Conference.....	50

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Beverly S. Marsh	01-01-08 to 12-31-11
Mayor	Alan Baldwin	01-01-08 to 12-31-11
President of the Board of Public Works and Safety	Alan Baldwin	01-01-08 to 12-31-11
President of the Common Council	Duane Chattin Shirley S. Rose	01-01-08 to 12-31-08 01-01-09 to 12-31-09
Superintendent of Utilities	Kirk Bouchie	01-01-08 to 12-31-09
President of the Utility Service Board	William Hopper	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE CITY OF VINCENNES, KNOX COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Vincennes (City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the City prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2008, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated July 22, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedules of Funding Progress and Schedule of Contributions From the Employer and Other Contributing Entities, as listed in the Table of Contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The City has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining Schedules, as listed in the Table of Contents, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Schedule of Capital Assets and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

July 22, 2009



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE CITY OF VINCENNES, KNOX COUNTY, INDIANA

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Vincennes (City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 22, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the City's management, Common Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 22, 2009

CITY OF VINCENNES
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For The Year Ended December 31, 2008

Functions/Programs	Program Receipts				Net (Disbursement) Receipt and Changes in Net Assets		
	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Totals
					Governmental Activities	Business-Type Activities	
Primary government:							
Governmental activities:							
General government	\$ 1,329,448	\$ 221,695	\$ 1,141,743	\$ 695,597	\$ 729,587	\$ -	\$ 729,587
Public safety	5,742,007	28,038	350,590	15,093	(5,348,286)	-	(5,348,286)
Highways and streets	2,443,524	539	634,711	969,675	(838,599)	-	(838,599)
Sanitation	593,834	258,395	13,000	-	(322,439)	-	(322,439)
Health and welfare	514,343	327,325	30,983	-	(156,035)	-	(156,035)
Culture and recreation	421,260	92,849	24,828	144,949	(158,634)	-	(158,634)
Urban redevelopment and housing	65,406	-	10,000	-	(55,406)	-	(55,406)
Economic development	1,313,835	-	-	530,513	(783,322)	-	(783,322)
Total governmental activities	<u>12,423,657</u>	<u>928,841</u>	<u>2,205,855</u>	<u>2,355,827</u>	<u>(6,933,134)</u>	<u>-</u>	<u>(6,933,134)</u>
Business-type activities:							
Water	2,773,895	2,238,376	-	6,942	-	(528,577)	(528,577)
Wastewater	5,865,117	4,153,903	-	-	-	(1,711,214)	(1,711,214)
Total business-type activities	<u>8,639,012</u>	<u>6,392,279</u>	<u>-</u>	<u>6,942</u>	<u>-</u>	<u>(2,239,791)</u>	<u>(2,239,791)</u>
Total primary government	<u>\$ 21,062,669</u>	<u>\$ 7,321,120</u>	<u>\$ 2,205,855</u>	<u>\$ 2,362,769</u>	<u>(6,933,134)</u>	<u>(2,239,791)</u>	<u>(9,172,925)</u>
General receipts:							
Property taxes					6,668,199	-	6,668,199
Other local sources					1,422,340	995,859	2,418,199
Unrestricted investment earnings					321,085	241,410	562,495
Total general receipts, special items, and transfers					<u>8,411,624</u>	<u>1,237,269</u>	<u>9,648,893</u>
Change in net assets					1,478,490	(1,002,522)	475,968
Net assets - beginning					<u>9,540,034</u>	<u>7,923,545</u>	<u>17,463,579</u>
Net assets - ending					<u>\$ 11,018,524</u>	<u>\$ 6,921,023</u>	<u>\$ 17,939,547</u>
Assets							
Cash and investments					\$ 2,102,099	\$ 1,505,103	\$ 3,607,202
Restricted assets:							
Cash and investments					8,916,425	5,415,920	14,332,345
Total assets					<u>\$ 11,018,524</u>	<u>\$ 6,921,023</u>	<u>\$ 17,939,547</u>
Net Assets							
Restricted for:							
Culture and recreation					\$ 188,685	\$ -	\$ 188,685
Highways and streets					1,195,337	-	1,195,337
Urban redevelopment and housing					271,866	-	271,866
Public safety					434,591	-	434,591
Sanitation					175,288	-	175,288
Health and welfare					919,213	-	919,213
Economic development					1,684,098	-	1,684,098
Debt service					686,709	290,459	977,168
Other purposes					3,360,638	5,125,461	8,486,099
Unrestricted					2,102,099	1,505,103	3,607,202
Total net assets					<u>\$ 11,018,524</u>	<u>\$ 6,921,023</u>	<u>\$ 17,939,547</u>

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

CITY OF VINCENNES
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2008

	General	EDIT	Rainy Day	Fire Department	Railroad Relocation Grant	TIF	MVH	Other Governmental Funds	Totals
Receipts:									
Taxes	\$ 2,563,387	\$ -	\$ -	\$ 2,283,197	\$ -	\$ 655,279	\$ 700,583	\$ 492,866	\$ 6,695,312
Licenses and permits	189,931	-	-	-	-	-	-	5,808	195,739
Intergovernmental	1,465,644	626,697	797,029	218,108	912,510	-	571,248	952,405	5,543,641
Charges for services	244,575	-	-	-	-	-	5,040	339,720	589,335
Other	219,460	21,013	66,901	4,964	-	57,151	986	507,645	878,120
Total receipts	4,682,997	647,710	863,930	2,506,269	912,510	712,430	1,277,857	2,298,444	13,902,147
Disbursements:									
General government	1,138,180	-	-	-	-	-	-	191,268	1,329,448
Public safety	2,792,453	-	-	2,638,551	-	-	-	119,642	5,550,646
Highways and streets	64,152	17,153	-	-	613,343	-	1,167,603	438,755	2,301,006
Sanitation	252,858	-	-	-	-	-	-	340,976	593,834
Health and welfare	473,193	10,300	-	-	-	-	-	30,850	514,343
Culture and recreation	15,000	-	-	-	-	-	-	406,260	421,260
Economic development	-	328,909	-	-	-	101,527	-	599,131	1,029,567
Urban redevelopment and housing	-	-	-	-	-	-	-	65,406	65,406
Debt service:									
Principal	-	-	-	-	-	195,000	43,249	125,000	363,249
Interest	-	-	-	-	-	89,268	9,390	25,350	124,008
Capital outlay:									
Highways and streets	-	-	-	-	-	-	-	89,878	89,878
Special assessments	-	-	-	-	-	-	-	33,325	33,325
Total disbursements	4,735,836	356,362	-	2,638,551	613,343	385,795	1,220,242	2,465,841	12,415,970
Excess (deficiency) of receipts over disbursements	(52,839)	291,348	863,930	(132,282)	299,167	326,635	57,615	(167,397)	1,486,177
Other financing sources (uses):									
Interfund loans	-	568,379	-	-	(467,761)	-	-	(100,618)	-
Transfers in	299,200	-	-	-	-	-	-	50,023	349,223
Transfers out	(15,023)	-	-	-	-	-	-	(334,200)	(349,223)
Other disbursements	(7,687)	-	-	-	-	-	-	-	(7,687)
Total other financing sources (uses)	276,490	568,379	-	-	(467,761)	-	-	(384,795)	(7,687)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	223,651	859,727	863,930	(132,282)	(168,594)	326,635	57,615	(552,192)	1,478,490
Cash and investment fund balance - beginning	1,878,448	222,533	1,739,038	399,124	168,594	560,892	545,808	4,025,597	9,540,034
Cash and investment fund balance - ending	\$ 2,102,099	\$ 1,082,260	\$ 2,602,968	\$ 266,842	\$ -	\$ 887,527	\$ 603,423	\$ 3,473,405	\$ 11,018,524
Cash and Investment Assets - December 31									
Cash and investments	\$ 2,102,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,102,099
Restricted assets:									
Cash and investments	-	1,082,260	2,602,968	266,842	-	887,527	603,423	3,473,405	8,916,425
Total cash and investment assets - December 31	\$ 2,102,099	\$ 1,082,260	\$ 2,602,968	\$ 266,842	\$ -	\$ 887,527	\$ 603,423	\$ 3,473,405	\$ 11,018,524
Cash and Investment Fund Balance - December 31									
Restricted for:									
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 188,685	\$ 188,685
Highways and streets	-	-	-	-	-	-	520,180	675,157	1,195,337
Urban redevelopment and housing	-	-	-	-	-	-	-	271,866	271,866
Public safety	-	-	-	266,842	-	-	-	167,749	434,591
Sanitation	-	-	-	-	-	-	-	175,288	175,288
Health and welfare	-	-	-	-	-	-	-	919,213	919,213
Economic development	-	1,082,260	-	-	-	601,838	-	-	1,684,098
Debt service	-	-	-	-	-	285,689	83,243	317,777	686,709
Other purposes	-	-	2,602,968	-	-	-	-	757,670	3,360,638
Unrestricted	2,102,099	-	-	-	-	-	-	-	2,102,099
Total cash and investment fund balance - December 31	\$ 2,102,099	\$ 1,082,260	\$ 2,602,968	\$ 266,842	\$ -	\$ 887,527	\$ 603,423	\$ 3,473,405	\$ 11,018,524

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

CITY OF VINCENNES
STATEMENT OF ASSETS AND FUND BALANCES AND
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUNDS
As of and for the Year Ended December 31, 2008

	Water Utility	Wastewater Utility	Totals
Operating receipts:			
Metered water receipts:			
Residential	\$ 2,238,376	\$ -	\$ 2,238,376
Measured revenue:			
Residential	-	4,153,903	4,153,903
Other	593,903	149,818	743,721
Total operating receipts	<u>2,832,279</u>	<u>4,303,721</u>	<u>7,136,000</u>
Operating disbursements:			
Materials and supplies - cost of goods sold	611,665	1,443,981	2,055,646
Salaries and wages - employee benefits	1,609,524	962,792	2,572,316
Total operating disbursements	<u>2,221,189</u>	<u>2,406,773</u>	<u>4,627,962</u>
Excess of operating receipts over operating disbursements	<u>611,090</u>	<u>1,896,948</u>	<u>2,508,038</u>
Nonoperating receipts (disbursements):			
Proceeds (losses) from sales of capital assets	(11,537)	252,138	240,601
Interest and investment receipts	72,819	168,591	241,410
Debt service of principal	(183,804)	(1,481,942)	(1,665,746)
Debt service of interest	(123,953)	(902,118)	(1,026,071)
Purchase of capital assets	(233,412)	(1,074,284)	(1,307,696)
Total nonoperating disbursements	<u>(479,887)</u>	<u>(3,037,615)</u>	<u>(3,517,502)</u>
Excess (deficiency) of receipts over disbursements and nonoperating disbursements	131,203	(1,140,667)	(1,009,464)
Capital contributions	<u>6,942</u>	<u>-</u>	<u>6,942</u>
Excess (deficiency) of receipts, contributions and transfers in over disbursements and transfers out	138,145	(1,140,667)	(1,002,522)
Cash and investment fund balance - beginning	<u>2,490,632</u>	<u>5,432,913</u>	<u>7,923,545</u>
Cash and investment fund balance - ending	<u>\$ 2,628,777</u>	<u>\$ 4,292,246</u>	<u>\$ 6,921,023</u>
<u>Cash and Investment Assets - December 31</u>			
Cash and investments	\$ 903,949	\$ 601,154	\$ 1,505,103
Restricted assets:			
Cash and investments	<u>1,724,828</u>	<u>3,691,092</u>	<u>5,415,920</u>
Total cash and investment assets - December 31	<u>\$ 2,628,777</u>	<u>\$ 4,292,246</u>	<u>\$ 6,921,023</u>
<u>Cash and Investment Fund Balance - December 31</u>			
Restricted for:			
Debt service	\$ 52,648	\$ 237,811	\$ 290,459
Other purposes	1,672,180	3,453,281	5,125,461
Unrestricted	<u>903,949</u>	<u>601,154</u>	<u>1,505,103</u>
Total cash and investment fund balance - December 31	<u>\$ 2,628,777</u>	<u>\$ 4,292,246</u>	<u>\$ 6,921,023</u>

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

CITY OF VINCENNES
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For The Year Ended December 31, 2008

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
Additions:			
Contributions:			
Taxes	\$ 447,304	\$ -	
Plan members	652	-	
State	<u>500,344</u>	<u>-</u>	
Total contributions	<u>948,300</u>	<u>-</u>	
Investment earnings:			
Interest	-	2,516	
Agency fund additions	<u>-</u>	<u>-</u>	
Total additions	<u>948,300</u>	<u>2,516</u>	
Deductions:			
Benefits	953,366	-	
Administrative and general	71,598	2,399	
Agency fund deductions	<u>-</u>	<u>-</u>	
Total deductions	<u>1,024,964</u>	<u>2,399</u>	
Excess (deficiency) of total additions over total deductions	(76,664)	117	
Cash and investment fund balance - beginning	<u>1,305,172</u>	<u>54,505</u>	
Cash and investment fund balance - ending	<u>\$ 1,228,508</u>	<u>\$ 54,622</u>	<u>\$ 100</u>

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

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides 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, and urban redevelopment and housing.

The City's financial reporting entity is composed of the following:

Primary Government: City of Vincennes

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The City appoints the board members of the Knox County Area Plan Commission, Vincennes Housing Authority, Knox County Development Corporation, Historic Review Board, and Southern Indiana Development Corporation. The City supported Knox County Development Corporation with \$179,000.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

The economic development income tax fund (EDIT) accounts for EDIT taxes collected in all districts of the City for economic development projects within the City limits.

The rainy day fund accounts for general property tax monies collected and transfers from City funds to act as a savings account for future emergency or City improvement projects.

The fire department fund accounts for general property tax monies collected for fire protection and emergency services for citizens of the City.

The railroad relocation grant fund accounts for federal grant monies received by the City for a preliminary study on railroad track relocation within the City.

The tax incremental fund (TIF) accounts for general property tax monies collected in certain districts of the City for highway and street projects within that district.

The motor vehicle highway fund (MVH) accounts for state and local monies collected for highway and street construction and improvements.

The City reports the following major proprietary funds:

The water utility fund accounts for the operation of the water distribution system.

The wastewater utility fund accounts for the operation of the wastewater treatment plant, pumping stations, and collection systems.

Additionally, the City reports the following fund types:

The pension trust funds account for the activities of the 1925 police and 1937 fire pension funds, which accumulate resources for pension benefit payments.

The private-purpose trust fund report trust arrangements under which principal and income benefit the individuals named by the grantors.

Agency funds account for assets held by the City as an agent for recipient of payroll withholdings and serve as control of accounts for certain cash transactions during the time they are a liability to the City.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment 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. Investment transactions are not presented on the financial statements.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and wastewater functions and various other functions of the government. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Enterprise funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services and administrative costs. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. Internal service funds are used to account for activities provided to other departments or agencies primarily with the government. The City does not have any internal service funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the City in June and in 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the City on or prior to December 31 of the year collected.

3. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

5. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the City's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are not reported as reimbursements but as adjustments to disbursements in the respective funds.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the City submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the City receives approval of the Indiana Department of Local Government Finance.

The City's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

As of December 31, 2008, the City had the following investments:

Investment Type	Primary Government Market Value
U.S. treasuries and securities	\$ 25,000

Statutory Authorization for Investments

Indiana Code 5-13-9 authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the City to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the City and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additionally, the City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the City's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than two years.

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ -	\$ -	\$ 25,000

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2008, were as follows:

Transfer From	Transfer To	2008
General Fund	Other governmental funds	\$ 15,023
Other governmental funds	General Fund	299,200
Other governmental funds	Other governmental funds	35,000
 Total		 \$ 349,223

The City typically uses transfers for cash flow purposes as provided by various statutory provisions.

IV. Other Information

A. Risk Management

The City is 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; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Injuries

During 1994, the City joined with other governmental entities in the Indiana Public Employer's Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for member governmental entities. This risk pool was formed in 1989. The purpose of the risk pool is to provide a medium for the funding and administration of workers compensation claims. The City pays an annual premium to the risk pool for its workers compensation coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event.

B. Subsequent Events

Beginning in 2009, the State Pension Relief Fund shall pay to each unit of local government with Pre-1977 Local Police and Fire Fighter Pension obligations, the total amount of pension, disability, and survivor benefit payments. The Pre-1977 funds include the 1925 Police Pension Fund, the 1937 Firefighters' Fund, and the 1953 Police Pension Fund. For property taxes due and payable after December 31, 2008, the Department of Local Government Finance shall reduce the maximum permissible property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the State for the obligations.

C. Conduit Debt Obligation

From time to time, the City has issued redevelopment bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying notes to the financial statements.

As of December 31, 2008, there was a redevelopment bond outstanding with a principal amount payable of \$1,655,000.

D. Loans Receivable – City of Vincennes Revolving Loan Fund

Date of Loan	Borrower	Purpose	Original Amount	Interest Rate	Balance 12-31-08
08-22-03	Hurricane Ditcher, Inc.	Expansion	\$ 143,415	5%	\$ 102,531
12-07-07	Vincennes Cub League	Expansion	75,000	5%	71,250
08-08-08	Tolliver Glass Inc.	Expansion	50,000	5%	47,041
09-15-05	Bi-State Authority	Expansion	50,000	5%	42,500

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

E. Rate Structure – Enterprise Funds

Water Utility

On March 26, 2001, the City Council adopted Ordinance No. 5-2001 to withdraw from the jurisdiction of the Indiana Utility Regulatory Commission. The current rate structure was approved by the Council on March 25, 2002.

Wastewater Utility

The current rate structure was approved by the City Council on March 25, 2002.

F. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit 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 the 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 member's 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. The 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 plan members for PERF are established by the Board of Trustees of PERF. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the City and the Utilities is not available.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

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. The City's annual pension cost and related information as provided by the actuary is presented in this note.

The use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

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. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

The use of the pay-as-you-go actuarial cost method by the City results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plans

	PERF	Water Utility PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Annual required contribution	\$ 103,313	\$ 115,420	\$ 307,900	\$ 417,000
Interest on net pension obligation	216	(4,446)	(29,100)	2,800
Adjustment to annual required contribution	(247)	5,067	36,700	(3,500)
Annual pension cost	103,282	116,041	315,500	416,300
Contributions made	61,793	115,444	272,447	674,133
Increase (decrease) in net pension obligation	41,489	597	43,053	(257,833)
Net pension obligation, beginning of year	2,984	(61,324)	(484,780)	46,755
Net pension obligation, end of year	<u>\$ 44,473</u>	<u>\$ (60,727)</u>	<u>\$ (441,727)</u>	<u>\$ (211,078)</u>

	PERF	Water Utility PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Contribution rates:				
City	5%	8%	528%	239%
Plan members	3%	3%	6%	6%
Actuarial valuation date	07-01-08	07-01-08	01-01-08	01-01-08
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed 30 years	Level percentage of projected payroll, closed 30 years	Level percentage of projected payroll, closed 30 years	Level percentage of projected payroll, closed 30 years
Amortization period	30 years	30 years	30 years	30 years
Amortization period (from date)	07-01-97	07-01-97	01-01-05	01-01-05
Asset valuation method	75% of expected actuarial value plus 25% of market value	75% of expected actuarial value plus 25% of market value	4 year phase in of unrealized and realized capital	4 year phase in of unrealized and realized capital

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Actuarial Assumptions</u>	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Investment rate of return	7.25%	6%	6%
Projected future salary increases:			
Total	5%	4%	4%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	0%	0%
Cost-of-living adjustments	2%	2.75/4%*	2.75/4%*

*2.75% converted members; 4% nonconverted members

Three Year Trend Information

	<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PERF	06-30-06	\$ 57,086	84%	\$ (42,497)
	06-30-07	97,036	53%	2,984
	06-30-08	103,282	60%	44,473
Water Utility PERF	06-30-06	50,326	181%	(24,784)
	06-30-07	78,768	146%	(61,324)
	06-30-08	116,041	99%	(60,727)
1925 Police Officers' Pension Plan	12-31-06	332,900	155%	(330,624)
	12-31-07	339,700	145%	(484,780)
	12-31-08	315,500	86%	(441,727)
1937 Firefighters' Pension Plan	12-31-06	672,300	106%	684,591
	12-31-07	670,600	195%	46,755
	12-31-08	416,300	162%	(211,078)

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2008, was comprised of the following:

	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Retirees and beneficiaries currently receiving benefits	19	33
Current active employees	0	0

CITY OF VINCENNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

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. The City's contributions to the plan for the years ending December 31, 2008, 2007, and 2006, were \$511,069, \$467,660, and \$422,571, respectively, equal to the required contributions for each year.

CITY OF VINCENNES
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund - City of Vincennes

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 1,457,202	\$ 1,524,387	\$ (67,185)	96%	\$ 1,646,383	(4%)
07-01-07	1,640,576	1,699,653	(59,077)	97%	1,710,160	(3%)
07-01-08	1,713,391	2,063,598	(350,207)	83%	1,541,955	(23%)

Public Employees' Retirement Fund - City of Vincennes Water Department

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 1,201,505	\$ 1,659,380	\$ (457,875)	72%	\$ 853,947	(54%)
07-01-07	1,428,906	1,921,591	(492,685)	74%	1,370,267	(36%)
07-01-08	1,662,816	2,116,871	(454,055)	79%	1,490,527	(30%)

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 247,868	\$ 4,518,500	\$ (4,270,632)	5%	\$ 57,800	(7,389%)
01-01-04	396,064	4,662,100	(4,266,036)	8%	61,000	(6,994%)
01-01-05	187,791	4,534,600	(4,346,809)	4%	61,600	(7,057%)
01-01-06	386,840	4,393,300	(4,006,460)	9%	61,600	(6,504%)
01-01-07	408,994	4,369,400	(3,960,406)	9%	63,400	(6,247%)
01-01-08	527,570	4,076,400	(3,548,830)	13%	32,600	(10,886%)

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-03	\$ 319,231	\$ 8,786,700	\$ (8,467,469)	4%	\$ 309,000	(2,740%)
01-01-04	630,893	9,103,900	(8,473,007)	7%	304,800	(2,780%)
01-01-05	340,226	8,917,100	(8,576,874)	4%	307,800	(2,787%)
01-01-06	571,898	8,428,900	(7,857,002)	7%	277,100	(2,835%)
01-01-07	651,380	8,219,200	(7,567,820)	8%	285,200	(2,654%)
01-01-08	777,602	5,543,500	(4,765,898)	14%	32,600	(14,619%)

CITY OF VINCENNES
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CONTRIBUTIONS FROM THE
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

1925 Police Officers' Pension Plan				
	Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
			City	State
1925 Police Officers' Pension Plan	12-31-03	\$ 512,100	68%	33%
	12-31-04	548,600	62%	32%
	12-31-05	337,300	101%	55%
	12-31-06	330,900	122%	34%
	12-31-07	334,800	73%	75%
	12-31-08	307,900	40%	48%
1937 Firefighters' Pension Plan	12-31-03	1,069,700	43%	24%
	12-31-04	113,300	42%	22%
	12-31-05	715,800	69%	36%
	12-31-06	682,200	68%	37%
	12-31-07	680,600	152%	40%
	12-31-08	417,000	78%	84%

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008

	Local Road and Street	Parks and Recreation	Law Enforcement Continuing Education	Riverboat Fund	Cumulative Capital Improvement	Cumulative Capital Development
Receipts:						
Taxes	\$ -	\$ 258,518	\$ -	\$ -	\$ -	\$ 78,848
Licenses and permits	-	-	5,608	-	-	-
Intergovernmental	73,250	28,438	-	117,313	60,816	8,084
Charges for services	-	47,585	6,792	-	-	-
Other	8,541	612	-	7,404	-	-
Total receipts	81,791	335,153	12,400	124,717	60,816	86,932
Disbursements:						
General government	-	-	-	69,220	-	-
Public safety	-	-	27,075	-	-	-
Highways and streets	142,826	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	305,914	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	89,878	-
Public safety	-	-	-	-	-	-
Total disbursements	142,826	305,914	27,075	69,220	89,878	-
Excess (deficiency) of receipts over disbursements	(61,035)	29,239	(14,675)	55,497	(29,062)	86,932
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(61,035)	29,239	(14,675)	55,497	(29,062)	86,932
Cash and investment fund balance - beginning	318,028	95,271	22,433	366,007	35,546	217,722
Cash and investment fund balance - ending	\$ 256,993	\$ 124,510	\$ 7,758	\$ 421,504	\$ 6,484	\$ 304,654
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ 256,993	\$ 124,510	\$ 7,758	\$ 421,504	\$ 6,484	\$ 304,654
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ 124,510	\$ -	\$ -	\$ -	\$ -
Highways and streets	256,993	-	-	-	6,484	304,654
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	-	-	7,758	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	421,504	-	-
Total cash and investment fund balance - December 31	\$ 256,993	\$ 124,510	\$ 7,758	\$ 421,504	\$ 6,484	\$ 304,654

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Memorial Park Earnings	Mausoleum	Mausoleum Earnings	Cemetery Perpetual Care	Fire Debt	Capital Improvement Bond
Receipts:						
Taxes	\$ 27,113	\$ -	\$ -	\$ -	\$ 128,387	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	12,264	-
Charges for services	-	16,540	-	-	-	-
Other	-	3,191	9,753	-	-	-
Total receipts	27,113	19,731	9,753	-	140,651	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	15,206	-	2,318	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	125,000	-
Interest	-	-	-	-	25,350	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	15,206	-	2,318	-	150,350	-
Excess (deficiency) of receipts over disbursements	11,907	19,731	7,435	-	(9,699)	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	35,000	15,023	-	-
Transfers out	-	(35,000)	-	-	-	-
Total other financing sources (uses)	-	(35,000)	35,000	15,023	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,907	(15,269)	42,435	15,023	(9,699)	-
Cash and investment fund balance - beginning	159,821	102,806	134,959	448,308	37,440	1,542
Cash and investment fund balance - ending	<u>\$ 171,728</u>	<u>\$ 87,537</u>	<u>\$ 177,394</u>	<u>\$ 463,331</u>	<u>\$ 27,741</u>	<u>\$ 1,542</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 171,728</u>	<u>\$ 87,537</u>	<u>\$ 177,394</u>	<u>\$ 463,331</u>	<u>\$ 27,741</u>	<u>\$ 1,542</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	171,728	87,537	177,394	463,331	-	-
Debt service	-	-	-	-	27,741	1,542
Other purposes	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 171,728</u>	<u>\$ 87,537</u>	<u>\$ 177,394</u>	<u>\$ 463,331</u>	<u>\$ 27,741</u>	<u>\$ 1,542</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Park and Recreation Nonreverting	Chicago Park WR-00-17	Arson Investigation	Recycle Fund	Police Training Center	CAGIT
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	200	-	-
Intergovernmental	-	143,817	-	-	-	-
Charges for services	-	-	-	255,043	-	-
Other	45,409	-	475	-	-	666
Total receipts	45,409	143,817	475	255,243	-	666
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	27	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	300,135	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	52,003	44,451	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	52,003	44,451	-	300,135	27	-
Excess (deficiency) of receipts over disbursements	(6,594)	99,366	475	(44,892)	(27)	666
Other financing sources (uses):						
Interfund loans	-	(100,618)	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	(100,618)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,594)	(1,252)	475	(44,892)	(27)	666
Cash and investment fund balance - beginning	46,021	19,274	951	204,789	27	119,837
Cash and investment fund balance - ending	<u>\$ 39,427</u>	<u>\$ 18,022</u>	<u>\$ 1,426</u>	<u>\$ 159,897</u>	<u>\$ -</u>	<u>\$ 120,503</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 39,427</u>	<u>\$ 18,022</u>	<u>\$ 1,426</u>	<u>\$ 159,897</u>	<u>\$ -</u>	<u>\$ 120,503</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ 39,427	\$ 18,022	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	-	-	1,426	-	-	-
Sanitation	-	-	-	159,897	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	120,503
Total cash and investment fund balance - December 31	<u>\$ 39,427</u>	<u>\$ 18,022</u>	<u>\$ 1,426</u>	<u>\$ 159,897</u>	<u>\$ -</u>	<u>\$ 120,503</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Pet Port Donations	Revolving Loan	Revolving Loan Interest	Police Dept. Donation	Police Drug Investigation	Alarm System
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	950
Other	16,399	17,260	19,549	12,242	9,712	-
Total receipts	16,399	17,260	19,549	12,242	9,712	950
Disbursements:						
General government	-	-	-	-	-	1,430
Public safety	-	-	-	12,545	5,920	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	13,296	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	49,500	7,195	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	13,296	49,500	7,195	12,545	5,920	1,430
Excess (deficiency) of receipts over disbursements	3,103	(32,240)	12,354	(303)	3,792	(480)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,103	(32,240)	12,354	(303)	3,792	(480)
Cash and investment fund balance - beginning	10,522	217,220	73,243	6,943	1,809	2,860
Cash and investment fund balance - ending	<u>\$ 13,625</u>	<u>\$ 184,980</u>	<u>\$ 85,597</u>	<u>\$ 6,640</u>	<u>\$ 5,601</u>	<u>\$ 2,380</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 13,625</u>	<u>\$ 184,980</u>	<u>\$ 85,597</u>	<u>\$ 6,640</u>	<u>\$ 5,601</u>	<u>\$ 2,380</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	184,980	85,597	-	-	-
Public safety	-	-	-	6,640	5,601	2,380
Sanitation	-	-	-	-	-	-
Health and welfare	13,625	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 13,625</u>	<u>\$ 184,980</u>	<u>\$ 85,597</u>	<u>\$ 6,640</u>	<u>\$ 5,601</u>	<u>\$ 2,380</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Weed Ordinance #13-94	Youth Experience Summer	DARE	Nonreverting Donation Fire	Debt Service Redevelopment Bond	Police Breath Test Instruments
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	3,152	-	-	-	-	-
Other	-	1,125	8,000	15,093	-	-
Total receipts	3,152	1,125	8,000	15,093	-	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	3,920	10,093	-	720
Highways and streets	-	-	-	-	-	-
Sanitation	28,328	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	517	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	28,328	517	3,920	10,093	-	720
Excess (deficiency) of receipts over disbursements	(25,176)	608	4,080	5,000	-	(720)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(25,176)	608	4,080	5,000	-	(720)
Cash and investment fund balance - beginning	39,822	2,480	3,465	3,664	288,494	1,581
Cash and investment fund balance - ending	<u>\$ 14,646</u>	<u>\$ 3,088</u>	<u>\$ 7,545</u>	<u>\$ 8,664</u>	<u>\$ 288,494</u>	<u>\$ 861</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 14,646</u>	<u>\$ 3,088</u>	<u>\$ 7,545</u>	<u>\$ 8,664</u>	<u>\$ 288,494</u>	<u>\$ 861</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ 3,088	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	-	-	7,545	8,664	-	861
Sanitation	14,646	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	288,494	-
Other purposes	-	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 14,646</u>	<u>\$ 3,088</u>	<u>\$ 7,545</u>	<u>\$ 8,664</u>	<u>\$ 288,494</u>	<u>\$ 861</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Nonreverting Police Department	Neighborhood Facilities	Donations	Federal Forfeiture and Seizures	Rental Housing	K-9 Donations
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	82,729	-	-
Charges for services	-	-	-	-	220	-
Other	-	122,503	2,510	-	-	1,293
Total receipts	-	122,503	2,510	82,729	220	1,293
Disbursements:						
General government	-	117,925	2,693	-	-	-
Public safety	-	-	-	54,425	-	2,311
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	-	117,925	2,693	54,425	-	2,311
Excess (deficiency) of receipts over disbursements	-	4,578	(183)	28,304	220	(1,018)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	4,578	(183)	28,304	220	(1,018)
Cash and investment fund balance - beginning	7,565	97,079	5,334	40,789	22,153	1,876
Cash and investment fund balance - ending	<u>\$ 7,565</u>	<u>\$ 101,657</u>	<u>\$ 5,151</u>	<u>\$ 69,093</u>	<u>\$ 22,373</u>	<u>\$ 858</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 7,565</u>	<u>\$ 101,657</u>	<u>\$ 5,151</u>	<u>\$ 69,093</u>	<u>\$ 22,373</u>	<u>\$ 858</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	7,565	-	-	69,093	-	858
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	-	101,657	5,151	-	22,373	-
Total cash and investment fund balance - December 31	<u>\$ 7,565</u>	<u>\$ 101,657</u>	<u>\$ 5,151</u>	<u>\$ 69,093</u>	<u>\$ 22,373</u>	<u>\$ 858</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Cemetery Road Repairs and Improvements	Donations Promotion of the City	Urban Enterprise Zone	FEMA Grant	Fire Dept. Tobacco Cessation	Fire Health and Safety Equipment
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	14,242	-	-
Charges for services	-	-	-	-	-	-
Other	8,400	-	10,000	-	-	-
Total receipts	8,400	-	10,000	14,242	-	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	30	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Urban redevelopment and housing	-	-	8,711	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	33,325
Total disbursements	-	-	8,711	-	30	33,325
Excess (deficiency) of receipts over disbursements	8,400	-	1,289	14,242	(30)	(33,325)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,400	-	1,289	14,242	(30)	(33,325)
Cash and investment fund balance - beginning	50,790	85,035	-	25,850	169	33,325
Cash and investment fund balance - ending	<u>\$ 59,190</u>	<u>\$ 85,035</u>	<u>\$ 1,289</u>	<u>\$ 40,092</u>	<u>\$ 139</u>	<u>\$ -</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 59,190</u>	<u>\$ 85,035</u>	<u>\$ 1,289</u>	<u>\$ 40,092</u>	<u>\$ 139</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	59,190	-	-	-	-	-
Urban redevelopment and housing	-	-	1,289	-	-	-
Public safety	-	-	-	40,092	-	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	139	-
Debt service	-	-	-	-	-	-
Other purposes	-	85,035	-	-	-	-
Total cash and investment fund balance - December 31	\$ 59,190	\$ 85,035	\$ 1,289	\$ 40,092	\$ 139	\$ -

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	City Council Donation	Solid Waste Grant Recycle	Hazmat Reimbursement	Levy Excess Fund	Downtown Revitalization Donations	Downtown Revitalization Grant
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	13,000	-	-	-	394,687
Charges for services	-	-	9,438	-	-	-
Other	-	91	-	-	135,826	-
Total receipts	-	13,091	9,438	-	135,826	394,687
Disbursements:						
General government	-	-	-	-	-	-
Public safety	-	-	2,606	-	-	-
Highways and streets	-	-	-	-	-	-
Sanitation	-	12,513	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	204,444	394,687
Urban redevelopment and housing	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Highways and streets	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Total disbursements	-	12,513	2,606	-	204,444	394,687
Excess (deficiency) of receipts over disbursements	-	578	6,832	-	(68,618)	-
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(299,200)	-	-
Total other financing sources (uses)	-	-	-	(299,200)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	578	6,832	(299,200)	(68,618)	-
Cash and investment fund balance - beginning	1,447	167	2,434	299,200	68,618	-
Cash and investment fund balance - ending	<u>\$ 1,447</u>	<u>\$ 745</u>	<u>\$ 9,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	<u>\$ 1,447</u>	<u>\$ 745</u>	<u>\$ 9,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and streets	-	-	-	-	-	-
Urban redevelopment and housing	-	-	-	-	-	-
Public safety	-	-	9,266	-	-	-
Sanitation	-	745	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Other purposes	1,447	-	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 1,447</u>	<u>\$ 745</u>	<u>\$ 9,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND
 RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2008
 (Continued)

	Railroad Relocation Donations	Park Restricted Donation	Park Lawn Equipment	Tree Board Donations	I-69 Planning Grant	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 492,866
Licenses and permits	-	-	-	-	-	5,808
Intergovernmental	-	-	-	-	3,765	952,405
Charges for services	-	-	-	-	-	339,720
Other	45,000	1,132	-	5,459	-	507,645
Total receipts	45,000	1,132	-	5,459	3,765	2,298,444
Disbursements:						
General government	-	-	-	-	-	191,268
Public safety	-	-	-	-	-	119,642
Highways and streets	292,164	-	-	-	3,765	438,755
Sanitation	-	-	-	-	-	340,976
Health and welfare	-	-	-	-	-	30,850
Culture and recreation	-	50	3,325	-	-	406,260
Economic development	-	-	-	-	-	599,131
Urban redevelopment and housing	-	-	-	-	-	65,406
Debt service:						
Principal	-	-	-	-	-	125,000
Interest	-	-	-	-	-	25,350
Capital outlay:						
Highways and streets	-	-	-	-	-	89,878
Public safety	-	-	-	-	-	33,325
Total disbursements	292,164	50	3,325	-	3,765	2,465,841
Excess (deficiency) of receipts over disbursements	(247,164)	1,082	(3,325)	5,459	-	(167,397)
Other financing sources (uses):						
Interfund loans	-	-	-	-	-	(100,618)
Transfers in	-	-	-	-	-	50,023
Transfers out	-	-	-	-	-	(334,200)
Total other financing sources (uses)	-	-	-	-	-	(384,795)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(247,164)	1,082	(3,325)	5,459	-	(552,192)
Cash and investment fund balance - beginning	295,000	373	5,508	-	-	4,025,597
Cash and investment fund balance - ending	\$ 47,836	\$ 1,455	\$ 2,183	\$ 5,459	\$ -	\$ 3,473,405
Cash and Investment Assets - December 31						
Restricted assets:						
Cash and investments	\$ 47,836	\$ 1,455	\$ 2,183	\$ 5,459	\$ -	\$ 3,473,405
Cash and Investment Fund Balance - December 31						
Restricted for:						
Culture and recreation	\$ -	\$ 1,455	\$ 2,183	\$ -	\$ -	\$ 188,685
Highways and streets	47,836	-	-	-	-	675,157
Urban redevelopment and housing	-	-	-	-	-	271,866
Public safety	-	-	-	-	-	167,749
Sanitation	-	-	-	-	-	175,288
Health and welfare	-	-	-	5,459	-	919,213
Debt service	-	-	-	-	-	317,777
Other purposes	-	-	-	-	-	757,670
Total cash and investment fund balance - December 31	\$ 47,836	\$ 1,455	\$ 2,183	\$ 5,459	\$ -	\$ 3,473,405

CITY OF VINCENNES
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2008

	Police Pension	Fire Pension	Totals
Additions:			
Contributions:			
Taxes	\$ 123,076	\$ 324,228	\$ 447,304
Plan members	652	-	652
State	149,372	350,972	500,344
Total contributions	273,100	675,200	948,300
Deductions:			
Benefits	320,129	633,237	953,366
Administrative and general	5,118	66,480	71,598
Total deductions	325,247	699,717	1,024,964
Deficiency of total additions over total deductions	(52,147)	(24,517)	(76,664)
Cash and investment fund balance - beginning	527,570	777,602	1,305,172
Cash and investment fund balance - ending	\$ 475,423	\$ 753,085	\$ 1,228,508

CITY OF VINCENNES
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For The Year Ended December 31, 2008

	<u>Cemetery Donation</u>	<u>Perpetual Care J. Cannon</u>	<u>Sutherland Estate</u>	<u>Police Drug Buy Money</u>	<u>George Mischler Estate</u>	<u>Totals</u>
Additions:						
Investment earnings:						
Interest	\$ -	\$ 2,235	\$ 263	\$ -	\$ 18	\$ 2,516
Deductions:						
Administrative and general	-	1,369	-	1,030	-	2,399
Excess of total additions over total deductions	-	866	263	(1,030)	18	117
Cash and investment fund balance - beginning	107	43,716	6,664	3,389	629	54,505
Cash and investment fund balance - ending	<u>\$ 107</u>	<u>\$ 44,582</u>	<u>\$ 6,927</u>	<u>\$ 2,359</u>	<u>\$ 647</u>	<u>\$ 54,622</u>

CITY OF VINCENNES
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUNDS
 For The Year Ended December 31, 2008

	<u>Payroll</u>	<u>1977 Police Pension</u>	<u>1977 Fire Pension</u>	<u>PERF</u>	<u>US Savings Bonds</u>	<u>Voluntary PERF</u>	<u>Totals</u>
Additions:							
Agency fund additions	\$ 5,738,963	\$ 33,733	\$ 39,077	\$ 46,755	\$ 600	\$ 13,136	\$ 5,872,264
Deductions:							
Agency fund deductions	<u>5,738,963</u>	<u>33,733</u>	<u>39,077</u>	<u>46,755</u>	<u>650</u>	<u>13,136</u>	<u>5,872,314</u>
Excess of total additions over total deductions	-	-	-	-	(50)	-	(50)
Cash and investment fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>	<u>-</u>	<u>150</u>
Cash and investment fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 100</u>

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Beverly S. Marsh
Clerk-Treasurer
City of Vincennes

CITY OF VINCENNES
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2008

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.

<u>Primary Government</u>	<u>Ending Balance</u>			
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 858,510			
Buildings	6,327,897			
Improvements other than buildings	569,536			
Machinery and equipment	<u>6,405,059</u>			
Total governmental activities, capital assets not being depreciated	<u>\$ 14,161,002</u>			
<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Water Utility:				
Capital assets, not being depreciated:				
Land	\$ 259,093	\$ -	\$ -	\$ 259,093
Construction in progress	-	-	-	-
Capital assets, being depreciated:				
Buildings	5,770,170	44,147	240,184	5,574,133
Improvements other than buildings	19,165,063	139,477	711,640	18,592,900
Machinery and equipment	1,210,359	956,267	62,992	2,103,634
Transportation equipment	209,541	30,972	29,200	211,313
Less accumulated depreciation for:				
Buildings	(1,492,506)	(155,949)	(1,057,692)	(590,763)
Improvements other than buildings	(5,559,055)	(1,222,426)	(33,449)	(6,748,032)
Machinery and equipment	(692,335)	(357,437)	(62,310)	(987,462)
Transportation equipment	(101,910)	(77,996)	(22,343)	(157,563)
Total Water Utility capital assets, net	<u>18,768,420</u>	<u>(642,945)</u>	<u>(131,778)</u>	<u>18,257,253</u>
Wastewater Utility:				
Capital assets, not being depreciated:				
Land	\$ 104,862	\$ 16,962	\$ 1,270	\$ 120,554
Construction in progress	-	130,069	-	130,069
Capital assets, being depreciated:				
Buildings	27,203,544	570,999	6,163,850	21,610,693
Improvements other than buildings	16,974,367	6,341,913	1,752,193	21,564,087
Machinery and equipment	5,091,933	1,482,634	166,374	6,408,193
Transportation equipment	347,594	447,750	189,775	605,569
Less accumulated depreciation for:				
Buildings	(3,351,724)	(1,867,057)	(2,908,380)	(2,310,401)
Improvements other than buildings	(4,035,571)	(2,036,872)	(135,531)	(5,936,862)
Machinery and equipment	(659,699)	(474,633)	(84,656)	(1,049,676)
Transportation equipment	(213,692)	(61,648)	(48,821)	(226,519)
Total Water Utility capital assets, net	<u>41,461,614</u>	<u>4,550,117</u>	<u>5,096,024</u>	<u>40,915,707</u>
Total business-type activities capital assets	<u>\$ 60,230,034</u>	<u>\$ 3,907,172</u>	<u>\$ 4,964,246</u>	<u>\$ 59,172,960</u>

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Beverly S. Marsh

Clerk-Treasurer
 City of Vincennes

CITY OF VINCENNES
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The City has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal Due Within One Year
Governmental Activities:		
Capital leases:		
Street sweeper	\$ 55,986	\$ 27,216
Wheel loader	78,932	12,015
Case backhoe	41,168	41,168
Bonds payable:		
General obligation bonds:		
Fire equipment	555,000	65,000
Total governmental activities debt	\$ 731,086	\$ 145,399
Business-type Activities:		
Water Utility		
Loans payable:		
2004 state revolving loan fund	\$ 3,617,913	\$ 189,920
Wastewater Utility		
Loans payable		
2004 state revolving loan fund	23,160,059	625,219
Revenue bonds:		
2003 sewageworks revenue refunding bonds	1,820,000	145,000
Total Wastewater Utility	24,980,059	770,219
Total business-type activities debt	\$ 28,597,972	\$ 960,139

CITY OF VINCENNES
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual City offices listed below:

Water and Wastewater Utilities

CITY OF VINCENNES
RESULTS AND COMMENTS

MISSING RECYCLING FUNDS

The Vincennes Police Department conducted an investigation of the City of Vincennes Street Superintendent concerning missing recycling funds. The investigation disclosed that Street Department employees, in City owned vehicles, delivered aluminum cans and steel items to a local recycling center. Upon delivery, they received a check that was payable to the respective Street Department employee. The employee cashed the check and gave the money to the Street Superintendent. This cash was never deposited into the City's bank account. The Street Superintendent submitted his resignation as of March 31, 2003. On April 8, 2003, the Vincennes Police Department filed charges at the Knox County Prosecuting Attorney's office on the counts of official misconduct and theft. The Knox County Prosecutor requested restitution in the amount of \$8,398.78 to be paid by the former Street Superintendent.

On February 24, 2004, a plea agreement was entered into for the charge of conversion, calling for probation of 365 days and restitution to the City. Beginning on October 21, 2005, restitution payments were received by the City. As of August 1, 2007, the City had received \$2,500 in restitution from the Knox County Clerk's office leaving a balance owed to the City of \$5,898.78. No restitution payments have been made since August 1, 2007.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

IC 5-13-6-1(d) states in part: "A city or town shall deposit funds not later than the next business day following the receipt of the funds in depositories selected by the city or town as provided in an ordinance adopted by the city or town and approved as depositories of state funds."

Receipts shall be issued and recorded at the time of the transactions; 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)

A similar comment appeared in prior reports.

OVERPAYMENT OF FIREFIGHTER SALARY

The City Fire Chief and City Attorney performed an investigation on the wages of a firefighter. The firefighter was hired on October 1, 2000, with an advanced EMT certification. Pursuant to the salary ordinance, this certification is compensated at \$350 per quarter for each quarter the firefighter maintains the certification. It was noted during the investigation that this firefighter's certification was void after April 1, 2001. He did not reapply for his certification and did not notify the Chief or City that his certification had expired. The City paid this firefighter \$350 per quarter for 22 quarters dating from April 1, 2001 to September 20, 2006. He was also paid a clothing allowance of \$162.50 for the fourth quarter of 2006 that he was not entitled to, since he resigned on October 1, 2006. In total, he was overpaid \$7,862.50 in wages during the time period investigated.

CITY OF VINCENNES
RESULTS AND COMMENTS
(Continued)

After his resignation on October 1, 2006, the firefighter paid \$862.50 towards restitution. Subsequently, he entered into a promissory note agreement with the City to make restitution at \$50 per month the remaining \$7,000 due. As of April 30, 2009, the City had received \$987.50 in restitution from the firefighter. The remaining balance owed to the City as of this date was \$6,875. Since the last payment on restitution was made on October 1, 2007, the firefighter is considered in violation of the terms of the promissory note and is behind on payments by \$1,275. On June 11, 2008, the City took legal action since restitution was not made in a timely manner. The City Attorney wrote a letter to the firefighter stating that the promissory note he entered into with the City was in default. He stated that arrangements needed to be made to bring the account into current status by June 18, 2008. No response was received and no further actions have been taken as of April 30, 2009. Other legal options include garnishment of wages at his current employment and the filing of a judgment in court, which would result in a lien against his property for ten years. If restitution is not met after that, the City may file a new judgment.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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

IC 36-8-3-3(d) states in part: "The annual compensation of all members of the police and fire departments and other appointees shall be fixed by ordinance of the legislative body not later than September 30 of each year for the ensuing budget year. The ordinance may grade the members of the departments and regulate their pay by rank as well as by length of service. . . ."

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)

A similar comment appeared in prior reports.

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE CITY OF VINCENNES, KNOX COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Vincennes (City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A control deficiency in a City's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the City's management, Common Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 22, 2009

CITY OF VINCENNES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2008

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs Community Development Block Grants/State's Program Downtown Revitalization Grant	14.228	CF-06-222	\$ 300,618
Total for federal grantor agency			<u>300,618</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Public Safety Officers' Benefits Program Drug Task Force Overtime FY07 Drug Task Force Overtime FY08	16.571	I2-06-0080/YNA2B I2-07-0035/YNA2B	9,478 <u>3,146</u>
Total for program			<u>12,624</u>
Drug Prevention Program Federal Drug and Seizure	16.728	FY 2008	<u>71,715</u>
Pass-Through Indiana Criminal Justice Institute Bulletproof Vest Partnership Program	16.607	FY 2008	<u>4,550</u>
Total for federal grantor agency			<u>88,889</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Railroad Relocation Study	20.205	43575-PL-001	<u>694,389</u>
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety Operation Pull Over	20.600	OP-08-01-01-97	<u>17,113</u>
Total for federal grantor agency			<u>711,502</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Disaster Grants - Public Assistance FY08 Flood Disaster Relief	97.036		<u>77,127</u>
Total for federal grantor agency			<u>77,127</u>
Total federal awards expended			<u>\$ 1,178,136</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF VINCENNES
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Vincennes (City) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CITY OF VINCENNES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
 Material weaknesses identified? no
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted? no

Federal Awards:

Internal control over major programs:
 Material weaknesses identified? no
 Significant deficiencies identified that are not considered to be material weaknesses? none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
14.228	Community Development Block Grants/States Program
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF VINCENNES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF VINCENNES
EXIT CONFERENCE

The contents of this report were discussed on July 22, 2009, with Alan Baldwin, Mayor; Beverly S. Marsh, Clerk-Treasurer; Don Kirk, City Council member; and Shirley S. Rose, President of the Common Council. The officials concurred with our audit findings.